



**CHINA
ENERGINE**
From Engine to New Energy

CHINA ENERGINE INTERNATIONAL (HOLDINGS) LIMITED

中國航天萬源國際(集團)有限公司*

Stock Code 股份代號 : 1185



* For identification purpose only
僅供識別

ANNUAL REPORT
年報 **2018**

企業文化

CORPORATE CULTURE

使命 *Mission*

投身新能源

Devoted to new energy

貢獻社會

Contributing to Society

造福人類

Benefiting mankind

目標 *Target*

追求卓越

Pursuing excellence

引領新能源

Leading the development of new energy

價值觀 *Value*

人盡其才

Leveraging talents to full play

和諧共贏

Win-win in harmony



迎風而起 御風而行

MOVE ON THE WIND

DRIVE WITH THE WIND

目錄

CONTENTS

公司資料	2	Corporate Information
集團財務摘要	4	Group Financial Highlights
管理層討論及分析	5	Management Discussion and Analysis
董事及高級管理人員之個人資料	17	Biographical Details of Directors and Senior Management
董事會報告書	23	Report of the Directors
企業管治報告書	34	Corporate Governance Report
環境、社會及管治報告	53	Environmental, Social and Governance Report
獨立核數師報告書	81	Independent Auditor's Report
綜合損益及其他全面收益表	88	Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合財務狀況表	90	Consolidated Statement of Financial Position
綜合權益變動表	92	Consolidated Statement of Changes in Equity
綜合現金流量表	93	Consolidated Statement of Cash Flows
綜合財務報表附註	95	Notes to the Consolidated Financial Statements
財務資料摘要	237	Financial Summary
詞彙表	238	Glossary

公司資料

CORPORATE INFORMATION

董事會

執行董事

劉效偉先生(董事長)
王曉東先生(副董事長)
李光先生(總裁)
許峻先生(財務總監)

獨立非執行董事

簡麗娟女士
吳君棟先生
李大鵬先生

審核委員會

簡麗娟女士(主席)
吳君棟先生
李大鵬先生

薪酬委員會

吳君棟先生(主席)
李光先生
簡麗娟女士
李大鵬先生

提名委員會

劉效偉先生(主席)
許峻先生
簡麗娟女士
吳君棟先生
李大鵬先生

發展及投資委員會

劉效偉先生(主席)
王曉東先生
李光先生
許峻先生
李大鵬先生

公司秘書

余毅先生(於二零一九年三月二十六日獲委任)
李珊梅小姐(於二零一九年一月二十八日獲委任
並於二零一九年三月二十六日辭任)
駱曉菁女士(於二零一九年一月十四日辭任)

授權代表

劉效偉先生
李珊梅小姐(於二零一九年二月二十六日獲委任
並於二零一九年三月二十六日辭任)
王曉東先生(於二零一九年一月十七日獲委任，
於二零一九年二月二十六日辭任
並於二零一九年三月二十六日獲委任)
駱曉菁女士(於二零一九年一月十四日辭任)

BOARD OF DIRECTORS

Executive Directors

Mr. Liu Xiaowei (Chairman)
Mr. Wang Xiaodong (Vice-Chairman)
Mr. Li Guang (Chief Executive Officer)
Mr. Xu Jun (Financial Controller)

Independent Non-executive Directors

Ms. Kan Lai Kuen, Alice
Mr. Gordon Ng
Mr. Li Dapeng

AUDIT COMMITTEE

Ms. Kan Lai Kuen, Alice (Chairman)
Mr. Gordon Ng
Mr. Li Dapeng

REMUNERATION COMMITTEE

Mr. Gordon Ng (Chairman)
Mr. Li Guang
Ms. Kan Lai Kuen, Alice
Mr. Li Dapeng

NOMINATION COMMITTEE

Mr. Liu Xiaowei (Chairman)
Mr. Xu Jun
Ms. Kan Lai Kuen, Alice
Mr. Gordon Ng
Mr. Li Dapeng

DEVELOPMENT AND INVESTMENT COMMITTEE

Mr. Liu Xiaowei (Chairman)
Mr. Wang Xiaodong
Mr. Li Guang
Mr. Xu Jun
Mr. Li Dapeng

COMPANY SECRETARY

Mr. Yu Ngai (appointed on 26 March 2019)
Ms. Li Shan Mui (appointed on 28 January 2019
and resigned on 26 March 2019)
Ms. Luo Xiao Jing (resigned on 14 January 2019)

AUTHORISED REPRESENTATIVES

Mr. Liu Xiaowei
Ms. Li Shan Mui (appointed on 26 February 2019 and
resigned on 26 March 2019)
Mr. Wang Xiaodong (appointed on 17 January 2019,
resigned on 26 February 2019
and appointed on 26 March 2019)
Ms. Luo Xiao Jing (resigned on 14 January 2019)

註冊辦事處

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

主要營業地點

香港灣仔
港灣道18號
中環廣場47樓4701室

核數師

德勤·關黃陳方會計師行
香港金鐘道88號
太古廣場一座35樓

股份登記總處

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

股份登記處分行

卓佳標準有限公司
證券登記服務處
香港皇后大道東183號
合和中心22樓

主要往來銀行及財務機構

交通銀行股份有限公司
中國農業銀行
中國工商銀行股份有限公司
中國銀行股份有限公司

法律顧問

薛馮鄭岑律師行
康德明律師事務所
北京觀韜中茂律師事務所

公司網頁

www.energinet.hk

電郵地址

energinet@energinet.hk

股份上市

股份於香港聯合交易所有限公司主板上市
股份代號：1185

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS

Suite 4701, 47/F, Central Plaza
18 Harbour Road
Wanchai, Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
35/F, One Pacific Place
88 Queensway, Hong Kong

PRINCIPAL SHARE REGISTRAR

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

BRANCH SHARE REGISTRAR

Tricor Standard Limited
Share Registration Public Office
Level 22, Hopewell Centre
183 Queen's Road East, Hong Kong

PRINCIPAL BANKERS AND FINANCIAL INSTITUTION

Bank of Communications Company Limited
Agricultural Bank of China
Industrial and Commercial Bank of China Limited
Bank of China Limited

LEGAL ADVISERS

Sit, Fung, Kwong & Shum
Conyers Dill & Pearman
Guantao Law Firm (Beijing)

COMPANY WEBSITE

www.energinet.hk

E-MAIL ADDRESS

energinet@energinet.hk

SHARE LISTING

Listed on the Main Board of The Stock Exchange of Hong Kong Limited
Stock Code: 1185

集團財務摘要

GROUP FINANCIAL HIGHLIGHTS

財務數據 (以千港元列示)	Financial data (expressed in HK\$'000)	2016	2017	2018
包含持續經營業務與 已終止經營業務	Including continuing operations and discontinued operation			
營業額	Turnover	2,436,821	299,670	87,824
毛利	Gross profit	291,426	38,754	5,424
本公司擁有人 應佔本年度盈利	Profit for the year attributable to owners of the Company	76,024	(237,098)	(1,320,525)
扣除利息、稅、折舊及 攤銷前盈利	Earnings before interest, tax, depreciation and amortisation	223,467	(115,748)	(1,182,380)
借貸總額	Total borrowings	1,601,885	1,749,884	1,766,720
本公司擁有人應佔權益	Equity attributable to owners of the Company	2,124,905	2,034,129	650,053
平均應用資本(附註6)	Average capital employed (note 6)	2,849,457	2,772,396	2,466,652
收購物業、廠房及設備	Acquisition of property, plant and equipment	15,100	18,598	12,101
員工成本	Staff costs	92,076	91,494	89,328
本公司擁有人應佔每股 淨資產值(港元)(附註1)	Net asset attributable to owners of the Company per share (HK\$) (note 1)	0.486	0.466	0.149
財務比率	Financial ratios			
應用資本回報(附註2)	Return on capital employed (note 2)	7.8%	(4.2%)	(47.9%)
流動比率(附註3)	Current ratio (note 3)	1.24	1.10	1.33
速動比率(附註4)	Quick ratio (note 4)	1.17	1.05	1.29
負債比率(附註5)	Gearing ratio (note 5)	75%	86%	272%

附註：

Note:

1. 本公司 擁有人應佔 每股淨資產值	= 本公司擁有人 應佔權益	÷ 年底已發行 股份數目	1. Net asset attributable to owners of the Company per share	= Equity attributable to owners of the Company	÷ Number of issued shares at year end
2. 應用資本回報	= 扣除利息、稅、 折舊及攤銷前盈利	÷ 平均應用資本 (附註6)	2. Return on capital employed	= Earnings before interest, tax, depreciation and amortisation	÷ Average capital employed (note 6)
3. 流動比率	= 流動資產	÷ 流動負債	3. Current ratio	= Current assets	÷ Current liabilities
4. 速動比率	= (流動資產-存貨)	÷ 流動負債	4. Quick ratio	= (Current assets - Inventories)	÷ Current liabilities
5. 負債比率	= 借貸總額	÷ 本公司擁有人 應佔權益	5. Gearing ratio	= Total borrowings	÷ Equity attributable to owners of the Company
6. 平均應用資本	= [(權益總額+非流動借貸)+ (上年權益總額+上年非流動借貸)] ÷ 2		6. Average capital employed	= [(Total equity + non-current borrowing) + (last year total equity + last year non-current borrowing)] ÷ 2	

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

業績摘要

本集團一直竭力於極具挑戰的市況經營業務，惟本年度的經營業績尚未改善。二零一八年營業額中，約3,368萬港元來自銷售風力發電相關產品、約2,544萬港元來自風電場風力發電之銷售電力及約1,664萬港元來自銷售儲能與相關產品，而二零一七年營業額中，23,403萬港元來自銷售風力發電相關產品、2,571萬港元來自風電場風力發電之銷售電力及368萬港元來自銷售儲能及相關產品。

截至二零一八年十二月三十一日止年度（「本年度」），本集團之持續經營業務營業額為7,576萬港元，而二零一七年之持續經營業務營業額為26,341萬港元，營業額減少18,765萬港元，減少了71%；本公司權益持有人應佔本年度虧損約為130,781萬港元，而二零一七年本公司擁有人應佔虧損為22,545萬港元，本公司擁有人應佔虧損增加108,236萬港元，上升了480%。

RESULTS SUMMARY

The Group has been operating in an extremely challenging market environment, despite its efforts, the results of the operations for the current year have not improved. The turnover for the year 2018 comprised sales of wind energy related products of approximately HK\$34 million, operation of wind power field of approximately HK\$25 million and sales of energy storage and related products of approximately HK\$17 million whereas that of 2017 comprised sales of wind energy related products of approximately HK\$234 million, operation of wind power field of approximately HK\$26 million and sales of energy storage and related products of approximately HK\$4 million.

For the year ended 31 December 2018, the Group's turnover of continuing operations amounted to approximately HK\$76 million as compared to that of 2017 of approximately HK\$263 million, representing HK\$187 million or 71% decrease in turnover; the loss for the year attributable to owners amounted to approximately HK\$1,308 million as compared to that of 2017 of approximately HK\$225 million, representing HK\$1,083 million or 480% increase in loss attributable to the equity holders of the Company.



管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

本公司擁有人應佔虧損大幅增加主要由於確認減值虧損(部份屬本集團所處風力發電業務的若干部份之特定減值虧損)，減值的主要原因包括：

1. 國家能源局於二零一七年發出第52號公告以及發出《國家能源局關於2018年度風電建設管理有關要求的通知》(國能發新能[2018]47號)(「新規定及政策」)後，由於風力發電業務面臨劇烈的價格競爭，客戶的銷售訂單驟降。因此，該分部的收益由截至二零一七年十二月三十一日止年度約23,400萬港元跌至截至二零一八年十二月三十一日止年度約3,400萬港元。
2. 鑒於新規定及政策預計對風力發電業務構成負面影響，故此本公司管理層估計風力發電分部的未來預期現金流入會下滑，因而就風力發電分部有關物業、廠房及設備以及無形資產確認減值虧損約17,100萬港元，並就有關存貨確認減值虧損約6,200萬港元。
 - a. 本集團已委聘獨立第三方估值師，以評核風力發電分部的使用價值。按照減值評核，獲確認物業、廠房及設備以及無形資產的減值約為17,100萬港元。估值詳情載於綜合財務報表附註18及20。
 - b. 至於存貨的減值評核，管理層按照各產品類別個別評核存貨的可變現價值，其中主要考慮存貨有否隨市場上科技不斷進步而變得陳舊過時以及週轉日數。

The significant increase in loss attributable to the equity holders of the Company is mainly due to the recognition of impairment losses (some of which are specific to the wind energy industry in which certain parts of the Group operates), the principal reasons for the impairment include:

1. Following the issue of Document No.52 announced by the National Energy Administration in 2017 and the Notice of the National Energy Administration on Requirements relating to Wind Power Construction and Management in 2018 (Guo Neng Fa Xin Neng [2018] No. 47) (the "New Regulation and Policy"), the wind energy business encountered intense price competition and the sales orders from customers dropped substantially. This led to the revenue of the segment decreasing from approximately HK\$234 million for the year ended 31 December 2017 to approximately HK\$34 million for the year ended 31 December 2018.
2. The New Regulation and Policy is expected to have a negative impact on the wind energy business, thus the management of the Company estimated that the future economic inflow from the wind energy segment will be lowered, which resulted in an impairment loss recognized of approximately HK\$171 million in relation to the property, plant and equipment and intangible assets, and approximately HK\$62 million in relation to inventories related to the wind energy segment.
 - a. The Group has engaged an independence third party valuer to assess the value-in-use of the wind energy segment. Based on the impairment assessment, the impairment of property, plant and equipment and intangibles assets of approximately HK\$171 million is recognized. Details of the valuation is disclosed in note 18 and 20 to the consolidated financial statements.
 - b. For the impairment assessment of the inventories, the management assessed the realizable value of the inventories according to each product type individually, primarily taking into account whether the inventories are obsolete, outdated due to the technology advancement in the market and turnover days.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

3. 此外，新規定及政策亦導致i)交付及結付客戶訂單的數目低於預期；及ii)本公司聯營公司無錫航天萬源新大力電機有限公司（經營風力發電業務）面臨財務困難，債權人年內因該公司違約欠債而提出破產清盤，中國地方法庭已於二零一九年一月二日委任破產管理人。本公司就此確認金融資產及合約資產的預期信貸虧損。

a. 對於金融資產及客戶合約資產的減值評核，管理層已持續個別評核每名客戶的預期可收回金額，確認預期信貸虧損約60,800萬港元，其中主要考慮每名客戶的還款記錄、每項應收款項的賬齡以及每名客戶的財務狀況。有關評核的詳情載於綜合財務報表附註40。

b. 對於應收無錫航天萬源新大力電機有限公司具貿易性質款項的減值評核，本集團已委聘獨立第三方估值師，利用資產法評核該聯營公司的價值。應用資產法乃由於該聯營公司處於虧損狀況，可能會因財務困難及法律事宜而無法繼續經營業務。根據資產法，該聯營公司各資產項目會予以評估。該聯營公司的關鍵資產為貿易應收款、物業、廠房及設備以及土地使用權。

- 對於貿易應收款，可收回金額主要按賬齡進行評核。
- 對於物業、廠房及設備，可收回金額按折舊重置成本法進行評核，其中可收回金額按照收購相同資產的重置成本再計入折舊後進行評核。
- 對於土地使用權，可收回金額按照市場法評核，依據的基礎為比較相類土地使用權的市價。

按照減值評核，獲確認的應收該聯營公司具貿易性質的減值虧損約11,900萬港元。

3. Also, the New Regulation and Policy caused i) less-than-expected delivery and settlement orders from customers, and ii) an associate of the Company, Wuxi CASC Engine Xindali Co., Ltd. (which operates in the wind energy business) faced financial difficulty, and were filed for bankruptcy liquidation by creditors due to defaults of contract debt during the year, and a bankruptcy administrator was appointed by a local court in China on 2 January 2019. These resulted in the impairment recognized on the expected credit loss of financial assets and contract assets.

a. For the impairment assessment of financial assets and contract assets from customers, management assessed the expected recoverable amount of each customers individually on a continuous basis, impairment recognised the expected credit loss of approximately HK\$608 million primarily taking into account the repayment history of each customer, aging of each receivables and the financial ability of each customers. Further detail of the assessment is disclosed in note 40 to the consolidated financial statements.

b. For the impairment assessment of amount due from Wuxi CASC Engine Xindali Co., Ltd in trade nature, the Group engaged an independent third party valuer to assess the value of such associate using asset approach. The asset approach is applied due to the associate's loss-making situation and may not be able to continue its operation due to its financial difficulty and legal issues. Under the asset approach, each asset item of the associate is evaluated. The key assets of the associate are the trade receivables, property, plant and equipment and the land use right.

- For the trade receivables, the recoverable amount is assessed primarily based on the aging.
- For the property, plant and equipment, the recoverable amount is assessed based on the depreciated replacement cost method, which the recoverable amount is assessed based on the replacement cost of acquiring the same assets and taken into account the depreciation.
- For the land use right, the recoverable amount is assessed based on the market approach, which is based on the comparison of the market price of similar land use right.

Based on the impairment assessment, the impairment loss on amount due from that associate in trade nature of approximately HK\$119 million is recognized.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業務回顧

風力發電業務

國家能源局在二零一七年發佈的第52號文件對本集團風機業務的影響尚存，本年度又印發了《國家能源局關於二零一八年度風電建設管理有關要求的通知》(國能發新能[2018]47號)，意在去除非技術成本，同時，因風電行業市場化進程的推進，財政去補貼進程加快，風電行業向無補貼時代過渡的腳步聲明顯加快，中國風電項目開發正式進入競價時代。給本集團風機板塊業務發展及商業模式帶來了極大的挑戰。

本集團二零一八年繼續加強內蒙古等地市場開拓，啟動達茂二期項目，積極推動通遼、錫盟、包頭、烏蘭察布以及巴彥淖爾等地風資源獲取。面對競價時代，本集團主動出擊，積極嘗試調整業務模式，參與市場競標，中標察右中旗5+3萬千瓦分散式風電資源開發項目，同時蓋州風電場項目已納入遼寧省二零一八年專項風電開發建設方案。

本集團在繼續鞏固與原長期合作夥伴合作關係的基礎上，積極推動與潛在夥伴的戰略合作，共同開發風電項目，共享項目信息資源。本年度與7家企業簽署了戰略合作協議，積極在風電領域開展深度合作，實現共同發展和互利共贏。

面對國家政策、行業形勢的變化和激烈的市場競爭環境，本集團以戰略為牽引，認真研究國家政策與行業走勢，在加快落實市場訂單與有關交付的同時，努力提升產品的綜合競爭力。本集團亦正在探索向綜合能源服務供應商轉型的發展之路，擬開發並持有部分新能源發電場站，尋求新的利潤增長點。

BUSINESS REVIEW

Wind Power Generation Business

Followed by the Document No. 52 announced by the National Energy Administration (“NEA”) in 2017, the “Notice of the National Energy Administration on Requirements relating to Wind Power Construction and Management in 2018” (Guo Neng Fa Xin Neng [2018] No. 47) was published during the year with the aim of eliminating non-technical costs. Meanwhile, financial subsidies for the wind power industry is reducing gradually and the wind power industry is transforming into an industry without government subsidy. The price competition has been intense for the development of wind power projects in China, presenting tremendous challenges for the Group’s wind turbine business segment.

In 2018, the Group continued its market development in Inner Mongolia and other regions, as Phase II of the Damao project commenced, vigorous efforts have been made to facilitate the acquisition of wind resources in Tongliao, Xilingol League, Baotou, Ulanqab and Bayan Nur. The Group adjusted its business model and participated in market tenders in a proactive manner to address to the price competition, the Group’s effort was rewarded with a winning bid for a project in Chaha’er Youyi Zhongqi relating to the development of 50,000+30,000 kw distributed wind power resources. In the meantime, the Gaizhou Wind Farm Project was included in Liaoning Province’s 2018 master plan for special wind power development and construction.

In addition to ongoing efforts to strengthen existing long-term partnerships, the Group was also engaged in vigorous endeavours to drive strategic cooperation with potential partners, with a view to joint development of wind power projects and sharing of project information. During the year, we entered into strategic cooperation agreements with 7 enterprises, proactively seeking an in-depth cooperation in wind power and mutual beneficiary outcomes.

To address the changes of national policies, industry landscape and intense market competition, the Group conducted meticulous studies on national policies and industry trends. On top of the implementation of market orders and related deliveries, we also endeavoured to increase the competitiveness of our products. The Group has also been looking for transformation into a supplier of integrated energy services, with the aim of developing new energy power generation farms/stations.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

技術研發

本集團在引進消化吸收國外技術基礎上，堅持自主研發技術路線，先後完成了2MW電勵磁直驅低風速大葉輪風機和2MW/3MW永磁直驅風機等系列機型的研發設計，進一步完善機組性能，豐富產品系列，本年度圍繞設計源頭降低綜合度電成本的目標，論證規劃了適應不同類型風場的2.5MW、3MW等永磁平台系列型譜，並完成初步設計。

本集團堅持以市場為導向，為適應低風速市場，努力壓控成本，聯合開展了全鋼柔塔技術應用研發，完成了2MW永磁直驅新機型研制，開展樣機驗證，已具備批產技術狀態；伴隨公司目標市場轉移，開展新型號風機研發，打造具有較強市場競爭力的精品風機型號；為應對行業和市場變化，從風機研發生產以及售後等多個方面開展專題研究，提升機組的適應性和技術可靠性。

完成2MW電勵磁117機型設計評估取得證書；完成2MW永磁110機型設計評估取證，完成2MW電勵磁117機型四象變流器的低電壓穿越測試、3MW永磁樣機的電能質量測試和機組噪聲測試。

在核心技術研發方面，本集團立足自主掌握風機核心技術，開展自主知識產權的風機電控系統研發，通過樣機實際掛機運行，自主研發的電控系統在穩定性、功率曲線吻合度以及界面友好性等方面，均達到了立項目標。自主電控系統的市場投放，將有助於改善目前的運維效率和風場的可利用率。

繼續開展風電機組功率曲線和傳動鏈專項技術研究，提高發電效率，提升產品運行穩定性，加強自主可控的系統研發。

Research and Development of Technology

On top of importing and utilising foreign technologies, the Group has also persisted in in-house research and development. In this connection, we have completed the research and design for models such as 2MW excitation magnetic direct-drive low-speed large-blade wind turbines and 2MW/3MW permanent magnetic direct-drive wind turbines, to further improve the performance of the units and enrich our product portfolio. During the year, the product design was focused on lowering the consolidated cost per KWh at source, as we produced validation and planning and completed initial designs for a permanent magnetic wind power platform series comprising 2.5MW and 3MW models etc, devised to accommodate different types of wind farms.

The Group targeted the market for low wind speed products, making diligent efforts on cost control, and jointly commenced the research and development of applications for all-steel flexible tower technologies and completed the research and manufacturing of a new model of the 2MW permanent magnetic direct-drive wind turbine. The verification of sample models has commenced and is ready for mass production. In response to the shifting of the Company's target market, we have commenced the research and development of new wind turbine models, aiming to deliver refined wind turbine models with superior competitiveness. To address changes in the industry and the market, dedicated researches were conducted on multiple aspects in relation to the wind turbine, such as research, production and after-sales services, with a view to enhancing the compatibility and technical reliability of the units.

The Group completed the evaluation and certification of the designs for Model 117 2MW excitation magnetic wind turbines and Model 110 2MW permanent magnetic wind turbines, as well as low-voltage ride-through tests for the four converters of Model 117 2MW excitation magnetic wind turbines and electrical energy tests and noise tests for the sample 3MW permanent magnetic wind turbine.

In respect of the research and development of core technologies, the Group commenced the research and development of the electronic wind turbine control system with proprietary intellectual rights together with its in-house developed core wind turbine technologies. The installation and operation of sample models indicated that our in-house developed power control system had fulfilled our project objectives in terms of stability, output power curve matching and interface-friendliness. The marketing of our in-house developed power control systems will contribute to the improvement of operating efficiency and the utilisation rate of wind farms.

The technological research on the output power curve and transmission chain of wind turbine units has been commenced, with the aim of increasing power generation efficiency and operating stability, in a move to enhance independently conducted and controllable research and development of systems.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

圓滿完成管理體系換版認證工作並獲得認證證書，進一步夯實了公司質量、環境、職業健康安全體系建設；完成《2MW新永磁直驅風力發電機組設計方案報告》等13項技術評審；完成2MW新永磁樣機的工藝評審，優化完善工藝文件，細化補充工藝參數；取得13項授權專利，含2項發明專利；全年申報4項專利，含3項發明專利，開展軟件著作權登記3項。

截至二零一八年底，公司累計獲得的有效專利163項，其中普通發明專利21項，實用新型專利140餘項，外觀設計專利2項；軟件著作權登記11項。

風場營運

本集團營運之風場包括控股經營之航天龍源（本溪）風電場，容量2.465萬千瓦，安裝29台850KW風機；參與投資運營的三個風場：吉林龍源通榆風電場，容量20萬千瓦，安裝236台850KW風機；江蘇龍源如東風電場，容量15萬千瓦，安裝100台1.5MW風機；及內蒙古大唐萬源興和風電場，容量4.95萬千瓦，安裝55台900KW直驅風機。

上述風場營運業務對本集團的貢獻相對穩定。

儲能業務

面對激烈的競爭形勢以及多變的政策環境，鑒於前期研發的石墨烯制備技術市場化推廣的條件所限，本集團擬減少該業務並積極研究調整儲能業務發展方向，結合電力輔助服務市場的逐漸形成，重點尋求儲能技術工程化應用機會。

積極拓展有市場價值和盈利前景的分佈式新能源項目。

汽車發動機管理系統業務

本集團合營公司北京德爾福萬源發動機管理系統有限公司為國內汽車電噴領域的主流供貨商。二零一八年，由於國內整車市場格局的深度調整，競爭加劇因素影響，導致該公司經營業績出現較大幅度的下滑。

Certificates of accreditation for our management systems for version updates have been obtained following successful completion of the accreditation process, in a further reinforcement of the Company's systems and regimes for quality, environment and occupational health and safety management. We have completed 13 technological assessments, including the "Report on the Design Scheme for the New 2MW Permanent Magnetic Direct-drive Wind Turbine Unit", as well as process assessment for the sample product of the new 2MW permanent magnetic turbine in a bid to improve our process documentation and refine the supplementary process parameters. Thirteen patents have been obtained, including 2 invention patents. For the year under review, we have submitted applications for 4 patents, including 3 invention patents, and commenced the registration process for 3 software copyrights.

As at the end of 2018, the Company had obtained 163 valid patents, including 21 general invention patents, more than 140 utility model patents, 2 design patents and 11 software copyright registrations.

Wind Farm Operations

The wind farms operated by the Group include the CASC Long Yuan (Benxi) Wind Farm in which the Group holds a controlling interest, which provides a capacity of 24,650KW with 29 sets of 850KW wind turbines. The three wind farms invested in and constructed by the Group include the Jilin Longyuan Tongyu Wind Farm providing a capacity of 200,000KW with 236 sets of 850KW wind turbines; the Jiangsu Longyuan Rudong Wind Farm providing a capacity of 150,000KW with 100 sets of 1.5MW wind turbines; and the Inner Mongolia Datang Wanyuan Xinghe Wind Farm providing a capacity of 49,500KW with 55 sets of 900KW direct-drive wind turbines.

Revenue contributions to the Group from the aforesaid wind farm operations have been relatively stable.

Energy Storage Business

In view of intense market competition and the business environment highly susceptible to policy changes, as well as limitations on the marketability of the graphene preparation technology developed in the early stage, the Group planned to slow down the operation and considering different path to develop business. As emerging market of auxiliary electrical services, we are seeking the development scenario of energy storage engineering.

The Group is identifying potential scattered new energy projects with profitability.

Business of Automotive Engine Management Systems

Beijing Delphi Wan Yuan Engine Management Systems Co., Ltd, a joint venture of the Group, is a major supplier in the domestic automotive electronic fuel injection market. It reported a substantial decline in operating results for 2018 owing to profound corrections in the domestic market for whole-set vehicles and escalating competition.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

重大風險管控情況

針對2018年本集團評估的政策風險、經營風險、融資風險、質量風險、技術風險五類重大風險，公司制訂了風險管控應對措施。具體情況如下：

(一) 政策風險

隨著新能源行業的不斷發展，行業政策調控的力度以及頻率越來越大，2018年，國家又連續出台了多項行業政策，對行業的發展產生了極大的影響。競價上網等相關政策的陸續出台，對本集團主要業務板塊的影響十分明顯。本集團繼續加強對國家宏觀政策和行業發展的前瞻性研究，以戰略為牽引，適時調整市場佈局和資源分配。

(二) 經營風險

隨著國家能源局《關於2018年度風電建設管理有關要求的通知》(國能發新能[2018]47號)的出台，風電行業進入競價上網時代，同時行業內產品價格一路走低，嚴重影響了風機產品的盈利能力。

本集團正積極從研發、市場、採購、運維等多個方面研究降低成本的策略，力求提升產品的綜合競爭力。

MATERIAL RISK MANAGEMENT AND CONTROL

For the five major risk categories in 2018 as assessed by the Group, namely policy risks, operational risks, financing risks, quality risks and technology risks, the Company has devised corresponding risk management and control measures, the details of which are as follows:

(I) Policy Risks

As the new energy sector continued to develop, the magnitude and frequency of policy regulation was also increasing. In 2018, the government announced a number of industrial policies which had a significant impact on the development of the industry. Relevant policies, such as those in relation to grid price competition and grid parity, were announced in succession and the adjustments had a very significant impact on the Group's principal business segments. The Group continued to enhance its prospective study on national macro policies and industry developments, making timely adjustments to its market coverage and allocation of resources in accordance with its strategies.

(II) Operational Risks

With the announcement of the "Notice of the National Energy Administration on Requirements relating to Wind Power Construction and Management in 2018" (Guo Neng Fa Xin Neng [2018] No. 47), the wind turbine manufacturing industry has entered the era of grid price competition. Meanwhile, the escalating "price war" among peers in the industry has seriously undermined the profitability of wind turbine products.

The Group is actively devising a strategy for product cost reduction strategy based on considerations in various factors, such as research and development, market, procurement and maintenance, among others, in a bid to enhance the general competitiveness of its products.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

(三) 融資風險

風機製造行業對資本金投入要求較高，營運資金缺口主要通過金融性融資渠道解決，負債比率較高，對盈利能力和融資能力帶來較大壓力。本集團將繼續加大銷售回款力度，並積極拓展其他融資渠道。

(III) Financing Risks

The wind turbine manufacturing business typically commands a high level of capital investment, and the shortfall in working capital is met mainly through financing from financial institutions, resulting in a relatively high gearing ratio and therefore more pressure on profitability and financing ability. The Group will continue to strengthen its effort in the settlement for sales and actively exploring other financing channels.

(四) 質量風險

質量風險來自於外購的重要零部件，生產過程主要依靠供應商自身的控制和管理，為應對此風險，一方面通過質量保證體系予以保障，另一方面，通過供貨商認證和考評、採購合約質量保證條款、派出質量工程師介入關鍵組件製造過程，建立保險機制等措施控制風險。

(IV) Quality Risks

Risks relating to quality arise from the fact that the quality of the manufacturing process for externally sourced critical parts and components is primarily dependent on the internal control and management of the supplier. Protection against the above risks is provided by the quality assurance system, on the one hand, while such risks are also being identified and transferred through measures such as supplier certification and assessment, quality assurance terms under purchase contracts, dispatch of quality engineers to intervene the manufacturing process of critical components, and establishment of insurance mechanism.

(五) 技術風險

受風機製造行業形勢的影響，風機中標價格大幅下降，度電成本成為主機供應商綜合競爭的核心因素，這給新型風機的研發以及新技術的應用提出了更高的要求。本集團將集中優勢力量，合理配置研發資源，打造具有較強市場競爭力的精品風機型號。

(V) Technology Risks

As the price war in the wind turbine manufacturing industry has substantially dragged down the tender prices for wind turbines, cost per KWh has become a core factor in determining whether a supplier of main generators can maintain its general competitiveness, and a higher benchmark has been set for the research and development of new wind turbines and application of new technologies. The Group will consolidate its advantageous strengths and allocate its research resources in a reasonable manner to deliver refined wind turbine models with superior competitiveness.



管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

展望

「十三五」即將進入收官階段，從目前來看，對照《可再生能源發展「十三五」規劃》，風力發電產業尚有較大的裝機規模餘量。二零一九年全國能源工作會議提出：二零一九年，煤炭消費比重下降到59%左右，全國平均棄風率低於10%；到二零二零年，全部可再生能源發電裝機6.8億千瓦，發電量1.9萬億千瓦時，佔全部發電量的27%，其中風電並網裝機確保達到2.1億千瓦以上，年均增長2,000萬千瓦的裝機。風機製造產業在未來一段時間仍然大有可為。

近來，國家不斷出台新能源產業政策，行業發展的規範性不斷提升，無序的競爭局面正在逐漸改善，在政策調整的帶動下，行業將不斷走上良性發展的道路。整機價格逐步企穩，有助於業績修復，但競爭壓力仍不可低估。

本集團強調以客戶為導向，針對目標市場的轉移，及時調整研發重點，集中優勢力量打造具有較強市場競爭力的機型，提升產品適應性和可靠性，培育差異化競爭能力，不斷提升客戶的個性化需求和用戶體驗。

本集團將繼續加強資源獲取以及訂單的轉化，同時為適應政策調整和行業競爭加劇的態勢，本集團將從技術上進一步降低單位成本，持續關注部件配套成本，逐步減少成本優勢不足的葉片自主配套，提升產品競爭力，積極參與市場競爭，不斷拓寬訂單獲取渠道，盡快改善經營局面。

PROSPECTS

As the "13th Five-Year Planning ("FYP")" is closing to the end, the wind power generation industry remains considerably underdeveloped in terms of installed capacity by reference to the "13th FYP for the Development of Renewable Energy". At the 2019 National Energy Working Conference, the following targets were set: reduction of the ratio of coal consumption to approximately 59% and reduction of the nationwide average wind power curtailment rate to below 10% by 2019; all power generation facilities using renewable energy reaching 680 million KW in installed capacity, 1,900 billion KWh in power generation volume and 27% as a percentage of total power generation volume, out of which the on-grid installed capacity of wind power should be assured to exceed 210 million KW on the back of an annual average growth of 20 million KW, by 2020. As such, the outlook of in the wind turbine manufacturing industry in the foreseeable future is positive.

With the tightened regulation on the new energy sector, the market have been improving with fewer haphazard competition. Grid parity will boost the domestic market, while the price of generator sets is expected to stabilise to the benefit of resurging business results, although the pressure of market competition should never be underestimated.

The Group emphasis on the customer-oriented approach, we are able to adjust the focus of our research and development and consolidating our advantageous strengths to deliver models with superior competitiveness and enhance the adaptability and reliability of our products. We will also foster strengths in differentiation to meet the bespoke requirements of customers and enhance user experience.

The Group will focus on the acquisition of resources, meanwhile, to accommodate policy changes and escalating competition in the industry, the Group will work on its technologies to further lower unit costs and increase the competitiveness of its products, while vigorously engaging itself in market competition to broaden the channels for securing sales orders, in order to improve its business performance as soon as practicable.

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

儲能產業調整的方向已經明確，本集團將繼續秉承綠色環保的理念，深入研究儲能工程化應用，開展分佈式新能源業務，拓展業務架構，深化儲能業務積累的豐富經驗和資源應用，為後續發展增添新的動力和活力。同時，本集團正積極響應國家軍民融合政策，深化風電產業結構調整，構建「航天+智能風電」產業佈局，尋求戰略夥伴深度合作，發揮各自所長，共享資源，共同發展，聯合推動智慧風場建設和運營。

人力資源及薪酬政策

於二零一八年十二月三十一日，本集團香港總部辦公室共有僱員 18 人（二零一七年十二月三十一日：24 人），而中國內地辦事處共有僱員 439 人（二零一七年十二月三十一日：559 人）。截至二零一八年十二月三十一日止年度，本集團總員工成本約為 8,420 萬港元（截至二零一七年十二月三十一日止年度：約 8,585 萬港元）。僱員薪酬乃按照個別僱員之表現及不同地區現行之薪金趨勢而釐定，每年會進行檢討。本集團亦為僱員提供強制性公積金及醫療保險。此外，本集團設有由董事酌情釐定之表現花紅。

As the direction of developing the energy storage sector is identified, the Group will continue to pursue in-depth research on engineering-based applications for energy storage, develop scattered new energy business and expand its business structure in accordance with eco-friendly principles, such that the extensive experience and application of resources developed by the energy storage business will be further enhanced to provide added energy and impetus for future development. In the meantime, in response to the national policy of integrating military and civil industries, the Group is seeking to contribute to the wind power industry with the development of an “aerospace + smart wind power”. Seeking for cooperation with strategic partners, with a view to contributing our strengths and sharing resources in co-development in a joint effort to facilitate the construction and operation of smart wind farms.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 December 2018, the Group had 18 employees (31 December 2017: 24 employees) in the Hong Kong head office and 439 employees (31 December 2017: 559 employees) in the offices of the PRC. The staff costs incurred for the year ended 31 December 2018 was approximately HK\$84 million (for the year ended 31 December 2017: approximately HK\$86 million). Remuneration of employee is determined according to individual employee's performance and the prevailing trends in different areas and reviewed on an annual basis. The Group also provides Mandatory Provident Fund and medical insurance to its employees. In addition, discretionary performance bonus is available at the discretion of the Directors.



管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

財務回顧

集團融資

2014年12月，本集團完成了一先配售股份後認購新股份4億股股份，配售價每股0.75港元，獲得淨資金約2.91億港元，主要用於營運資金及投資儲能項目，包括開發風光儲一體化和電動車項目之資金，改善本集團資本結構。至2018年12月31日，所得款項淨額已動用。

流動資金及財務資源

於二零一八年十二月三十一日，本集團之總貸款約為176,672萬港元（二零一七年：174,988萬港元），其中13,467萬港元（二零一七年：16,957萬港元）為浮動息率貸款，其餘為固定息率借款。本集團之貸款均按市場利率釐定。本集團並無發行任何金融工具作為對沖或其他用途。

負債比率

於二零一八年十二月三十一日，負債比率（借貸總額除以本公司擁有人應佔權益）為272%（二零一七年：86%）。

FINANCIAL REVIEW

Group Finance

In December 2014, the Group completed a placing of shares and subscription for new shares of 400 million shares, with the placing price of HK\$0.75 per share, obtaining a net fund of approximately HK\$291 million, which is mainly used for general working capital and to finance projects on energy storage including the development of wind and solar power storage integration and project relating to electric vehicle, thereby improving the Group's capital structure. As at 31 December 2018, the net proceed was utilised.

Liquidity and Financial Resources

Total borrowings of the Group as at 31 December 2018 were approximately HK\$1,767 million (2017: approximately HK\$1,750 million), of which approximately HK\$135 million (2017: approximately HK\$170 million) was floating-rate borrowings and the remaining was fixed-rate. All borrowings of the Group were determined at market interest rate. The Group has not issued any financial instruments for hedging or other purposes.

Gearing Ratio

Gearing ratio (total borrowings over equity attributable to owners of the Company) as at 31 December 2018 was 272% (2017: 86%).

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

財務狀況

於二零一八年十二月三十一日，本集團的資本結構包括權益總額70,316萬港元（二零一七年：210,088萬港元）及非即期借貸164,188萬港元（二零一七年：48,809萬港元），於1年至5年內到期。資本結構的資產淨值為70,316萬港元（二零一七年：210,088萬港元），負債比率272%（二零一七年：86%），流動比率1.33（二零一七年：1.10），速動比率1.29（二零一七年：1.05），現金及銀行結餘為8,884萬港元（二零一七年：10,793萬港元）。

向股東分派股息

二零一八年本公司沒有向股東派發股息（二零一七年：無）。

資產抵押

於二零一八年十二月三十一日，本集團無重要資產抵押予銀行作為銀行融資的抵押（二零一七年十二月三十一日：無）。

匯兌風險

本集團之大部份業務交易皆以人民幣計值。預期本集團的匯兌波動風險並不顯著，故並無進行任何對沖活動。

或然負債

本集團於二零一八年十二月三十一日並無任何或然負債（二零一七年十二月三十一日：無）。

Financial Position

The capital structure of the Group at 31 December 2018 comprised total equity of HK\$703 million (2017: HK\$2,101 million) and non-current borrowings of HK\$1,641 million (2017: HK\$488 million) due within 1 to 5 years. This structure of net asset value of HK\$703 million (2017: HK\$2,101 million) coupling with gearing ratio of 272% (2017: 86%), current ratio 1.33 (2017: 1.10), quick ratio 1.29 (2017: 1.05) as well as bank and cash balance HK\$89 million (2017: HK\$108 million).

Distribution to Shareholders

There was no distribution to the Company's shareholders in the year 2018 (2017: nil).

Pledge of Assets

As at 31 December 2018, no material assets have been pledged to secure bank facility (31 December 2017: nil).

Exchange Exposures

Most of the Group's business transactions were conducted in Renminbi. The Group expected that the exposure to exchange rates fluctuation was not significant and therefore has not engaged in any hedging activities.

Contingent Liabilities

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

董事及高級管理人員之個人資料

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

執行董事

劉效偉先生，54歲，畢業於東北財經大學物資管理專業，獲學士學位，及獲重慶大學高級管理人員工商管理碩士學位。劉先生於1987年8月加入火箭院工作，歷任物資部管理配套副處長、處長；物資部外協配套處處長；物資部部長助理、副部長及部長；及物流中心總經理等職務。他曾擔任火箭院發展規劃部部長兼火箭院信息化建設副總指揮。劉先生自2017年5月10日起同時出任本公司控股股東Astrotech Group Ltd. (「Astrotech」)的董事，Astrotech為火箭院之全資附屬公司。劉先生於2019年1月30日獲委任火箭院軍民融合產業發展委員會委員。劉先生於2017年3月30日獲委任為本公司非執行董事，並自2018年3月29日起調任為本公司執行董事，同時獲委任為本公司董事長。劉先生亦為提名委員會主席、發展及投資委員會主席、以及本集團一家附屬公司董事長、三家附屬公司董事和一家合營公司董事長。

王曉東先生，51歲，畢業於北京航空航天大學，取得電子工程學士學位，並獲南澳洲大學頒授工商管理學碩士學位。王先生於1989年至1998年期間先後任職於中國空間技術研究院 (「空間院」) 所轄下之北京飛行器設計總體部、航空航天工業部綜合計劃司、航天工業總公司辦公廳，歷任助理工程師、工程師、高級工程師、總經理秘書兼總經理辦公室副主任等職務。彼王先生於研究及管理方面擁有豐富經驗。王先生於1999年出任中國航天國際控股有限公司執行董事兼副總經理。彼於1999年5月起出任本公司副董事長、執行董事兼總經理 (後轉為執行董事兼總經理) 及自2010年8月26日起出任本公司副董事長及執行董事。彼亦為本公司發展及投資委員會成員、以及本集團一家附屬公司董事。

EXECUTIVE DIRECTORS

Mr. Liu Xiaowei, aged 54, graduated from Dongbei University of Finance and Economics with a bachelor degree in property management and obtained an Executive Master degree of Business Administration from Chongqing University. Mr. Liu joined CALT in August 1987 and served successively as Deputy Director and Director of Support Management Division; Director of External Support Division under Material Department, Chief Assistant, Deputy Chief, Chief of Material Department; and General Manager of Logistic Center of CALT. He has served as the Chief of Department of Development Planning cum the Deputy Commander of Information Construction of CALT. In parallel, Mr. Liu has been a director of Astrotech Group Ltd. ("Astrotech"), the Company's controlling shareholder since 10 May 2017. Astrotech is a wholly-owned subsidiary of CALT. Mr. Liu was appointed as a member of the Commission for Integrated Military and Civilian Development of CALT on 30 January 2019. Mr. Liu was appointed as Non-executive Director of the Company on 30 March 2017, and he was re-designated as an Executive Director of the Company and was appointed as Chairman of the Company with effect from 29 March 2018. Also, Mr. Liu is the chairman of the Nomination Committee, the chairman of the Development and Investment Committee, a chairman of the board of a subsidiary, a director of three subsidiaries and a chairman of the board of a joint venture.

Mr. Wang Xiaodong, aged 51, graduated from Beijing University of Aeronautics and Astronautics with a Bachelor degree in Electronic Engineering and obtained a MBA from the University of South Australia. During 1989 to 1998, Mr. Wang worked with Beijing Institute of Spacecraft System Engineering under the China Academy of Space Technology ("CAST"), the Comprehensive Planning Bureau of the Ministry of Aerospace Industry of China and then the General Office of China Aerospace Corporation, as Assistant Engineer, Engineer, Senior Engineer, and Secretary to the President cum Deputy Director of the President's Office. He possesses extensive experience in research and management. He was appointed as Executive Director cum Deputy General Manager of China Aerospace International Holdings Limited in 1999. He has been appointed as Vice-Chairman, Executive Director cum General Manager (later becoming Executive Director cum General Manager) of the Company since May 1999 and became the Vice-Chairman and Executive Director of the Company on 26 August 2010. He is also a member of the Development and Investment Committee and a director of a subsidiary of the Group.

董事及高級管理人員之個人資料

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

李光先生，56歲，高級工程師，畢業於天津大學，取得工業自動化專業碩士學位。彼於1991年至1996年任火箭院第14所設計員；於1996年至2005年期間曾任北京長征高科技公司技術開發處處長，北京長征高科技公司總經理；自1998年起歷任北京萬源工業公司副總經理、總經理。彼在科學研究、產品研發、經營管理方面擁有豐富經驗。彼自2006年2月14日起出任本公司執行董事及副總經理。於2009年3月31日，彼辭任副總經理，並隨著獲委任為火箭院經營投資部部長，於2009年4月1日調任為本公司非執行董事。彼自2010年8月8日起同時出任Astrotech的董事。彼在2012年3月6日調任為執行董事及再獲委任為總裁。彼亦為薪酬委員會和發展及投資委員會成員，以及本集團一家附屬公司董事長、二家附屬公司董事、和二家聯營公司副董事長。

許峻先生，50歲，畢業於鄭州航空工業管理學院取得學士學位，主修財務與會計及於北京航空航天大學取得工商管理碩士學位。彼為中國註冊會計師協會會員資格。自2005年11月，彼歷任本公司控股股東火箭院附屬公司長征航天控制工程公司、火箭院十八所和航天材料及工藝研究所之總會計師。彼現為本集團執行董事、財務總監、提名委員會成員、發展及投資委員會成員。彼亦為本集團二家附屬公司董事、二家聯營公司董事和一家合營公司董事。

Mr. Li Guang, aged 56, senior engineer, graduated from Tianjin University with a Master degree in Industrial Automation. He had been the Designer with the 14th Institute of CALT between 1991 and 1996, Division Chief of Development Division, and General Manager of Beijing Long March Hi-tech Corporation from 1996 to 2005. He acted as Deputy General Manager, and General Manager of Beijing Wan Yuan Industry Corporation successively from 1998. Mr. Li exhibits excellent experience in scientific research, product development and business administration. He was appointed as an Executive Director and a Deputy General Manager of the Company on 14 February 2006. On 31 March 2009, Mr. Li resigned from Deputy General Manager and was re-designated as Non-executive Director on 1 April 2009 following his appointment as the Chief of Business and Investment Department of CALT. In parallel, he has been a Director of Astrotech since 8 August 2010. He was re-designated as Executive Director and re-appointed as CEO on 6 March 2012. He is also a member of the Remuneration Committee and a member of the Development and Investment Committee, a chairman of the board of a subsidiary of the Group, a director of two subsidiaries and a vice chairman of the board of two associates.

Mr. Xu Jun, aged 50, graduated from Zhengzhou Institute of Aeronautical Industry Management with a Bachelor degree with major in Finance and Accounting and BeiHang University with a Master degree in Business Administration. He was qualified as a member of the Chinese Institute of Certified Public Accountants. Since November 2005, he had successively been the Chief Accountant with subsidiaries of the Company's controlling shareholder, CALT, namely, Long March Aerospace Control Engineering Corporation, CALT Institute 18, and Aerospace Research Institute of Materials & Processing Technology. He is currently an executive Director and a financial controller of the Group as well as a member of the Nomination Committee and a member of the Development and Investment Committee. He is also a director of two subsidiaries of the Group, a director of two associates and a director of a joint venture.

董事及高級管理人員之個人資料

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

獨立非執行董事

簡麗娟女士，64歲，為英國特許公認會計師公會資深會員、澳洲會計師公會資深會員及香港會計師公會會員，彼亦為香港董事學會資深會員，擁有積逾二十五年企業融資經驗，並在股本及債券市場擁有豐富經驗。彼曾於國際及本地銀行及金融機構擔任多個高級職位。簡女士現為亞洲資產管理有限公司之控股股東及董事總經理，此公司為按證券及期貨條例界定之持牌公司。彼亦為按照證券及期貨條例之持牌投資顧問及為亞洲資產管理有限公司之負責人員。簡女士分別為香港聯交所上市公司富豪酒店國際控股有限公司(股份代號：78)、四海國際集團有限公司(股份代號：120)、世茂房地產控股有限公司(股份代號：813)、及茂宸集團控股有限公司(股份代號：273)之獨立非執行董事；以及為新加坡證券交易所上市公司中航國際船舶控股有限公司之獨立董事。簡女士曾為首長國際企業有限公司(股份代號：697)之獨立非執行董事。彼於2008年1月23日起出任本公司獨立非執行董事，並於2011年1月23日、2014年1月23日及2017年1月23日分別再連任3年任期。彼亦為審核委員會主席、以及分別為薪酬委員會成員及提名委員會成員。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Kan Lai Kuen, Alice, aged 64, is a fellow of The Association of Chartered Certified Accountants, a fellow of the CPA Australia and an associate of The Hong Kong Institute of Certified Public Accountants. She is also a fellow of the Hong Kong Institute of Directors. She has over 25 years of experience in corporate finance and is well experienced in both the equity and debt markets. She held various senior positions in international and local banks and financial institutions. Ms. Kan is a controlling shareholder and the Managing Director of Asia Investment Management Ltd., a licensed corporation under the SFO. She is a licensed investment adviser under the SFO and is a registered officer of Asia Investment Management Ltd.. Ms. Kan is also an independent non-executive director of each of Regal Hotels International Holdings Ltd. (stock code: 78), Cosmopolitan International Holdings Ltd. (stock code: 120), Shimao Property Holdings Ltd. (stock code: 813) and Mason Group Holdings Ltd. (stock code: 273), all of which are companies listed on the Hong Kong Stock Exchange, and an independent director of AVIC International Maritime Holdings Ltd., a company listed on Singapore Exchange Securities Trading Ltd. Ms. Kan was an independent non-executive Director of Shougang Concord International Enterprises Company Ltd. (stock code: 697). She was appointed as an independent non-executive Director of the Company on 23 January 2008 and reappointed on 23 January 2011, 23 January 2014 and 23 January 2017 for a tenure of 3 years each. She is also the chairman of the Audit Committee, a member of the Remuneration Committee and a member of the Nomination Committee.

董事及高級管理人員之個人資料

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

吳君棟先生，54歲，持有倫敦大學微生物學及生物化學學士學位和知識產權碩士學位。彼於1993年和1994年分別在英格蘭及威爾斯和香港成為合資格律師。自2013年7月起出任一家國際律師事務所企業融資／資本市場部之負責人。在此之前，他曾先後擔任香港盛德律師事務所、香港CMS Cameron Mckenna、香港霍金·豪森律師事務所和香港美邁斯律師事務所之合夥人。彼現分別為香港聯交所上市公司飛達帽業控股有限公司（股份代號：1100）及中興通訊股份有限公司（股份代號：763）獨立非執行董事。彼於2008年1月23日起出任本公司獨立非執行董事，並於2011年1月23日、2014年1月23日及2017年1月23日分別再連任3年任期。彼亦分別為本公司薪酬委員會主席、審核委員會成員及提名委員會成員。

李大鵬先生，62歲，畢業於北京科技大學（前名北京鋼鐵學院）取得計算機工程學士及工程碩士學位，及於辛辛那提大學取得計算機工程博士學位。李先生具備資本市場系統發展豐富經驗，2001年至2003年於紐約商品交易所出任首席架構師；2003年至2010年擔任上海期貨交易所首席信息官、技術管理委員會主任；2010年至2012年為上海寰融信息技術有限公司首席執行官及創辦人；2013年3月至2015年5月擔任香港交易及結算所有限公司總裁高級顧問。自2015年6月起，李先生擔任海爾商業戰略金融集團首席信息官，負責提供技術及風控管理意見。李先生現為魯証期貨股份有限公司獨立非執行董事（股份代號：1461）。李先生分別於2015年11月10日及於2018年11月10日獲委任及連任為本公司獨立非執行董事（為期各3年任期）。彼亦分別為審核委員會成員、薪酬委員會成員、提名委員會成員、發展及投資委員會成員。

Mr. Gordon Ng, aged 54, obtained his Bachelor's degree in Microbiology and Biochemistry and Master's degree in Intellectual Property from University of London. He was qualified as a solicitor in England and Wales in 1993 and Hong Kong in 1994. He has been the Head of Corporate Finance/Capital Market, Asia of an international law firm since July 2013. Prior to that, he had been a partner of Sidley Austin Brown & Wood, Hong Kong and CMS Cameron Mckenna, Hong Kong, Hogan & Hartson, Hong Kong and O'Melveny & Myers, Hong Kong. He is currently an independent non-executive director of Mainland Headwear Holdings Ltd. (stock code: 1100) and ZTE Corporation (stock code: 763), the companies listed on the Hong Kong Stock Exchange. He was appointed as an independent non-executive Director of the Company on 23 January 2008 and reappointed on 23 January 2011, 23 January 2014 and 23 January 2017 for a tenure of 3 years each. He is also the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee.

Mr. Li Dapeng, aged 62, graduated from University of Science and Technology Beijing (formerly Beijing Steel Institute) with a Bachelor degree in Computing and a Master degree in Engineering and the University of Cincinnati with a PhD degree in Computer Engineering. Possessing extensive experience relating to system development in capital market, Mr. Li had been the Chief Architect with New York Mercantile Exchange during the years 2001 to 2003; Chief Information Officer, and Chairman of Technology Management Committee with Shanghai Futures Exchange during the years from 2003 to 2010; CEO and founder of Shanghai Global Financial Technology during the years 2010 to 2012; Senior Adviser to CEO with the Hong Kong Exchanges and Clearing Ltd. during the period from March 2013 to May 2015. He has been the Chief Information Officer of Haier Financial Group, offering the perspective on technology and risk management to the group since June 2015. Mr. Li is currently an independent non-executive director of LUZHENG FUTURES Company Limited (stock code: 1461). Mr. Li was appointed as an independent non-executive Director of the Company on 10 November 2015 and re-appointed on 10 November 2018 for a tenure of 3 years each. He is also a member of the Audit Committee, a member of the Remuneration Committee, a member of the Nomination Committee and a member of the Development and Investment Committee.

董事及高級管理人員之個人資料

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

高級管理人員

張建華女士，58歲，註冊諮詢師。張女士畢業於南開大學，工商管理碩士學位。張女士具有豐富的工程諮詢、市場開發、專案運營、經營管理等經驗，2000年至2003年期間擔任中國航天科技集團公司710所科技處幹部；2003年至2004年期間擔任中國航天工程諮詢中心主任助理、工程諮詢事業部主任；2005年至2007年期間，擔任中國航天工業科技諮詢公司法人代表及總經理；2007年至2009年期間，擔任中國空間技術研究院（「空間院」）北京康拓科技開發總公司副總裁；2009年至2010年期間，擔任空間院經營投資與產業部總工程師；2010年至2015年期間，擔任火箭院經營投資部部長助理（副局級）及副部長。張女士曾於2012年3月至2015年6月期間出任本公司非執行董事。張女士自2015年6月起擔任本公司董事長助理。彼亦分別為本集團一家附屬公司董事長及本集團二家附屬公司董事。

張華先生，47歲，畢業於南京理工大學取得焊接工藝與設備專業的工學學士，及於哈爾濱工業大學取得管理科學與工程專業的管理學碩士。1994年8月加入火箭院，歷任火箭院院辦公室秘書一處副處長，型號管理部型號管理處處長，質量技術部技安環保處處長，質量保證部部長助理及副部長等職務。於2016年11月1日，獲委任為本公司副總裁。彼亦為本集團二家附屬公司董事長和本集團二家附屬公司董事。

SENIOR MANAGEMENT

Ms. Zhang Jianhua, aged 58, registered consultant, graduated from Nankai University with a Master degree in Business Administration. Ms. Zhang has extensive experience in engineering consulting, market development, project operation and operation management. From 2000 to 2003, she was an officer of 710 Research Institute of China Aerospace Science and Technology Corporation. From 2003 to 2004, she was an officer assistant and an officer of engineering consultation business department of the China Aerospace Engineering Consultation Centre. From 2005 to 2007, she was a legal representative and a general manager of China Aerospace Science & Technology Consulting Co., Ltd. From 2007 to 2009, she was a vice president of Beijing Control Technology Co. Ltd. under the China Academy of Space Technology ("CAST"). From 2009 to 2010, she was a chief engineer of the Business Investment and Industry Development Department of CAST. From 2010 to 2015, she was a chief assistant (deputy chief level) and a deputy chief of the Business and Investment Department of CALT. Ms. Zhang was a non-executive director of the Company for the period from March 2012 to June 2015. Ms. Zhang has acted as an assistant to the Chairman of the Board since June 2015. She is also a chairman of the board of a subsidiary of the Group and a director of two subsidiaries of the Group.

Mr. Zhang Hua, aged 47, graduated from the Nanjing University of Technology and Engineering with a Bachelor's degree in Engineering on welding processing and equipment technology, and graduated from the Harbin Institute of Technology Management with a Master's degree in management on management science and engineering. Since he joined CALT in August 1994, he had successively served as Deputy Director of the Secretarial Division One of the CALT's Academy Office, Director of Make Management Office under Make Management Department, Director of Technology Safety and Environmental Protection Division under Quality Technology Department, Chief Assistant and Deputy Chief of Quality Assurance Department. He was appointed as a Vice President of the Company on 1 November 2016. He is also a chairman of the board of two subsidiaries of the Group and a director of two subsidiaries of the Group.

董事及高級管理人員之個人資料

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

胡緯林先生，54歲，研究員。上海交通大學動力機械工程系本科學習，並於中國空間技術研究院飛行器設計碩研學習。1991年起於北京長征高科技公司歷任設計員、副總工程師、總工程師及副總經理；自2007年出任北京萬源工業有限公司副總經理兼風電研發中心主任；自2010年2月出任本公司總經理項目助理、900KW風機研製總指揮；於2010年8月26日，獲委任為本公司副總裁。彼亦分別為本集團一家附屬公司董事長和本集團三家附屬公司董事。

張為民先生，52歲，研究員。張先生於清華大學精密儀器與機械學專業學習取得學士學位。張先生於1988年7月至2001年10月期間，擔任首都航天機械公司歷任民品設計所設計員、民品設計所副所長、包裝機械廠副廠長、民品集團總工程師。張先生於2003年7月在加拿大麥吉爾大學智能機械研究中心取得工程碩士學位。自2003年7月，彼歷任北京萬源工業公司副總經理、風電開發部經理；彼於2010年2月，出任本公司總經理項目助理。彼於2010年8月26日，彼獲委任為本公司副總裁。彼亦為本集團一家附屬公司董事長、一家合營企業董事長、本集團一家合營企業副董事長、以及本集團二家聯營公司副董事長和董事。

沈堅先生，55歲，高級工程師，畢業於中國紡織大學機械設計專業。自1993年至2011年期間，沈先生曾任北京長征高科技公司技術部工程師、設備廠副廠長、廠長，北京航天三金科技發展公司總經理，以及本集團若干附屬公司副總經理及總經理。沈先生於風電設備製造行業擁有超過12年豐富經驗。彼於2011年2月獲委任為本公司總裁助理，並於2017年3月30日獲委任為本公司副總裁。彼亦擔任本集團一家附屬公司董事和一家聯營公司董事。

Mr. Hu Wei Lin, aged 54, researcher, graduated from the School of Mechanical Engineering of Shanghai Jiao Tong University with a bachelor degree and from China Academy of Space Technology with a Master degree in Spacecraft Design. Since 1991, he successively served in Beijing Long March Hi-Tech Corporation as Designer, Deputy Chief Engineer, Chief Engineer and Deputy General Manager. In 2007, he was appointed as Deputy General Manager cum Director of Wind Power Research and Development Centre of Beijing Energin Industry Co. Ltd.. He has been appointed as General Manager Project Assistant and the Director of Research on 900KW wind turbine of the Company since February 2010. He was appointed as a Vice President of the Company on 26 August 2010. He is also a chairman of the board of a subsidiary of the Group and a director of three subsidiaries of the Group.

Mr. Zhang Wei Min, aged 52, researcher, graduated from Department of Precision Instruments and Mechanology, Tsinghua University with a Bachelor's degree. He successively served as Designer, and Deputy Manager in Civilian Product Design House, as Deputy Factory Manager of Packaging Machinery Factory, as Chief Engineer in Civilian Product Group of Capital Aerospace Machinery Company from July 1988 to October 2001. Mr. Zhang obtained a Master's degree of engineering from the Research Centre for Intelligent Machines, McGill University in Canada in July 2003. From July 2003, he successively served as Deputy General Manager, and the Manager of Wind Power Research and Development Department of Beijing Energin Industry Co. Ltd.. He served as General Manager Project Assistant of the Company from February 2010. He was appointed as a Vice President of the Company on 26 August 2010. He is also a chairman of the board of a subsidiary of the Group, a chairman of the board of a joint venture, a vice chairman of the board of a joint venture of the Group as well as a vice chairman and a director of two associates of the Group.

Mr. Shen Jian, aged 55, a senior engineer, graduated from China Textile University majoring in mechanical design. For the period from 1993 to 2011, he has been an engineer of the technology department, deputy director and director of the equipment factory of Beijing Long March Hi-tech Corporation, general manager of Beijing Aerospace Sanjin Technology Development Company, and deputy general manager and general manager of certain subsidiaries of the Group. Mr. Shen has over 12 years of extensive experience in the wind power equipment manufacturing industry. He was appointed as an assistant to president of the Company in February 2011 and was appointed as a Vice President of the Company on 30 March 2017. He is also a director of a subsidiary of the Group and a director of an associate of the Group.

董事會報告書

REPORT OF THE DIRECTORS

董事會同寅欣然將截至二零一八年十二月三十一日止年度之報告及經審核綜合財務報表呈覽。

主要業務

本公司之主要業務為投資控股，而主要附屬公司、聯營公司及合營企業之業務刊載於本集團綜合財務報表附註44。

業績及股息

本集團截至二零一八年十二月三十一日止年度之業績刊載於第88頁至第89頁之綜合損益及其他全面收益表內。

董事於二零一八年十二月二十四日採納股息政策。政策詳細條款載於企業管治報告書。

董事不擬派付截至二零一八年十二月三十一日止年度的末期股息。本公司並無宣派截至二零一八年十二月三十一日止年度股息(二零一七年：無)。

業務回顧

本集團之業務表現、業務回顧、財務回顧以及展望與策略均刊載於本年報「管理層討論與分析」一節。若干主要財務指標載於本年報「集團財務摘要」一節。自回顧財政年度末，除本年報所披露者外，概無任何重大事件對本集團產生重大影響。

慈善捐贈

本年內本集團沒有捐款(二零一七年：無)。

物業、廠房及設備

本年內本集團物業、廠房及設備之變動詳情刊載於本集團綜合財務報表附註18。

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the activities of its principal subsidiaries, associates and joint ventures are set out in note 44 to the consolidated financial statements of the Group.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2018 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on pages 88 to 89.

The Directors adopt a dividend policy on 24 December 2018. Detail terms of the policy are set out in the Corporate Governance Report.

The Directors do not recommend the payment of final dividend for the year ended 31 December 2018. No dividend has been declared by the Company for the year ended 31 December 2018 (2017: nil).

BUSINESS REVIEW

Business performance, business review, financial review as well as prospects and strategies of the Group are set out in the section "Management Discussion and Analysis" in this annual report. Certain key financial indicators are provided in the section "Group Financial Highlights" in this annual report. Since the end of the financial year under review, save as disclosed in this annual report, there are no significant events that have a material impact on the Group.

CHARITABLE DONATION

There was no donation made by the Group during the year (2017: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year are set out in note 18 to the consolidated financial statements of the Group.

董事會報告書

REPORT OF THE DIRECTORS

股本

年內，本公司已發行股本並無變動。

SHARE CAPITAL

There was no movement in the Company's issued share capital during the year.

購買、出售或贖回本公司上市證券

本年度本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

優先購買權

按章程或開曼群島之法例之規定(此規定本公司須按比例向現有股東要約新股)，並無任何優先購買權。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

購股權計劃

於二零一八年，本公司並無採納購股權計劃。

SHARE OPTION SCHEME

During the year 2018, the Company has no share option scheme adopted in place.

可供分派儲備

於二零一八年十二月三十一日，本公司根據開曼群島法律第22章《公司法》(一九六一年第3號法例，經綜合及修訂)計算的可供分派儲備約為164,215,000港元(二零一七年：約1,461,214,000港元)。本公司可供分派或派付股息予股東的股份溢價賬須受章程的條文所限，惟前提是緊隨分派或派付股息後，本公司能夠於日常業務過程中即時償還其到期的債務。

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2018, calculated under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands, amounted to approximately HK\$164,215,000 (2017: approximately HK\$1,461,214,000). The share premium account of the Company is available for distribution or paying dividends to the Shareholders subject to the provisions of the Articles and provided that immediately following the distribution or the payment of dividends, the Company is able to pay its debts immediately as they fall due in the ordinary course of business.

董事

截至二零一八年十二月三十一日止年度及截至本年報日期止之董事如下：

執行董事

劉效偉先生(董事長)
王曉東先生(副董事長)
李光先生(總裁)
許峻先生(財務總監)

獨立非執行董事

簡麗娟女士
吳君棟先生
李大鵬先生

每名執行董事與本公司訂有服務合約，其中並無列明特定任期。每名獲委任或續任的獨立非執行董事之固定任期為3年。

根據章程第116條，於每屆股東周年大會上，當時三分之一之董事須輪值退任。退任董事應保留職位，直至該董事於其上退任之會議結束，並合資格膺選連任。就此，王曉東先生、李光先生及簡麗娟女士須於二零一九年股東周年大會結束時退任，且合資格並願意膺選連任。

獨立非執行董事簡麗娟女士效力董事會超過9年，根據上市規則企業管治守則第A.4.3條，其續任須經股東以個別決議案方式批准後，才告作實。

本公司已獲取每名獨立非執行董事根據上市規則第3.13條各自發出之年度獨立確認書。董事會認為，所有獨立非執行董事於截至二零一八年十二月三十一日止年度全年均為獨立人士，截至本年報日期仍具其獨立性。

DIRECTORS

The Directors during the year ended 31 December 2018 and up to the date of this annual report are as follows:

Executive Directors

Mr. Liu Xiaowei (*Chairman*)
Mr. Wang Xiaodong (*Vice-Chairman*)
Mr. Li Guang (*Chief Executive Officer*)
Mr. Xu Jun (*Financial Controller*)

Independent Non-executive Directors

Ms. Kan Lai Kuen, Alice
Mr. Gordon Ng
Mr. Li Dapeng

Each of executive Directors has entered into a service contract with the Company without a specific term. Each of independent non-executive Directors was appointed or re-appointed with a fixed term of 3 years.

Pursuant to the article no. 116 of the Articles, at each annual general meeting, one-third of the Directors shall retire from office by rotation and a retiring Director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat. In this connection, Mr. Wang Xiaodong, Mr. Li Guang and Ms. Kan Lai Kuen, Alice shall retire from office at the conclusion of the 2019 AGM and they, being eligible, will offer themselves for re-election.

The independent non-executive Director, Ms. Kan Lai Kuen, Alice, has served for the Board more than 9 years, her further appointment should be subject to a separate resolution to be approved by the Shareholders pursuant to CG code A.4.3 of the Listing Rules.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of her or his independence pursuant to rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors have been independent from throughout the year ended to 31 December 2018 and remain independent as of the date of this annual report.

董事會報告書

REPORT OF THE DIRECTORS

董事服務合約

除上文披露者外，擬於即將舉行之二零一九年股東周年大會上膺選連任之董事概無與本公司或其任何附屬公司簽訂任何不可由聘任公司於一年內終止而免付補償（法定補償除外）之服務合約。

董事酬金

董事酬金乃由本公司薪酬委員會經考慮本公司經營業績、個人表現及可資比較市場數據後向董事會提議，待董事會酌情作出最終決定後方可作實。

董事於交易、安排及合約中之利益

於年終時或本年度內任何時間，本公司、或其任何附屬公司、其控股公司或其同系附屬公司均無訂立任何與本公司董事直接或間接有重大利益關係之重要交易、安排及合約。

控股股東於重大合約的權益

除於本年報「關連交易及持續關連交易」一節所披露者外，本公司或其任何附屬公司與本公司或其任何附屬公司之任何控股股東（定義見上市規則）概無訂立任何重大合約。

獲准許彌償條文

於年終時或本年度內任何時間，本公司或其他公司均無簽訂獲准許的彌償條文，以惠及本公司、其任何附屬公司、其控股公司或其同系附屬公司的董事。

DIRECTORS' SERVICE CONTRACTS

Save as disclosed above, none of the Directors proposed for re-election at the 2019 AGM has a service contract with the Company or any of its subsidiaries, which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' EMOLUMENT

The emoluments of the Directors are proposed by the Remuneration Committee to the Board, having regard to the Company's operating results, individual performance and comparable market statistics, subject to the final decision at the discretion of the Board.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements and contracts of significance to which the Company, or any of its subsidiaries, its holding companies or its fellow subsidiaries was party and in which a Director of the Company had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year.

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section "Connected Transactions and Continuing Connected Transactions" in this annual report, no contract of significance had been entered into between the Company or any of its subsidiaries, and any controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries.

PERMITTED INDEMNITY PROVISIONS

No permitted indemnity provisions entered into by the Company or otherwise for the benefit of the Directors of the Company or any of its subsidiaries, its holding companies or its fellow subsidiaries subsisted at the end of the year or at any time during the year.

股票掛鈎協議

於年終時或本年度內任何時間，本公司均無簽訂股票掛鈎協議。

董事及最高行政人員於股份、相關股份及債權證之權益及淡倉

於二零一八年十二月三十一日，本公司董事及最高行政人員或彼等各自之聯繫人概無於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有依據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉）；或記錄於依據證券及期貨條例第352條須設存的登記冊之權益或淡倉；或依據上市規則上市公司董事進行證券交易的標準守則須知會本公司或聯交所之權益或淡倉。

董事購買股份或債權證之權利

本年內，本公司、其附屬公司或其任何相聯法團（定義見證券及期貨條例第XV部）概無訂立任何安排，以使本公司董事或其聯繫人（定義見「上市規則」）可透過收購本公司或任何其他法人團體之股份或債權證而獲取利益。

董事於競爭業務的利益

按照上市規則規定的披露要求，於本年報日期，概無董事或其各自的緊密聯繫人於與本集團業務存有或可能存有直接或間接競爭之業務牽涉任何利益。

EQUITY-LINKED AGREEMENTS

No equity-linked agreements entered into by the Company subsisted at the end of the year or at any time during the year.

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

As at 31 December 2018, none of the Directors and chief executives of the Company or their respective associates had any interest or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of SFO), or to be recorded in the register required to be maintained pursuant to Section 352 of the SFO, or otherwise to be notified to the Company or the Stock Exchange pursuant to the Model Code for Securities Transaction by Directors of Listed Companies in the Listing Rules.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company, its subsidiaries or any of its associated corporations (within the meaning of Part XV of the SFO) a party to any arrangements to enable the Directors of the Company or their associates (as defined in the Listing Rules) to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the date of this annual report, none of the Directors or their respective close associates had interests in businesses which compete or are likely to compete either directly or indirectly with the businesses of the Group as are required to be disclosed pursuant to the Listing Rules.

董事會報告書

REPORT OF THE DIRECTORS

主要股東於股份及相關股份之權益及淡倉

於二零一八年十二月三十一日，據董事所知，以下人士／實體於本公司股份及相關股份中擁有權益或淡倉，而根據證券及期貨條例第XV部第2及3分部之條文規定須向本公司及聯交所披露，或直接或間接擁有附帶權利可在任何情況下於本集團任何其他成員公司股東大會上投票之任何類別股本面值10%或以上之權益，而該等人士各自於該等證券之權益或有關該等股本之任何期權數額如下：

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

As at 31 December 2018, so far as is known to the Directors, the persons/entities who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under provisions of Division 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group and the amount of each of such persons' interest in such securities or in any options in respect of such capital were as follows:

名稱 Name	身份 Capacity	股份數目 Number of Shares	股權概約百分比 Approximately Percentage of shareholding
中航總 CASC	擁有受控制公司權益(附註2) Interest of a controlled corporation (Note 2)	2,649,244,000 (L)	60.64%
火箭院 CALT	擁有受控制公司權益(附註2) Interest of a controlled corporation (Note 2)	2,649,244,000 (L)	60.64%
Astrotech Astrotech	實益擁有人(附註2) Beneficial owner (Note 2)	2,649,244,000 (L)	60.64%

附註：

- 「L」指股東於股份之長倉。
- 該等股份由火箭院全資擁有的公司Astrotech持有。火箭院為中航總的全資附屬公司。鑒於證券及期貨條例，中航總及火箭院被視為擁有Astrotech持有2,649,244,000股股份之權益。

Note:

- The letter "L" denotes the shareholder's long position in the Shares.
- These shares are held by Astrotech, a company wholly owned by CALT. CALT is a wholly-owned subsidiary of CASC. By virtue of the SFO, CASC and CALT are deemed to be interested in the 2,649,244,000 Shares held by Astrotech.

除本文所披露者外，按本公司根據證券及期貨條例第336條而設存之權益登記冊所示及據董事所知，於二零一八年十二月三十一日，概無人士／實體於本公司股份及相關股份中擁有權益或淡倉，而根據證券及期貨條例第XV部第2及3分部之條文規定須向本公司披露，或直接或間接擁有附帶權利可在任何情況下於本集團任何成員公司股東大會上投票之任何類別股本面值10%或以上之權益，或有關該等股本之任何期權。

關連交易及持續關連交易

於本年度，本集團訂立以下關連交易及持續關連交易，須根據上市規則第14A章作出披露：

(I) 持續關連交易

(A) 出租物業

本公司之全資附屬公司內蒙古航天萬源新能源開發有限公司（「內蒙新能源」）與本公司關連人士內蒙古航天萬源複合材料有限公司（「內蒙複材」）訂立物業租賃協議。因此，租賃協議構成上市規則第14A章項下的持續關連交易。

租賃協議已於二零一八年九月三十日提前終止，原因是風輪葉片產能規模難以實現經濟規模效應。而當前國內風輪葉片行業產能呈嚴重過剩的態勢，本集團擬退出風輪葉片生產業務，僅保留必要的風輪葉片維修能力。

內蒙新能源根據協議於二零一八年收取之租金總額僅為人民幣3,886,060元，而協定的年度金額則為人民幣5,181,413元。

Save as disclosed herein, according to the register of interests kept by the Company under Section 336 of the SFO and so far as was known to the Directors, there is no other person/entity who, as at 31 December 2018, had any interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or in any options in respect of such capital.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year, the Group has entered into the following connected transactions and continuing connected transactions which are required to be disclosed in accordance with Chapter 14A of the Listing Rules:

(I) Continuing Connected Transactions

(A) Leasing of Property

Inner Mongolia Enginere New Energy Development Co. Ltd. ("IM New Energy"), a wholly-owned subsidiary of the Company, entered into a property leasing agreement with Inner Mongolia CASC Enginere Composite Material Co. Ltd. ("IM Composite Material"), a connected person of the Company. Thus the leasing agreement constituted continuing connected transaction under Chapter 14A of Listing Rules.

The leasing agreement was early terminated on 30 September 2018 due to the production capacity of the wind turbine blades was unable to achieve economies of scale. The wind turbine blades industry in China has had a seriously excess production capacity, and the Group intended to discontinue the production of wind turbine blades but retained the necessary repair capacity for wind turbine blades.

The total lease amount received by IM New Energy pursuant thereto for the year 2018 only amounted to RMB3,886,060 in total while the agreed annual amount of was RMB5,181,413.

董事會報告書

REPORT OF THE DIRECTORS

(B) 持續關連交易年度審閱

於截至二零一八年十二月三十一日止年度，獨立非執行董事已審閱以上持續關連交易，並確認持續關連交易已訂立：

- (1) 在本集團一般及日常業務過程中進行；
- (2) 按一般商業條款進行，或按條款不遜於本集團向獨立第三方提供或自獨立第三方獲得之條款進行；及
- (3) 按照規管交易之相關協議進行，而該等條款屬公平合理且符合本公司股東之整體利益。

核數師獲委聘根據香港會計師公會發佈之香港鑒證業務準則3000號（經修訂）「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明第740號「香港上市規則規定的持續關連交易的核數師函件」，就本集團之持續關連交易作出報告。核數師已根據主板上市規則第14A.56條就以上所披露之持續關連交易發出其無保留意見函件，當中載有其發現及結論。本公司已向聯交所提供該核數師函件副本。

(B) Annual Review of the Continuing Connected Transaction

The independent non-executive Directors have reviewed the above Continuing Connected Transaction for the year ended 31 December 2018 and confirmed that the Continuing Connected Transaction has been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) either on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and
- (3) in accordance with the relevant agreements governing the transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

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

(II) 關連交易

股東或同母系附屬公司貸款

如綜合財務報表附註41(i)(a)(1)及(2)所載，火箭院透過中航總之附屬公司航天科技財務有限責任公司（「航天科技財務」）或航天科技財務（由火箭院擔保）貸款予北京萬源。由於火箭院與中航總分別為本公司之中介主要股東及最終主要股東，而航天科技財務則為中航總之附屬公司，有關貸款乃屬關連交易，然而根據上市規則第14A章，鑑於有關貸款的利息乃按商業條款或更佳條款提供予北京萬源且毋須抵押，貸款可獲豁免遵守披露、申報及股東批准之規定。

詳情請參閱本集團綜合財務報表附註33。

上述持續關連交易已獲確認符合上市規則第14A章之披露規定。

與關連人士之重大交易

上文披露的持續關連交易亦構成香港財務報告準則項下的與關連人士之交易。除上文披露的關連交易及持續關連交易外，根據上市規則第14A條，概無其他與關連人士之交易為關連交易。

年內進行之重大關連交易概要載於本集團綜合財務報表附註41。

(II) Connected Transactions

Loans from Shareholder or Fellow Subsidiary

There were loans advances from CALT through CASC's subsidiary, Aerospace Science and Technology Finance Co. Ltd. ("ASTF") or from ASTF (with guarantee from CALT) to Beijing Engine as set out in note 41(i)(a)(1) and (2) to the consolidated financial statements. Since CALT and CASC are intermediate major shareholder and ultimate major shareholder, of the Company respectively and ATSF is a CASC's subsidiary, the loans were connected transactions yet they were exempted from requirements of disclosure, reporting and shareholders' approval by virtue of interests relating to the loans being of commercial terms or better to Beijing Engine and no security made for the loans under Chapter 14A of the Listing Rules.

Details could be referred to the note 33 to the consolidated financial statements of the Group.

The above continuing connected transactions are confirmed that they have complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

SIGNIFICANT RELATED PARTY TRANSACTIONS

The continuing connected transactions disclosed above also constitute related party transactions under the Hong Kong Financial Reporting Standards. Save as the connected transactions and continuing connected transactions disclosed above, no other related party transactions are connected transactions under rule 14A of the Listing Rules.

A summary of significant related party transactions made during the year was disclosed in note 41 to the consolidated financial statements of the Group.

董事會報告書

REPORT OF THE DIRECTORS

主要客戶及供應商

截至二零一八年十二月三十一日止年度，本集團五大客戶共佔本集團營業額約91%，本集團最大客戶佔本集團營業額約34%。截至二零一八年十二月三十一日止年度，本集團五大供應商合共佔本集團採購額約86%，本集團最大供應商佔本集團採購額約57%。就董事所知，各董事、彼等之聯繫人士或擁有本公司已發行股本5%以上之股東並無於上述之任何五大客戶或供應商中擁有任何權益。

公眾持股

按照本公司可得的公開資料以及據董事所悉，截至二零一八年十二月三十一日止年度全年及截至本年報日期，本公司一直維持上市規則規定的25%最低公眾持股量。

企業管治報告

本集團致力維持高水平的企業管治慣例。本公司本年度的詳細企業管治報告載於本年報第34至第52頁。

環境、社會及管治報告

本公司本年度的詳細環境、社會及管治報告刊載於本報告第53頁至80頁。

期後事項

本集團於二零一八年十二月三十一日後及截至本年報日期止並無任何重大期後事項。

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2018, turnover attributable to the five largest customers of the Group accounted for approximately 91% of the Group's turnover and turnover attributable to the Group's largest customer accounted for approximately 34% of the Group's turnover. For the year ended 31 December 2018, purchases attributable to the five largest suppliers of the Group accounted for approximately 86% of the Group's purchases and purchases attributable to the Group's largest supplier accounted for approximately 57% of the Group's purchases. None of the Directors, their associates or, to the best knowledge of the Directors, any shareholder who owns more than 5% of the Company's issued share capital had any interests in the above five largest customers or suppliers.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors, the Company has maintained the minimum public float of 25% as required under the Listing Rules throughout the year ended 31 December 2018 and up to the date of this annual report.

CORPORATE GOVERNANCE REPORT

The Group is committed to maintaining a high level of corporate governance practices. A detailed Corporate Governance Report of the Company for the year is set out on pages 34 to 52 of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A detailed Environmental, Social and Governance Report of the Company for the year is set out on pages 53 to 80 of this report.

EVENTS AFTER THE REPORTING PERIOD

The Group does not have any material subsequent events after 31 December 2018 and up to the date of this annual report.

股東周年大會

本公司現擬定於二零一九年五月三十一日(星期五)舉行二零一九年股東周年大會。召開二零一九年股東周年大會的通告以及所有其他文件將適時刊發及寄發予股東。

核數師

一項決議案將提呈二零一九年股東周年大會，以續聘德勤•關黃陳方會計師行(如合資格)為本公司核數師。

代表董事會

劉效偉
董事長

香港，二零一九年三月二十八日

ANNUAL GENERAL MEETING

The 2019 AGM is currently planned to be held on Friday, 31 May 2018. A notice convening the 2019 AGM and all other relevant documents will be published and dispatched to the Shareholders in due course.

AUDITOR

A resolution would be submitted at the 2019 AGM to propose for the re-appointment of Messrs. Deloitte Touche Tohmatsu, if eligible, as auditor of the Company.

On behalf of the Board

Liu Xiaowei
Chairman

Hong Kong, 28 March 2019

企業管治報告書

CORPORATE GOVERNANCE REPORT

本報告載述本公司之企業管治常規，闡述於截至二零一八年十二月三十一日止年度（「本年度」）採用上市規則附錄十四所載企業管治守則之原則，並載有截至本報告日期止期間發生之任何重大期後事項。

企業管治常規

本公司致力維持高標準的企業管治。本公司認同企業管治常規對於公司的暢順、具成效及透明度的運作，以及其吸引投資、保障股東權利及提升股東價值的能力均非常重要。

本公司於本年度一直採用該等原則及遵守全部守則條文，並在適當情況下採納企業管治守則所載的建議最佳常規。

董事進行證券交易

本公司已採納有關董事進行證券交易的行為守則，其條款不較標準守則所載的交易必守標準寬鬆。本公司已特別向各董事查詢，全體董事於本年度均一直遵守該等行為守則及有關證券交易的交易必守標準。

董事長及總裁

董事長與總裁之職責分開並由不同人士出任，以加強各自的獨立性、問責性及責任，並避免權力集中於一人。董事會董事長為執行董事劉效偉先生，彼於緊隨韓樹旺先生於二零一八年三月二十九日辭任後獲委任；本集團總裁為另一名執行董事李光先生。

This report describes the Company's corporate governance practices and explains the application of the principles in the CG Code set out in Appendix 14 to the Listing Rules for the year ended 31 December 2018 (the "Year") and includes any significant subsequent events for the period up to the date of this report.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance. The Company recognises that corporate governance practices are fundamental to the smooth, effective and transparent operation of a company and its ability to attract investment, protect the rights of shareholders and enhance shareholder value.

The Company has applied the principles and complied with all code provisions and, where appropriate, adopted the recommended best practices set out in the CG Code throughout the Year.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings set out in the Model Code. The Company had made specific enquiries of each Director, all Directors have complied with such code of conduct and the required standard of dealings regarding securities transactions throughout the Year.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the chairman and chief executive officer are separate and exercised by different individuals in order to reinforce their respective independence, accountability and responsibility, and to avoid power is not concentrated in any one individual. The chairman of the Board is the executive Director, Mr. Liu Xiaowei, who was appointed immediately following the resignation of Mr. Han Shuwang with effect from 29 March 2018; and the chief executive officer of the Group is another executive Director, Mr. Li Guang.

企業管治報告書

CORPORATE GOVERNANCE REPORT

董事會董事長主要負責確保董事會以良好企業管治常規及程序正常運作；以及採取適當步驟保持與股東有效聯繫，並確保股東意見可傳達至整個董事會。本集團總裁在執行董事及高級管理人員支援下，主要負責管理本集團業務，包括執行董事會採納的重要策略及計劃。

The chairman of the Board is mainly responsible for ensuring that the Board is functioning properly, with good corporate governance practices and procedures; and appropriate steps are taken to provide effective communication with shareholders and that their views are communicated to the Board as a whole. The chief executive officer of the Group, supported by the executive directors and senior management, is mainly responsible for managing the Group's businesses, including the implementation of major strategies and initiatives adopted by the Board.

董事會

於二零一八年十二月三十一日及截至本報告日期，董事會由下列四名執行董事及三名獨立非執行董事組成：

BOARD OF DIRECTORS

As at 31 December 2018 and up to the date of this report, the Board comprises four executive Directors and three independent non-executive Directors namely as follows:

執行董事

劉效偉先生 (董事長)

王曉東先生 (副董事長)

李光先生 (總裁)

許峻先生 (財務總監)

Executive Directors

Mr. Liu Xiaowei (*Chairman*)

Mr. Wang Xiaodong (*Vice-Chairman*)

Mr. Li Guang (*Chief Executive Officer*)

Mr. Xu Jun (*Financial Controller*)

獨立非執行董事

簡麗娟女士

吳君棟先生

李大鵬先生

Independent Non-executive Directors

Ms. Kan Lai Kuen, Alice

Mr. Gordon Ng

Mr. Li Dapeng

各董事之履歷資料載於本年報第17頁至第20頁，當中呈列董事的多元技能、經驗及資格。除該章節所披露者外，就本公司所深知，董事會成員之間概無任何財務、業務、家族或其他重大／相關關係。

Each of the Directors' biographical information is set out on pages 17 to 20 of this annual report, which demonstrates a diversity of skills, experience and qualifications. Save as disclosed therein, to the best knowledge of the Company, there is no financial, business, family or other material/relevant relationship among the members of the Board.

企業管治報告書

CORPORATE GOVERNANCE REPORT

董事會會議（「董事會會議」）每年最少舉行四次，約每季一次。本年度之定期董事會會議乃預先安排，並會向董事發出最少14日通知，使其有機會出席會議。全體董事均獲機會將討論事項納入董事會會議議程。董事可親身出席會議或透過會議電話或類似通訊設備（所有參與會議人士均能互相溝通）之方式參與會議。

除定期董事會會議外，董事會董事長亦在其他執行董事不在場的情況下與全體獨立非執行董事舉行了一次會議。

本年度共舉行九次董事會會議及本公司股東周年大會（「二零一八年股東周年大會」），各董事出席該等會議的情況載列如下：

Meetings of the Board (the "Board Meetings") are held at least four times a year at approximately quarterly intervals. Regular Board Meetings of the year are scheduled in advance and at least 14 days' notice is given to Directors so as to give them an opportunity to attend. All Directors are given an opportunity to include matters in the agenda for the Board Meetings. The Directors may attend a meeting in person or may participate by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other.

Apart from the regular Board Meetings, the chairman of the Board also held a meeting with all independent non-executive Directors, without the presence of the other executive Directors.

During the Year, nine Board Meetings and the annual general meeting ("2018 AGM") of the Company were held, at which the attendance of each Director is set out as follows:

(出席／舉行)會議次數

Number of Meetings (Attended/Held)

二零一八年

董事會會議
Board Meetings

股東周年大會
2018 AGM

執行董事

劉效偉先生(附註(1))
王曉東先生
李光先生
許峻先生

Executive Directors

Mr. Liu Xiaowei (Note (1))
Mr. Wang Xiaodong
Mr. Li Guang
Mr. Xu Jun

6/6
9/9
8/9
9/9

1/1
1/1
1/1
1/1

非執行董事

劉效偉先生(附註(1))
韓樹旺先生(附註(2))

Non-Executive Directors

Mr. Liu Xiaowei (Note (1))
Mr. Han Shuwang (Note (2))

3/3
3/3

不適用 N/A
不適用 N/A

獨立非執行董事

簡麗娟女士
吳君棟先生
李大鵬先生

Independent Non-executive Directors

Ms. Kan Lai Kuen, Alice
Mr. Gordon Ng
Mr. Li Dapeng

9/9
8/9
8/9

1/1
1/1
1/1

企業管治報告書

CORPORATE GOVERNANCE REPORT

附註：

- (1) 於韓先生辭任後，劉效偉先生由非執行董事調任執行董事；獲進一步委任為董事會董事長、提名委員會及發展及投資委員會各自的主席；並自二零一八年三月二十九日起不再擔任審核委員會成員；及
- (2) 韓樹旺先生辭任非執行董事、董事會董事長，及提名委員會及發展及投資委員會各自的主席，自二零一八年三月二十九日起生效。

董事會負責釐定須由全體董事會決定的事宜，包括(但不限於)整體策略及長期目標、新業務活動、年度預算、業務規劃及財務報表、中期及全年業績公告、重大資產收購及出售事項、投資、資本項目及承擔、年度內部監控評核、資金及風險管理政策以及關連交易。

董事會已授權管理層負責管理及行政職能之日常工作，包括(但不限於)實施及達成董事會所設定之策略及目標，監督各業務單位／部門之表現，以及監察及實施適當之風險管理及內部監控制度。

Note:

- (1) Following the resignation of Mr. Han, Mr. Liu Xiaowei was re-designated from the non-executive Director to the executive Director; further appointed as the chairman of each of the Board, the Nomination Committee and the Development and Investment Committee; and ceased to be a member of the Audit Committee with effect from 29 March 2018; and
- (2) Mr. Han Shuwang resigned as the non-executive Director, the chairman of each of the Board, the Nomination Committee and the Development and Investment Committee with effect from 29 March 2018.

The Board is responsible for determining those matters that are to be retained for full Board including, but not limited to, overall strategy and long-term objectives, new business activities, annual budgets, business plans and financial statements, interim and final results announcements, material acquisitions and disposals of assets, investments, capital projects and commitments, annual internal control assessment, funding and risk management policies as well as connected transactions.

The Board has delegated the day-to-day responsibility in respect of management and administrative functions to management including, but not limited to, implementing and achieving the strategies and objectives set by the Board as well as overseeing the performance of different business units/ departments and monitoring and implementing proper risk management and internal controls systems.

企業管治報告書

CORPORATE GOVERNANCE REPORT

企業管治職能

董事會負責履行企業管治職責。董事會已於二零一二年三月三十日採納企業管治職權範圍。董事會現正履行之主要企業管治職責如下：

- (i) 制訂及檢討本公司有關企業管治之政策及常規；
- (ii) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- (iii) 檢討及監察本公司有關遵守法律及監管規定之政策及常規；
- (iv) 制訂、檢討及監察適用於僱員及董事之行為守則及合規手冊(如有)；及
- (v) 檢討本公司有關遵守守則及在企業管治報告書內作出披露之情況。

Corporate Governance Function

The Board is responsible for performing the corporate governance duties. The terms of reference of Corporate Governance Functions was adopted by the Board on 30 March 2012. The main corporate governance duties which are being performed by the Board are as follows:

- (i) to develop and review the Company's policies and practices on corporate governance;
- (ii) to review and monitor the training and continuous professional development of Directors and senior management;
- (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (iv) to develop, review and monitor the code of conduct and compliance manual, if any, applicable to employees and Directors; and
- (v) to review the Company's compliance with the code and disclosure in the Corporate Governance Report.

企業管治報告書

CORPORATE GOVERNANCE REPORT

獨立非執行董事

本公司現時設有三名獨立非執行董事。各獨立非執行董事按固定3年任期獲委任或重新獲委任。

截至二零一八年十二月三十一日止年度及本報告日期止，董事會一直符合上市規則第3.10(1)、3.10(2)及3.10A條之規定，委任足夠數目之三名獨立非執行董事（不少於董事會人數之三分之一），其中一名具備適當之專業資格、會計及財務管理專業知識。全體獨立非執行董事透過參加董事會會議及董事委員會會議就策略、政策、表現、義務、資源、重要任命及行為準則作出獨立判斷。

本公司已接獲每名獨立非執行董事有關獨立性之年度確認書，且經考慮上市規則第3.13條所載評核獨立性之因素，認為每名獨立非執行董事均屬獨立。

董事會成員多元化

董事會已採納董事會成員多元化政策（「董事會成員多元化政策」）。本公司在設定董事會成員組合時，會考慮候選人會否為董事會帶來潛在的補充裨益以及會否提升董事會整體能力、經驗及專業知識。

本公司從多個方面考慮董事會成員多元化，包括專業經驗及資格、性別、年齡、種族及文化和教育背景以及董事會不時視為相關和合適的任何其他因素。

候選人篩選過程會考慮多個多元化角度，包括但不限於經驗及專業知識、專業經驗及資格、性別、年齡、種族及文化以及教育背景。董事會將通過提名委員會適時檢討此政策，確保該政策發揮其效用。

Independent Non-executive Directors

There are currently three independent non-executive Directors. Each of the independent non-executive Director was appointed or re-appointed with a fixed term of 3 years.

During the year ended 31 December 2018 and up to the date of this report, the Board at all times met the requirements of the rules 3.10(1) and 3.10(2) and 3.10A of the Listing Rules in appointment of a sufficient number of three independent non-executive Directors, at least one third of the Board, one of whom has appropriate professional qualifications, accounting and financial management expertise. All independent non-executive Directors bring independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct through their participating in the Board Meetings and the meetings of the Board Committees.

The Company has received from each of the independent non-executive Directors their annual confirmation of independence and considered that each of the independent non-executive Directors is independent upon taking into factors for assessing independence as set out in rule 3.13 of the Listing Rules.

Board Diversity Policy

The Board has adopted a board diversity policy (the “Board Diversity Policy”). In determining the composition of the Board, the Company considers whether a candidate will bring potential complementary benefits to the Board and contribute to the improvement of the overall competence, experience and expertise of the Board.

The Company may consider the diversity of the composition of the Board in various aspects, including professional experience and qualifications, gender, age, ethnicity, and cultural and educational background, as well as any other factors that the Board from time to time deems relevant and appropriate.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to experience and expertise, professional experience and qualifications, gender, age, ethnicity and cultural and educational background. The Board, through the Nomination Committee, will review this policy as and when appropriate to ensure its effectiveness.

企業管治報告書

CORPORATE GOVERNANCE REPORT

董事持續專業發展

董事確認要持續發展並更新本身知識及技能方可為本公司作出貢獻。各董事於本年度就適切著重本公司董事角色、職能及職責之持續專業發展活動的參與記錄如下：

Continuous Professional Development of Directors

The Directors acknowledge the need to continue to develop and refresh their knowledge and skills for making contributions to the Company. The participation by individual Directors in the continuous professional development program with appropriate emphasis on the roles, functions and duties of a director of the Company in the Year is recorded as follows:

		閱讀每月更新 參考資料 Reading monthly updates and reference materials	參與研討會/ 發展活動 Attending Seminars/ development programmes
執行董事	Executive Directors		
劉效偉先生	Mr. Liu Xiaowei	✓	✓
王曉東先生	Mr. Wang Xiaodong	✓	–
李光先生	Mr. Li Guang	✓	✓
許峻先生	Mr. Xu Jun	✓	✓
獨立非執行董事	Independent Non-executive Directors		
簡麗娟女士	Ms. Kan Lai Kuen, Alice	✓	✓
吳君棟先生	Mr. Gordon Ng	✓	✓
李大鵬先生	Mr. Li Dapeng	✓	✓

董事及高級行政人員保險

本公司已為其董事及高級行政人員安排董事及高級行政人員責任保險(「董事及高級行政人員保險」)。本公司每年檢討本公司董事及高級行政人員保單之保額、候選保險公司之聲譽及財務實力以及保單條款，確保向本公司董事及高級行政人員提供足夠保額及保障。於本年度，概無針對董事的索償。

Insurance for Directors and Officers

The Company has arranged Directors' and Officers' Liability Insurance ("D&O Insurance") for Directors and officers of the Company. The Company undertakes an annual review of the Company's D&O Insurance policy in terms of the amount of cover, the reputation and financial strength of the potential insurer and the provisions of the insurance policy to ensure that sufficient cover and protection are provided to the Directors and officers of the Company. During the Year, no claim was made against the Directors.

董事委員會

薪酬委員會

於本報告日期，薪酬委員會由四名成員組成，分別為一名執行董事李光先生；及三名獨立非執行董事吳君棟先生、簡麗娟女士及李大鵬先生。薪酬委員會主席為吳君棟先生。

董事會於二零一二年三月三十日採納薪酬委員會職權範圍。薪酬委員會之主要職責如下：

- (i) 就本公司全體董事及高級管理人員薪酬之政策及架構向董事會提供推薦建議；
- (ii) 因應董事會所訂企業方針及目標而檢討及批准管理人員之薪酬建議；
- (iii) 就個別執行董事及高級管理人員之薪酬組合向董事會提供推薦建議；
- (iv) 就非執行董事之薪酬向董事會提供推薦建議；
- (v) 檢討及批准向執行董事及高級管理人員就喪失職位或被終止委任而須支付之補償；
- (vi) 檢討及批准因董事行為失當而解僱或罷免之補償安排；及
- (vii) 確保董事或其任何聯繫人不得參與釐定其本身的薪酬。

BOARD COMMITTEES

Remuneration Committee

As at the date of this report, the Remuneration Committee comprises four members, one executive Director namely Mr. Li Guang; and three independent non-executive Directors, namely Mr. Gordon Ng, Ms. Kan Lai Kuen, Alice and Mr. Li Dapeng. The chairman of the Remuneration Committee is Mr. Gordon Ng.

The Board adopted terms of reference of the Remuneration Committee on 30 March 2012. The main duties of the Remuneration Committee are as follows:

- (i) to recommend to the Board on the Company's policy and structure for all Directors' and senior management's remuneration;
- (ii) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (iii) to recommend to the Board on the remuneration packages of individual executive Directors and senior management;
- (iv) to recommend to the Board on the remuneration of non-executive Directors;
- (v) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment;
- (vi) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- (vii) to ensure that no director or any of his associates is involved in deciding his own remuneration.

企業管治報告書

CORPORATE GOVERNANCE REPORT

本年度共舉行三次薪酬委員會會議，各委員會成員出席該等會議的紀錄載列如下：

During the Year, three meetings of the Remuneration Committee were held, at which the attendance record of each committee member is set out as follows:

(出席／舉行)會議次數
Number of Meetings (Attended/Held)

薪酬委員會成員

吳君棟先生(主席)
李光先生
簡麗娟女士
李大鵬先生

Remuneration Committee Members

Mr. Gordon Ng (<i>Chairman</i>)	3/3
Mr. Li Guang	3/3
Ms. Kan Lai Kuen, Alice	3/3
Mr. Li Dapeng	3/3

薪酬委員會於本年度之工作乃按照薪酬委員會職權範圍進行，概述如下：

The work performed by the Remuneration Committee for the Year was pursuant to the terms of reference of the Remuneration Committee and is summarised below:

- | | |
|--|---|
| (i) 檢討全體董事及高級管理人員薪酬之現有薪酬政策(架構及程序)，並向董事會提供推薦建議； | (i) reviewed and recommended to the Board on the existing remuneration policy (structure and procedure) for all Directors' and senior management's remuneration; |
| (ii) 參考企業方針及目標就本年度將支付予每名執行董事及高級管理人員之薪酬金額向董事會提供推薦建議；及 | (ii) recommended to the Board on the amount of remuneration to be paid to each executive Director and senior management member for the Year with reference to corporate goals and objectives; and |
| (iii) 就新委任的董事會董事長之薪酬建議向董事會提供推薦建議。 | (iii) recommended to the Board on remuneration proposals for the new appointed chairman of the Board. |

截至二零一八年十二月三十一日止年度，本公司董事及高級管理人員按薪酬範圍劃分之薪酬如下：

The remuneration of the Directors and senior management of the Company for the year ended 31 December 2018, by band is set out below:

		人數 Number of individuals
零至1,000,000港元	Nil to HK\$1,000,000	9
1,000,000港元至1,500,000港元	HK\$1,000,000 to HK\$1,500,000	3
		12

提名委員會

於本報告日期，提名委員會由五名成員組成，分別為兩名執行董事劉效偉先生及許峻先生；及三名獨立非執行董事簡麗娟女士、吳君棟先生及李大鵬先生。提名委員會主席為董事會董事長劉效偉先生，彼於韓樹旺先生於二零一八年三月二十九日辭任後獲委任。

董事會於二零一二年三月三十日採納提名委員會職權範圍。董事會於二零一九年二月二十六日修訂職權範圍，使之與企業管治守則之新訂守則條文第A.5.5條一致。董事會亦於二零一八年十二月二十四日採納提名政策，提供提名委員會於挑選及推薦董事人選時須採納的提名程序、流程及準則。

提名委員會之主要職責如下：

- (i) 最少每年檢討董事會之架構、人數及組成(包括技能、知識及經驗)，並就任何為配合本公司之公司策略而擬對董事會作出之變動提供推薦建議；
- (ii) 物色符合擔任董事會成員資格之人士，並就挑選提名有關人士出任董事向董事會提供推薦建議；
- (iii) 評核獨立非執行董事之獨立性；
- (iv) 就委任或重新委任董事及董事(尤其是其本公司董事長及總裁)繼任計劃向董事會提供推薦建議；
- (v) 檢討董事會成員多元化政策(如上文所述)，及檢討董事會成員多元化政策而制定的可計量目標和達標進度，以及每年在《企業管治報告》內披露檢討結果；及

Nomination Committee

As at the date of this report, the Nomination Committee comprises of five members, two executive Directors namely Mr. Liu Xiaowei and Mr. Xu Jun; and three independent non-executive Directors, namely Ms. Kan Lai Kuen, Alice, Mr. Gordon Ng and Mr. Li Dapeng. The chairman of the Nomination Committee is the chairman of the Board, Mr. Liu Xiaowei, who was appointed following the resignation of Mr. Han Shuwang with effect from 29 March 2018.

The Board adopted terms of reference of the Nomination Committee on 30 March 2012. The Board revised the terms of reference to be aligned with the new code provision A.5.5 of the CG Code on 26 February 2019. The Board also adopted a nomination policy providing the nomination procedures and the process and criteria shall be adopted by the Nomination Committee to select and recommend candidates for directorship on 24 December 2018.

The main duties of the Nomination Committee are as follows:–

- (i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed change to the Board to complement the Company's corporate strategy;
- (ii) to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship;
- (iii) to assess the independence of independent non-executive Directors;
- (iv) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive of the Company;
- (v) to review the policy (as above) on Board diversity and the measurable objectives that the Board has set for implementing the Board diversity policy, and the progress on achieving the objectives; and make disclosure of its review results in the corporate governance report annually; and

企業管治報告書

CORPORATE GOVERNANCE REPORT

- (vi) 倘董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，有關股東大會通告所隨附的致股東通函及／或說明函件中，提名委員會應該列明：
- (a) 用於識別個人的程序以及董事會認為該名人士應獲選的原因以及其認為該名人士屬獨立的原因；
- (b) 倘候選獨立非執行董事將擔任其第七個（或更多）上市公司董事職位，董事會認為該名人士仍可以為董事會投入充足時間的理由；
- (c) 該名人士可以為董事會帶來的觀點、技能及經驗；及
- (d) 該名人士如何促進董事會成員多元化。
- (vi) where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, the Nomination Committee should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
- (a) the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
- (b) if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
- (c) the perspectives, skills and experience that the individual can bring to the board; and
- (d) how the individual contributes to diversity of the Board.

本年度共舉行三次提名委員會會議，各委員會成員出席該等會議的紀錄載列如下：

During the Year, three meetings of the Nomination Committee were held, at which the attendance record of each committee member is set out as follows:

(出席／舉行)會議次數
**Number of
 Meetings
 (Attended/Held)**

提名委員會成員

劉效偉先生(主席)(上文附註(1))
 韓樹旺先生(上文附註(2))
 許峻先生
 簡麗娟女士
 吳君棟先生
 李大鵬先生

Nomination Committee Members

Mr. Liu Xiaowei (Chairman) (Note (1) above) 1/1
 Mr. Han Shuwang (Note (2) above) 2/2
 Mr. Xu Jun 3/3
 Ms. Kan Lai Kuen, Alice 3/3
 Mr. Gordon Ng 3/3
 Mr. Li Dapeng 3/3

企業管治報告書

CORPORATE GOVERNANCE REPORT

提名委員會於本年度之工作乃按照提名委員會職權範圍進行，概述如下：

- (i) 檢討董事會之架構、人數及組成（包括技能、知識及經驗），以實施本公司之公司策略；
- (ii) 按照上市規則評核獨立非執行董事之獨立性；
- (iii) 就董事會董事長、提名委員會及發展及投資委員會各自的主席變動向董事會提供推薦建議；
- (iv) 就重新委任一名獨立非執行董事向董事會提供推薦建議；及
- (v) 就重新委任擬於二零一八年股東周年大會上膺選連任之退任董事向董事會提供推薦建議。

任何獲委任 (i) 以填補空缺之董事，任期將直至其獲委任後之首屆股東大會，並可於該大會上膺選連任；及 (ii) 作為現有董事會之新增成員，任期將直至下屆股東周年大會，並合資格按照章程於該會議上膺選連任。

The work performed by the Nomination Committee for the Year was pursuant to the terms of reference of the Nomination Committee and is summarised below:

- (i) reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board to implement the Company's corporate strategy;
- (ii) assessed the independence of independent non-executive Directors pursuant to the Listing Rules;
- (iii) recommended to the Board on the change of each of the chairman of the Board, the Nomination Committee, and Development and Investment Committee;
- (iv) recommended to the Board on the re-appointment of one independent non-executive Director; and
- (v) recommended to the Board on the re-appointment of the retiring Directors who have offered themselves for re-election at the 2018 AGM.

Any Director appointed (i) to fill a casual vacancy shall hold office only until the first general meeting of shareholders subsequent to his appointment and be subject to re-election at such meeting; and (ii) as an addition to the existing Board shall hold office until the next following annual general meeting of the Shareholders and shall then be eligible for re-election at such meeting under the Articles.

企業管治報告書

CORPORATE GOVERNANCE REPORT

審核委員會

於本報告日期，審核委員會由三名成員組成，分別為簡麗娟女士、吳君棟先生及李大鵬先生，全體委員會成員均為獨立非執行董事。審核委員會主席為簡麗娟女士，彼具備適當之專業資格、會計及財務管理專業知識。

董事會於二零一二年三月三十日及二零一五年三月二十四日分別採納及修訂審核委員會職權範圍。董事會於二零一九年二月二十六日進一步修訂職權範圍，使之與企業管治守則之經修訂守則條文第C.3.2條一致。審核委員會之主要職責如下：

- (i) 就委任、重新委任及罷免外聘核數師向董事會提供推薦建議，批准外聘核數師之薪酬及聘用條款，以及處理任何有關核數師辭任或辭退之提問；
- (ii) 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；
- (iii) 監察本公司財務報表、年報、賬目及半年度報告之完整性，並審閱當中所載任何財務申報之重大判斷；
- (iv) 檢討本公司之財務監控、風險管理及內部監控系統；
- (v) 與管理層討論風險管理及內部監控系統，確保管理層已履行職責建立有效的系統；
- (vi) 就董事會授權負責或自行負責進行有關風險管理及內部監控事宜之重要調查結果及管理層對該等結果之回應進行研究；
- (vii) 確保內部與外聘核數師之工作得到協調，並確保內部審核功能在本公司內有足夠資源運作，並且有適當之地位，以及檢討及監察其效益；及
- (viii) 檢討本集團之財務會計政策及常規。

Audit Committee

As at the date of this report, the Audit Committee comprises of three members, namely Ms. Kan Lai Kuen, Alice, Mr. Gordon Ng and Mr. Li Dapeng, and all of the committee members are independent non-executive Directors. The chairman of the Audit Committee is Ms. Kan Lai Kuen, Alice, with appropriate professional qualifications, accounting and financial management expertise.

The Board adopted and revised terms of reference of the Audit Committee on 30 March 2012 and on 24 March 2015 respectively. The Board further revised the terms of reference to be aligned with the revised code provision C.3.2 of the CG Code on 26 February 2019. The main duties of the Audit Committee are as follows:

- (i) to recommend to the Board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and to answer any questions of its resignation or dismissal;
- (ii) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- (iii) to monitor the integrity of the Company's financial statements, annual report and accounts and half-year report and to review any significant financial reporting judgments contained therein;
- (iv) to review the Company's financial controls, risk management and internal control systems;
- (v) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective internal control systems;
- (vi) to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- (vii) to ensure co-ordination between the internal and external auditors and to ensure that the internal audit function is adequately resourced, has appropriate standing within the Company and to review and monitor its effectiveness; and
- (viii) to review the Group's financial accounting policies and practices.

企業管治報告書

CORPORATE GOVERNANCE REPORT

本年度共舉行兩次審核委員會會議，各委員會成員出席該等會議的紀錄載列如下：

During the Year, two meetings of the Audit Committee were held, at which the attendance record of each committee member is set out as follows:

		(出席／舉行)會議次數
		Number of Meetings (Attended/Held)
審核委員會成員	Audit Committee Members	
簡麗娟女士(主席)	Ms. Kan Lai Kuen, Alice (<i>Chairman</i>)	2/2
吳君棟先生	Mr. Gordon Ng	2/2
李大鵬先生	Mr. Li Dapeng	2/2
劉效偉先生(上文附註(1))	Mr. Liu Xiaowei (<i>(Note (1) above)</i>)	1/1

審核委員會於本年度之工作乃按照審核委員會職權範圍進行，概述如下：

The work performed by the Audit Committee for the Year was pursuant to the terms of reference of the Audit Committee and is summarised below:-

- (i) 向董事會提交本公司年報及中期報告內之綜合財務報表及其內所載財務申報之重大判斷前與本公司之外聘核數師德勤•關黃陳方會計師行(「德勤」)進行審閱及討論，藉以監控該等報告之完整性；
- (ii) 審閱內部審計部門就評核本集團風險管理及內部監控系統涉及財務、運作、合規情況及風險管理之效益而發出之報告；
- (iii) 審閱持續關連交易；及
- (iv) 檢討及向董事會建議重新委任外聘核數師。

- (i) reviewed and discussed with Deloitte Touche Tohmatsu ("Deloitte"), the external auditor of the Company, before submission to the Board the Company's consolidated financial statements in the annual report, interim report and significant financial reporting judgments contained therein for monitoring the integrity of the reports;
- (ii) reviewed the reports from the internal audit department on assessment of the effectiveness of risk management and the internal control system of the Group covering material controls for financial, operational, compliance and risk management;
- (iii) reviewed the continuing connected transactions; and
- (iv) reviewed and made recommendation to the Board on re-appointment of external auditor.

發展及投資委員會

於本報告日期，發展及投資委員會由五名成員組成，分別為劉效偉先生、王曉東先生、李光先生、許峻先生及李大鵬先生。發展及投資委員會主席為劉效偉先生。

Development and Investment Committee

As at the date of this report, the Development and Investment Committee comprises five members, namely Mr. Liu Xiaowei, Mr. Wang Xiaodong, Mr. Li Guang, Mr. Xu Jun and Mr. Li Dapeng. The chairman of the Development and Investment Committee is Mr. Liu Xiaowei.

發展及投資委員會之主要職責為就本集團之發展及投資計劃及策略向董事會提供推薦建議。本年度並無召開發展及投資委員會會議。然而，本公司全體董事已召開一次董事會會議，以討論和批准本年度之業務計劃及預算。

The main duty of the Development and Investment Committee is to make recommendations to the Board on the Group's development and investment plan and strategies. No meeting of the Development and Investment Committee was held during the Year. However, one meeting of the Board was held with full Board members, for discussing and approving the business plan and budget for the Year.

企業管治報告書

CORPORATE GOVERNANCE REPORT

核數師酬金

本公司已委聘德勤為其外聘核數師，並將於二零一九年股東周年大會上供股東重選。

就德勤於本年度提供的服務已付或應付的酬金總額載列如下：

AUDITOR'S REMUNERATION

The Company has engaged Deloitte as its external auditor subject to be re-appointed by the Shareholders at the 2019 AGM.

The aggregate remuneration in respect of services provided by Deloitte for the Year paid or payable to them is set out as follows:

		千港元 HK\$'000
審計服務	Audit services	3,200
中期審閱服務	Interim review services	500
		3,700

本公司組織大綱與章程

本年度年內本公司組織大綱與章程並無任何變動。

THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

There were no changes in the Memorandum and Articles of Association of the Company during the Year.

董事之財務報表責任及核數師責任

全體董事均確認彼等就編製本公司截至二零一八年十二月三十一日止年度綜合財務報表之責任，以及確保編製本公司之綜合財務報表時遵守適用之標準及規定。核數師有關本集團財務報表之申報責任載於年報第81頁至第87頁之獨立核數師報告內。

DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS AND AUDITOR'S RESPONSIBILITY

All Directors acknowledge their responsibility for preparing the consolidated financial statements of the Company for the year ended 31 December 2018 and of ensuring that the preparation of the consolidated financial statements of the Company is in accordance with the applicable standards and requirements. The statement of the Auditor about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 81 to 87 of the Annual Report.

風險管理及內部監控

董事會整體負責維持良好有效之內部監控措施以保障股東投資及本集團資產。本集團之風險管理及內部監控系統乃為合理保證避免出現嚴重錯誤陳述或損失，以及為管理運作系統及減低該系統之失誤風險而設。

董事會在審核委員會的幫助下，已審閱本集團風險管理及內部監控系統之成效。本公司內部審計團隊定期就本集團所有重要的監控，包括本集團的風險管理、財務、運作及合規監控進行定期檢討，並按持續經營基準評估其適當程度及成效。內部審計團隊與審核委員會每年就年度審核計劃進行討論及協定，並向審核委員會成員提交審核結果報告，於審核委員會會議上進行討論及後向董事會報告。內部審計團隊會跟進該等審核報告，確保審計單位實施就先前確認審核結果的推薦建議，從而妥善解決有關問題。內部審計乃為向董事會合理保證，本集團已實行良好有效之風險管理及內部監控系統，藉以保障本集團資產及識別業務風險。

董事會已對本集團風險管理及內部監控系統於回顧年度內之成效進行監察，內容包括風險管理、財務、營運、合規等所有主要監控。基於上述檢討，董事會認為本集團之風險管理及內部監控系統屬有效、足夠並已遵守企業管治守則有關風險管理及內部監控之守則條文。

本公司已實施內幕消息披露政策與程序，規定了對內幕消息的處理及發佈的報告程序。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the overall responsibility for maintaining sound and effective internal controls to safeguard the shareholders' investment and the Group's assets. The Group's risk management and internal control systems are designed to provide reasonable assurance that material misstatements or losses can be avoided, and to manage and minimise risks of failure in operational systems.

The Board, with the assistance of the Audit Committee, has reviewed the effectiveness of risk management and internal control systems of the Group. The internal audit team of the Company performs regular reviews of all material controls, including risk management, financial, operational and compliance controls of the Group and evaluates their adequacy and effectiveness on a continuing basis. The annual audit plan is discussed and agreed every year with the Audit Committee. A report of audit findings is submitted to the members of the Audit Committee, discussed at the meetings of the Audit Committee and then report to the Board. The audit reports are then followed up by the internal audit team to ensure recommended actions have been taken on the findings previously identified such that they are properly resolved. Internal audits are designed to provide the Board with reasonable assurance that sound and effective risk management and internal control systems of the Group are implemented for protecting the assets of the Group and identifying business risks.

The Board has overseen the effectiveness of the Group's risk management and internal control systems covering risk management and all material controls, including financial, operational and compliance for the year under review and in view of the above, it opined that the Group's risk management and internal control systems are effective, adequate and in compliance with the code provisions on risk management and internal control of the CG Code.

The Company has implemented its policy and procedures on inside information, which set out the reporting procedures for the handling and dissemination of inside information.

企業管治報告書

CORPORATE GOVERNANCE REPORT

公司秘書

公司秘書須支援董事會以確保董事會內保持良好資訊流通且遵守董事會政策及程序，就管治事宜對董事會提出建議，協助董事入職並監察彼等之培訓及持續專業發展。

緊隨駱曉菁女士及李珊梅小姐分別於二零一九年一月十四日及二零一九年三月二十六日辭任後，余毅先生已按上市規則第3.28條獲委任為本公司之公司秘書，且二零一九年三月二十六日起生效。公司秘書須接受不少於15小時的相關專業培訓，以更新其技能及知識。駱女士、李小姐及余先生各自已確認彼於本年度內已進行超過15小時專業培訓。

股息政策

本年度內，董事會已採納股息政策，旨在為股東提供穩定及可持續之回報，據此，董事會於建議任何股息派付及釐定股息派付金額將計及下列因素：

- (i) 本公司的實際及預期表現及流動資金；
- (ii) 本集團預期營運資金需求及未來投資；
- (iii) 本公司及其附屬公司之保留盈利及可供分派儲備；
- (iv) 本集團貸款人可能對支付股息施加的任何限制；及
- (v) 其他董事會視為適用的因素。

董事會將因應財務表現及市場狀況不時檢討此政策，並於需要時作出修訂。

本公司派付股息受包括開曼群島適用法律法規及章程所規限。

COMPANY SECRETARY

The Company Secretary shall provide assistance to the Board and ensure efficient information circulation within the Board and, in compliance with the policies and procedures of the Board, provide advises on governance matters to the Board, facilitate induction of Directors and monitor their trainings and continuous professional development.

Following the resignation of Ms. Luo Xiao Jing and Ms. Li Shan Mui on 14 January 2019 and 26 March 2019 respectively, Mr Yu Ngai has been appointed as company secretary of the Company pursuant to rule 3.28 of the Listing Rules with effect from 26 March 2019. The Company Secretary must take no less than 15 hours of relevant professional training to update his skills and knowledge. Each of Ms. Luo, Ms. Li and Mr. Yu has confirmed that they undertook over 15 hours of professional training during the Year.

DIVIDEND POLICY

During the Year, the Board adopted a dividend policy with an aim to provide the Shareholders with stable and sustainable returns, pursuant to which the Board will take the following factors in proposing any dividend distribution and determining dividend payout:

- (i) the actual and expected performance and liquidity of the Company;
- (ii) the expected requirement for working capital and future investment of the Group;
- (iii) retained earnings and distributable reserves of the Company and its subsidiaries;
- (iv) any restrictions on payment of dividends that may be imposed by the Group's lenders; and
- (v) any other factors that the Board deem appropriate.

The Board shall review this policy against the financial performance and market condition from time to time and to amend it as and when necessary.

The distribution of dividend by the Company is subject to applicable laws and regulations including the laws of the Cayman Islands and the Articles.

與股東之溝通

董事會深明與股東及潛在投資者保持明確、及時和有效溝通的重要性。本集團相關資訊適時通過包括季度報告、中期報告及年報、公告及通函等正式途徑向股東發佈。

本集團鼓勵其股東出席股東周年大會（「股東周年大會」），以確保有高度之問責性，及讓股東了解本集團的策略及目標。董事會董事長及各董事委員會之主席（或如彼等未能出席，則各委員會之其他成員）將於股東周年大會上回答股東的任何提問。董事會會就每項在股東周年大會上審議之議題（包括重選董事及倘獨立非執行董事已任職逾9年）提呈個別之決議案。在股東周年大會不少於二十個完整營業日（而就所有其他股東大會而言，則不少於十個完整營業日）前，向全體股東發出股東周年大會通函，詳列各項擬提呈決議案、投票表決程序及其他相關資料。

本集團已設立網站 (<http://www.energinet.hk>) 以作為增進有效溝通之渠道，而本集團之公告、業務發展及營運、財務及企業資料，以及包括股東溝通政策、股東建議某人出選董事之程序、舉報機制等若干政策，以及其他資料均於本公司網站投資者關係一節中刊登。

COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of maintaining clear, timely and effective communication with the Shareholders and potential investors. Information in relation to the Group is disseminated to the Shareholders in a timely manner through a number of formal channels including quarterly, interim and annual reports, announcements and circulars.

The Group encourages its shareholders to attend annual general meeting (“AGM”) to ensure a high level of accountability and to be kept informed of the Group’s strategy and goals. The Chairman of the Board and the chairman of each of the Board Committees, or in their absence, other members of the respective committees, are available to answer any questions from the shareholders. A separate resolution is proposed by the Board in respect of each issue to be considered at the AGM, including the re-election of Directors and if an independent non-executive director serves more than 9 years. An AGM circular was distributed to all shareholders at least 20 clear business days prior to the AGM (at least 10 clear business days in the case of all other general meetings), setting out details of each proposing resolution, poll voting procedures and other relevant information.

As a channel to further effective communication, the Group maintains a website (<http://www.energinet.hk>) at which the announcements, business developments and operations, financial and corporate information of the Group and some policies including the shareholders communications policy, procedures for shareholders to propose a person for election as a Director, whistleblowing policy and other information are posted under the section of Investor Relations of the Company’s website.

企業管治報告書

CORPORATE GOVERNANCE REPORT

股東權利

根據第72條，股東於送交請求之日須持有不少於有權於本公司股東大會投票之本公司繳足股本十分之一，方可隨時向在總部之公司秘書遞交列明建議之決議案（「決議案建議」）連同決議案建議所述事宜之陳述書的書面請求（「請求書」），藉以要求董事會將決議案建議列入股東周年大會議程內或董事會就處理該請求書所列任何事項而召開之股東特別大會的議程內。

股東查詢

股東可隨時將其向董事會提出之書面查詢及關注事項，以郵寄、電郵或傳真方式寄交公司秘書部，地址如下：

中國航天萬源國際（集團）有限公司
香港灣仔港灣道18號
中環廣場47樓4701室
電郵：cs@engine.hk
傳真號碼：+852 2531 0088

Shareholders' Rights

Pursuant to Article 72, shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition ("the Written Requisition"), specifying the proposed resolution ("the Proposed Resolution") accompanied by a statement in respect of the matter referred to in the Proposed Resolution, to the Company's secretary at its Head Office, to request the Board to include the Proposed Resolution in the agenda for the annual general meeting or to require an extraordinary general meeting to be convened by the Board for transaction of any business specified in such Written Requisition.

Shareholders' Enquiries

Shareholders may at any time send their enquiries and concerns to the Board in writing by post, by email or by fax through the Company Secretary Department whose contact details are as follows:

China Engine International (Holdings) Limited
Suite 4701, 47th Floor, Central Plaza
18 Harbour Road, Wanchai, Hong Kong
Email: cs@engine.hk
Fax no.: +852 2531 0088

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

關於本報告

本報告主要概述集團於2018年1月1日至2018年12月31日在環境、社會範疇及管治三方面的策略及表現。報告範疇主要包括風機製造、分銷及風場營運的業務。本報告乃按照香港聯合交易所有限公司證券上市規則附錄27《環境、社會及管治報告指引》(ESG指引)編制而成，並已遵守ESG指引所載之「不遵守就解釋」條文。

意見及回饋

我們重視您對本報告的意見及反饋，您的意見將有助我們改善日後的表現。如有任何意見，歡迎電郵 energin@energin.hk 或寄信至香港灣仔港灣道18號中環廣場47樓4701室。

重要性評估

為釐定本報告的披露重點及內容，同時檢視自身環境、社會及管治的績效表現與策略，本集團於報告期內進行了重要性評估。我們以《ESG指引》所涵蓋的環境、社會及管治事宜為基準，整合了重要性評估的議題清單。透過獨立顧問於2019年1月舉行的最高管理層訪談、員工焦點小組會議及員工問卷調查，我們成功收集持份者對本集團環境、社會及管治的關注事項及評分。重要議題結果和其優先次序是依照管理層的意見以及員工的調查結果所得出的，共有16項議題被識別為關注事項。

ABOUT THIS REPORT

This report mainly sets out a summary of the strategies and the performance of the Group for the period from 1 January 2018 to 31 December 2018 in terms of environmental, social and governance (“ESG”) aspects. The report principally covers the business of manufacturing and distribution of wind turbines and wind farm operations. This report was prepared in accordance with the ESG Reporting Guide (the “ESG Guide”) as set out in Appendix 27 of the Rules Governing The Listing of Securities on the Stock Exchange of Hong Kong Limited, and it has complied with the “Comply or Explain” provisions in the ESG Guide.

Comments and Feedback

We value your comments and feedback on this report, and your comments will help us to improve the performance in the future. Do not hesitate to give your comments, if any, by email (energin@energin.hk) or by post (Suite 4701, 47th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong).

MATERIALITY ASSESSMENT

To determine key points and content of this report as well as review its own ESG performance and strategies, the Group has conducted a materiality assessment during the reporting period. Based on the ESG issues set out in the ESG Guide, we have consolidated a list of issues for materiality assessment. By conducting interviews with the most senior management in January 2019 via an independent consultant, as well as small group discussions among employees and employee engagement surveys, we have successfully collected the stakeholders’ issues of concern and performance rating of the ESG work of the Group. Material issues were identified and prioritised based on the comments from the management and the results of the employee engagement surveys, and 16 issues were identified as issues of concern.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

相關結果及關鍵績效指標載列如下(按優先次序)，議題優次排序中第一至五項議題被列為重大關注議題：

The following table summarizes the material issues most relevant to us (in order of priority) and their respective key performance indicators. The top 5 issues in the table are classified as issues of major concern:

議題重要性 Issues of importance	議題優次 排序 Priority of the Issues	議題 Material Issues	關鍵績效指標 Key Performance Indicators
重大關注議題 Issues of major concern	1	員工培訓及支援 Employee training and support	發展及培訓(層面B3)一般披露，關鍵績效指標B3.1、B3.2 Development and Training (aspect B3) general disclosure, KPI B3.1, B3.2
	2	職業健康及安全 Occupational health and safety	健康與安全(層面B2)一般披露 Health and safety (aspect B2) general disclosure
	3	員工投訴機制 Grievance mechanism for employees	僱傭(層面B1)一般披露 Employment (aspect B1) general disclosure
	4	物料使用 Use of materials	資源使用(層面A2)一般披露，關鍵績效指標A2.5 Use of resources (aspect A2) general disclosure, KPI A2.5
	5	節約能源/低碳 Energy saving/low carbon	資源使用(層面A2)一般披露，關鍵績效指標A2.1、A2.3，環境及天然資源(層面A3)一般披露，關鍵績效指標A3.1 Use of resources (aspect A2) general disclosure, KPI A2.1, A2.3; the environment and natural resources (aspect A3) general disclosure, KPI A3.1

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

議題重要性 Issues of importance	議題優次 排序 Priority of the Issues	議題 Material Issues	關鍵績效指標 Key Performance Indicators
關注議題 Issues of concern	6	評估供應商／承辦商的社會責任表現 Assessment on social responsibility performance of suppliers/contractors	供應鏈管理(層面B5)一般披露，關鍵績效指標B5.2 Supply chain management (aspect B5) general disclosure, KPI B5.2
	7	員工相關統計資料及政策 Related statistics and policies on staff	僱傭(層面B1)一般披露，關鍵績效指標B.1.1 Employment (aspect B1) general disclosure, KPI B.1.1
	8	廢物處理 Waste treatment	排放物(層面A1)一般披露，關鍵績效指標A1.3、A1.4、A1.6 Emissions (aspect A1) general disclosure, KPI A1.3, A1.4, A1.6
	9	產品及服務的投訴及應對方法 Number of products and service related complaints received and how they are dealt with	產品責任(層面B6)一般披露，關鍵績效指標B6.2 Product responsibility (aspect B6) general disclosure, KPI B6.2
	10	廢氣控制 Exhaust control	排放物(層面A1)一般披露，關鍵績效指標A1.1、A1.2、A1.5，環境及天然資源(層面A3)一般披露 Emissions (aspect A1) general disclosure, KPI A1.1, A1.2, A1.5; the environment and natural resources (aspect A3) general disclosure
	11	產品和服務的責任政策 Responsibility policy on product and service	產品責任(層面B6)一般披露，關鍵績效指標B6.2 Product responsibility (aspect B6) general disclosure, KPI B6.2
	12	勞工法規及準則 Regulations and standards of labour	勞工準則(層面B4)一般披露 Labour standards (aspect B4) general disclosure
	13	水資源管理 Management of water resources	資源使用(層面A2)一般披露，關鍵績效指標A2.2、A2.4、A3.1 Use of resources (aspect A2) general disclosure, KPI A2.2, A2.4, A3.1
	14	預防貪污腐敗 Prevention of corruption and bribery	反貪污(層面B7)一般披露，關鍵績效指標B7.2 Anti-corruption (aspect B7) general disclosure, KPI B7.2
	15	遵守法規 Compliance with regulations	排放物(層面A1)、僱傭(層面B1)、健康與安全(層面B2)、勞工準則(層面B4)、產品責任(層面B6)、反貪污(層面B7)一般披露 Emissions (aspect A1), Employment (aspect B1), Health and safety (aspect B2), Labour standards (aspect B4), product responsibility (aspect B6), Anti-corruption (aspect B7) general disclosure
16	評估供應商／承辦商的環境表現 Assessment on environmental performance of suppliers/contractors	供應鏈管理(層面B5)一般披露，關鍵績效指標B5.2 Supply chain management (aspect B5) general disclosure, KPI B5.2	

管理方針

本集團深明暢順、高效率及高透明度的運作是奠基於優良的企業管治，對集團穩健發展極為重要，因此我們致力秉承「人盡其才、和諧共贏」的價值觀，並將其貫穿於本集團的管治方針及應用於我們日常的營運當中，以求達致「追求卓越、引領新能源」的目標。

可持續發展管理

集團的可持續發展管理框架下涵蓋三大質量、環境、職業健康與安全範疇，參照了國際與國家標準，建立了相應的質量、環境管理與職業健康安全管理體系。北京萬源工業有限公司及甘肅航天萬源風電設備製造有限公司及內蒙古航天萬源風電設備製造有限公司先後取得ISO9001:2015 (GB/T 19001-2016)品質管理體系認證及ISO14001:2015 (GB/T24001-2016)環境管理體系認證。

我們秉持管理體系的「規劃—實施—檢查—行動」原則，訂下品質、環境及職業健康安全方針和中長期目標與指標，並按管理程序定期與相關部門進行質量、環境、職業健康與安全的內審計劃及評估目標進度。本報告期內，集團就北京萬源工業有限公司及甘肅航天萬源風電設備製造有限公司進行了內部審查，過程中討論了部門資源配置需求、管理體系中各部門職責及操作難點、產品質量控制情況、環境因素及危險源辨認情況、監視和測量設備管理情況等，以確保方針、目標能配合集團自身發展的需要和實現管理體系的適宜性、充分性及有效性，從而持續完善管理體系。對於存在或潛在的不合格項會於管理評審會議中提出糾正、預防或改進措施，確定責任部門及和整改時間。鑑於集團2017年對體系文件(公司本部管理手冊1本、程序文件24份、甘肅航天萬源風電設備製造有限公司的管理手冊及程序文件)進行了轉版發佈，我們對轉版後體系運行情況作出了評價，確定管理體系文件的可行性，並識別了可完善與更改的地方。

MANAGEMENT APPROACH

The Group recognises a sound corporate governance framework as the foundation for a smooth, highly efficient and highly transparent operation for which it is essential for the steady development of the Group. As such, we value “the proposition of employees’ talents to achieve win-win situation for all” in the management approach of the Group and apply this to our day-to-day operation with an aim to “pursue excellence and lead the development of new energy”.

Management of sustainable development

The framework for management of sustainable development of the Group covers three major areas, namely quality, environment and occupational health and safety. The management systems for each of the above areas have been established in accordance with international and national standards. Beijing Energin Industry Co., Ltd. and Gansu Energin Wind Turbine Manufacture Co. Ltd. and Inner Mongolia CASC Energin Wind Turbine Manufacture Co. Ltd. have acquired ISO9001:2015 (GB/T 19001-2016) quality management system certificate and ISO14001:2015 (GB/T24001-2016) environmental management system certificate.

We uphold the management system’s principle of “planning-implementation-checking-action” to formulate the approach for quality, environment and occupational health and safety and set out mid-to-long term targets and performance indices. We conduct internal inspection regularly with relevant departments on quality, environment and occupational health and safety pursuant to the management procedures, as well as assess the progress made towards the targets. During the reporting period, the Group runs an internal audit on Beijing Energin Industry Co., Ltd., and Gansu CASC Energin Wind Turbine Manufacture Co. Ltd.. To continuously optimize our management systems, the audit looked at the resources allocation to each department, responsibilities of each department and their operational difficulties, quality control of products, identification of environmental factors and their source of risks, as well as inspection and measurement of equipment management, to ensure that the approach and targets are applicable for Group’s development and affirm that the management systems are appropriate, sufficient and effective. In the event of any non-compliance or potential substandard items identified, measures for rectification, prevention or improvement will be followed up at the management committee meeting, to determine the responsible department and the period of time for rectification. As the Group revised the system documents in 2017, (including one management manual and 24 procedural documents for the headquarters of the Company; manual and procedural document for Gansu CASC Energin Wind Turbine Manufacture Co. Ltd.), we have assessed the system operation after the revision, in order to ensure the feasibility of the management system document as well as identify any defects for improvement and alteration.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

董事會每年均會在年度管理評審會議審視環境、社會及管治相關的策略與政策，監督實施成效並檢討主要績效指標。此外，董事會負責編制和發佈集團的環境、社會及管治報告。

The Board reviews the strategies and policies on ESG work at annual management committee meeting, supervises the implementation and evaluates the KPIs. In addition, the Board is responsible for preparing and publishing the ESG report of the Group.

持份者參與

本集團高度重視持份者的意見，設有以下多種渠道和溝通方式與持份者保持有效及恆常的溝通，藉此了解及能適時回應持份者的意見及訴求，務求不斷優化業務表現，履行環境及社會責任：

Stakeholders Engagement

The Group highly values the opinion from stakeholders, and therefore various channels and methods tabulated below are available for effectively and constantly communicating with stakeholders. By understanding and responding to the opinion and requests from stakeholders in due course, the Group strives to improve its operational performance and upholds its environmental and social responsibilities:

持份者 Stakeholder	溝通方式 Way of communication	持份者 Stakeholder	溝通方式 Way of communication
投資者／ 最高管理層	Investor/Most senior management	股東大會 定期報告、公告、通函、年報 新聞稿 公司官網 管理評審會議	General meeting Regular report, announcement, circular, annual report Press release Website of the Company Management committee meeting
員工	Staff member	職工代表大會 員工培訓 員工績效考核 內部員工刊物	Staff meeting Staff training Employee performance assessment Internal publication for staff
合作夥伴	Cooperative partner	定期會議 合同協議 品質分析會 供應商評鑑制度	Regular meeting Contract and agreement Quality analysis meeting Supplier evaluation system
客戶	Customer	產品供應 合同協議 客戶服務 公司官網 滿意度調查	Product supply Contract and agreement Customer service Website of the Company Satisfaction survey
社區	Community	公司官網	Website of the Company

環境保護

作為中國一家重點風機設備製造、風場開發、分佈式能源、風光儲一體化等高端清潔能源發展的企業，本集團肩起創建綠色社會的責任，高度發展及鼓勵節能環保業務。為了表達對保護環境的遠景和承諾，我們嚴格遵守《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國環境噪聲污染防治法》及地方營運適用的環保法例和法規，保證合規廢氣、溫室氣體、污水排放，履行合規義務，達到國內營運所在地的相關環保標準。

我們對於自然環境及天然資源的影響主要是業務活動所產生的廢氣排放物、廢水、固體廢物，以及使用電力、水、紙張等的天然資源。我們儘量減少對自然環境及天然資源的影響，將環保理念融入集團經營及管理當中，嚴格執行節水、節能及減排相關監控政策及控制措施。我們持續監察我們的營運模式，並採取必要措施，以減輕對環境及天然資源的影響。報告期內，本集團並不知悉有任何嚴重違反有關環境及天然資源的相關法律和法規之情況。

ENVIRONMENTAL PROTECTION

As a high-end clean energy developer in China focusing on wind turbines manufacturing, development of wind farm, distributed energy and PV-wind hybrid power system, the Group bears the responsibility of creating a green community while vigorously developing and promoting energy saving and environmental protection. To realize our vision and commitment to environmental protection, we strictly comply to the Environmental Protection Law of the People's Republic of China, the Atmospheric Pollution Prevention and Control Law of the People's Republic of China, the Water Pollution Prevention and Control Law of the People's Republic of China, the Solid Waste Pollution Prevention and Control Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise and the laws and regulations on environmental protection applicable to the locations of our operation, to ensure we fulfil compliance obligation in exhaust, greenhouse gas, waste water emissions and to meet environmental standards at where we operate.

The impacts on the environment and natural resources are principally from exhaust emissions, waste water, solid waste generated from our operation activities as well as consumption of electricity, water and paper at our premises. We have minimised the impacts on the environment and natural resources by integrating environmental protection concepts into the Group's operation and management as well as strictly implementing control policies and measures on water and energy saving and emission reduction. We continue to monitor our operation model and adopt necessary measures to scale down the impacts on the environment and nature resources. During the reporting period, the Group was not aware of any material breach of laws and regulations in environment and natural resources.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境管理

我們參照國家新版環境管理體系標準，向各部門及附屬公司發佈了品質／環境／職業健康安全手冊。管理體系下《應急準備和響應控制程序》、《環境、職業健康安全績效監視和測量控制程序》及《文件資料管理過程控制程序》的三份關鍵文檔分別詳述本公司固體廢棄物管理、緊急情況處理、環境表現監視和測量控制、以及體系運行的記錄與資料管理。

去年12月，我們亦實行《環境管理運行控制程序》，列明辦公室本部、風場及附屬公司在採購過程、銷售活動、廢棄物處理、基礎設施和工作環境的管理責任及程序。集團品質技術部在2018年底與相關部門進行環境影響審核，在出現不符合時依照《改進管理過程控制程序》處理，確保公司環境方針、目標的實現。附屬公司根據自身營運情況而制定年度環境目標，並需嚴格遵守規程的要求進行生產。

環境事件應急措施

於活動、生產產品和服務過程中發生事故或緊急情況時，本集團將進行有效控制和處理，從而預防、減少及減低對人身傷害、財務損失及環境影響的程度。因應有可能發生的事故，我們制訂適當培訓並進行演練。發生緊急情況時，各部門按要求進行應急處理並迅速報告主管領導及主管部門，根據實際情況，對事故進行快速、有效、有序及高效的應急救援工作。

Environmental Management

We distribute the management manual of quality/environment/occupational health and safety, which was prepared in reference to the revised National Environmental Management System Standards, to all departments and the subsidiaries. The three key documents of the management system, namely the “Control Procedure for Environmental Emergency Preparedness and Response”, the “Control Procedure for Performance Supervision and Measurement of Environment, Occupational Health and Safety” and the “Control Procedure for Document Management”, set out the details of our solid waste management, emergency handling, supervision and measurement of our performance in environment as well as our management in record keeping.

In December 2018, we also implemented “the Control Procedure for Environmental Management”, setting out the management responsibility and procedure on procurement, sales activities, waste treatment, infrastructure and work environment at headquarters office, wind farms and subsidiary level. At the end of 2018, the Quality Technical Department of the Group conducted an environmental impact assessment with relevant departments, the non-conformities were corrected according to “the Control Procedure for Management Improvement”, to ensure the fulfilment of the Company’s environmental approach and targets. The subsidiaries formulate environmental targets based on their own operational conditions, and their production process also need to strictly follow our procedures.

Emergency measures for environmental accidents

In case of any accident or emergency from activities, production, and service, the Group would proceed with effective control and disposal, so as to lower the degree of personal injury, financial loss, and environmental influence. We organized proper training and drills in respect of possible accidents. In case of any emergency, individual departments handled and immediately reported the case to the leaders and department in charge as required, and then carried out emergency rescue in a rapid, effective, orderly, and efficient manner based on specific conditions.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境保護設施

我們關注工廠內與廠房周圍的生態環境，並於甘肅的廠房附近種植了多種淨化空氣及減噪功能的綠化植物，綠化面積共達6,800平方米。相對地，於內蒙古的風電產業園，我們亦進行整體綠化規劃，每年種花500平方米，以確保園區內包含綠色生態元素，現時種植草坪總面積達到4,600多平方米。透過綠化及美化園區，我們致力為員工創造舒適的工作與生活環境，同時達到當地政府綠化部門綠化生態一體化的要求。

合規排放

我們致力減少排放過程對環境造成的污染，並針對性實施一系列減排工程及項目，對生產過程中產生的廢棄物、廢氣、廢水及噪音均進行有效的控制。報告期內，我們未有發生任何有關空氣及溫室氣體排放、向水及土地的排污和有害及無害廢棄物產生及棄置的法律違規事件。

廢氣排放物

本集團生產直驅風機及製造風力發電設備過程中並無顯著的廢氣污染物排放。營運產生的廢氣來源主要來自運輸產品及原材料的車輛，其主要污染物包括少量的氮氧化物(NO_x)、硫氧化物(SO_x)及懸浮粒子(PM)。我們遵守國家《汽車排氣污染監督管理辦法》及地方《內蒙古自治區機動車排氣污染防治辦法》等相關法律法規，在內部實施《車輛管理制度》，每年檢驗車輛，以確保合規排放。

Environmental protection facilities

We place emphasis on the ecological environment in factories and their surrounding area. There are green plants around our factory in Gansu for air purification and sound absorption. The green area has covered 6,800 square meters. In addition, integrated green planning has also been made for our wind farm in Inner Mongolia where a flower bed of 500 square meters was annually planted for the purpose of inclusion of ecological elements in the wind farm area. Currently, the farm has a lawn area of more than 4,600 square meters. We endeavour to create a comfortable work environment for our staff by greening and beautifying the area, and meet the local government requirements on ecological greening.

CONFORMING DISCHARGE

The Group was committed to reducing environmental pollution in the process of discharge and implementing a series of targeted emission reduction projects and programs. In consequence, the waste materials, exhaust gas, wastewater and noise arising from production were controlled effectively. During the reporting period, there was no event in breach of relevant laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation and disposal of hazardous and non-hazardous waste.

Exhaust gas emissions

The manufacturing of direct-driven wind turbine generators and wind energy equipment of the Group has not emitted much exhaust gas. The exhaust gas incurred during the course of business was principally from the vehicles for transporting products and raw materials. The main pollutants include a small amount of NO_x, SO_x and PM. We have complied with the relevant laws and regulations, such as the national Measures on Supervision of Exhaust Pollution from Automobiles and the local Measures on Prevention and Control of the Exhaust Pollution of Motor Vehicles in Inner Mongolia. Every year, we perform inspection on vehicles in accordance with our "vehicle management mechanism" to ensure conforming discharge.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

廢氣排放物 (續)

報告期內，本集團汽車排放物排放情況如下：

Exhaust gas emissions (Continued)

During the reporting period, the emission of the Group's vehicle exhaust was as follows:

排放物*		單位	數量
Emissions*		Unit	Quantity
硫氧化物 SO _x	千克	Kilogram	0.9
氮氧化物 NO _x	千克	Kilogram	110.2
懸浮粒子 PM	千克	Kilogram	9.2

溫室氣體排放

集團產生的碳足跡主要來自車輛燃燒汽油時的直接排放及購入電力的間接排放。發電工序所造成的氣體排放主要包含二氧化硫和氮氧化物。2018年，集團溫室氣體排放量為1,378噸二氧化碳當量(tCO₂e)，溫室氣體總排放量密度為0.02(噸二氧化碳當量/平方米建築面積)。

Greenhouse gas emissions

The carbon footprint of the Group is principally the direct emission from vehicles' engine and the indirect emission of electricity purchased. The gas emissions in the process of electricity generation mainly include Sulphur Dioxide and NO_x. In 2018, the greenhouse gas emissions generated by the Group amounted to 1,378 tonnes of carbon dioxide equivalent (tCO₂e), whereas the intensity was 0.02 (tCO₂e/square metre of gross floor area).

溫室氣體排放	排放源	單位	排放量
Greenhouse gas emissions	Source of emissions	Unit	Volume of emissions
直接排放(範圍一)(tCO ₂ e)	柴油及煤氣燃料消耗的排放和車輛使用的汽油及柴油	噸二氧化碳當量	166
Direct carbon emissions (Scope I) (tCO ₂ e)	Consumption of diesel and gas as well as gasoline and diesel used for vehicles	tCO ₂ e	
間接排放(範圍二)(tCO ₂ e)	購買的電力	噸二氧化碳當量	1212
Indirect carbon emissions (Scope II) (tCO ₂ e)	Electricity purchased	tCO ₂ e	

廢棄物管理

為了符合國家相關的法律法規，本集團制定了《固體廢棄物管理辦法》的內部規條，以管理及監察處置固體廢物的流程。集團生產、營運的固體廢物可分為可回收及不可回收的有害廢物和無害廢物。本集團將廢紙、廢金屬、廢玻璃、廢塑膠、廢設備、零件等無害廢棄物進行回收，而各部門把可回收廢棄物送至指定地點分類收集，然後綜合回收處理。至於不可回收無害廢物，如葉片生產過程中裁剪、切邊所產生的固體垃圾、生活垃圾，則交給符合環保認證的公司處理。

我們有害廢棄物主要是墨水匣、機油、乾電池、蓄電池、廢抹布(含油、天那水、油墨)、廢含汞燈管、廢化學品容器、實驗室廢物(抹布、手套、過濾材料)等。對於有害廢物的處置，生產部門按照《危險廢物污染控制程序》，在廠區或辦公場所指定位置放置不同的垃圾桶或以區域劃分危險物存放區，確保防止擴散、流失及洩漏。累積一定數量後，統一經部門委託有資格的公司合規處置。對於可回收的有害廢棄物，如墨水匣及潤滑油脂，集團已與供應商簽訂廢墨水匣及潤滑油脂的回收協議。為預防、控制和處理危險化學品，附屬公司按照實際情況制訂事故應急預案，做好應急準備。報告期內，集團期望將來有害廢物回收率達到100%。

Waste management

To comply with the relevant laws and regulations of the PRC, the Group has implemented the internal provisions of "Solid Waste Management Measures" to manage and supervise the process of solid waste disposal. The solid waste produced from the production and operation of the Group is divided into recyclable and non-recyclable as well as hazardous and non-hazardous. The Group recycles the non-hazardous waste, such as waste paper, waste metal, waste glass, waste plastic, waste equipment and parts and components, and individual departments move the recyclable wastes to a designated separate collection station for combined disposal. For the non-recyclable non-hazardous wastes, such as solid waste from cutting and trimming in the production process of blade and household waste, are processed by certified waste collection companies.

Our hazardous wastes are mainly ink cartridge, engine oil, dry cell battery, storage battery, waste cloth (which contains engine oil, isoamyl acetate and ink), waste mercury-containing lamps, waste chemical containers and laboratory wastes (such as cloth, gloves and filter materials). For disposal of hazardous wastes, the production department places garbage bins at various designated locations in plant or office or storage areas pursuant to the "Procedures for Pollution Control of Hazardous Waste" to ensure the prevention of spread, loss and leakage of hazards. A qualified company will be engaged for collective disposal upon accumulation of certain amount of hazardous wastes. For recyclable hazardous wastes, such as ink cartridge and lubricants, the Group has formed an agreement with suppliers for recycling waste ink cartridge and lubricants. To prevent, control, and dispose of hazardous chemicals, the subsidiaries, according to specific conditions, formulated accident emergency plans to guarantee well-preparedness. During the reporting period, the Group expected a 100% of recycling rate of hazardous wastes.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

廢棄物管理 (續)

2018年，集團主要廢棄物處置情況如下：

固體廢物類 Solid waste category		單位 Unit	數量 Volume
有害廢棄物棄置 Disposal of hazardous waste	噸	tonne	0.66
無害廢棄物棄置 Disposal of non-hazardous waste	噸	tonne	80.70
無害廢棄物回收 Recycling of non-hazardous waste	噸	tonne	0.75

廢水管理

我們的廢水排放來源主要來自甘肅廠區的員工生活污水。我們按照肅州區環境監察報告要求，將生活污水經過化糞池處理後，排放至工廠內一體化污水處理設備進行生物處理、水解、氧化、過濾等工序。經處理後的出水經已脫氮、除磷及去除了有機物，可達到《污水綜合排放標準》的一級標準，並排放至市政排污管網。

廠區努力尋求水資源循環再利用的機會，現時廠區夏季是會將過濾後的生活污水注入至廠內清水儲水池，以作灌溉之用。

Waste management (Continued)

In 2018, the Group's disposal of principal wastes was as follows:

Wastewater Management

Our wastewater source is mainly sanitary sewage of our employees in the factory area in Gansu. Therefore, we have, in accordance with the requirements of report on environmental monitoring in Suzhou District, treated sanitary sewage in the septic tank, and transferred them to an integrated sewage treatment facility for, among others, bio-treatment, hydrolysis, oxidation and filtering. As the effluent after treatment has been gone through nitrogen removal, dephosphorization and organic matter removal, it meets the requirements specified in the Integrated Wastewater Discharge Standard and can be discharged to municipal sewage discharge network.

Our factory endeavours to seek opportunity for recycling water resources. In summer, household sewage after treatment in plant area flows into the clean water reservoir inside factory for irrigation.

善用資源

生產風機及電池過程中涉及的資源耗用包括能源、水資源及生產所需的原輔材料。為了降低營運成本的同時，我們矢志實現對保護環境的決心，致力在營運中有效使用資源。本集團所制訂的《環境、職業健康安全績效監視和測量控制程序》中，要求各部門及附屬公司每月監控用電、用水及用油情況，務求善用資源。

以內蒙古航天萬源為例，公司的2018年度環境管理方案訂立了節約用水、減低能源與資源消耗等目標：

Effective Use of Resources

The resources consumed in the production of wind turbines and batteries includes energy, water resource and raw and auxiliary materials. To reduce operational costs and to demonstrate our determination in environmental protection, we are committed to effectively use resources in our operation. For effective utilization of resources, the Group has formulated the "Control Procedures for Supervision on and Assessment of the Performance in the Environment and Occupational Health and Safety", to request all departments and subsidiaries to monitor the consumption of electricity, water and gas.

For example, Inner Mongolia Energin New Energy Development Co. Ltd. has set a number of targets, in areas of water conservation, reduction of energy consumption and reduction of resource consumption in its Environmental Management Plan 2018:

目標 Target	指標 Indicator	相應措施 Corresponding Measures
節約用水 Water conservation	人均用水量下降3% Reduction of water consumption per capita by 3%	<ul style="list-style-type: none"> 根據年度用水節約指標及生產工序，訂立年度用水總量，並按該總量限制人均用水量 Calculating the annual volume of water consumption by referencing annual water conservation indicator and production process, and minimising water consumption per capita to the level of the annual volume of water consumption 由專人負責監督節約用水的實施 Assigning a person in charge of monitoring the implementation of water conservation
減低能源消耗 Reduction of energy consumption	人均用電量下降3% Reduction of electricity consumption per capita by 3%	<ul style="list-style-type: none"> 生產設備及機具做到隨用隨開，人離機停 Turning off all production equipment and tools when not in use 下班時關掉辦公室的設備及機具 Switching off equipment and tools at office before leaving
減低資源消耗 Reduction of resource consumption	人均用紙量下降5% Reduction of paper consumption per capita by 5%	<ul style="list-style-type: none"> 根據年度紙張節約指標，訂立年度用紙總量，並按總量合理分配各員工的用紙量 Calculating annual paper consumption by referencing annual paper conservation indicator, and reasonably allocating paper consumption quota to each employee 在打印機及複印機前張貼提示，提醒員工節約用紙 Affix "Paper Conservation" sticker on printers and photocopiers as a reminder 非機密性的辦公用紙必須雙面使用，而未定稿的文稿一律不用新紙打印 Use both sides of A4 paper for non-confidential information, and new A4 paper is only used for printing finalized draft of document 回收廢棄的文件 Recycling waste document 制定文件傳閱制度，減少文件的複印份數 Formulating a document circulation system for reducing the number of photocopy of documents 根據內部《車輛管理制度》執行 Implementing the internal "Vehicle Management System"

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

其他善用資源的措施包括舉辦節能宣傳周和低碳日活動，循環利用油脂罐，於公司食堂、衛生間、水房等地點張貼節約用電用水的提示，以及污水處理後的水以作灌溉用途。

本集團的能源消耗以電能為主，而燃油消耗主要來自公司車輛的使用。2018年，本集團共消耗電力為1,283,922度，汽油及柴油分別為53,957公升及4,374公升，總能源消耗量折合為1,342,253度。我們採用市政自來水，無其他水資源消耗，2018年用量為18,067立方米。以總建築面積計算，總能源消耗密度及水資源消耗密度分別為22.13(度/平方米)及0.3(立方米/平方米)。生產上，本集團產品所需的包裝材料較少，使用的木箱、塑料膜、防雨罩、打包帶等用於保護產品在運輸途中免受損壞。

Other measures for effective use of resources include promotion week for energy conservation, low carbon day campaign, recycling grease can, affixing "saving electricity and water" sticker at canteens, toilets and water rooms and using treated effluent for irrigation.

In terms of energy consumption, the Group mainly consumes electric energy, while fuel is mostly consumed by vehicles. In 2018, the Group consumed electricity of 1,283,922 kilowatt-hours, gasoline of 53,957 liters and diesel of 4,374 liters, contributing to the total energy consumption equivalent to 1,342,253 kilowatt-hours. As for water use, the Group only utilizes tap water. In 2018, the water consumption was 18,067 cubic meters. In terms of total gross floor area, the intensity of total energy consumption and water consumption were 22.13 (kilowatt-hours/square meter) and 0.3 (cubic meter/square meter). In terms of production, the Group's products need only few packaging materials such as wooden case, plastic film, rain cover, and packing strap, to protect the products from damage in transit.

能源消耗 Energy consumption		單位 Unit	數量 Volume
電 Electricity	度	kilowatt-hours	1,283,922
汽油 Gasoline	公升	Liters	53,957
柴油 Diesel	公升	Liters	4,374
總能源消耗 Total energy consumption	度	kilowatt-hours	1,342,253

水資源消耗 Water resource consumption		單位 Unit	數量 Volume
水 Water	立方米	Cubic meters	18,067

主要包裝材料消耗 Consumption of principal packaging materials		單位 Unit	數量 Volume
木箱 Wooden case	噸	Tonne	0.67
紙箱 Paper case	噸	Tonne	0.20
塑料膜 Plastic film	噸	Tonne	0.03
防雨罩 Rain cover	噸	Tonne	4.79
打包帶 Packing strap	噸	Tonne	0.53
總材料類型消耗 Total consumption of materials	噸	Tonne	6.22

案例分享 – 2018年節能宣傳周和低碳日活動

為更有效管理及善用能源，集團在2018年調整了年度各項資源消耗目標管理方案，首次確定了(本年度各項資源消耗量與營業收入)/(上年度各項資源消耗量與營業收入) ≤ 1 的計算公式，提高了公司的資源利用效率。年內，我們舉辦了節能宣傳周和低碳日活動，主題圍繞「節能降耗、保衛藍天」，期望提升員工氣候變化意識及強化內部低碳實踐。節能宣傳周和低碳日活動的三大重點為：

加大節約能源的宣傳力度：節能宣傳周的目的為樹立節能意識，以滾動式電子屏幕、張貼標語等形式向基層宣揚節約能源的重要性。多個集團部門如公司綜合管理部、經營投資部、研發部、質量技術部、財務部的員工籌備及參加展覽。

Case – Promotion Week for Energy Conservation and Low Carbon Day Campaign in 2018

To more effectively manage and use energy, the Group adjusted its target management scheme for resources consumption in 2018, and implemented the calculation formula of (percentage of resources consumption to revenue for this year)/(percentage of resources consumption to revenue for the previous year) ≤ 1 , thus enhancing the efficiency of resources use of the Company. During the year, we organised a promotion week for energy conservation and a low carbon day campaign with a theme of “Energy Conservation and Reduction of Consumption for Protecting Blue Sky”, so as to increase employees' awareness of climate change and strengthen low-carbon operation. There were three focus areas of the promotion week for energy conservation and low carbon day campaign:

Putting more efforts on promoting energy conservation: The aim of the promotion week for energy conservation is to enhance the awareness of energy conservation among employees. As such, the importance of energy conservation was promoted through rolling advertisement billboards and promotional stickers. Members of various departments of the Group, such as integrated management, operating investment, research and development as well as quality technology, have organised and participated in the exhibitions.



履行節約用電：關掉走廊照明燈，減少待機消耗，派專人巡查下班電器關閉情況。

Wise use of electricity: Turn off corridor lighting when not needed, minimise standby power consumption of computers and make sure all electrical appliances are switched off after work by assigning responsible persons to conduct inspection.

減少公車使用，低碳任我行：公務用車實行統一管理，在外出辦公時盡量使用合乘公車，同時引用智能辦公軟件，嚴控員工用車，落實公務車輛節能措施。在車輛日常保養上，提倡定期車輛檢查，以減低人為因素造成的損耗。

Reducing the use of official vehicles and encouraging low-carbon lifestyle: The official vehicles are collectively managed for effective use of the transport capacity. Use of official vehicles by employees are strictly controlled through an intelligent office software to implement energy conservation measures on official vehicles. Vehicle inspection is carried out during routine vehicle maintenance for minimising wear and tear by man-made causes.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

原物料使用

我們生產所需的原材料主要包括能源、水資源及包裝材料。為避免浪費生產所需的原材料，同時便於集團制定採購計畫及產品成本控制，我們在內蒙古航天萬源複合材料有限公司實行原材料領用管理辦法。原材料的使用會採取定額方式向生產部負責人發放，如生產過程中所需原材料領用不足，技術部主管需在填寫領用數量前核實不足的原因及補充數量，並在定額外領用單中注明領用原因。對於因人為原因導致的原材料增加將根據實際情況進行處罰。

清潔能源及綠色產品研發

我們致力推廣清潔能源應用，位於遼寧本溪的風電場、本集團風機產品及集團控股、參股各風電場2018年總發電量為24.8億千瓦時，相當於節省煤炭約80噸，減少二氧化碳排放240萬噸，減少氮氧化物9,000噸。本集團目前正在積極拓展菲律賓、哥倫比亞、白俄羅斯以及非洲等國家和地區市場，推銷風機產品。集團盡可能採購新型、低耗、無污染的材料。而在產品設計過程中，集團充分考慮減少環境污染、節約資源和能源等有關問題；在設計內審階段，《環境管理運行控制程序》的內部文件列明對原材料的使用或生產工藝時需進行環境影響評審，並提倡使用無害材料及先進綠色技術。報告期內，集團的研發部在原本2MW永磁機型進行了成本分析及優化工作，在新的設計上對輪轆進行優化，降低生產成本同時提高了發電量；對在原本的3MW永磁機型亦進行優化工作，提出了機艙、輪轆的緊湊化設計，並完成相關技術方案設計。

Use of raw materials

The raw materials required for our production mainly are energy, water resources and packaging materials. To avoid excessive use of raw materials, facilitate the formulation of procurement plan by the Group as well as the cost control of products, we have implemented management measures on procurement and use of raw materials at Inner Mongolia CASC Engine Composite Materials Co. Ltd.. Production teams are distributed a defined amount of raw materials. In the event of insufficient raw materials for production, head of technology department is required to fill in a form stating the reasons for insufficiency and the additional amount required after verification. For those cases of excessive use of raw materials caused by man-made factors, the persons involved may receive punishment in the light of actual conditions.

CLEAN ENERGY AND DEVELOPMENT OF GREEN PRODUCTS

We are committed to promoting the application of clean energy. In 2018, the wind farm located in Benxi, Liaoning together with the wind turbines and the wind farms controlled or partially invested by the Group generated electric energy of 2,480,000,000 kilowatt-hours, which meant that we saved about 80 tonnes of coal and reduced 2.40 million tonnes and 9,000 tonnes of carbon dioxides and nitrogen oxides respectively. At present, the Group has been eagerly expanding its geographic markets for promoting wind turbine products, such as the Philippines, Colombia, Belarus and Africa. New, low-consumption and pollution-free materials are the Group's top priority for procurement. In the process of product design, the Group always keep in mind to reduce environmental pollution, and enhance resource and energy efficiency. At the stage of internal review of design, the internal document of "Operation and Control Procedures for Managing Environment" stipulates that assessment of environmental impacts should be conducted for materials use or production process, and priority shall be given to harmless materials and advanced green technologies. During the reporting period, the Group's R&D department completed a cost analysis and improvement work on our existing 2MW permanent magnetic generator by optimising wheel hub, resulting in a reduction of production cost and an increase in electric energy generation. In addition, the existing 3MW permanent magnetic generator has also been improved by densifying generator bay and wheel hub, completing the relevant design of technical solution.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

現時光伏發電項目受到國家大力支持，我們亦隨著產業的推廣，投放資源拓展屋頂光伏項目。目前屋頂光伏項目的論證工作已完成，各項工作進展順利。

履行社會責任

本集團以「投身新能源、貢獻社會、造福人類」為己任，多年來積極樹立良好社會形象。我們堅持「以人為本」管理理念，並透過以下一系列措施增強集團綜合實力，提升員工滿意度，加強員工歸屬感。

僱傭及勞工準則

在不斷優化自身的人力資源管理制度的同時，我們持續吸納、發掘及培育人才，致力營造一個和諧、多元及友善的工作環境，讓員工發揮所長。

2018年員工人數統計如下：

As considerably supported by the government policies, we have also invested in the development of rooftop solar photovoltaic projects. Currently, progress of the rooftop solar photovoltaic projects has been made after the completion of analysis and appraisal.

TAKING SOCIAL RESPONSIBILITY

The Group conducts business in a manner of “engaging in new energy cause, contributing to the society, and benefiting the mankind”, building up a good social corporate image over the past years. Our “people-oriented” management together with the following measures have enhanced the integrated strength of the Group while bringing satisfaction and nurturing sense of belonging within our employees.

Employment and labour standards

The Group continuously attracts, searches, and nurtures talents in addition to optimisation of its management system of human resources, so as to create a harmonious, diversified and friendly work environment for our people.

Our employee breakdown in 2018 is as follows:

類別 By category	說明 Description	員工人數 Number of employee	
		風力發電及 風場營運 Wind energy and wind farm operation	儲能及其他 Energy storage and others
性別 Gender	男性 Male	292	35
	女性 Female	109	21
僱傭類型 Form of employment	全職 Full-time	401	56
	兼職 Part-time	0	0
年齡 Age	35歲及以下 35 or below	240	36
	36歲至45歲 36 to 45	69	15
	46歲至55歲以下 46 to 55	81	4
	56歲及以上 56 or above	11	1
地區 Region	香港 Hong Kong	15	3
	中國內地 Mainland China	386	53

總員工人數：457

Total number of employee: 457

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

我們嚴格規範招聘程序，並採取公平、公開的招聘政策確保僱員得到公平待遇及尊重。報告期內並無任何有關勞工待遇等相關事宜的訴訟。於2018年頒佈的《領導人員管理實施細則》中，我們明文確保用人唯才的招聘方針，而同年頒佈的《員工待崗管理實施細則》亦保障員工因公司改革重組、調整、崗位撤離等而未被聘用上崗或不同意轉崗安排的合法權益。本集團嚴格遵照香港《僱傭條例》和中國《勞動合同法》，以及其他與工作環境和強迫勞工或童工的相關法規；我們積極為員工提供各項勞動保護、安全及衛生的工作環境以及合理的薪酬及福利待遇，包括勞工保險及年度體檢。同年，我們接納員工意見，實行了體檢機構調整方案，讓員工可以選擇更多不同提供體檢的服務機構。

集團高度重視員工意見，設立名為「金點子」的員工合理化建議活動。集團本部及附屬公司全體員工可為管理流程、部門職責、崗位職責、品質、發展、市場行銷、技術研發能力、經營管理、後勤保障、資源配置、工作效率等內容建言獻策。年內，我們共收到136條「金點子」，並成立了專項小組跟進，當中40條點子經過評審後獲獎。所獲獎的點子已反饋相關部門以作為業務工作的建議，其中4條點子已被部門採納及實施。

健康與安全

本集團致力為員工提供安全的工作環境，嚴格遵照《中華人民共和國安全生產法》和國家職業健康安全標準GB/T 28001-2011，並實施《安全生產管理辦法》。集團於2015年獲得北京市安全生產標準化認證，並於2018年重續證書。

The Group has strictly regulated the recruitment process and adopted a fair and transparent recruitment policy to ensure fair treatment and respect to all employees. During the reporting period, there was no litigations in relation to discrimination in employment. In 2018, the “Detailed Rules for Senior Management” was issued to explicitly guarantee meritocracy in recruitment. In the same year, the issuance of “Detailed Rules for Management of Personnel for Reemployment” has secured the legal benefits of those employees who have not been offered any positions or has not agreed with any re-designation arrangement due to restructuring, adjustment and elimination of certain types of positions. The Group strictly complied with relevant requirements of the Employment Ordinance in Hong Kong, the Labor Contract Law of the PRC and other laws and regulations relating to work environment, forced and child labour. We provide our employees with various labour protection, safe and hygienic workplace and reasonable remuneration and benefits, including employees’ insurance and annual health check. In 2018, as requested by our staff, we update the health check scheme by providing more service providers for them to choose.

The Group places high emphasis on staff opinion and establish a scheme “Precious Ideas” to draw opinions from staff. All staff members from the Group (including its all subsidiaries) may offer their advices and suggestions to us in relation to and management process, duty and responsibility of departments, duty of positions, quality, development, marketing, technological research and development, operation and management, logistics support, resources allocation and work efficiency. During the year, we received 136 precious ideas in total, 40 of which have been awarded prizes upon review, by our special team. The award-winning ideas have been delivered to the responsible departments for consideration, 4 out of those ideas have been accepted and implemented by our departments.

Health and safety

The Group endeavours to provide its staff members a safe working environment. We strictly follow the “Production Safety Law of the People’s Republic of China” and the Chinese occupational health and safety standards of GB/T 28001-2011, and implement the “Administrative Regulations on the Work Safety”. The Group was granted and renewed the Certification for Safety Production Standardisation by Beijing Municipal Government in 2015 and 2018 respectively.

環境、社會及管治報告

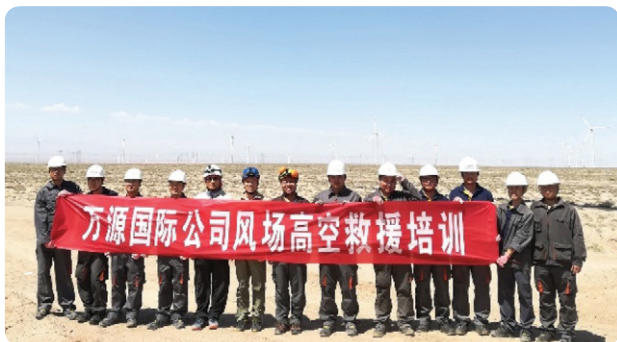
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

我們的安全管理委員會定時進行半年一度的跨部門會議，審視過往工作表現，並編制年度的安全活動。對進入風場範圍的供應商，我們亦規定供應商必須進行安全培訓。集團於本年度未有發生因工死亡或重傷的事故，成功達成各項職業健康安全指標。

集團於2018年六月舉辦「安全生產月」活動，並以「生命至上，安全發展」為口號，製作安全宣傳片。歷時一個月的「安全生產月」涵蓋火災、觸電、機械使用、風機作業和交通五大範疇，並實行了一系列的安全關注工作，構建安全文化並提升集團整體安全水平。我們設有專職團隊負責統籌和監察，在活動期間進行風場高空救援培訓、安全巡查、員工的防護裝備配戴審視、工具和機械使用培訓等，確保員工依照安全守則和程序。如發現不合規的情況時會立即指出並予以糾正措施，杜絕意外發生。

Our Safety Management Committee regularly holds a cross-departmental meeting on a bi-annual basis to review work performance and formulate annual activities on safety. For the suppliers working at our wind farms, they must receive safety training. No on-duty accidents of death or serious injury was recorded this year, and all the occupation health safety management targets have been met.

The Group organised a campaign named “Safety in Production” in June 2018 with a slogan of “Safety First so You Last” and launched video clips on safety. The campaign lasted for the entire June, covering the aspects of fire accident, electric shock, use of machines, operation of wind turbine and transportation. In addition, the campaign included implementation of works for raising safety concern, fostering safety culture and increasing in safety level at the level of the Group. We have established a special team for coordinating and monitoring, for example, providing training on high angle rescue, safety inspection use of tools and machines reviewing the use of personal protective equipment with an aim to ensure the compliance of the safety rules and procedures by all employees. In the event of any non-compliances, the special team will ask for a rectification to prevent accidents in workplace.



此外，集團關注員工的身心健康，鼓勵員工平衡工作與生活，每年我們為員工提供健康體檢和心理健康測評，亦舉辦了減壓管理關注的各項活動。我們於2018年頒佈《公司本部（境內）職工療休養管理辦法》，鼓勵員工勞逸結合，在不影響正常工作開展的前提下實施療休養，從而有效降低職工疾病率和恢復率，保障員工身心健康。

In addition, the Group cares about the physical and mental health of its staff members and encourages them to achieve a better work-life balance. The Group provides its staff members with health check and mental health assessment, and organises various activities to raise concerns about stress management. In 2018, we issued the “Measures for Administration of Recreational Therapy for Staff Member of the Company in China”, to encourage work-life balance, and encourage staff to participate in recreational therapy in spare time. Through these acts, we hope to secure physical and mental health of its staff and effectively reduce sickness and absence rate of the Group.

環境、社會及管治報告 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



發展及培訓

本集團致力為員工提供理想的事業發展平台，定期舉辦不同範疇的內部培訓，包括安全、部門及標準體系培訓，強化員工的專業知識和技能。我們亦提供外部培訓，為員工提供自我增值的機會。年內，我們培訓了共383位員工，達23,420培訓小時。

Development and training

The Group endeavours to provide a career development platform to its staff members, regularly organizing internal trainings on different topics, including safety, departmental and standard system, expertise and skills enhancement. We also provide external trainings to our staff for personal development. During the year, our training reached 383 staff members in total with 23,420 training hours.

類別	說明	受訓僱員百分比	每位員工 平均培訓時數
Category	Description	Percentage of staff members trained	Average number of training hour per staff member
性別 Gender	男性 Male	86%	50.24
	女性 Female	79%	53.78
僱員 Staff member	高級管理層 Senior management	100%	46.80
	管理人員 Management	84%	40.31
	科技人員 Technology personnel	100%	44.95
	技能人員 Skillful personnel	64%	72.86

技術大講堂

技術研發中心持續於每週舉辦技術大講堂活動，邀請行業內的專家或公司內部的技術骨幹與員工交流工作心得及分享工作技能。技術大講堂活動促進了骨幹員工的技術發展，也提高員工整體的技術水準，我們期望員工透過瞭解其他同事的工作內容能建立更好的協同效應，從而提高員工自身工作效率及表現。

Seminars on Technology

Our Technology R&D Centre continued to organise weekly seminars on technology, inviting industry experts or in-house senior and other technicians to exchange experience and to share technical skills. The seminars have facilitated the technological development of our technician team as well as enhanced its technological level. The seminars allow our staff members to understand job duties of other colleagues which to conductive in creating better synergy in the future, and thus increasing performance efficiency of the Group.

青年經理人商戰特訓營

為培育全面發展的人才，我們派了四名青年經理到外部學院進行企業戰略管理的培訓，讓他們透過沙盤模擬培訓、財務管理及客戶管理三方面的培訓課程體驗企業營商環境、流程及經營方針。除了拓展他們的管理視角，青年經理掌握了集團在經營和市場運作中所面臨的管控與抉擇問題，其綜合管理能力及創新水平亦大大提升。

為促進員工和集團的共同成長與發展，我們實行《人員職效考核管理辦法》，以合理的獎罰方式激勵員工持續改進，強化員工管理並提高員工表現和工作質量。集團亦舉辦不同的康樂活動，如羽毛球比賽等，藉此培養團隊精神及對集團的歸屬感。

Young Leadership Training Camp

For talents development, we have designated four young leaders to sign up for a training course on corporate strategic management organised by external academic institution, allowing them to participate into a training course on three subjects, namely, enterprise resource planning (ERP) simulation training, financial management and customer management. The courses gave them chances to experience corporate business environment, process and operation direction. In addition to widening their management perspective, they have acquired the capability for control and decision making on business operation, significantly enhancing their integrated management capability and creativity.

To grow and develop with our people, the Group has implemented the “Measures on Performance Assessment and Management for Employees”. In order to motivate our people to increasingly improve their performance by a reasonable reward and punishment system, and strengthen our management to enhance their performance and work quality, the Group has also organised various recreational activities, such as badminton game, to build team spirit and a sense of belonging in the Group.



供應鏈管理

從設計研發、生產配套、安裝調試到運行維修的過程中，我們均需要各類材料物資、設備儀器及零部件。關於採購政策，我們按照內部《物資採購管理辦法》嚴格執行，在降低採購成本的同時，推進了採購模式的規範化實施；對於風機批產所需採購的零部件，我們進行年度招標；對無法進行招標的特殊零部件，我們則採取詢價談判的方式進行採購。在整個採購過程中，我們遵循「公開、公平、公正」和「集中採購、貨比三家、擇優選購」的原則，以供應商的資質、價格、質量、供貨周期、售後服務等條件甄選。

Supply chain management

Throughout the entire production process from design, R&D, production and processing, installation and commissioning to maintenance and repair, we require a number of materials, equipment and devices as well as parts and components. For our procurement policy, the “Measures for the Management of the Purchase of Supplies” are strictly implemented to reduce purchase cost and carried out the standardisation of the purchase model. For the parts and components required for the mass production of wind turbines, we issue invitations to tender once a year. For those special parts and components which cannot be procured through tender invitation, we will procure them through price negotiation. We have followed the principles of “transparent, fair and impartial” and “collective procurement, making comparison for the best” throughout the procurement process. Our supplier selection criteria include qualifications, price level, quality, delivery performance and after-sales services.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

本集團成立完善的《供應商開發管理辦法》，對供應商加入環保、職業安全、社會責任的要求，並因應《環境管理運行控制程序》及《職業健康安全運行控制程序》對所提供產品或服務中涉及重要環境或職業安全因素的供應商發出相關方告知書。我們規範採購行為，要求供應商正式回函並使之符合要求。對不能配合改善其環境行為和風險的供應商，集團會要求更正或終止合作關係。在審核供應商時，我們的審核小組會在供應商生產、裝配或工地現場進行詳細的實地審核，並於一周內完成供應商現場審核報告。我們鼓勵使用新供應商，以有效降低了採購成本及避免獨家供應商造成的風險。

本集團設立供應商評分及分級管理，而《供應商年度評價辦法》表明了具體考核細則，當中考核指標包括具備環境體系認證、價格、質量等。當審核合格時，我們會將供應商列入《合格供應商名錄》。我們適時公佈供應商年度評估以作為年度採購的重要依據，為有效監控供應鏈的情況同時，可使我們了解供應鏈未能合格的和需改善的地方，並有助我們發掘新供應商，持續優化集團供應鏈。目前公司的《合格供應商名錄》中列有80家可提供合格的零部件，樣機合格供應商則有12家。

產品責任

我們以客戶為中心，針對目標市場的轉移，不時調整研發重點。我們力求打造具市場競爭力的風機型號，提升產品適應性和可靠性，不斷提升客戶的個人化需求和使用體驗。在提供高質、高效的風機背後，本集團嚴格遵守有關產品質量法律法規，依法使用企業商標及專利技術，拒絕侵害知識產權行為，保守商業秘密。我們建立完善的品質保證體系，對原材料接收、生產過程、產品檢驗與放行、產品銷售及售後服務的流程進行全面合規性管理。

The Group has implemented a comprehensive "Measures for the Management of Suppliers Development" to include the requirements for environmental protection, occupational safety and social responsibilities in selecting suppliers. The suppliers involving key issues of environment or occupational safety will be given a written notice in accordance with the "Operation Control Procedures for Environmental Management" and the "Operation Control Procedures for Occupational Health and Safety". Any failures to improve its behaviour on environment or reduce environmental risks, the Group will require the supplier(s) to rectify or cease cooperation with them. In assessing our suppliers, our team will conduct a detailed on-site inspection on production, equipment and facilities and production sites and issue an assessment report on suppliers within one week after the completion of the assessment. We recommend to use new suppliers in order to effectively reduce purchase costs and avoid the risks arising from using exclusive supplier.

The Group has established a guide on supplier rating and classification, and the "Annual Appraisal Method of Suppliers" sets out the detailed guidelines of appraisal, with the appraisal indicators on possession of certifications on environmental systems, pricing and quality. The suppliers who pass the appraisal will be put on our "list of qualified suppliers". The annual appraisal of suppliers is the important reference for annual procurement practice, in order to effectively control supply chain, identify deficiency along the supply chain and explore new suppliers for optimising the Group's supply chain. At present, there are 80 qualified suppliers on parts and components 12 qualified suppliers of prototype on our "list of qualified suppliers".

PRODUCT RESPONSIBILITY

We always focus on our customers and adjust our key areas of R&D with the shift of target markets. We are committed to launch new model of wind turbines with market competitiveness, enhanced product adaptability and reliability. To satisfy higher demand from our customers for product customisation and to offer better user experience to the uses of our products. Our capability of offering high quality and highly efficient wind turbines is based on strict compliance with the laws and regulations on product quality, legal utilisation of corporate trademark and proprietary technology, refusal of intellectual property infringement and protection of trade secrets. We have established a comprehensive system for quality assurance which is able to ensure a compliance management of the entire production process covering receipt of raw materials, production, product quality check and approval, marketing and aftersales service.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

在遵守質量管理體系標準及實施體系要求，我們確保產品出廠測試合格率達到100%，且風場風電機組平均可利用率高達97%。同時，我們嚴格控制供應商原材料的質量，嚴格執行供應商評價與控制程序。本集團亦符合環境管理體系標準和職業健康安全體系，產品設計均符合環保、噪音、安全等各項國家標準。本集團還通過國家要求的電網適應性測試、電能質量測試，根據國內電網特點，改進產品使其具備低電壓穿越功能，保證產品的發電效率與運行可靠性。

品質風險最主要是來自於外購的零部件生產過程，而此風險主要是依靠供應商自身的控制和管理。為應對此風險，一方面我們通過品質保證體系給予保障，另一方面，通過供應商認證和考評、採購合約品質保證條款、派出品質工程師監察關鍵部元件製造過程，建立保險機制等措施。

我們設有專業的服務團隊專門提供技術培訓、安裝、運行、維護、召回和維修等方面的技術支持。對於客戶的需求，我們確保第一時間處理客戶的查詢及需求。此外，我們根據《顧客滿意度控制程序》定期進行顧客滿意度調查，報告期內共成功與華電、大唐、武威新能源等七個客戶進行了調查，顧客滿意度高於90%，達到了公司客戶滿意度大於85%的目標。報告期內亦無接獲關於產品及服務的正式投訴。

反貪污

集團絕不容許任何貪污及賄賂行為，高度重視道德商業行為。我們積極建立清廉的工作環境，嚴格遵守《香港防止賄賂條例》、《中華人民共和國刑法》、《中華人民共和國反洗錢法》，期許每一位員工負起個人責任，以正直、務實及廉潔的態度行事，遵守最高標準的誠信與行為準則，不得觸犯行賄及收賄、勒索、欺詐、洗黑錢等刑事犯罪行為。

In compliance with the quality management system standards and the requirements of system implementation, we have ensured our products reaching 100% passing rate on the assurance test on departing plant for delivery. For wind turbines in wind farms, an average utilization rate of 97% was reached, i.e. high standard requirements for the product's quality. In parallel, the Group strictly controlled the product quality of its suppliers in stringently executing the supplier evaluation and control program. In addition, we have also complied with the environmental management system standards and the occupational health safety management system, and the design of our products is up to the national standards in terms of environmental protection, noise pollution and safety. Through the grid compatibility test and the power quality test required by the State and based on the characteristics of domestic grids, the Group has improved its products to enable them to possess the low-voltage ride-through function in assuring the power generation efficiency and operational reliability of the products.

Quality risks are mainly arising from the production process of parts and components sourced externally, and such risks should be principally managed and controlled by the suppliers themselves. The above risks are managed by the measures of the quality assurance system on one hand, and through supplier certification and assessment, quality assurance terms under purchase contracts, dispatch of quality engineers to intervene the manufacturing process of critical components, and establishment of insurance mechanism.

A professional service team is formed to provide service and technical support (i.e. technical training, installation, operation, maintenance, recall and repair). We have set limits on response time in ensuring that customers' issues and requirements are addressed promptly. In addition, we conducted a customer satisfaction survey in accordance with the "Procedures for Monitoring Customer Satisfaction" during the reporting period, over 90% of customer satisfaction achieved from seven participants, such as China Huadian, Datang Power and Wuwei New Energy, exceeding our 85% target of corporate customer satisfaction. During the reporting period, we did not receive any formal complaints about our products and services.

ANTI-CORRUPTION

We have zero tolerance on bribery and corruption and place high emphasis on ethical conduct. We endeavour to build a corruption-free working environment by strictly following the Prevention of Bribery Ordinance of Hong Kong, the Criminal Law of the People's Republic of China and the Anti-Money Laundering Law of the People's Republic of China. Each employee is required to uphold his/her own responsibility and act in an honest and pragmatic manner, and is prohibited to get involved into any criminal activities, such as bribery and corruption, blackmail, fraud and money laundering.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

本集團定期開展反貪污及促廉潔自查工作。對辦公用房、公務用車、業務接待、經費管理、選人用人、津貼補貼發放等方面進行檢查，未發現貪污、受賄等違紀違法問題。

如發現任何貪腐、賄賂、勒索、欺詐及洗黑錢事件，均會採取必要的法律行動，以保障本集團權益。本集團設有舉報機制，員工可就與公司可能存在的不正當行為以秘密方式向審核委員會呈交報告，審核委員會將就案開始內部調查及徵求法律意見。2018年，公司無貪污訴訟案件。

社區投資

我們積極參與社會公益實踐活動，努力實現社會和諧發展。透過組織青年志願者服務隊，我們選派優秀員工赴甘肅夏河縣九甲小學支教。2018年，我們延續「大手拉小手」結對幫扶活動，並於5月4日在北京南海子郊野公園舉辦了員工健步走團隊活動。為紀念五四青年節，我們以「激發青春活力，凝聚戰鬥動力」為題，組織年青員工組成參賽隊伍沿南海子湖大圈徒步。在整個健步走過程中，我們增加了四個競賽環節，包括跳繩、毛巾傳遞、鏈接加速遊戲及無敵風火輪活動，加強了年青員工的團隊精神，強化了彼此溝通與交流。

The Group launched regular self-inspections on anti-corruption. In particular, we inspected office space, official vehicles, business reception, funds management, employee selection and appointment, allowances and subsidies, etc. and no corruption, bribe-taking, and other acts in breach of the rules and laws were identified.

In the event of any bribery, corruption, blackmail and money laundering detected, we will take necessary legal actions to protect the interest of the Group. Meanwhile, the Group has adopted a whistleblowing policy to which employees can report, in confidence, any suspected misconduct in the Company to the Audit Committee. The committee will then establish a case for internal inspection and seeking legal advice. In 2018, no corruption lawsuit occurred in the Company.

COMMUNITY INVESTMENT

We have actively participated into community service activities for developing a harmonious society. A youth volunteer team formed by some of our outstanding employees had been designated to Jiuja Primary School in Xiahe County, Gansu for teaching support. In 2018, we continued the "Big Hands Pull Small Hands" one-to-one aid campaign, and organised a walkathon named "Unleash the Power of Youth" for our people on 4 May 2018 at Nanhaizi Park in Beijing to celebrate the National Youth Day. During the walkathon, we played four additional games, namely rope skipping, relay race, and other mass games, to strengthen our team spirit and communication.



報告內容索引表

REPORTING GUIDE CONTENT INDEX

一般披露及關鍵績效指標 General Disclosures and KPIs		
說明 Description		頁數 Pages
A. 環境 Environmental		
層面 AI Aspect AI	排放物 Emissions	
一般披露 General Disclosure	有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： Information on: (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P58-63
關鍵績效指標 AI.1 KPI AI.1	排放物種類及相關排放數據。 The types of emissions and respective emissions data.	P.60-61
關鍵績效指標 AI.2 KPI AI.2	溫室氣體總排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P.61
關鍵績效指標 AI.3 KPI AI.3	所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P.63
關鍵績效指標 AI.4 KPI AI.4	所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P.63
關鍵績效指標 AI.5 KPI AI.5	描述減低排放量的措施及所得成果。 Description of measures to mitigate emissions and results achieved.	P.67
關鍵績效指標 AI.6 KPI AI.6	描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	P.62

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

一般披露及關鍵績效指標 General Disclosures and KPIs

	說明 Description	頁數 Pages
層面 A2 Aspect A2	資源使用 Use of Resources	
一般披露 General Disclosure	有效使用資源(包括能源、水及其他原材料)的政策。 Policies on the efficient use of resources, including energy, water and other raw materials.	P.64–67
關鍵績效指標 A2.1 KPI A2.1	按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P.65
關鍵績效指標 A2.2 KPI A2.2	總耗水量及密度(如以每產量單位、每項設施計算)。 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P.65
關鍵績效指標 A2.3 KPI A2.3	描述能源使用效益計劃及所得成果。 Description of energy use efficiency initiatives and results achieved.	P.64–65
關鍵績效指標 A2.4 KPI A2.4	描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	P.63
關鍵績效指標 A2.5 KPI A2.5	製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	P.65
層面 A3 Aspect A3	環境及天然資源 The Environment and Natural Resources	
一般披露 General Disclosure	減低發行人對環境及天然資源造成重大影響的政策。 Policies on minimising the issuer's significant impact on the environment and natural resources.	P.58–67
關鍵績效指標 A3.1 KPI A3.1	描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P.58–67

一般披露及關鍵績效指標
General Disclosures and KPIs

說明 Description	頁數 Pages
B. 社會 Social	
層面 B1 Aspect B1	僱傭 Employment
一般披露 General Disclosure	有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： Information on: (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.
關鍵績效指標 B1.1 KPI B1.1	按性別、僱傭類型、年齡、組別及地區劃分的僱員總數。 Total workforce by gender, employment type, age group and geographical region.
層面 B2 Aspect B2	健康與安全 Health and Safety
一般披露 General Disclosure	有關提供安全工作環境及保障僱員避免職業性危害的： Information on: (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

一般披露及關鍵績效指標 General Disclosures and KPIs

	說明 Description	頁數 Pages
層面 B3 Aspect B3	發展及培訓 Development and Training	
一般披露 General Disclosure	有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P.71–73
關鍵績效指標 B3.1 KPI B3.1	按性別及僱員類別劃分的受訓僱員百分比。 The percentage of employees trained by gender and employee category.	P.71
關鍵績效指標 B3.2 KPI B3.2	按性別及僱員類別劃分，每名僱員完成受訓的平均時數。 The average training hours completed per employee by gender and employee category.	P.71
層面 B4 Aspect B4	勞工準則 Labour Standards	
一般披露 General Disclosure	有關防止童工或強制勞工的： Information on: (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P.68–69
層面 B5 Aspect B5	供應鏈管理 Supply Chain Management	
一般披露 General Disclosure	管理供應鏈的環境及社會風險政策。 Policies on managing environmental and social risks of the supply chain.	P.72–73
關鍵績效指標 B5.2 KPI B5.2	描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	P.73

一般披露及關鍵績效指標 General Disclosures and KPIs		
	說明 Description	頁數 Pages
層面 B6 Aspect B6	產品責任 Product Responsibility	
一般披露 General Disclosure	有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： Information on: (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P.73–74
關鍵績效指標 B6.2 KPI B6.2	接獲關於產品及服務的投訴數目以及應對方法。 Number of products and service related complaints received and how they are dealt with.	P.74
層面 B7 Aspect B7	反貪污 Anti-corruption	
一般披露 General Disclosure	有關防止賄賂、勒索、欺詐及洗黑錢的： Information on: (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P.74–75
關鍵績效指標 B7.2 KPI B7.2	描述防範措施及舉報程序，以及相關執行及監察方法。 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P.75
層面 B8 Aspect B8	社區投資 Community Investment	
一般披露 General Disclosure	有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。 Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P.75

Deloitte.

致：中國航天萬源國際(集團)有限公司
各位股東
中國航天萬源國際(集團)有限公司
(於開曼群島註冊成立之有限公司)

德勤

**TO THE MEMBERS OF
CHINA ENERGINE INTERNATIONAL (HOLDINGS) LIMITED**
中國航天萬源國際(集團)有限公司
(incorporated in the Cayman Islands with limited liability)

意見

本核數師(以下簡稱「我們」)已審計列載於88至236頁的中國航天萬源國際(集團)有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於2018年12月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於2018年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師職業道德準則理事會頒佈的專業會計師道德守則(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

OPINION

We have audited the consolidated financial statements of China Engerine International (Holdings) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 88 to 236, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

獨立核數師報告書 INDEPENDENT AUDITOR'S REPORT

關鍵審計事項

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

**我們的審計如何對
關鍵審計事項** 關鍵審計事項進行處理

對技術知識的無形資產進行減值評估

我們將技術知識的無形資產的減值評估確定為關鍵審核事項，乃由於減值評估所涉及之重大判斷及假設。

技術知識減值乃透過比較有關現金產生單位於報告期末之可收回金額與賬面值進行評估。管理層在評估獲分配技術知識之相關現金產生單位之可收回金額時須作出重大判斷及假設，其乃經參考預期自有關現金產生單位產生的未來現金流量、貼現率及增長率釐定，以得出可收回金額之淨現值。

誠如綜合財務報表附註4及20所披露，技術知識的賬面值為48,370,000港元，扣除於2018年12月31日確認的減值虧損106,298,000港元。

我們的無形資產減值評估的程序包括：

- 了解 貴集團的無形資產減值評估過程；
- 獲取由管理層編製的貼現現金流量預測並核對其計算準確性；
- 評估管理層所採納關鍵假設的合理性，包括預期自有關現金產生單位產生的未來現金流量、貼現率及增長率；
- 評估 貴集團就過往表現、管理層就有關現金產生單位制定的戰略計劃及有關市場發展的預期進行貼現現金流量預測的主要輸入數據；及
- 審查管理層就評估對可收回金額及減值的潛在影響所用貼現率及增長率進行之敏感度分析。

KEY AUDIT MATTERS

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

Key audit matter **How our audit addressed the key audit matter**

Impairment assessment on intangible assets of technology know-how

We identified impairment assessment on intangible assets of technology know-how as a key audit matter due to significant judgements and assumptions involved in the impairment assessment.

Impairment of technology know-how is assessed by comparing the recoverable amounts and carrying amounts of the relevant cash generated units at the end of the reporting period. Significant judgements and assumptions are required by the management in assessing the recoverable amounts of the relevant generating units to which technology know-how, has been allocated, which are determined with reference to the future cash flows expected to arise from the relevant cash generating units, discount rate and growth rate in order to derive the net present value of the recoverable amounts.

As disclosed in notes 4 and 20 to the consolidated financial statements, the carrying amount of technology know-how is HK\$48,370,000, net of impairment loss of HK\$106,298,000 recognised at 31 December 2018.

Our procedures in relation to impairment assessment on intangible assets included:

- Obtaining an understanding on the Group's impairment assessment of intangible assets;
- Obtaining the discounted cash flow forecast prepared by management and checking its mathematical accuracy;
- Evaluating the reasonableness of the key assumptions adopted by management, including future cash flows expected to arise from the relevant cash generating units, discount rate and growth rate;
- Evaluating the key inputs adopted in the discounted cash flow forecast against historical performance of the Group, management's strategic plans and expectations for the market development in respect of the relevant cash generating unit; and
- Reviewing the sensitivity analysis performed by management on discount rate and growth rate to evaluate the potential impact on the recoverable amount and impairment.

獨立核數師報告書 INDEPENDENT AUDITOR'S REPORT

關鍵審計事項

貿易應收款、合約資產及聯營公司具貿易性質結餘之減值評估

我們將貿易應收款、合約資產及聯營公司具貿易性質結餘之減值評估作為關鍵審計事項，因為該等資產的賬面價值對本集團的財務狀況及經營成果具有重要影響。我們對該等資產的減值評估進行了詳細的審計程序，包括了解管理層如何估計該等資產的減值，並對其估計的合理性進行了評估。我們還對管理層的估計進行了核對，包括核對其估計的基礎數據、核對其估計的模型及核對其估計的結果。我們還對管理層的估計進行了敏感性分析，以評估其估計的合理性。我們還對管理層的估計進行了核對，包括核對其估計的基礎數據、核對其估計的模型及核對其估計的結果。我們還對管理層的估計進行了敏感性分析，以評估其估計的合理性。

誠如附註25及26所述，於2018年12月31日，貿易應收款、合約資產及聯營公司具貿易性質結餘的賬面價值為1,495,086,000港元、304,759,000港元及127,619,000港元，扣除信貸虧損撥備632,447,000港元、98,590,000港元及138,382,000港元。誠如附註25及26所述，於2018年12月31日，貿易應收款、合約資產及聯營公司具貿易性質結餘的賬面價值為1,495,086,000港元、304,759,000港元及127,619,000港元，扣除信貸虧損撥備632,447,000港元、98,590,000港元及138,382,000港元。

誠如附註25及26所述，於2018年12月31日，貿易應收款、合約資產及聯營公司具貿易性質結餘的賬面價值為1,495,086,000港元、304,759,000港元及127,619,000港元，扣除信貸虧損撥備632,447,000港元、98,590,000港元及138,382,000港元。

我們的審計如何對關鍵審計事項進行處理

我們有關貿易應收款、合約資產及聯營公司具貿易性質結餘的減值評估的審計程序包括：

- 了解管理層如何估計該等資產的減值，並對其估計的合理性進行了評估。我們對管理層的估計進行了核對，包括核對其估計的基礎數據、核對其估計的模型及核對其估計的結果。我們還對管理層的估計進行了敏感性分析，以評估其估計的合理性。
- 對管理層的估計進行了核對，包括核對其估計的基礎數據、核對其估計的模型及核對其估計的結果。我們還對管理層的估計進行了敏感性分析，以評估其估計的合理性。
- 對管理層的估計進行了核對，包括核對其估計的基礎數據、核對其估計的模型及核對其估計的結果。我們還對管理層的估計進行了敏感性分析，以評估其估計的合理性。

Key audit matter

Impairment assessment of trade receivables, contract assets and balances with associates in trade nature

We identified impairment assessment of trade receivables, contract assets and balances with associates in trade nature as a key audit matter due to the significance of trade receivables, contract assets and balances with associates in trade nature to the Group's consolidated financial position and the involvement of management judgement and estimates in evaluating the expected credit losses ("ECL") of the Group's trade receivables, contract assets and balances with associates in trade nature at the end of the reporting period.

As disclosed in notes 4 and 40 to the consolidated financial statements, the Group assessed the lifetime ECL of trade receivable, contract assets and balances with associates in trade nature individually by estimation with the internal credit rating applied to each debtor (based on recent trade relationships, financial background and creditability of individual trade debtors, historical settlement records such as default or delay in payments, ageing analysis of trade receivables, contract assets and balances with associates in trade nature, general economic conditions of industry in which the debtors operate), subsequent settlement (for credit-impaired balances) and adjusted for the forward-looking information. The estimated loss rate applied is based on the internal credit rating assessed individually taking into consideration forward-looking information that is reasonable, supportable, and available to the directors of the Company without undue costs or effort.

As disclosed in notes 25, 26 and 27 to the consolidated financial statements, the carrying amount of trade receivables, contract assets and balances with associates in trade nature are HK\$1,495,086,000, HK\$304,759,000 and HK\$127,619,000 net of allowance for credit losses of HK\$632,447,000, HK\$98,590,000 and HK\$138,382,000 as at 31 December 2018 respectively.

How our audit addressed the key audit matter

Our procedures in relation to impairment assessment of trade receivables, contract assets and balances with associates in trade nature included:

- Obtaining an understanding of how the management estimates the allowance for credit loss for trade receivables, contract assets and balances with associates in trade nature;
- Evaluating the reasonableness of internal credit ratings of individual debtors applied by management by considering recent trade relationships, financial background and creditability of individual trade debtor, historical settlement records such as default or delay in payments, ageing analysis of trade receivables, contract assets and balances with associates in trade nature, general economic conditions of industry in which the debtors operate;
- Challenging management's basis and judgement in determining credit loss allowance on trade receivables, contract assets and balances with associates in trade nature as at 31 December 2018, including their identification of credit impaired trade receivables, contract assets and balances with associates in trade nature and the basis of estimated loss rates applied in individual trade debtor;

獨立核數師報告書

INDEPENDENT AUDITOR'S REPORT

關鍵審計事項	我們的審計如何對 關鍵審計事項進行處理	Key audit matter	How our audit addressed the key audit matter
貿易應收款、合約資產及聯營公司具貿易性質結餘之減值評估(續)	<ul style="list-style-type: none">抽樣測試於2018年12月31日貿易應收款及聯營公司具貿易性質結餘之賬齡分析，方法為將分析中個別項目與有關銷售協議、銷售發票及其他支持文件作比較；就明顯逾期但未信貸減值的特定結餘對管理層的減值評估進行質詢；抽樣測試信貸減值結餘後續結算，方法為檢查有關本報告期末之後從有關結餘收取現金的支持文件；及評核有關綜合財務報表附註40所載貿易應收款、合約資產及聯營公司具貿易性質結餘之減值評估的披露規定。	<i>Impairment assessment of trade receivables, contract assets and balances with associates in trade nature (Continued)</i>	<ul style="list-style-type: none">Testing the ageing analysis of trade receivables and balances with associates in trade nature as at 31 December 2018, on a sample basis, by comparing individual items in the analysis with the relevant sales agreements, sales invoices and other supporting documents;Challenging the management's impairment assessment on specific balances which were significantly past due but not credit impaired;Testing subsequent settlements of credit-impaired balances, on a sample basis, by inspecting supporting documents in relation to cash receipt from the related balances subsequent to the end of the current reporting period; andEvaluating the disclosures requirement regarding the impairment assessment of trade receivables, contract assets and balances with associates in trade nature in note 40 to the consolidated financial statements.

其他資訊

貴公司董事需對其他資訊負責。其他資訊包括刊載於年報內的資訊，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資訊，我們亦不對該等其他資訊發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

OTHER INFORMATION

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

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

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

獨立核數師報告書 INDEPENDENT AUDITOR'S REPORT

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督 貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照我們商定的業務約定條款僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

獨立核數師報告書

INDEPENDENT AUDITOR'S REPORT

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

獨立核數師報告書 INDEPENDENT AUDITOR'S REPORT

除其他事項外，我們與治理層溝通了計畫的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計專案合夥人是區美賢。

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

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

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

The engagement partner on the audit resulting in the independent auditor's report is Au Mei Yin.

德勤•關黃陳方會計師行
執業會計師

香港
2019年3月28日

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
28 March 2019

綜合損益及其他全面收益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

截至2018年12月31日止年度

For the year ended 31 December 2018

		附註 NOTES	2018 千港元 HK\$'000	2017 千港元 HK\$'000 (經重列) (Restated)
持續經營業務	Continuing operations			
營業額	Turnover	5	75,759	263,414
銷售成本	Cost of sales		(67,434)	(228,844)
毛利	Gross profit		8,325	34,570
其他收入	Other income	7	24,283	16,071
其他收益及虧損	Other gains and losses	8	(247,532)	(15,737)
金融資產及合約資產減值 虧損(扣除撥回)	Impairment losses, net of reversal, on financial assets and contract assets	9	(727,193)	(128,660)
銷售及分銷成本	Selling and distribution expenses		(73,007)	(40,746)
行政費用	Administrative expenses		(165,525)	(157,534)
財務成本	Finance costs	10	(82,546)	(74,489)
應佔聯營公司業績	Share of results of associates		(129,834)	(27,854)
應佔合營企業業績	Share of results of joint ventures		76,177	166,127
除稅前虧損	Loss before taxation	12	(1,316,852)	(228,252)
稅項	Taxation	14	(580)	(5,165)
持續經營業務本年度虧損	Loss for the year from continuing operations		(1,317,432)	(233,417)
已終止經營業務	Discontinued operations			
來自已終止經營業務之 本年度虧損	Loss for the year from discontinued operations	11	(12,714)	(14,531)
本年度虧損	Loss for the year		(1,330,146)	(247,948)
其他全面(開支)收入：	Other comprehensive (expense) income:			
不會重新分類至損益之項目	Item that will not be reclassified to profit or loss			
— 折算呈列貨幣產生之 匯兌差額	— exchange differences arising on translation to presentation currency		(66,293)	151,807
年內全面開支總額	Total comprehensive expense for the year		(1,396,439)	(96,141)

綜合損益及其他全面收益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

截至2018年12月31日止年度
For the year ended 31 December 2018

		附註 NOTE	2018 千港元 HK\$'000	2017 千港元 HK\$'000 (經重列) (Restated)
本公司擁有人應佔本年度虧損	Loss for the year attributable to owners of the Company			
— 來自持續經營業務	— from continuing operations		(1,307,811)	(225,451)
— 來自已終止經營業務	— from discontinued operations		(12,714)	(11,647)
			(1,320,525)	(237,098)
非控制性權益應佔本年度虧損	Loss for the year attributable to non-controlling interests			
— 來自持續經營業務	— from continuing operations		(9,621)	(7,966)
— 來自已終止經營業務	— from discontinued operations		-	(2,884)
			(9,621)	(10,850)
本年度虧損	Loss for the year		(1,330,146)	(247,948)
以下人士應佔全面開支總額：	Total comprehensive expense attributable to:			
本公司擁有人	Owners of the Company		(1,384,076)	(90,776)
非控制性權益	Non-controlling interests		(12,363)	(5,365)
			(1,396,439)	(96,141)
每股虧損—基本	Loss per share – Basic	16		
來自持續經營及已終止經營業務	From continuing and discontinued operations		HK cents (30.22) 港仙	HK cents (5.43) 港仙
來自持續經營業務	From continuing operations		HK cents (29.93) 港仙	HK cents (5.16) 港仙

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於2018年12月31日

At 31 December 2018

		附註 NOTES	2018 千港元 HK\$'000	2017 千港元 HK\$'000
非流動資產	Non-current assets			
投資物業	Investment properties	17	133,531	149,538
物業、廠房及設備	Property, plant and equipment	18	238,574	303,926
商譽	Goodwill	19	2,004	2,004
無形資產	Intangible assets	20	63,165	212,654
遞延稅項資產	Deferred tax assets	35	1,643	1,784
於聯營公司之權益	Interests in associates	21	206,108	348,268
於合營企業之權益	Interests in joint ventures	22	1,015,299	1,192,284
應收一間合營企業款	Amount due from a joint venture	28	104,165	106,468
按公平值計入其他全面 收益之金融資產	Financial assets at fair value through other comprehensive income	23	4,908	–
可供出售投資	Available-for-sale investments	23	–	5,144
			1,769,397	2,322,070
流動資產	Current assets			
存貨	Inventories	24	78,291	163,526
貿易及其他應收款	Trade and other receivables	25	1,760,599	2,923,476
合約資產	Contract assets	26	304,759	–
應收聯營公司款	Amounts due from associates	27	252,457	303,467
應收一間合營企業款	Amount due from a joint venture	28	20,089	25,196
已抵押銀行存款、 銀行結餘及現金	Pledged bank deposits, bank balances and cash	29	88,838	107,934
			2,505,033	3,523,599
流動負債	Current liabilities			
貿易及其他應付款	Trade and other payables	30	1,467,241	1,734,332
應付聯營公司款	Amounts due to associates	27	25,876	60,939
應付合營企業款	Amounts due to joint ventures	28	2,459	4,030
政府補助	Government grants	31	711	775
保修撥備	Warranty provision	32	259,918	139,091
應付稅項	Taxation payable		1,888	3,256
借貸	Borrowings	33	125,542	1,261,793
融資租賃承擔	Obligation under a finance lease	34	–	22
			1,883,635	3,204,238
流動資產淨額	Net current assets		621,398	319,361
資產總額減流動負債	Total assets less current liabilities		2,390,795	2,641,431

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於2018年12月31日
At 31 December 2018

		附註 NOTES	2018 千港元 HK\$'000	2017 千港元 HK\$'000
非流動負債	Non-current liabilities			
政府補助	Government grants	31	28,123	30,225
借貸	Borrowings	33	1,641,178	488,091
遞延稅項負債	Deferred tax liabilities	35	18,337	22,237
			1,687,638	540,553
			703,157	2,100,878
資本及儲備	Capital and reserves			
股本	Share capital	36	436,900	436,900
儲備	Reserves		213,153	1,597,229
本公司擁有人應佔權益	Equity attributable to owners of the Company		650,053	2,034,129
非控制性權益	Non-controlling interests		53,104	66,749
權益總額	Total equity		703,157	2,100,878

刊於第88至236頁之綜合財務報表，乃經董事會於2019年3月28日批准及授權刊發，並由以下董事代表簽署：

The consolidated financial statements on pages 88 to 236 were approved and authorised for issue by the Board of Directors on 28 March 2019 and are signed on its behalf by:

李光
LI GUANG
執行董事
EXECUTIVE DIRECTOR

許峻
XU JUN
執行董事
EXECUTIVE DIRECTOR

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至2018年12月31日止年度

For the year ended 31 December 2018

		本公司擁有人應佔 Attributable to owners of the Company						非控制性權益			
		股本 Share capital	特別儲備 Special reserve	股份溢價 Share premium	物業重估儲備 Property revaluation reserve	匯兌儲備 Exchange reserve	其他儲備 Other reserves	累計虧損 Accumulated losses	小計 Sub-total	總額 Total	
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	
			(附註1) (Note 1)				(附註2) (Note 2)				
於2017年1月1日	At 1 January 2017	436,900	86,971	2,732,397	1,399	46,028	102,887	(1,281,677)	2,124,905	85,258	2,210,163
本年度虧損	Loss for the year	-	-	-	-	-	-	(237,098)	(237,098)	(10,850)	(247,948)
換算呈列貨幣產生之匯兌差額	Exchange differences arising on translation to presentation currency	-	-	-	-	146,322	-	-	146,322	5,485	151,807
本年度全面收入(開支)總額	Total comprehensive income (expense) for the year	-	-	-	-	146,322	-	(237,098)	(90,776)	(5,365)	(96,141)
向一間附屬公司非控股權益已付股息	Dividend paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	(1,191)	(1,191)
視作出售一間附屬公司轉撥	Deemed disposal of a subsidiary Transfer	-	-	-	-	(852)	(175)	1,027	-	(11,953)	(11,953)
		-	-	-	-	-	4,388	(4,388)	-	-	-
於2017年12月31日	At 31 December 2017	436,900	86,971	2,732,397	1,399	191,498	107,100	(1,522,136)	2,034,129	66,749	2,100,878
本年度虧損	Loss for the year	-	-	-	-	-	-	(1,320,525)	(1,320,525)	(9,621)	(1,330,146)
換算呈列貨幣產生之匯兌差額	Exchange differences arising on translation to presentation currency	-	-	-	-	(63,551)	-	-	(63,551)	(2,742)	(66,293)
本年度全面開支總額	Total comprehensive expense for the year	-	-	-	-	(63,551)	-	(1,320,525)	(1,384,076)	(12,363)	(1,396,439)
向一間附屬公司之非控制性權益支付之股息	Dividend paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	(1,282)	(1,282)
出售一間附屬公司轉撥	Disposal of a subsidiary Transfer	-	-	-	-	18,819	-	(18,819)	-	-	-
		-	-	-	-	-	324	(324)	-	-	-
於2018年12月31日	At 31 December 2018	436,900	86,971	2,732,397	1,399	146,766	107,424	(2,861,804)	650,053	53,104	703,157

附註1：本集團之特別儲備指本公司已發行股本面值與本公司所購入附屬公司已發行股本面值之差額及根據本集團於1997年8月11日進行重組而由其他儲備轉撥之總額116,025,000港元及已確認及已付的截至2015年12月31日止年度股息。

附註2：其他儲備包括於中華人民共和國(「中國」)的一間附屬公司僅可用作(i)彌補往年虧損或(ii)擴充生產業務的儲備基金以及用作日後改善安全生產環境、改進設施但不可分派予股東的儲備基金。

Note 1: The special reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital of the subsidiaries acquired by the Company and the aggregate amount of HK\$116,025,000 transferred from other reserves pursuant to the Group's reorganisation on 11 August 1997 and the amount of dividend recognised and paid for the year ended 31 December 2015.

Note 2: Included in other reserves are reserve fund of a subsidiary in the People's Republic of China (the "PRC") which can be used only to (i) make up prior years' losses or (ii) expand production operations and reserve fund for future enhancement of safety production environment and improvement of facilities and is not available for distribution to shareholders.

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至2018年12月31日止年度
For the year ended 31 December 2018

		2018 千港元 HK\$'000	2017 千港元 HK\$'000 (經重列) (Restated)
經營活動	Operating activities		
除稅前虧損	Loss before taxation		
– 來自持續經營業務	– from continuing operations	(1,316,852)	(228,252)
– 來自已終止經營業務	– from discontinued operations	(12,714)	(14,526)
		(1,329,566)	(242,778)
就以下各項作出調整：	Adjustments for:		
利息收入	Interest income	(5,211)	(4,364)
利息開支	Interest expenses	82,546	74,489
應佔聯營公司業績	Share of results of associates	129,834	27,854
應佔合營企業業績	Share of results of joint ventures	(76,177)	(166,127)
無形資產攤銷	Amortisation of intangible assets	33,474	23,623
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	31,166	28,918
出售一間附屬公司收益	Gain on disposal of a subsidiary	(17,417)	–
已確認之政府補助	Government grants recognised	(766)	(834)
投資物業之公平值變動	Loss (gain) from changes in fair value of investment properties	9,452	(2,075)
虧損(收益)			
出售/撤銷物業、廠房及設備之虧損(收益)	Loss (gain) on disposal/write-off of property, plant and equipment	5,949	(78)
就無形資產確認之減值虧損	Impairment losses recognised in respect of intangible assets	163,606	17,399
就物業、廠房及設備確認之減值虧損	Impairment losses recognised in respect of property, plant and equipment	23,501	–
就客戶及聯營公司合約產生貿易結餘確認之減值虧損	Impairment losses recognised in respect of trade balances arising from contracts with customers and associates	727,193	128,660
撇減存貨	Write-down of inventories	62,212	–
營運資金變動前經營活動現金流量	Operating cash flows before movements in working capital	(160,204)	(115,313)
存貨減少	Decrease in inventories	13,916	51,288
貿易及其他應收款減少	Decrease in trade and other receivables	143,406	225,737
合約資產減少	Decrease in contract assets	6,634	–
應收聯營公司款減少	Decrease in amounts due from associates	–	17,077
應收合營企業款減少	Decrease in amounts due from joint ventures	–	3,343
貿易及其他應付款減少	Decrease in trade and other payables	(145,525)	(368,477)
合約負債減少	Decrease in contract liabilities	(13,765)	–
應付聯營公司款減少	Decrease in amounts due to associates	(33,396)	(57,553)
應付合營企業款(減少)增加	(Decrease) increase in amounts due to joint ventures	(1,434)	3,592
保修撥備增加(減少)	Increase (decrease) in warranty provision	29,062	(7,225)
用於經營之現金	Cash used in operations	(161,306)	(247,531)
已付所得稅	Income taxes paid	(4,713)	(9,745)
經營活動所用現金淨額	Net cash used in operating activities	(166,019)	(257,276)

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至2018年12月31日止年度

For the year ended 31 December 2018

	附註 NOTE	2018 千港元 HK\$'000	2017 千港元 HK\$'000 (經重列) (Restated)
投資活動	Investing activities		
自合營企業收取之股息	Dividend received from joint ventures	195,747	157,559
出售一間附屬公司現金流入 (流出)淨額	Net cash inflow (outflow) from disposal of a subsidiary	18,619	(3,534)
已收聯營公司股息	Dividend received from associates	5,989	6,733
一間合營企業還款	Repayment from a joint venture	4,283	–
出售物業、廠房及設備 所得款	Proceeds from disposal of property, plant and equipment	2,807	265
聯營公司還款	Repayment from associates	1,181	–
已收利息	Interest received	968	1,555
解除已抵押銀行存款	Release of pledged bank deposits	54	2,170
償還無形資產	Payment for intangible assets	(51,460)	(14,351)
給予聯營公司之墊款	Advance to associates	(21,774)	–
購置物業、廠房及設備	Purchase of property, plant and equipment	(12,101)	(18,598)
投資活動產生之現金淨額	Net cash from investing activities	144,313	131,799
融資活動	Financing activities		
新借入借貸	New borrowings raised	1,341,018	826,644
償還借貸	Repayment of borrowings	(1,251,075)	(776,921)
已付利息	Interest paid	(82,546)	(74,489)
向一間附屬公司非控制性 權益支付之股息	Dividend paid to non-controlling interest of a subsidiary	(1,282)	(1,191)
償還融資租賃承擔	Repayment of obligation under a finance lease	(22)	(130)
融資活動所得(所用)的 現金淨額	Net cash from (used in) financing activities	6,093	(26,087)
現金及現金等價物減少淨額	Net decrease in cash and cash equivalents	(15,613)	(151,564)
年初之現金及現金等價物	Cash and cash equivalents at beginning of the year	107,871	241,667
外幣匯率變動之影響	Effect of foreign exchange rate changes	(3,429)	17,768
年終之現金及現金等價物， 以銀行結餘及現金列示	Cash and cash equivalents at end of the year, representing bank balances and cash	88,829	107,871

I. 一般資料

中國航天萬源國際(集團)有限公司(「本公司」)為於開曼群島註冊成立之有限公司，股份於香港聯合交易所有限公司(「聯交所」)上市。本公司之直接控股公司為Astrotech Group Limited(「Astrotech」)，Astrotech為於英屬維爾京群島註冊成立之公司，持有本公司60.64%之權益。Astrotech由國有企業中國運載火箭技術研究院(「火箭院」)全資擁有。中國航天科技集團公司(「中航總」)透過直接控股火箭院成為本公司之最終控股公司。中航總及火箭院均於中國成立。

本公司註冊辦事處地址及主要營業地點披露於年報之公司資料一節。

本公司之功能貨幣為人民幣，而綜合財務報表則以港元呈列。董事認為本公司為公眾公司，股份於聯交所上市，大部分投資者居於香港，因而港元為合適的呈列貨幣。

本公司之主要業務為投資控股，主要附屬公司、聯營公司及合營企業之主要業務載於附註44。

I. GENERAL

China Engine International (Holdings) Limited (the "Company") is incorporated in the Cayman Islands with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its immediate holding company is Astrotech Group Limited ("Astrotech"), a company incorporated in the British Virgin Islands which holds 60.64% interest in the Company. Astrotech is wholly-owned by China Academy of Launch Vehicle Technology ("CALT"), a state-owned enterprise. China Aerospace Science & Technology Corporation ("CASC") is the ultimate holding company of the Company via the immediate shareholding of CALT. Both CASC and CALT are companies established in the PRC.

The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information to the annual report.

The functional currency of the Company is Renminbi ("RMB") while the consolidated financial statements are presented in Hong Kong dollars ("HK\$"). The directors consider that HK\$ is the appropriate presentation currency since the Company is a public company with the shares listed on the Stock Exchange where most of its investors are located.

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries, associates and joint ventures are set out in note 44.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度強制生效的新訂及經修訂香港財務報告準則

本公司及其附屬公司（統稱「本集團」）於本年度首次應用由香港會計師公會頒佈之以下新訂及經修訂香港財務報告準則及詮釋：

香港財務報告準則 第9號	金融工具
香港財務報告準則 第15號	來自客戶合約之收益 及相關修訂
香港（國際財務報告 詮釋委員會）— 詮釋第22號	外幣交易及預付代價
香港財務報告準則 第2號（修訂本）	股份支付款項交易之 分類及計量
香港財務報告準則 第4號（修訂本）	與香港財務報告準則 第4號「保險合約」 一併應用香港財務 報告準則第9號 「金融工具」
香港會計準則 第28號（修訂本）	作為香港財務報告 準則二零一四年至 二零一六年週期 年度改進之一部分
香港會計準則 第40號（修訂本）	轉讓投資物業

除下文所述者外，於本年度應用上文新訂及經修訂香港財務報告準則及詮釋對本集團本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載列之披露並無重大影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

New and Amendments to HKFRSs that are mandatorily effective for the current year

The Company and its subsidiaries (collectively referred to as the “Group”) has applied the following new and amendments to HKFRSs and an interpretation issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) for the first time in the current year:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 “Financial Instruments” with HKFRS 4 “Insurance Contracts”
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

Except as described below, the application of the above new and amendments to HKFRSs and the interpretation in the current year has had no material impact on the Group’s financial performance and position for the current and prior years and/or the disclosures set out in these consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效的新訂及經修訂香港財務報告準則（續）

2.1 香港財務報告準則第15號「來自客戶合約之收益」

本集團已於本年度首次採納香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而初始應用該準則的累計影響於初始應用當日，即2018年1月1日確認。於初始應用當日之任何差額於期初累計虧損確認，並無重列比較資料。此外，根據香港財務報告準則第15號之過渡條文，本集團選擇僅對於2018年1月1日尚未完成之合約追溯應用該標準。因此，由於比較資料根據香港會計準則第18號「收益」及相關詮釋編製，若干比較資料未必具可比性。

本集團自下列來自客戶合約之主要來源確認收入：

- 銷售風力發電相關產品
- 銷售來自風力發電場運營之電力
- 銷售儲能及相關產品

有關應用香港財務報告準則第15號後本集團的履約責任及會計政策的資料分別載於附註5及3。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.1 HKFRS 15 “Revenue from Contracts with Customers”

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 “Revenue” and the related interpretations.

The Group recognises revenue from the following major sources which arise from contracts with customers:

- Sales of wind energy related products
- Sales of electricity from operation of wind power field
- Sales of energy storage and related products

Information about the Group's performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in notes 5 and 3 respectively.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效的新訂及經修訂香港財務報告準則(續)

2.1 香港財務報告準則第15號「來自客戶合約之收益」(續)

初始應用香港財務報告準則第15號產生之影響概述

與香港會計準則第18號相比，應用香港財務報告準則第15號對確認收益的時間及金額並無重大影響。因此，並無對本集團於2018年1月1日累計虧損作任何調整。

於2018年1月1日綜合財務狀況表中確認的金額已作以下列調整。未受變更影響的項目並無列示。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.1 HKFRS 15 “Revenue from Contracts with Customers” (Continued)

Summary of effects arising from initial application of HKFRS 15

The application of HKFRS 15 has had no material impact on the timing and amounts of revenue recognised when compared to that under HKAS 18. Therefore, there is no adjustment on the Group’s accumulated losses as at 1 January 2018.

The following adjustments were made to the amounts recognised in the consolidated statement of financial position as at 1 January 2018. Line items that were not affected by the changes have not been included.

	附註	先前於2017年 12月31日呈報 的賬面值 Carrying amounts previously reported as at 31 December 2017 千港元 HK\$'000	重新分類 Reclassifications 千港元 HK\$'000	於2018年 1月1日香港財務 報告準則第15號 下的賬面值 Carrying amounts under HKFRS 15 as at 1 January 2018 千港元 HK\$'000
流動資產				
貿易及其他應收款	a	2,923,476	(413,267)	2,510,209
合約資產	a	–	422,790	422,790
應收聯營公司款	a	303,467	(9,523)	293,944
流動負債				
貿易及其他應付款	b	1,734,332	(13,938)	1,720,394
合約負債	b	–	13,938	13,938

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效的新訂及經修訂香港財務報告準則(續)

2.1 香港財務報告準則第15號「來自客戶合約之收益」(續)

初始應用香港財務報告準則第15號產生之影響概述(續)

附註：

- (a) 於初始應用香港財務報告準則第15號當日，之前計入貿易應收款及應收聯營公司款之應收質保金422,790,000港元已重新分類為合約資產。
- (b) 於初始應用香港財務報告準則第15號當日，先前計入其他應付款的有關與客戶簽署的銷售合同之預收客戶款項13,938,000港元已重新分類為合約負債。

下表概述應用香港財務報告準則第15號對本集團於2018年12月31日綜合財務狀況表及其綜合現金流量表中各受影響項目的影響。未受變更影響項目並無列示。

對綜合財務狀況表產生的影響

	按呈報	調整	未應用香港財務報告準則第15號之金額
	As reported	Adjustments	Amounts without application of HKFRS 15
	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
流動資產	Current assets		
貿易及其他應收款	Trade and other receivables	1,760,599	2,056,273
合約資產	Contract assets	304,759	–
應收聯營公司款	Amounts due from associates	252,457	261,542

於2018年12月31日，應收質保金304,759,000港元分類為合約資產，在未有應用香港財務報告準則第15號的情況下，金額會計入貿易及其他應收款以及應收聯營公司款。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.1 HKFRS 15 “Revenue from Contracts with Customers” (Continued)

Summary of effects arising from initial application of HKFRS 15 (Continued)

Notes:

- (a) At the date of initial application of HKFRS 15, retention receivables of HK\$422,790,000 previously included in trade receivables and amounts due from associates were reclassified to contract assets.
- (b) At the date of initial application of HKFRS 15, receipt in advance from customers of HK\$13,938,000 in respect of sales contracts signed with customers previously included in other payables were reclassified to contract liabilities.

The following tables summarise the impacts of applying HKFRS 15 on the Group’s consolidated statement of financial position as at 31 December 2018 and its consolidated statement of cash flow for each of the line items affected. Line items that were not affected by the changes have not been included.

Impacts on the consolidated statement of financial position

	按呈報	調整	未應用香港財務報告準則第15號之金額
	As reported	Adjustments	Amounts without application of HKFRS 15
	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
流動資產	Current assets		
貿易及其他應收款	Trade and other receivables	1,760,599	2,056,273
合約資產	Contract assets	304,759	–
應收聯營公司款	Amounts due from associates	252,457	261,542

As at 31 December 2018, retention receivables of HK\$304,759,000 was classified as contract assets, and the amount would have been included in trade and other receivables and amounts due from associates, without application of HKFRS 15.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效的新訂及經修訂香港財務報告準則（續）

2.2 香港財務報告準則第9號「金融工具」

於當前年度，本集團已應用香港財務報告準則第9號「金融工具」及其他香港財務報告準則相關的相應修訂。香港財務報告準則第9號就(1)金融資產及金融負債的分類和計量、(2)金融資產的預期信貸虧損（「預期信貸虧損」）及(3)一般對沖會計引入新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對2018年1月1日（初始應用日期）尚未終止確認的工具追溯應用分類及計量要求（包括減值），而並無對已於2018年1月1日終止確認的工具應用相關要求。於2017年12月31日的賬面值及於2018年1月1日的賬面值之間的任何差額於期初累計虧損及權益其他部分確認，並無重列比較資料。

因此，由於比較資料根據香港會計準則第39號「金融工具：確認及計量」編製，若干比較資料未必具可比性。

應用香港財務報告準則第9號之後的會計政策載於附註3。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.2 HKFRS 9 “Financial Instruments”

In the current year, the Group has applied HKFRS 9 “Financial Instruments” and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities, (2) expected credit losses (“ECL”) for financial assets and (3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9. i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. Any difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening accumulated losses and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 “Financial Instruments: Recognition and Measurement”.

Accounting policies resulting from application of HKFRS 9 are disclosed in note 3.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效的新訂及經修訂香港財務報告準則(續)

2.2 香港財務報告準則第9號「金融工具」(續)

初始應用香港財務報告準則第9號產生之影響概述

下文說明根據香港財務報告準則第9號及香港會計準則第39號於初始應用日期2018年1月1日面臨預期信貸虧損的金融資產及金融負債及其他項目的分類及計量(包括減值)。

自可供出售(「可供出售」)權益投資重新分類為按公平值計入其他全面收入(「按公平值計入其他全面收入」)之金融資產

本集團選擇將先前分類為可供出售之權益投資的公平值變動於其他全面收入(「其他全面收入」)中列賬，當中是關於先前根據香港會計準則第39號按成本減去減值計量的非報價權益投資。該等投資並非持作交易，且預計於可預見未來不會出售。於初始應用香港財務報告準則第9號之日，5,144,000港元已從可供出售投資重新分類至按公平值計入其他全面收入之金融資產，當中是與先前根據香港會計準則第39號按成本減去減值計量的非報價權益投資相關。與該等先前按成本減去減值列賬的非報價權益投資有關的公平值調整並無調整至2018年1月1日的按公平值計入其他全面收入金融資產及投資重估儲備，因為根據香港會計準則第39號的賬面值與於2018年1月1日的公平值並無重大差異。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.2 HKFRS 9 “Financial Instruments” (Continued)

Summary of effects arising from initial application of HKFRS 9

Below illustrates the classification and measurement (including impairment) of financial assets and financial liabilities and other items subject to ECL under HKFRS 9 and HKAS 39 at the date of initial application, 1 January 2018.

Reclassification from available-for-sale (“AFS”) equity investments to financial assets at fair value through other comprehensive income (“FVTOCI”)

The Group elected to present in the other comprehensive income (“OCI”) the fair value changes of its equity investments previously classified as AFS, which is related to unquoted equity investments previously measured at cost less impairment under HKAS 39. These investments are not held for trading and not expected to be sold in the foreseeable future. At the date of initial application of HKFRS 9, HK\$5,144,000 were reclassified from AFS investments to financial assets at FVTOCI, which is related to unquoted equity investments previously measured at cost less impairment under HKAS 39. No fair value adjustment relating to these unquoted equity investments previously carried at cost less impairment was adjusted to financial assets at FVTOCI and investment revaluation reserve as at 1 January 2018 because carrying value under HKAS 39 was not materially different from the fair value as at 1 January 2018.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效的新訂及經修訂香港財務報告準則（續）

2.2 香港財務報告準則第9號「金融工具」（續）

初始應用香港財務報告準則第9號產生之影響概述（續）

預期信貸虧損模式項下之減值

就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，無需再待發生信貸事件後方確認信貸虧損。

於目前期間，本集團已應用香港財務報告準則第9號之簡化方法，就貿易應收款、合約資產及聯營公司具貿易性質結餘使用存續期預期信貸虧損計量預期信貸虧損。

按攤銷成本計量之其他金融資產（主要包括其他應收款、應收聯營公司及合營企業款、已抵押銀行存款及銀行結餘）之虧損準備按12個月（「12個月」）預期信貸虧損基準計量，且自初始確認時起信貸風險並無顯著增加。

於2018年1月1日，概無就累計虧損確認額外信貸虧損撥備，因為根據預期信貸虧損模式的估計撥備與根據香港會計準則第39號者無重大差異。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

2.2 HKFRS 9 “Financial Instruments” (Continued)

Summary of effects arising from initial application of HKFRS 9 (Continued)

Impairment under ECL model

In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

In the current period, the Group has applied HKFRS 9 simplified approach to measure ECL using lifetime ECL for trade receivables, contract assets and those balances with associates which are trade in nature.

Loss allowance for other financial assets at amortised cost mainly comprise of other receivables, amounts due from associates and joint ventures, pledged bank deposits and bank balances, and are measured on 12-month (“12m”) ECL basis and there had been no significant increase in credit risk since initial recognition.

As at 1 January 2018, no additional credit loss allowance has been recognised against accumulated losses as the estimated allowance under the ECL model was not significantly different to that under HKAS 39.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提前應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合約 ³
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性 ¹
香港財務報告準則(修訂本)	香港財務報告準則2015年至2017年週期年度改進 ¹
香港財務報告準則第3號(修訂本)	一項業務之定義 ⁴
香港財務報告準則第9號(修訂本)	具有負補償的提前還款特性 ¹
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或注資 ²
香港會計準則第1號及香港會計準則第8號(修訂本)	材料之定義 ⁵
香港會計準則第19號(修訂本)	計劃修正、縮減或清償 ¹
香港會計準則第28號(修訂本)	於聯營公司及合營企業之長期權益 ¹

¹ 於2019年1月1日或以後開始之年度期間生效。

² 待確定日期或以後開始之年度期間生效。

³ 於2021年1月1日或以後開始之年度期間生效。

⁴ 對收購日期為2020年1月1日或之後開始的首個年度期間開始當日或之後的業務合併及資產收購生效。

⁵ 於2020年1月1日或以後開始之年度期間生效。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ³
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle ¹
Amendments to HKFRS 3	Definition of a Business ⁴
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁵
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹

¹ Effective for annual periods beginning on or after 1 January 2019.

² Effective for annual periods beginning on or after a date to be determined.

³ Effective for annual periods beginning on or after 1 January 2021.

⁴ Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

⁵ Effective for annual periods beginning on or after 1 January 2020.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。香港財務報告準則第16號生效後將取代香港會計準則第17號「租賃」及相關的詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號要求售後租回交易須按香港財務報告準則第15號的規定釐定是否就轉讓有關資產入賬為銷售。香港財務報告準則第16號亦包括有關分租及租賃修訂的規定。

除短期租賃及低價值資產租賃外，經營及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

使用權資產初步按成本計量，並隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃付款(非當日支付)之現值初步計量。隨後，租賃負債經(其中包括)利息及租賃付款以及租賃修訂的影響所調整。就現金流量分類而言，本集團現時將有關自用租賃土地及該等分類為投資物業之租賃土地之前期預付租賃付款呈列為投資現金流量，而其他經營租賃付款則呈列為營運現金流量。應用香港財務報告準則第16號後，有關租賃負債的租賃付款將分配為本金及利息部分，其將由本集團以融資現金流量呈列，首期預付租賃付款將繼續以投資現金流量呈列。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 “Leases”

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 “Leases” and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirement of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for own use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Upon application of the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group, upfront prepaid lease payment will continue to be presented as investing cash flows.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號「租賃」(續)

根據香港會計準則第17號，本集團已就融資租賃安排及租賃土地(本集團為承租人)的預付租賃付款確認資產及相關融資租賃負債。應用香港財務報告準則第16號將視乎本集團單獨或於倘擁有資產時將呈列之相應有關資產的同一項目內呈列使用權資產而可能導致該等資產之分類發生潛在變動。

此外，香港財務報告準則第16號要求作出更詳盡的披露。

誠如附註37所披露，本集團於2018年12月31日擁有不可撤銷經營租賃承擔8,946,000港元。初步評估顯示，該等安排將符合租賃之定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應的負債，除非有關租賃符合低價值或短期租賃。

此外，本集團目前將已付可退還租金按金2,725,000港元及已收可退還租金按金1,515,000港元視為香港會計準則第17號適用的租賃項下的權利及責任。根據香港財務報告準則第16號項下租賃付款的定義，有關按金並非就相關資產使用權的付款，因此，有關按金的賬面值可能調整至攤銷成本。有關已付可退還租金按金的調整被視為額外租賃付款，將計入使用權資產的賬面值。已收可退還租金按金的調整被視為預付租賃付款。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 “Leases” (Continued)

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of HK\$8,946,000 as disclosed in note 37. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of HK\$2,725,000 and refundable rental deposits received of HK\$1,515,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets. Adjustments to refundable rental deposits received would be considered as advance lease payments.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號「租賃」(續)

應用新規定可能導致上述列示的計量、呈列及披露的變動。本集團擬選擇可行權宜方法將香港財務報告準則第16號應用於先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)–詮釋第4號「釐定安排有否包括租賃」識別為租賃的合約，而不會應用此準則於先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)–詮釋第4號並無識別為包括租賃的合約。因此，本集團將不會重新評估於首次應用日期前已存在的合約是否屬(或是否包括)租賃。此外，本集團作為承租人擬就採納香港財務報告準則第16號選擇經修訂的追溯法，並將首次應用的累積影響於年初累計虧損確認，而不會重列比較資料。

除上述新訂香港財務報告準則外，本公司董事預計，應用其他新訂及經修訂香港財務報告準則及詮釋於可見未來不會對本集團綜合財務報表構成重大影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 “Leases” (Continued)

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group will elect the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) – Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC) – Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group will elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening accumulated losses without restating comparative information.

Except for the new HKFRS mentioned above, the directors of the Company do not anticipate that the application of the other new and amendments to HKFRSs and the interpretation will have a material impact on the Group's consolidated financial statements in the foreseeable future.

3. 主要會計政策

綜合財務報表按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港《公司條例》所規定之適用披露。

綜合財務報表按歷史成本基準編製，惟投資物業及按公平值計入其他全面收入之金融資產按公平值計量，詳見下文所載會計政策。

歷史成本一般以交換貨物及服務所支付代價之公平值為基準。

公平值是於計量日期市場參與者之間於有序交易中出售資產所收取或轉讓負債須支付之價格，而不論該價格可直接觀察取得或使用其他估值方法估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮之資產或負債之特點。於該等綜合財務報表中作計量及／或披露用途之公平值按此基準釐定，惟以下各項除外：屬於香港財務報告準則第2號「以股份為基礎之支付」範圍內之以股份為基礎之付款交易、屬於香港會計準則第17號「租賃」範圍內之租賃交易，以及與公平值存在若干相似之處但並非公平值的計量，例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值。

非金融資產的公平值計量計及市場參與者透過最大限度使用該資產達致最佳用途、或透過將資產售予將最大限度使用該資產達致最佳用途的另一名市場參與者而產生經濟利益的能力。

3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for the investment properties and financial assets at FVTOCI which are measured at fair value, as explained in accounting policies set out below.

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

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

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

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

此外，就財務報告而言，公平值計量分為第一、第二或第三級，此等級別之劃分乃基於公平值計量輸入數據之可觀察程度及該等輸入數據對公平值計量之整體重要性，概述如下：

- 第一級輸入數據指該實體於計量日期由活躍市場上相同資產或負債獲得之報價(未經調整)；
- 第二級輸入數據指除第一級所包含之報價以外，可直接或間接從觀察資產或負債之資料而得出之輸入數據；及
- 第三級輸入數據指不可從觀察資產或負債之資料而獲得的輸入數據。

主要會計政策載列如下。

綜合賬目基準

綜合財務報表包括本公司以及本公司及其附屬公司所控制實體之財務報表。當本公司符合以下情況，即取得控制權：

- 有權控制被投資方；
- 因參與被投資方業務而承受風險或有權獲得可變回報；及
- 有能力以其權力影響回報。

倘有事實及情況顯示上述三項控制權條件其中一項或多項有變，本集團會重新評估是否控制被投資方。

當本集團取得附屬公司之控制權，便將該附屬公司綜合入賬；當本集團失去附屬公司之控制權，便停止將該附屬公司綜合入賬。具體而言，年內收購或出售之附屬公司之收入及開支會於本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團對該附屬公司之控制權終止當日為止。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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

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

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

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

3. 主要會計政策 (續)**綜合賬目基準 (續)**

損益及其他全面收入之各個項目分配至本公司擁有人及非控制性權益。附屬公司之全面收入總額分配至本公司擁有人及非控制性權益，即使此舉會導致非控制性權益產生虧絀結餘。

如有需要，將對附屬公司之財務報表作出調整，以使其會計政策與本集團之會計政策一致。

集團內公司間之所有資產及負債、權益、收入、開支及與本集團成員公司間之交易相關之現金流量會於綜合賬目時全部對銷。

附屬公司的非控股權益與本集團的權益分開呈列，於清盤後相當於其持有人有權按比例分佔相關附屬公司資產淨值之現存所有權益。

本集團於現有附屬公司之權益變動

當本集團失去對附屬公司之控制權時，該附屬公司的資產及負債以及非控制性權益(如有)均終止確認。盈虧於損益確認，並按：(i)已收代價公平值與任何保留權益公平值總額與(ii)歸屬於本公司擁有人之附屬公司之資產(包括商譽)及負債之先前賬面值之差額計算。所有先前於其他全面收入確認之有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(即按適用香港財務報告準則之規定/許可條文重新分類至損益或轉撥至另一權益類別)。於失去控制權當日於前附屬公司保留之任何投資之公平值將根據香港財務報告準則第9號/香港會計準則第39號，於其後入賬時視為初步確認之公平值，或(如適用)於初步確認於聯營公司或合營企業之投資時的成本。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Basis of consolidation (Continued)**

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

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

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9/HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

商譽

商譽來自收購業務，按於收購業務(見上文會計政策)當日確立之成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配予本集團預期從合併之協同效應中受益的各現金產生單位(或現金產生單位組別)，為就內部管理目的而監察商譽的最低層次並不大於經營分部。

已獲分配商譽之現金產生單位(或現金產生單位組別)每年或於有跡象顯示單位可能出現減值時更頻密進行減值測試。就於報告期間收購所產生之商譽而言，已獲分配商譽之現金產生單位(或現金產生單位組別)於該報告期末前進行減值測試。倘可收回金額少於賬面值，則進行減值虧損分配，首先削減任何商譽賬面值，其後以單位(或現金產生單位組別)各資產之賬面值為基準按比例削減其他資產之賬面值。

於出售相關現金產生單位或一組現金產生單位內的任何現金產生單位時，商譽之應佔金額計入釐定出售損益之金額內。當本集團出售現金產生單位(或一組現金產生單位中的現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金單位(或一組現金產生單位)部分的相對價值計量。

本集團對收購一間聯營公司及一間合營企業產生之商譽之政策載述於下文。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash generating unit (or groups of cash generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash generating unit (or groups of cash generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or groups of cash generating units).

On disposal of the relevant cash generating unit, or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

3. 主要會計政策(續)**於聯營公司及合營企業之投資**

聯營公司指本集團能對其行使重大影響力之實體。重大影響力指可參與被投資方之財務及營運決策但不能控制或共同控制該等政策之權力。

合營企業指合營安排，對安排擁有共同控制權之訂約方據此對合營安排之資產淨值擁有權利。共同控制權指按照合約約定分享安排之控制權，僅在相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

聯營公司及合營企業之業績、資產及負債以權益會計法於該等綜合財務報表入賬。以權益會計法處理之聯營公司及合營企業財務報表按與本集團於類似情況下就類似交易及事件所採用者相同之會計政策編製。本集團已作出適當調整以使聯營公司及合營企業之會計政策與本集團會計政策一致。根據權益法，於聯營公司或合營企業之投資初步按成本於綜合財務狀況表確認，並於其後調整以確認本集團應佔該聯營公司或合營企業之損益及其他全面收入。於該聯營公司／合營企業的資產淨值(損益及其他全面收入除外)變動並不入賬，除非該等變動導致本集團持有的擁有權變動。當本集團應佔一間聯營公司或合營企業之虧損超出本集團於該聯營公司或合營企業之權益(包括實質上屬於本集團於該聯營公司或合營企業投資淨額一部分之任何長期權益)時，本集團終止確認其所佔進一步虧損。僅於本集團已產生法律或推定責任，或已代表該聯營公司或合營企業支付款項之情況下，方會確認額外虧損。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Investments in associates and joint ventures**

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

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

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Appropriate adjustments have been made to conform the associate's and the joint venture's accounting policies to those of the Group. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

於聯營公司及合營企業之投資 (續)

於聯營公司或合營企業之投資於被投資方成為聯營公司或合營企業當日採用權益法入賬。於收購於聯營公司或合營企業之投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公平淨值之任何部分確認為商譽，並計入投資之賬面值。倘於重新評估後，本集團所佔可識別資產及負債之公平淨值高於投資成本，則會於收購投資之期間即時在損益確認。

本集團評估是否具客觀證據證明於聯營公司及合營企業之權益可能減值。倘若存在任何客觀證據，投資（包括商譽）之全部賬面值按單一資產根據香港會計準則第36號進行減值測試，方法為將其可收回金額（以使用價值與公平值減出售成本之較高者為準）與其賬面值作比較。已確認之任何減值虧損構成投資賬面值之一部分。根據香港會計準則第36號，減值虧損之任何撥回確認以投資其後增加之可收回金額為限。

倘集團實體與本集團之聯營公司或合營企業進行交易，與該聯營公司或合營企業交易所產生之損益僅會在有關聯營公司或合營企業之權益與本集團無關之情況下，方會於本集團之綜合財務報表中確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates and joint ventures (Continued)

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

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

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

3. 主要會計政策 (續)**與客戶合約的收益 (根據附註2的過渡應用香港財務報告準則第15號後)**

根據香港財務報告準則第15號，本集團於達成履約責任時，即當特定的履約責任涉及的貨品或服務的「控制權」轉移至客戶時確認收入。

履約責任指一項明確貨品或服務（或一批貨品或服務）或一系列大致相同的明確貨品或服務。

倘符合以下其中一項條件，則控制權為隨時間轉移，而收益則參考相關履約義務的完成進度隨時間確認：

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創建及增強客戶於本集團履約時控制的資產；或
- 本集團的履約未創建對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，收益於客戶獲得明確商品或服務控制權時確認。

合約資產指本集團就本集團已向客戶轉讓的貨品或服務而於交換中收取代價的權利（尚未成為無條件）。本集團的合約資產代表應收質保金，其中獲取代價的權利於質保期結束時成為無條件。根據香港財務報告準則第9號評估減值。相反，應收賬款指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團因已自客戶收取代價（或代價金額到期），而須向客戶轉讓貨品或服務之責任。

與相同合約有關的合約資產及合約負債按淨額基礎入賬及呈列。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. The Group's contract assets represent retention receivables for which the right to consideration becomes unconditional at the end of the warranty period. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

收益確認 (2018年1月1日前)

收益按已收或應收代價之公平值計量，並相當於在日常業務過程中銷售貨物及提供服務而應收之款項減折扣及銷售相關稅項。

當收益數額能可靠計量，而未來經濟利益可能流入本集團，且符合以下本集團各業務的特定準則時，則會確認收益。

貨物銷售之收益於貨物已經交付及擁有權已轉移之情況下確認。

電力銷售之收益於電力併網時確認。

服務收入於提供服務時確認。

金融資產利息收入參考未償還本金及適用實際利率按時間基準計算，而實際利率乃使金融資產於預計使用年限內的估計未來現金收入準確貼現至資產初始確認時賬面淨值之貼現率。

投資之股息收入在股東收取款項之權利確定後予以確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (prior to 1 January 2018)

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

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

Revenue from sales of goods is recognised when goods are delivered and titles have passed.

Revenue from sales of electricity are recognised when electricity has been delivered.

Service income is recognised when services are provided.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

3. 主要會計政策 (續)**物業、廠房及設備**

物業、廠房及設備包括租賃土地(分類為融資租賃)，按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表入賬。

折舊乃透過於物業、廠房及設備(在建工程除外)之估計可使用年期內以直線法撇銷項目成本減去剩餘價值後確認。估計可使用年期、剩餘價值及折舊方法於各報告期末審閱，估計之任何變動影響按預期基準入賬。

作生產、供應或行政用途之在建工程於建造過程中按成本減去任何已確認減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化之借貸成本。在建工程於完成可作擬定用途時分類至物業、廠房及設備之適當類別。該等資產之折舊於資產可投入擬定用途時開始按與其他物業資產相同之基準計算。

根據融資租賃持有的資產於預期可用年期內按與自有資產相同的基準折舊。然而，倘不能合理確定於租期結束時將獲得所有權，則資產於租期與可使用年期兩者之較短期間折舊。

物業、廠房及設備項目於出售後或預期持續使用該資產將不會產生未來經濟利益時終止確認。物業、廠房及設備項目出售及停用時產生之損益按銷售所得款項與資產賬面值之差額釐定，並於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Property, plant and equipment**

Property, plant and equipment including leasehold land (classified as finance leases) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

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

Construction in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Construction in progress is classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease terms, assets are depreciated over the shorter of the lease terms and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

投資物業

投資物業指為賺取租金及／或資本增值而持有之物業。

投資物業初步按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業採用公平值模式按公平值計量。投資物業公平值變動所產生之收益或虧損計入有關盈虧產生期內之損益。

投資物業於出售時或當投資物業不再可供使用或預期出售投資物業將無法帶來未來經濟利益時終止確認。物業終止確認所產生之任何收益或虧損(按出售所得款項淨額與資產賬面值之差額計算)於項目終止確認之期內計入損益。

無形資產

單獨收購的具備有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損列賬。

具備有限可使用年期的無形資產於估計可使用年期以直線法攤銷。估計可使用年期及攤銷方法於各報告期末進行檢討，任何估計變動之影響按預期基準入賬。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment properties

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

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

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

Intangible assets

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3. 主要會計政策 (續)

內部產生無形資產－研發開支

研究活動費用於產生期間確認為開支。

開發活動(或內部項目開發階段)所產生之內部產生無形資產僅於以下所有事項證實後確認：

- 技術上可完成無形資產以供使用或出售；
- 有意完成並使用或出售無形資產；
- 有能力使用或出售無形資產；
- 無形資產將產生可能未來經濟利益之方式；
- 有足夠技術、財務及其他資源以完成開發及使用或出售無形資產；及
- 能夠可靠計算無形資產於開發期間所佔開支。

內部產生無形資產初步確認之金額為自無形資產首次符合上述確認標準當日起所產生開支之總和。倘無內部產生無形資產可予確認，則開發開支於產生期間於損益內確認。

於初步確認後，內部產生無形資產按與單獨收購之無形資產所採用之相同基準，以成本減累計攤銷及累計減值虧損(如有)列報。

無形資產於出售後或預期使用或出售將不會產生未來經濟利益時終止確認。取消確認無形資產所產生的收益及虧損，以出售所得款項淨額與資產賬面值之差額計量，於取消確認資產時於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Internally-generated intangible assets – research and development expenditure

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

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

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

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

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

有形及無形資產(商譽除外)減值虧損

於報告期末，本集團檢討有形及無形資產之賬面值以釐定是否有任何跡象顯示該等資產蒙受減值虧損。倘出現任何跡象，則估計有關資產的可收回金額，以釐定減值虧損(如有)數額。有形及無形資產的可收回金額個別估算，當不大可能估計個別資產的可收回金額時，本集團估計資產所屬現金產生單位的可收回金額。如可確定合理一致的分配基準，公司資產會分配至個別現金產生單位，或於其他情況下分配至可確定合理一致分配基準的最小現金產生單位組合。

可收回金額為公平值減銷售成本與使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值，該貼現率能反映當前市場所評估之貨幣時間值及資產(或現金產生單位)特定風險(就此而言，未來現金流量估計尚未作出調整)。

倘資產(或現金產生單位)之可收回金額估計將少於賬面值，則資產(或現金產生單位)之賬面值會減少至可收回金額。在分配減值虧損時，首先進行減值虧損分配以減少任何商譽的賬面值(如適用)，其後以單位各資產之賬面值為基準按比例分配至其他資產。但抵減後的資產賬面值不得低於該資產的公平值減去處置費用後的淨額(如可確定的)、該資產的使用價值(如可確定的)和零三者之中最高者。以其他方式已分配至資產之減值虧損金額按比例分配至其他單位各資產。減值虧損即時於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible and intangible assets other than goodwill

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

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

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

3. 主要會計政策 (續)**有形及無形資產 (商譽除外) 減值虧損 (續)**

當減值虧損於其後撥回，該項資產 (或現金產生單位) 之賬面值將增加至經修訂估計之可收回金額，惟增加之賬面值不會超逾於過往年度並無就該項資產 (或現金產生單位) 確認減值虧損原應釐定之賬面值。減值虧損撥回即時於損益確認。

存貨

存貨按成本與可變現淨值兩者中之較低者列賬。成本按加權平均法計算。可變現淨值指存貨之估計售價減所有估計完工成本及銷售所需成本。

借貸成本

因收購、興建或生產未完成資產 (需要一段長時間方可作擬定用途或出售者) 而直接產生的借貸成本計入該等資產之成本，直至資產已大致可作擬定用途或出售為止。

其他所有的借貸成本均在產生期間於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible and intangible assets other than goodwill (Continued)

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Borrowing costs

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

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

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項按本年度應課稅溢利計算。應課稅溢利有別於綜合損益及其他全面收益表中所報「除稅前虧損」，原因是應課稅溢利不包括其他年度應課稅或可扣稅之收入或開支項目，亦不包括從未課稅及扣稅之項目。本集團的即期稅項採用於報告期末已頒佈或實質已頒佈的稅率計量。

遞延稅項乃就綜合財務報表中資產及負債賬面值與計算應課稅溢利所用相應稅基之臨時差額確認。遞延稅項負債通常就所有應課稅臨時差額確認，而遞延稅項資產一般於可能出現可利用可扣減臨時差額扣稅之應課稅溢利時就所有可扣減臨時差額確認。若於交易（業務合併除外）中因商譽或初步確認其他資產及負債而引致之臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。此外，倘商譽之初步確認出現臨時差額，不會確認遞延稅項負債。

於附屬公司之投資及於聯營公司及合營企業之權益有關之應課稅臨時差額，均予確認遞延稅項負債，除非本集團可控制臨時差額之撥回，而該等臨時差額不大可能在可見未來撥回。有關該等投資及權益之可扣減臨時差額產生的遞延稅項資產，僅於可能有足夠應課稅溢利可用於抵銷臨時差額利益且預計將於可見將來撥回的情況下方予確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation

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

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

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

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

3. 主要會計政策 (續)**稅項 (續)**

本集團於報告期末審核遞延稅項資產之賬面值，並在不再可能有足夠應課稅溢利以便收回全部或部分資產時作調減。

遞延稅項資產及負債基於報告期末已頒佈或實質已頒佈的稅率(及稅法)，按預期於清償負債或變現資產期間適用之稅率計算。

遞延稅項負債及資產計量反映遵循本集團於報告期末預期收回或清償資產及負債賬面值之方式所產生之稅務結果。

計算利用公平值模式計量之投資物業的遞延稅項時，有關物業之賬面值乃假設通過銷售全數收回，除非該假設被推翻則除外。當投資物業可予折舊及以旨在隨時間而非透過銷售消耗投資物業所包含絕大部分經濟利益的業務模式持有時，有關假設會被推翻。

當有合法執行權利許可將即期稅項資產與即期稅項負債抵銷，且與同一稅務機關徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

即期及遞延稅項於損益內確認入賬。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

租賃

倘租約條款將所有權之絕大部分風險及報酬轉讓予承租人，則該等租約分類為融資租賃。所有其他租約則分類為經營租賃。

本集團作為出租人

經營租賃之租金收入乃按相關租約年期以直線法於損益內確認。商討及安排經營租賃所產生之初始直接成本計入租賃資產之賬面值，並按直線法於租期內確認為開支。

本集團作為承租人

根據融資租賃持有之資產初步按租賃開始時之公平值或最低租金之現值兩者之較低者確認為本集團資產。出租人承擔之相關負債乃計入綜合財務狀況表，列為融資租賃承擔。

租賃付款按比例分攤為財務費用及減少租賃承擔，從而得出負債餘額之常利率。財務費用立即於損益確認，除非直接歸屬於未完成資產，在該情況下，則按照本集團有關借貸成本的一般政策資本化（見上文會計政策）。

經營租金（包括收購根據經營租賃所持有土地的費用）於租期以直線法確認為開支，惟倘另有系統基準更能代表租賃資產使用時經濟利益之時間模式則除外。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing

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

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the terms of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease terms.

The Group as lessee

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

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

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease terms, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3. 主要會計政策 (續)**租賃 (續)****租賃土地及樓宇**

當本集團支付物業利息(包括租賃土地及樓宇部分)，本集團會評估各部分所有權的絕大部分風險與報酬有否轉移至本集團，單獨將各部分分類為融資或經營租賃，除非兩部分明顯均為經營租賃，在該情況下，整項物業入賬列為經營租賃。具體而言，全部代價(包括任何一次性預付款)在初步確認時，按土地部分及樓宇部分租賃權益相關公平值比例，於土地及樓宇部分間分配。

在有關付款可作可靠分配的情況下，入賬列為經營租賃的租賃土地權益於綜合財務狀況表中呈列為「預付租金」，並於租期內以直線基準攤銷，惟根據公平值模式分類及入賬列作投資物業者除外。當租金無法在土地與樓宇部分間可靠分配時，整項物業一般會按租賃土地屬融資租賃之方式分類。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Leasing (Continued)****Leasehold land and building**

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

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

政府補助

直至合理確定本集團將會符合政府補助所附帶條件及將會收取補助時方確認政府補助。

政府補助於本集團確認補助擬補償之相關成本為開支期間，有系統地於損益內確認。具體而言，如政府補助之首要條件為本集團應購置、興建或以其他方式獲得非流動資產，則在綜合財務狀況表內確認為扣除有關資產賬面值，並按系統及理性基準於有關資產之可使用年期轉撥至損益。

作為彌補已產生開支或損失及向本集團提供並無未來相關成本的即時財務援助之政府補助，在確認補助可收到的期間內於損益確認。

退休福利成本

政府管理之退休福利計劃及強制性公積金計劃之供款乃於僱員提供服務有權享有供款時確認為開支。

短期僱員福利

短期僱員福利按僱員提供服務時預計將予支付的未貼現福利金額予以確認。所有短期僱員福利均確認為開支，除非有另一項香港財務報告準則規定或允許將福利計入資產成本則作別論。

僱員累計福利(如工資及薪金、年假及病假)於扣除已付金額後確認為負債。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Government grants

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to the government-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefit are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the service. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

3. 主要會計政策 (續)**金融工具**

當集團實體成為工具合約條文之訂約方時，金融資產及金融負債予以確認。所有日常買賣的金融資產於交易日確認及不再確認。日常買賣指須根據市場規則或慣例訂立的時間內交收資產的金融資產買賣。

金融資產及金融負債初步按公平值計量，惟產生自客戶合約的業務應收款項自2018年1月1日起根據香港財務報告準則第15號初步計量除外。收購或發行金融資產及金融負債直接應佔之交易成本於初步確認時加入金融資產公平值或從金融負債公平值扣除（倘適用）。

實際利率法為計算金融資產或金融負債的攤銷成本以及於相關期間攤分利息收入及利息開支的方法。實際利率指將估計未來現金收入及付款（包括構成實際利率不可或缺部分的所有已付或已收費用及點數、交易成本及其他溢價或折讓）於金融資產或金融負債預期年期或（倘適用）較短期間準確貼現至初次確認時的賬面淨值的利率。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Financial instruments**

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 January 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

金融工具 (續)

金融資產

金融資產的分類及其後計量(根據附註2的過渡應用香港財務報告準則第9號後)

符合下列條件之金融資產其後按攤銷成本計量：

- 金融資產乃於以收取合約現金流量為目的之商業模式內持有；及
- 合約條款於特定日期產生僅為支付本金及未償還本金利息的現金流量。

符合下列條件之金融資產其後按公平值計入其他全面收益計量：

- 以收取合約現金流動及出售為目的之業務模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流動主要用作支付本金及未付本金之利息。

所有其他金融資產其後按公平值計入損益(「按公平值計入損益」)計量，倘該股本投資並非持作買賣，亦非香港財務報告準則第3號「業務合併」適用收購人於業務合併中確認的或然代價，於金融資產首次應用／首次確認日期本集團可作不可撤回選擇於其他全面收益內呈列股本投資其後之公平值變動除外。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2)

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit/loss ("FVTPL"), except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in OCI if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 "Business Combinations" applies.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及其後計量 (根據附註2的過渡應用香港財務報告準則第9號後) (續)

金融資產於下列情況下列作持作買賣：

- 主要於短期內為出售目的而收購；或
- 於初次確認時屬於本集團共同管理且在近期內有短期獲利實際模式之已識別金融工具組合之部分；或
- 屬於未指定及有效作為對沖工具之衍生工具。

此外，倘可消除或大幅減少會計錯配，本集團可不可撤回地指定須按攤銷成本或按公平值計入其他全面收益計量之金融資產按公平值計入損益計量。

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產之利息收入乃使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2) (Continued)

A financial asset is classified as held for trading if:

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

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及其後計量(根據附註2的過渡應用香港財務報告準則第9號後)
(續)

(ii) 指定按公平值計入其他全面收入之股本工具

按公平值計入其他全面收益之股本工具投資乃其後按公平值計量，其自公平值變動所產生之收益及虧損於其他全面收益中確認，並於投資重估儲備中累計；毋須予以減值。有關累計收益或虧損不會於出售股本投資後重新分類至損益，且將轉撥至累計虧損。

當本集團收取股息之權利獲確立，該等股本工具投資之股息將於損益內確認，除非有關股息明顯屬於就該投資收回之部分成本。股息計入損益內之「其他收入」項目。

金融資產減值(根據附註2的過渡應用香港財務報告準則第9號後)

本集團就根據香港財務報告準則第9號面臨減值的金融資產(包括貿易及其他應收款、合約資產、應收聯營公司及合營企業款項、已抵押銀行存款及銀行結餘)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自初步確認以來的信貸風險變動。

全期預期信貸虧損指於相關工具的預期年期內所有潛在違約事件所產生的預期信貸虧損。相反，12個月預期信貸虧損指預期將於報告日期後12個月內可能發生的違約事件所產生的全期預期信貸虧損部分。評估是根據本集團過往信貸虧損經驗(就債務人的特定因素作出調整)、整體經濟狀況及於報告日期的現時狀況及未來狀況預測的評估進行。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2)
(Continued)

(ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the investments revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to accumulated losses.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income" line item in profit or loss.

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2)

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade and other receivables, contract assets, amounts due from associates and joint ventures, pledged bank deposits and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are made based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2的過渡應用香港財務報告準則第9號後)(續)

本集團一直就貿易應收款、合約資產及具貿易性質的聯營公司結餘確認全期預期信貸虧損。該等資產的預期信貸虧損乃個別評估。

就所有其他工具而言，本集團計量金額相等於12個月預期信貸虧損的虧損撥備，除非信貸風險自初步確認以來顯著增加，則本集團確認全期預期信貸虧損。評估應否確認全期預期信貸虧損是基於自初步確認以來發生違約情況的可能性或風險有否顯著增加。

(i) 信貸風險顯著增加

評估信貸風險是否自初次確認以來顯著增加時，本集團比較於報告日期金融工具發生違約的風險與於初次確認日期金融工具發生違約的風險。作出該評估時，本集團考慮合理可作為依據的定量及定性資料，包括毋須付出不必要成本或資源獲得的過往經驗及前瞻資料。

具體而言，評估信貸風險曾否顯著增加時考慮下列資料：

- 金融工具的外部(如有)或內部信貸評級實際或預期嚴重轉差；
- 外部市場信貸風險指標顯著惡化，例如信貸利差、債務人的信貸違約掉期價格大幅增加；

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (Continued)

The Group always recognises lifetime ECL for trade receivables, contract assets and balances with associates in trade nature. The ECL on these assets are assessed individually.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2的過渡應用香港財務報告準則第9號後)(續)

(i) 信貸風險顯著增加 (續)

- 業務、財務或經濟狀況的現存或預計不利變動預期會導致債務人履行其債務責任的能力大幅下降；
- 債務人的經營業績實際或預期嚴重轉差；
- 債務人的監管、經濟或技術環境實際或預期出現重大不利變動而導致債務人履行其債務責任的能力大幅下降。

不論上述評估結果如何，本集團假設當合約付款逾期超過30日時，信貸風險已自初次確認以來顯著增加，除非本集團有合理可作為依據的資料顯示並非如此則作別論。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (Continued)

(i) Significant increase in credit risk (Continued)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 主要會計政策 (續)**金融工具 (續)****金融資產 (續)**

金融資產減值(根據附註2的過渡應用香港財務報告準則第9號後)(續)

(ii) 違約的定義

對於內部信貸風險管理，如內部建立或自外部取得的資料顯示，債務人不大可能支付全額款項予債權人(包括本集團)(並未考慮本集團所持有的任何抵押品)，本集團則視之為違約事件。

倘不考慮上文所述，本集團認為，倘金融資產逾期超過90天，則違約已發生，除非本集團擁有合理及可靠資料顯示一項更滯後的違約標準較合適則當別論。

(iii) 已信貸減值之金融資產

當對金融資產估計未來現金流量具有不利影響的一項或多項事件發生時，該金融資產已出現信貸減值。金融資產已出現信貸減值的證據包括下列可觀察資料：

- (a) 發行方或借款人發生重大財務困難；
- (b) 違反合約，如違約或發生逾期事件等；
- (c) 貸方出於與借方財務困難有關的經濟或合約考慮，給予借方在任何其他情況下都不會做出的讓步；或
- (d) 借款人可能會破產或進行其他財務重組。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)**Financial assets (Continued)**

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (Continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2的過渡應用香港財務報告準則第9號後)(續)

(iv) 撇銷政策

本集團在有資料顯示對手方陷入嚴重財務困難，且無實際收回可能之時(例如對手方遭受清盤或已進入破產程序)撇銷金融資產。在考慮法律意見(如適當)後，已撇銷金融資產仍可根據本集團之收回程序實施強制執行。撇銷構成一項取消確認事件。其後收回的任何款項於損益中確認。

(v) 預期信貸虧損之計量及確認

預期信貸虧損的計量為違約概率、違約損失率(即違約時的損失程度)及違約風險的函數。違約概率及違約損失率乃基於根據前瞻性資料調整的過往數據評估。預期信貸虧損的估計反映無偏概加權平均金額，以發生違約的風險為權重確定。

預期信貸虧損通常為根據合約應付本集團的所有合約現金流量與本集團預計收取的現金流量(按初始確認時釐定的實際利率折現)之間的差額。

利息收入乃根據金融資產的賬面總值計算，除非金融資產出現信貸減值，在此情況下，利息收入根據金融資產的攤銷成本計算。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(根據附註2的過渡應用香港財務報告準則第9號後)(續)

(v) 預期信貸虧損之計量及確認 (續)

本集團通過調整賬面值於損益確認所有金融工具的減值收益或虧損，惟相應調整通過虧損撥備賬確認的貿易應收款、合約資產及聯營公司具貿易性質結餘除外。

金融資產的分類及其後計量(於2018年1月1日應用香港財務報告準則第9號前)

金融資產分類為貸款及應收款以及可供出售金融資產。分類視乎金融資產的性質及目的之而，且於初始確認時釐定。所有日常買賣的金融資產於交易日確認及不再確認。日常買賣指須根據市場規則或慣例訂立的時間內交收資產的金融資產買賣。

(i) 貸款及應收款

貸款及應收款乃不在活躍市場掛牌之固定或可釐定付款之非衍生金融資產。於初步確認後，貸款及應收款(包括貿易及其他應收款、應收聯營公司款、應收合營企業款、已抵押銀行存款及銀行結餘及現金)採用實際利率法按攤銷成本減任何減值計算。

利息收入利用實際利率確認，惟短期應收款(其中確認的利息微不足道)除外。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (Continued)

(v) Measurement and recognition of ECL (Continued)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, contract assets and balances with associates in trade nature where the corresponding adjustment is recognised through a loss allowance account.

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)

Financial assets are classified into loans and receivables and AFS financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from associates, amounts due from joint ventures, pledged bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產的分類及其後計量 (於2018年1月1日應用香港財務報告準則第9號前) (續)

(ii) 可供出售金融資產

可供出售金融資產為指定為可供出售，或未分類為(a)貸款及應收款、(b)持有至到期投資；或(c)按公平值計入損益之金融資產。

並無活躍市場報價且公平值不能可靠計算之可供出售股本投資，則於報告期末按成本扣除任何已識別減值虧損計量 (見下文有關金融資產減值虧損之會計政策)。

當本集團有權收取股息時，於可供出售股權工具之股息確認為損益。

金融資產之減值 (於2018年1月1日應用香港財務報告準則第9號前)

金融資產會於報告期末評定是否有減值跡象。當有客觀證據顯示金融資產之估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時，即視為該金融資產發生減值。

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 違約，如未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018) (Continued)

(ii) AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of the reporting period (see the accounting policy in respect of impairment loss of financial assets below).

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Impairment of financial assets (before application of HKFRS 9 on 1 January 2018)

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

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

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 主要會計政策 (續)**金融工具 (續)****金融資產 (續)**

金融資產之減值(於2018年1月1日應用香港財務報告準則第9號前)(續)

應收款組合出現減值之客觀證據包括本集團過往收款記錄、組合內超出平均信貸期之延遲付款數量有所增加、國家或地區經濟狀況出現明顯變動導致應收款未能償還。

就按攤銷成本入賬之金融資產而言，減值虧損金額按該資產之賬面值與按金融資產原實際利率折讓之估計未來現金流量現值的差額計量。

就以成本列賬之金融資產而言，減值虧損額計算為資產賬面值與以類似金融資產現時市場回報率折現的估計未來現金流量的現值兩者之差額。此減值虧損不會於以後期間撥回。

所有金融資產之減值虧損會直接於金融資產之賬面值中作出扣減，惟貿易應收款除外，其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益中確認。當貿易應收款被視為不可收回時，將於撥備賬內撇銷。之前已撇銷的款項如其後收回，將撥回損益內。

就按攤銷成本入賬之金融資產而言，倘減值虧損額於隨後期間有所減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時原應有的攤銷成本。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)**Financial assets (Continued)**

Impairment of financial assets (before application of HKFRS 9 on 1 January 2018) (Continued)

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

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

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

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

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

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產之終止確認

僅當從資產收取現金流之合約權利已到期時，本集團終止確認金融資產。

於終止確認按攤銷成本計量金融資產時，資產賬面值與已收及應收代價之差額於損益確認。

終止確認股權工具的投資時，如應用香港財務報告準則第9號之後，本集團於初始確認時選擇按公平值計入其他全面收益計量，之前於投資重估儲備累計的損益不會重新分類至損益，但會轉移至累計虧損。

金融負債及股權

債項或股權之分類

債項及股權工具會根據合約安排之實質與金融負債及股權工具之定義分類為金融負債或股權。

股權工具

股權工具乃證明公司資產扣減所有負債後存在剩餘權益之任何合約。本公司發行之股權工具按已收款項(扣除直接發行成本)確認入賬。

按攤銷成本計量之金融負債

金融負債包括貿易及其他應付款、應付聯營公司款、應付合營企業款及借款，隨後採用實際利率法按攤銷成本計量。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI upon application of HKFRS 9, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to accumulated losses.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Financial liabilities at amortised cost

Financial liabilities including trade and other payables, amounts due to associates, amounts due to joint ventures and borrowings are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股權 (續)

金融負債之終止確認

本集團僅於本集團之責任獲解除、取消或屆滿時方終止確認金融負債。終止確認之金融負債之賬面值與已付及應付代價之差額於損益中確認。

撥備

倘本集團現時就過去事件承擔(法律或推定)債務，且本集團有可能須償還債務而債務之金額能可靠估計時，則須確認撥備。確認為撥備之金額根據報告期末償還現有債務所需代價之最佳估算及計入該債務之風險及不確定因素而得出。倘撥備按償還現有債務之估計現金流量計量，其賬面值為該等現金流量之現值(倘款項之時間價值影響屬重大)。

保修

根據相關貨物銷售立法的規定，就保修義務的預計成本作出的撥備將由董事就償還本集團債務所需的開支作出最佳估計後於相關產品銷售日期確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of the money is material).

Warranties

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

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

3. 主要會計政策 (續)

外幣

編製每間個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)所進行交易乃按交易日期之匯率確認。於各報告期末，以外幣列值之貨幣項目按當日之匯率重新換算。按公平值以外幣入賬之非貨幣項目按釐定公平值當日之匯率重新換算。以外幣歷史成本計量之非貨幣項目不予重新換算。

因結算及重新換算貨幣項目所產生之匯兌差額，於其產生期間在損益內確認。

就呈列綜合財務報表而言，本集團海外業務的資產及負債按各報告期末的現行匯率換算為本集團之呈列貨幣(即港元)，而彼等之收入及開支則按本年的平均匯率換算，惟倘期內匯率顯著波動則除外，於該情況下，則採用交易日期之匯率。所產生之匯兌差額(如有)確認為其他全面收益，並於權益下之匯兌儲備內累計(適當時分配至非控制性權益)。

此外，倘部分出售附屬公司並未導致本集團失去對附屬公司的控制權，則按比例將累計匯兌差額重新歸類為非控制性權益，而並不於損益內確認。對於所有其他部分出售(即部分出售聯營公司或合營安排而並無造成本集團失去重大影響力或共同控制權)，則按比例將累計匯兌差額重新歸類為損益。

此外，於出售與本公司擁有相同功能貨幣之集團實體時，於折算呈列貨幣時產生之匯兌差額則直接轉撥至累計虧損。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interest as appropriate).

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Additionally, on disposal of group entities which has the same functional currency as the Company, the exchange differences arising on translation to presentation currency are transferred directly to accumulated losses.

4. 關鍵會計判斷及估計不確定因素之主要來源

運用附註3所述本集團會計政策時，本公司董事須對在其他來源並非明顯可見的資產與負債賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及認為有關的其他因素為基準。實際結果可能有別於該等估計。

估計及相關假設按持續基準審閱。倘若會計估計的修訂僅影響修訂期間，則有關修訂於該期間確認，倘若修訂影響現時及未來期間，則於作出有關修訂的期間及未來期間確認。

採用會計政策之關鍵判斷

除涉及估計者外(見下文)，以下關鍵判斷為董事於應用本集團會計政策之過程中所作出，並對綜合財務報表內已確認金額構成最重大影響。

(a) 投資物業之遞延稅項

就計量利用公平值模型計量之投資物業產生的遞延稅項而言，管理層已審核本集團投資物業組合。就本集團位於中國深圳之投資物業而言，管理層認為可予折舊，但並非以目標為隨時間消耗投資物業所包含絕大部分經濟利益之業務模式持有。因此，釐定本集團於投資物業的遞延稅項時，管理層確定使用公平值模型計量之投資物業已透過銷售收回的假設未被推翻。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(a) *Deferred taxation on investment properties*

For the purposes of measuring deferred taxation arising from investment properties that are measured using the fair value model, the management has reviewed the Group's investment properties portfolios. For the Group's investment property located in Shenzhen of the PRC, the management concluded that it is depreciable, but not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time. Therefore, in determining the Group's deferred taxation on investment property, the management determined that the presumption that this investment property measured using the fair value model is recovered through sale is not rebutted.

4. 關鍵會計判斷及估計不確定因素之主要來源 (續)

採用會計政策之關鍵判斷 (續)

(a) 投資物業之遞延稅項 (續)

管理層認為本集團位於中國鐵嶺的投資物業可予折舊，且以目標為隨時間而非透過銷售消耗投資物業所包含絕大部分經濟利益之業務模式持有。因此，釐定本集團於投資物業的遞延稅項時，管理層確定使用公平值模式計量之投資物業已透過銷售收回的假設被推翻。

於報告期末可能對本集團產生的遞延稅務影響載於附註35。

(b) 對吉林龍源風力發電有限公司之重大影響

附註44載述，儘管本集團僅擁有吉林龍源風力發電有限公司（「吉林龍源」）15.35%權益，吉林龍源為本集團聯營公司。本集團有合約權力委任吉林龍源董事會九名董事其中兩名，因此本集團對該實體有重大影響力。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying accounting policies (Continued)

(a) Deferred taxation on investment properties (Continued)

For the Group's investment property located in Tieling of the PRC, the management concluded that it is depreciable and is being held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment property, the management determined that the presumption that this investment property measured using the fair value model is recovered through sale is rebutted.

The potential deferred tax impact to the Group at the end of the reporting period is shown in note 35.

(b) Significant influence over Jilin Longyuan Wind Power Co., Ltd.

Note 44 describes that Jilin Longyuan Wind Power Co., Ltd. ("Jilin Longyuan") is an associate of the Group although the Group only owns 15.35% ownership interest in Jilin Longyuan. The Group has significant influence over Jilin Longyuan by virtue of the contractual right to appoint two out of the nine directors to the board of directors of that entity.

4. 關鍵會計判斷及估計不確定因素之主要來源 (續)

估計不確定因素之主要來源

於報告期末很可能導致須對下一財政期間之資產及負債賬面值作出重大調整之關於未來之主要假設以及其他估計不確定因素之主要來源及判斷載於下文。

(a) 估計技術知識的無形資產減值

釐定技術知識的無形資產是否出現減值須估計獲分配技術知識之相關現金產生單位之可收回金額。可收回金額乃參照預期自有關現金產生單位產生之未來現金流量、為得出可收回金額淨現值所用貼現率及增長率及管理層判斷釐定。倘未來預計現金流量少於預期，或事實及情況改變導致未來現金下調，則可能進一步產生減值虧損。於2018年12月31日，扣除減值虧損106,298,000港元(2017年：17,399,000港元)，技術知識之賬面值為48,370,000港元(2017年：163,519,000港元)。可收回金額計算方法之詳情於附註20披露。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

The key assumption concerning the future, and other key sources of estimation uncertainty and judgment at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below.

(a) *Estimated impairment of intangible assets of technology know-how*

Determining whether intangible assets of technology know-how are impaired requires an estimation of the recoverable amount of the relevant cash generating unit to which technology know-how have been allocated. The recoverable amount is determined with reference to the future cash flows expected to arise from the relevant cash generating unit, discount rate and growth rate in order to derive the net present value of the recoverable amount and management's judgement. Where the expected future cash flows are less than expected, or changes occur in facts and circumstances which results in downward revision of future cash, further impairment loss may arise. As at 31 December 2018, the carrying amount of technology know-how is HK\$48,370,000 (2017: HK\$163,519,000), net of impairment loss of HK\$106,298,000 (2017: HK\$17,399,000). Details of the recoverable amount calculation is disclosed in note 20.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

4. 關鍵會計判斷及估計不確定因素之主要來源 (續)

估計不確定因素之主要來源 (續)

(b) 貿易應收款、合約資產及聯營公司具貿易性質結餘之減值評核

本集團按照個別評核貿易應收款、合約資產及聯營公司具貿易性質結餘之結果估計存續期預期信貸虧損，其中已考慮內部信貸評級（基礎為個別貿易債務人的近期貿易關係、財務背景及信用、過往結付記錄（如拖欠付款或延遲付款、該等結餘的賬齡分析、債務人經營所處行業的整體經濟狀況）、其後就信貸減值結餘的結付以及就前瞻性資料作調整。所用估計虧損率以個別評核的內部信貸評級為基礎，並計入本公司董事毋須繁重成本或工作即可取得的合理可靠前瞻性資料。於各報告日期，估計虧損率會重新評核，且前瞻性資料的變動會予以考慮。

預期信貸虧損的撥備對估算變動相當敏感。有關本集團貿易應收款、合約資產及聯營公司具貿易性質結餘以及該等結餘減值評核的資料載於附註40。

於2018年12月31日，貿易應收款、合約資產及聯營公司具貿易性質結餘的賬面值分別約為1,495,086,000港元、304,759,000港元及127,619,000港元（扣除信貸虧損撥備分別632,447,000港元、98,590,000港元及138,382,000港元）。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

(b) Impairment assessments of trade receivables, contract assets and balances with associates in trade nature

The management of the Group estimates the amount of lifetime ECL of trade receivables, contract assets and balances with associates in trade nature based on individual assessment, after considering internal credit ratings based on recent trade relationships, financial background and creditability of individual trade debtor, historical settlement records such as default or delay in payments, ageing analysis of such balances and general economic conditions of industry in which the debtors operate, subsequent settlement (for credit-impaired balances) and adjusted for the forward-looking information. The estimated loss rate applied is based on the internal credit rating assessed individually taking into consideration forward-looking information that is reasonable, supportable, and available to the directors of the Company without undue costs or effort. At every reporting date, the estimated loss rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the Group's trade receivables, contract assets and balances with associates in trade nature and the impairment assessment of such balances are disclosed in note 40.

As at 31 December 2018, the carrying amount of trade receivables, contract assets and balances with associates in trade nature is HK\$1,495,086,000, HK\$304,759,000 and HK\$127,619,000 net of allowance for credit losses of HK\$632,447,000, HK\$98,590,000 and HK\$138,382,000, respectively.

4. 關鍵會計判斷及估計不確定因素之主要來源 (續)

估計不確定因素之主要來源 (續)

(c) 投資物業

投資物業根據獨立專業估值師進行之估值按公平值列賬。在釐定公平值時，估值師以涉及對若干市況進行估計及對投資物業進行假設之估值法計算，包括可比較市租及交易並作出調整以反映不同地區或情況。

在依賴估值報告的同時，本公司董事亦已作出判斷，並信納估值所用之假設能反映現時市場情況及投資物業目前的發展情況。該等假設之任何變動將會導致本集團投資物業之公平值出現變動，並須對綜合損益表所報盈虧金額作出相應調整。於2018年12月31日，投資物業之賬面值為133,531,000港元（2017年：149,538,000港元）。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

(c) Investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have used a method of valuation which involves certain estimates of market conditions and assumptions made on the investment properties, including comparable market rents and transactions with adjustments to reflect different locations or conditions.

In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation is reflective of the current market conditions and current development of the investment properties. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss. As at 31 December 2018, the carrying amount of investment properties is HK\$133,531,000 (2017: HK\$149,538,000).

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

5. 營業額

本集團於本年度來自持續經營業務的營業額分析如下：

持續經營業務

銷售風力發電相關產品

銷售儲能及相關產品

出售來自風場運營之電力

Continuing operations

Sales of wind energy related products

Sales of energy storage and related products

Sales of electricity from operation of
wind power field

2018

千港元

HK\$'000

33,678

16,643

25,438

75,759

2017

千港元

HK\$'000

(重列)

(Restated)

234,028

3,677

25,709

263,414

本集團來自外界客戶之持續經營業務收益於某一時點確認。

對銷售風力發電相關產品而言，收益於客戶取得承諾貨品的控制權且實體完成履約義務之時點予以確認。當產品即場或客戶指定地點獲接納，而客戶能夠指示貨品的用途並且取得貨品絕大部份的餘下裨益，該時點代表控制權已轉移。

對銷售儲能及相關產品而言，收益於客戶取得承諾貨品且實體完成履約義務之時點予以確認。當客戶接納產品，而客戶能夠指示貨品的用途並且取得貨品絕大部份的餘下裨益，此時會確認收益。一般信貸期自交付起計90天。

5. TURNOVER

An analysis of the Group's turnover for the year from continuing operations is as follows:

The Group's revenue from continuing operations from external customers are recognised at a point in time.

For sales of wind energy related products, revenue is recognised at a point in time which the customer obtains control of a promised good and the entity satisfies a performance obligation. The control is transferred when the products are accepted on site or locations specified by customers which is the point of time the customers have an ability to direct the use of the good and obtain substantially all of the remaining benefits of the goods.

For sales of energy storage and related products, revenue is recognised at a point in time which the customer obtains control of a promised good and the entity satisfies a performance obligation. Revenue from these revenue is recognised when customer acceptance has been obtained, which is the point of time when the customer has the ability to direct the use of these products and obtain substantially all of the remaining benefit of these products. The normal credit term is 90 days upon delivery.

5. 營業額 (續)

對於出售來自風場運營之電力而言，為客戶同時收取及耗用本集團隨時間履約之裨益而隨時間確認收益。確認的金額按合約內貨品的可觀察價格計算，原因是並無重大融資成份，亦無可變代價。

所有銷售合約為期一年或以下。香港財務報告準則第15號允許不披露分配至該等未完成合約的交易價。

本集團來自外界客戶之持續經營業務收益詳情如下：

5. TURNOVER (Continued)

For sales of electricity from operation of wind power field, revenue is recognised over time when the customer simultaneously receives and consumes the benefits of the Group's performance over time. The amount recognised was based on the observable price of the goods in the contracts since there is no significant financing component and there is no variable consideration.

All sales contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

The Group's revenue from continuing operations from external customers are detailed below:

		2018	2017
		千港元	千港元
		HK\$'000	HK\$'000
			(重列)
			(Restated)
中國	The PRC	71,356	259,765
香港	Hong Kong	133	34
其他	Others	4,270	3,615
		75,759	263,414

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

6. 分類資料

向本集團執行董事(即主要營運決策者)呈報之資料,目的為以交付貨物或提供服務之種類劃分業務分類,進而分配資源並評估分類業績。在設定本集團的報告分類時,主要營運決策者並無將所識別的經營分類匯總。

於過往年度,本集團有4個可呈報及經營分類,即風力發電相關產品、風場運營、電訊業務及儲能及相關產品。

截至2018年12月31日止年度,主要營運決策者已審閱本集團的業務營運,並認為電訊業務分類已終止經營。因此,它不再是本集團的可報告和經營分類。詳情請參閱附註11。

具體而言,本集團於本年度根據香港財務報告準則第8號「經營分類」之經營及報告分類如下:

風力發電 相關產品	—	風力發電相關產品 之製造及出售
風場運營	—	出售來自風場運營 之電力
儲能及相關 產品	—	結合風能、太陽能 及儲能,製造及 出售能源再生產 品

下文呈列有關該等分類之資料。

6. SEGMENT INFORMATION

Information reported to the Group's Executive Directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

In prior year, there were 4 reportable and operating segments namely Wind Energy Related Products, Operation of Wind Farm, Telecommunication Business and Energy Storage and Related Products.

During the year ended 31 December 2018, the CODM has reviewed the Group's business operation and considered Telecommunication Business segment was discontinued. Therefore, it is no longer a reportable and operating segment of the Group. Details are described in note 11.

Specifically, the Group's operating and reportable segments for the year under HKFRS 8 "Operating Segments" are as follows:

Wind Energy Related Products	—	Manufacture and sales of wind energy related products
Operation of Wind Farm	—	Sales of electricity from operation of wind power field
Energy Storage and Related Products	—	Manufacture and sales of energy renewal products by combining wind energy, solar energy and energy storage

Information regarding these segments is presented below.

6. 分類資料 (續)

分類收益及業績

本集團按經營及報告分類劃分之來自持續經營業務之營業額及業績分析如下：

截至2018年12月31日止年度

6. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's turnover and results from continuing operations by operating and reportable segment.

For the year ended 31 December 2018

		風力發電 相關產品 Wind Energy Related Products 千港元 HK\$'000	風場運營 Operation of Wind Farm 千港元 HK\$'000	儲能及 相關產品 Energy Storage and Related Products 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000
持續經營業務	Continuing operations				
營業額	TURNOVER				
對外銷售	External sales	33,678	25,438	16,643	75,759
業績	RESULT				
分類業績	Segment result	(1,099,698)	(6,331)	(83,388)	(1,189,417)
未經分配公司費用	Unallocated corporate expenses				(119,301)
未經分配其他收入	Unallocated other income				14,597
財務成本	Finance costs				(82,546)
應佔一間聯營公司業績 — 未經分配部分	Share of result of an associate — unallocated portion				(5,925)
應佔一間合營企業業績 — 未經分配部分	Share of result of a joint venture — unallocated portion				75,192
投資物業之公平值變動 虧損	Loss from changes in fair value of investment properties				(9,452)
除稅前虧損	Loss before taxation				(1,316,852)

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

6. 分類資料 (續)

分類收益及業績 (續)

截至2017年12月31日止年度

	風力發電 相關產品 Wind Energy Related Products 千港元 HK\$'000	風場運營 Operation of Wind Farm 千港元 HK\$'000	儲能及 相關產品 Energy Storage and Related Products 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000 (重列) (Restated)	
持續經營業務	Continuing operations				
營業額	TURNOVER				
對外銷售	External sales	234,028	25,709	3,677	263,414
業績	RESULT				
分類業績	Segment result	(222,383)	10,431	(9,251)	(221,203)
未經分配公司費用	Unallocated corporate expenses				(111,227)
未經分配其他收入	Unallocated other income				11,573
財務成本	Finance costs				(74,489)
應佔一間合營企業業績	Share of results of a joint venture				
— 未經分配部分	— unallocated portion				165,019
投資物業之公平值變動	Gain from changes in fair value				
收益	of investment properties				2,075
除稅前虧損	Loss before taxation				(228,252)

分類業績指各分類產生／賺取的除稅前虧損，不包括財務成本、投資物業之公平值變動收益／虧損、未能分配之應佔一間聯營公司及合營企業業績，以及未經分配其他收入及公司費用，如主要行政成本及董事薪金。應佔聯營公司虧損123,909,000港元（2017年：27,854,000港元）及應佔一間合營企業溢利985,000港元（2017年：1,108,000港元）分配至報告分類。此乃就資源分配及分類績效評估而言，向本集團執行董事呈報的計量。

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2017

	風力發電 相關產品 Wind Energy Related Products 千港元 HK\$'000	風場運營 Operation of Wind Farm 千港元 HK\$'000	儲能及 相關產品 Energy Storage and Related Products 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000 (重列) (Restated)	
持續經營業務	Continuing operations				
營業額	TURNOVER				
對外銷售	External sales	234,028	25,709	3,677	263,414
業績	RESULT				
分類業績	Segment result	(222,383)	10,431	(9,251)	(221,203)
未經分配公司費用	Unallocated corporate expenses				(111,227)
未經分配其他收入	Unallocated other income				11,573
財務成本	Finance costs				(74,489)
應佔一間合營企業業績	Share of results of a joint venture				
— 未經分配部分	— unallocated portion				165,019
投資物業之公平值變動	Gain from changes in fair value				
收益	of investment properties				2,075
除稅前虧損	Loss before taxation				(228,252)

Segment results represent the loss before taxation incurred/earned by each segment, excluding finance costs, gain/loss from changes in fair value of investment properties, share of result of an associate and a joint venture which cannot be allocated, unallocated other income and corporate expenses such as central administration costs and directors' salaries. Share of losses of associates of HK\$123,909,000 (2017: HK\$27,854,000) and share of profit of a joint venture of HK\$985,000 (2017: HK\$1,108,000) are allocated to reportable segments. This is the measure reported to the Group's Executive Directors for the purpose of resources allocation and assessment of segment performance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

6. 分類資料 (續)

分類資產及負債

本集團按報告分類劃分之資產及負債分析如下。

於2018年12月31日

資產	ASSETS
分類資產	Segment assets
於聯營公司之權益	Interests in associates
– 未經分配部分	– unallocated portion
於一間合營企業之權益	Interest in a joint venture
– 未經分配部分	– unallocated portion
未經分配公司資產	Unallocated corporate assets
綜合資產總值	Consolidated total assets
負債	LIABILITIES
分類負債	Segment liabilities
未經分配公司負債	Unallocated corporate liabilities
綜合負債總值	Consolidated total liabilities

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment.

At 31 December 2018

風力發電 相關產品 Wind Energy Related Products 千港元 HK\$'000	風場運營 Operation of Wind Farm 千港元 HK\$'000	儲能及 相關產品 Energy Storage and Related Products 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000
2,464,137	362,848	51,915	2,878,900
			4,171
			976,664
			414,695
			4,274,430
1,749,949	2,494	347	1,752,790
			1,818,483
			3,571,273

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

6. 分類資料 (續)

分類資產及負債 (續)

於2017年12月31日

	風力發電 相關產品 Wind Energy Related Products 千港元 HK\$'000	風場運營 Operation of Wind Farm 千港元 HK\$'000	儲能及 相關產品 Energy Storage and Related Products 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000 (重列) (Restated)	
資產	ASSETS				
分類資產	Segment assets	3,639,256	434,671	165,594	4,239,521
與已終止經營業務有關 之資產	Assets relating to discontinued operation				31,103
於一間聯營公司之權益 — 未經分配部分	Interest in an associate — unallocated portion				5,835
於一間合營企業之權益 — 未經分配部分	Interest in a joint venture — unallocated portion				1,152,651
未經分配公司資產	Unallocated corporate assets				416,559
綜合資產總值	Consolidated total assets				5,845,669
負債	LIABILITIES				
分類負債	Segment liabilities	1,910,968	12,724	13,521	1,937,213
與已終止經營業務有關 之負債	Liabilities relating to discontinued operation				22,501
未經分配公司負債	Unallocated corporate liabilities				1,785,077
綜合負債總值	Consolidated total liabilities				3,744,791

為監察分類表現及於分類間分配資源：

- 除不可分配的於一間合營企業／若干聯營公司之權益、投資物業、按公平值計入其他全面收益之金融資產、可供出售投資及其他金融資產(主要包括銀行結餘及現金)外，所有資產均分配至經營分類。商譽按附註19所述之方式分配至經營分類；及
- 除不可分配之若干應付款項、借貸及遞延稅項負債外，所有負債分配至經營分類。

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

At 31 December 2017

	風力發電 相關產品 Wind Energy Related Products 千港元 HK\$'000	風場運營 Operation of Wind Farm 千港元 HK\$'000	儲能及 相關產品 Energy Storage and Related Products 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000 (重列) (Restated)	
資產	ASSETS				
分類資產	Segment assets	3,639,256	434,671	165,594	4,239,521
與已終止經營業務有關 之資產	Assets relating to discontinued operation				31,103
於一間聯營公司之權益 — 未經分配部分	Interest in an associate — unallocated portion				5,835
於一間合營企業之權益 — 未經分配部分	Interest in a joint venture — unallocated portion				1,152,651
未經分配公司資產	Unallocated corporate assets				416,559
綜合資產總值	Consolidated total assets				5,845,669
負債	LIABILITIES				
分類負債	Segment liabilities	1,910,968	12,724	13,521	1,937,213
與已終止經營業務有關 之負債	Liabilities relating to discontinued operation				22,501
未經分配公司負債	Unallocated corporate liabilities				1,785,077
綜合負債總值	Consolidated total liabilities				3,744,791

For the purpose of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than interests in a joint venture/certain associates which cannot be allocated, investment properties, financial assets at FVTOCI, AFS investments and other financial assets that comprise of mainly bank balances and cash. Goodwill is allocated to operating segments as described in note 19; and
- all liabilities are allocated to operating segments other than certain payables, borrowings and deferred tax liabilities which cannot be allocated.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

6. 分類資料 (續)

其他分類資料

於2018年12月31日

6. SEGMENT INFORMATION (Continued)

Other segment information

At 31 December 2018

	風力發電 相關產品 Wind Energy Related Products 千港元 HK\$'000	風場運營 Operation of Wind Farm 千港元 HK\$'000	儲能及 相關產品 Energy Storage Products 千港元 HK\$'000	未經分配 Unallocated 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000
持續經營業務	Continuing operations				
計量分類損益或分類資產 時計入之金額：	Amounts included in the measure of segment profit or loss or segment assets:				
添置物業、廠房及設備		Additions of property, plant and equipment			
	10,880	216	469	68	11,633
無形資產攤銷	30,410	-	-	-	30,410
物業、廠房及設備折舊		Depreciation of property, plant and equipment			
	15,576	12,482	2,338	357	30,753
出售／撤銷物業、廠房及 設備之虧損		Loss on disposal/write-off of property, plant and equipment			
	5,949	-	-	-	5,949
於聯營公司之權益		Interests in associates			
	-	201,937	-	4,171	206,108
於合營企業之權益		Interests in joint ventures			
	-	38,635	-	976,664	1,015,299
應佔聯營公司業績	(113,782)	Share of results of associates	-	(5,925)	(129,834)
應佔合營企業業績	-	Share of results of joint ventures	-	75,192	76,177
金融資產及合約資產 減值虧損(扣除撥回)		Impairment losses, net of reversal, on financial assets and contract assets			
	698,933	-	28,260	-	727,193
就無形資產確認之減值 虧損		Impairment losses recognised in respect of intangible assets			
	89,912	-	57,494	-	147,406
就物業、廠房及設備確認之 減值虧損		Impairment losses recognised in respect of property, plant and equipment			
	23,501	-	-	-	23,501
存貨撇減	62,212	-	-	-	62,212

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

6. 分類資料 (續)

其他分類資料 (續)

於2017年12月31日

持續經營業務	Continuing operations
計量分類損益或分類資產 時計入之金額：	Amounts included in the measure of segment profit or loss or segment assets:
添置物業、廠房及設備	Additions of property, plant and equipment
無形資產攤銷	Amortisation of intangible assets
物業、廠房及設備折舊	Depreciation of property, plant and equipment
出售物業、廠房及設備 之收益	Gain on disposal of property, plant and equipment
於聯營公司之權益	Interests in associates
於合營企業之權益	Interests in joint ventures
應佔聯營公司業績	Share of results of associates
應佔合營企業業績	Share of results of joint ventures
金融資產及合約資產減值 虧損 (扣除撥回)	Impairment losses, net of reversal, on financial assets and contract assets
就無形資產確認之減值虧損	Impairment losses recognised in respect of intangible assets

6. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

At 31 December 2017

風力發電 相關產品 Wind Energy Related Products 千港元 HK\$'000	風場運營 Operation of Wind Farm 千港元 HK\$'000	儲能及 相關產品 Energy Storage and Related Products 千港元 HK\$'000	未經分配 Unallocated 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000 (重列) (Restated)
15,243	492	376	1,365	17,476
21,387	–	–	–	21,387
13,315	12,147	2,515	380	28,357
80	–	–	–	80
41,673	300,760	–	5,835	348,268
–	39,633	–	1,152,651	1,192,284
(32,077)	4,223	–	–	(27,854)
–	1,108	–	165,019	166,127
118,306	–	10,354	–	128,660
17,399	–	–	–	17,399

6. 分類資料 (續)

地區資料

本集團之業務位於香港及中國其他地區。

按資產地理位置分類的本集團來自持續經營業務的非流動資產有關資料詳述如下：

6. SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are located in Hong Kong and other regions of the PRC.

Information about the Group's non-current assets by geographical location of the assets from continuing operations are detailed below:

		非流動資產賬面值 Carrying amount of non-current assets	
		2018 千港元 HK\$'000	2017 千港元 HK\$'000 (重列) (Restated)
中國其他地區	Other regions of the PRC	1,657,583	2,190,900
香港	Hong Kong	1,098	1,676
		1,658,681	2,192,576

非流動資產不包括該等與已終止經營業務、應收一間合營企業款項非即期部份、按公平值計入全面收益的金融資產、可供出售投資及遞延稅項資產有關者。

Non-current assets exclude those relating to discontinued operation, non-current portion of amount due from a joint venture, financial assets at fair value through comprehensive income, AFS investments and deferred tax assets.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

6. 分類資料 (續)

有關主要客戶資料

於相應年度貢獻超過本集團總銷售額10%的客戶收益如下：

客戶A ¹	Customer A ¹
客戶B ²	Customer B ²
客戶C ²	Customer C ²
客戶D ³	Customer D ³

- ¹ 風場營運收益
- ² 風力發電相關產品收益
- ³ 儲能及相關產品收益
- ⁴ 相關收益佔本集團收益總額的比例並無超過10%

6. SEGMENT INFORMATION (Continued)

Information about major customers

Revenues from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

2018 千港元 HK\$'000	2017 千港元 HK\$'000
25,438	不適用 N/A ⁴
16,318	191,307
15,498	36,052
9,442	不適用 N/A ⁴

- ¹ Revenue from Operation of Wind Farm
- ² Revenue from Wind Energy Related Products
- ³ Revenue from Energy Storage and Related Products
- ⁴ The corresponding revenue did not contribute over 10% of the total revenue of the Group

7. 其他收入

持續經營業務

其他收入主要包括：

政府補助(附註)

投資物業租金收入
(已扣除小額開支)

利息收入

— 銀行結餘

— 給予一間合營企業之墊款

— 給予一間聯營公司之墊款

Continuing operations

Other income mainly comprises:

Government grants (note)

Rental income from investment properties,
net of negligible outgoings

Interest income

— bank balances

— advance to a joint venture

— advance to an associate

7. OTHER INCOME

2018 千港元 HK\$'000	2017 千港元 HK\$'000 (重列) (Restated)
2,609	2,791
6,698	6,461
963	1,505
2,878	2,809
1,365	—

7. 其他收入(續)

附註：金額766,000港元(2017年：834,000港元)指中國政府／機關就撥付購置物業、廠房及設備之款項而授予本集團之補助(附註31)，餘額1,843,000港元(2017年：1,957,000港元)指中國政府／機關就風場營運及其他技術開發授予本集團之營運補助，及收取自中國稅務機關之有關增值稅(「增值稅」)退稅之補助。

7. OTHER INCOME (Continued)

Note: An amount of HK\$766,000 (2017: HK\$834,000) represents subsidies granted to the Group by the PRC government/authorities for the purpose of financing the acquisition of property, plant and equipment (note 31). The remaining amount of HK\$1,843,000 (2017: HK\$1,957,000) represents operating subsidies granted to the Group by the PRC government/authorities for operation of windfarm and other technology development, and subsidies received from the PRC tax authorities on Value Added Tax ("VAT") refund.

8. 其他收益及虧損

8. OTHER GAINS AND LOSSES

		2018	2017
		千港元	千港元
		HK\$'000	HK\$'000
			(重列)
			(Restated)
持續經營業務	Continuing operations		
就無形資產確認之減值虧損	Impairment losses recognised in respect of intangible assets	(147,406)	(17,399)
存貨撇減	Write-down of inventories	(62,212)	-
就物業、廠房及設備確認之減值虧損	Impairment losses recognised in respect of property, plant and equipment	(23,501)	-
投資物業公平值變動的(虧損)收益	(Loss) gain from changes in fair value of investment properties	(9,452)	2,075
出售／撇銷物業、廠房及設備之(虧損)收益	(Loss) gain on disposal/write-off of property, plant and equipment	(5,949)	80
已確認匯兌收益(虧損)淨額	Net exchange gain (loss) recognised	988	(493)
		(247,532)	(15,737)

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

9. 金融資產及合約資產減值虧損 (扣除撥回)

9. IMPAIRMENT LOSSES, NET OF REVERSAL, ON FINANCIAL ASSETS AND CONTRACT ASSETS

		2018 千港元 HK\$'000	2017 千港元 HK\$'000 (重列) (Restated)
持續經營業務 就來自客戶及聯營公司的 合約之貿易結餘 確認之減值虧損	Continuing operations Impairment losses recognised in respect of trade balances arising from contracts with customers and associates	(727,193)	(128,660)

10. 財務成本

10. FINANCE COSTS

		2018 千港元 HK\$'000	2017 千港元 HK\$'000 (重列) (Restated)
持續經營業務 利息： – 銀行及其他貸款	Continuing operations Interest on: – bank and other loans	82,546	74,489

II. 已終止經營業務

- (a) 截至2018年12月31日止年度，本公司一間附屬公司與一名獨立第三方就出售航天科技航天電子技術(深圳)有限公司(「深圳航天通信」)51%權益訂立協議(如附註43(a)所披露)。

來自已終止經營的電訊業務營運的期/年內虧損如下。綜合損益及其他全面收益表內已重列比較數據，以重新呈列電訊業務營運為已終止經營業務。

II. DISCONTINUED OPERATIONS

- (a) During the year ended 31 December 2018, a subsidiary of the Company entered into an agreement with an independent third party in respect of the disposal of 51% interests of 航天科技通信電子技術(深圳)有限公司 ("Shenzhen Aerospace Telecommunications") as disclosed in note 43(a).

The loss for the period/year from the discontinued Telecommunication Business operation is set out below. The comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to represent Telecommunication Business operation as a discontinued operation.

		截至2018年 12月29日 止期間 Period ended 29.12.2018 千港元 HK\$'000	截至2017年 12月31日 止年度 Year ended 31.12.2017 千港元 HK\$'000
期/年內來自已終止 經營業務的虧損	Loss for the period/year from discontinued operation	(30,131)	(9,943)
出售一間附屬公司收益 (附註43(a))	Gain on disposal of a subsidiary (note 43(a))	17,417	-
		(12,714)	(9,943)

電訊業務收益為於某一時點確認的電訊產品銷售額。

The revenue from Telecommunication Business operation represents the sales of telecommunication products which is recognised at a point in time.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

II. 已終止經營業務 (續)

(a) (續)

已載入綜合損益及其他全面收益表的電訊業務營運自2018年1月1日至2018年12月29日出售日期期間的業績如下：

II. DISCONTINUED OPERATIONS (Continued)

(a) (Continued)

The results of Telecommunication Business operation for the period from 1 January 2018 to 29 December 2018, the date of disposal, which have been included in the consolidated statement of profit or loss and other comprehensive income, were as follows:

		截至2018年 12月29日 止期間 Period ended 29.12.2018 千港元 HK\$'000	截至2017年 12月31日 止年度 Year ended 31.12.2017 千港元 HK\$'000
營業額	Turnover	12,065	19,960
銷售成本	Cost of sales	(14,966)	(17,691)
毛(損)利	Gross (loss) profit	(2,901)	2,269
其他收入	Other income	615	429
其他收益及虧損	Other gains and losses	(16,518)	(98)
銷售及分銷成本	Selling and distribution expenses	(542)	(1,742)
行政費用	Administrative expenses	(10,785)	(10,773)
除稅前虧損	Loss before taxation	(30,131)	(9,915)
稅項	Taxation	-	(28)
期/年內虧損	Loss for the period/year	(30,131)	(9,943)

II. 已終止經營業務 (續)

II. DISCONTINUED OPERATIONS (Continued)

(a) (續)

(a) (Continued)

		截至2018年 12月29日 止期間 Period ended 29.12.2018 千港元 HK\$'000	截至2017年 12月31日 止年度 Year ended 31.12.2017 千港元 HK\$'000
期/年內以下各方應佔虧損：	Loss for the period/year attributable to:		
本公司擁有人	Owners of the Company	(30,131)	(9,943)
期/年內來自已終止經營 業務的虧損已經扣除：	Loss for the period/year from discontinued operation has been arrived at after charging:		
其他員工成本	Other staff costs	4,172	4,600
其他員工退休福利計劃供款	Other staffs retirement benefits scheme contributions	362	401
		4,534	5,001
無形資產攤銷	Amortisation of intangible assets	3,064	2,236
確認為開支之存貨成本	Cost of inventories recognised as an expense	14,966	17,691
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	413	259
就無形資產確認之減值虧損	Impairment losses recognised in respect of intangible assets	16,200	–
出售物業、廠房及設備虧損	Loss on disposal of property, plant and equipment	–	2
就土地及樓宇之經營租賃 支付之最低租金	Minimum lease payments under operating leases in respect of land and buildings	478	544
研發開支	Research and development expenses	3,362	3,372
及經計入：	and after crediting:		
利息收入	Interest income	5	10

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

II. 已終止經營業務 (續)

(a) (續)

截至2018年12月29日止期間，電訊業務向本集團貢獻淨營運現金流入2,282,000港元，及淨投資現金流出17,029,000港元。

- (b) 於截至2017年12月31日止年度，本集團及一間附屬公司江蘇航天萬源科技有限公司（「江蘇萬源」，從事本集團的稀土永磁產品營運）的非控股股東同意更改江蘇萬源董事會的董事比例。本集團可委任的董事人數已從五位董事會成員中的三位減至兩位，自2017年12月22日起生效。本集團已不可撤銷地將委任一名董事的權利轉讓予江蘇萬源的其他股東，自2017年12月22日起生效。

根據江蘇萬源的經修訂組織章程，所有有關營運及財務（即江蘇萬源的相關業務）的決定均須多數票（即三票）通過。因此，本公司董事認為，本集團已失去指導江蘇萬源相關業務的能力。於視作出售江蘇萬源及將江蘇萬源入賬列為本集團的一間聯營公司後，本集團繼續持有江蘇萬源的37.14%股權。

II. DISCONTINUED OPERATIONS (Continued)

(a) (Continued)

During the period ended 29 December 2018, Telecommunication Business contributed to the Group's net operating cash inflow of HK\$2,282,000 and net investing cash outflow of HK\$17,029,000.

- (b) During the year ended 31 December 2017, the Group and the non-controlling shareholders of a subsidiary, Jiangsu Aerospace Wanyuan Technology Co., Ltd. ("Jiangsu Enginere"), which carried out the Group's Rare-Earth Permanent Motor ("REPM") Products operation, agreed to change the proportion of directors in the board of directors of Jiangsu Enginere. The number of directors that can be appointed by the Group has decreased from three to two out of five board members with effect from 22 December 2017. The Group has transferred the right to appoint a director irrevocably to other shareholders of Jiangsu Enginere, with effect from 22 December 2017.

According to the revised Articles of Association of Jiangsu Enginere, all decisions about operating and financial (which are relevant activities of Jiangsu Enginere) require majority votes (i.e. three votes). As a result, the directors of the Company have concluded that Group has lost its ability to direct the relevant activities of Jiangsu Enginere. The Group continues to hold 37.14% equity interest of Jiangsu Enginere after the deemed disposal and accounted for it as an associate of the Group.

II. 已終止經營業務 (續)

(b) (續)

期內來自已終止經營稀土永磁產品營運的虧損載列如下。

II. DISCONTINUED OPERATIONS (Continued)

(b) (Continued)

The loss for the period from the discontinued REPM Products operation is set out below.

		截至2017年 12月22日止期間 Period ended 22.12.2017 千港元 HK\$'000
期內來自已終止經營業務的虧損	Loss for the period from discontinued operation	(4,588)

稀土永磁產品營運自2017年1月1日起至2017年12月22日止期間的業績(已計入綜合損益及其他全面收益表)如下：

The results of REPM Products operation for the period from 1 January 2017 to 22 December 2017, which have been included in the consolidated statement of profit or loss and other comprehensive income, were as follows:

		截至2017年 12月22日止期間 Period ended 22.12.2017 千港元 HK\$'000
營業額	Turnover	16,296
銷售成本	Cost of sales	(14,381)
毛利	Gross profit	1,915
其他收入	Other income	46
其他收益及虧損	Other gains and losses	13
銷售及分銷成本	Selling and distribution expenses	(683)
行政費用	Administrative expenses	(5,902)
除稅前虧損	Loss before taxation	(4,611)
稅項抵免	Tax credit	23
期內虧損	Loss for the period	(4,588)

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

II. 已終止經營業務 (續)

(b) (續)

		2017 千港元 HK\$'000
期內以下各項應佔虧損：	Loss for the period attributable to:	
本公司擁有人	Owners of the Company	(1,704)
非控制權益	Non-controlling interests	(2,884)
		(4,588)
期內來自已終止經營業務的虧損已經扣除：	Loss for the period from discontinued operation has been arrived at after charging:	
其他員工成本	Other staff costs	2,230
其他員工退休福利計劃供款	Other staffs retirement benefits scheme contributions	607
		2,837
確認為開支之存貨成本	Cost of inventories recognised as an expense	14,238
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	302
就土地及樓宇之經營租賃支付之最低租金	Minimum lease payments under operating lease in respect of land and buildings	394
研發開支	Research and development expenses	669
及經計入：	and after crediting:	
利息收入	Interest income	40

截至2017年12月22日止期間，稀土永磁產品向本集團貢獻淨營運現金流出2,568,000港元，及淨投資現金流出566,000港元。

江蘇萬源於視作出售日期的資產及負債的賬面值披露於附註43(b)。

During the period ended 22 December 2017, REPM products contributed to the Group's net operating cash outflow of HK\$2,568,000 and net investing cash outflow of HK\$566,000.

The carrying amounts of the assets and liabilities of Jiangsu Enginere at the date of deemed disposal are disclosed in note 43(b).

12. 除稅前虧損

12. LOSS BEFORE TAXATION

		2018 千港元 HK\$'000	2017 千港元 HK\$'000 (重列) (Restated)
持續經營業務	Continuing operations		
來自持續經營業務之除稅前虧損已扣除下列各項：	Loss before taxation from continuing operations has been arrived at after charging:		
董事酬金	Directors' emoluments	5,415	5,646
其他員工成本	Other staff costs	68,093	69,177
其他員工退休福利計劃供款	Other staff's retirement benefits scheme contributions	11,286	11,670
		84,794	86,493
核數師酬金	Auditor's remuneration	3,200	3,050
無形資產攤銷	Amortisation of intangible assets	30,410	21,387
確認為開支之存貨成本	Cost of inventories recognised as an expense	40,099	206,084
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	30,753	28,357
就土地及樓宇之經營租賃支付之最低租金	Minimum lease payments under operating leases in respect of land and buildings	10,005	10,558
研發開支	Research and development expenses	9,990	8,654

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

13. 董事、總裁及僱員酬金

本年度董事及總裁薪酬根據適用上市規則及香港公司條例披露如下：

(a) 董事及總裁

執行董事	Executive directors
袍金	Fees
其他酬金：	Other emoluments:
薪金、津貼及其他福利	Salaries, allowances and other benefits
退休福利	Retirement benefits
小計	Sub-total

上述執行董事酬金主要有關彼等就本公司及本集團管理事務所提供的服務。

非執行董事	Non-executive directors
袍金	Fees
其他酬金：	Other emoluments:
薪金、津貼及其他福利	Salaries, allowances and other benefits
退休福利	Retirement benefits
小計	Sub-total

上述非執行董事酬金主要有關彼等作為本公司及本集團董事所提供的服務。

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follow:

(a) Directors and chief executive

劉效偉*	王曉東	李光	許峻	韓樹旺#	2018年總計
Liu Xiaowei*	Wang Xiaodong	Li Guang	Xu Jun	Han Shuwang#	Total 2018
千港元	千港元	千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
-	-	-	-	-	-
1,206	1,445	1,204	963	-	4,818
18	18	18	18	-	72
1,224	1,463	1,222	981	-	4,890

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

劉效偉*	韓樹旺#	2018年總計
Liu Xiaowei*	Han Shuwang#	Total 2018
千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000
-	-	-
-	-	-
-	-	-
-	-	-

The non-executive directors' emoluments shown above were mainly for their services as directors of the Company and the Group.

13. 董事、總裁及僱員酬金 (續)

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(a) 董事及總裁 (續)

(a) Directors and chief executive (Continued)

		李大鵬 Li Dapeng 千港元 HK\$'000	簡麗娟 Kan Lai Kuen, Alice 千港元 HK\$'000	吳君棟 Ng Gordon 千港元 HK\$'000	2018年總計 Total 2018 千港元 HK\$'000
獨立非執行董事	Independent non-executive directors				
袍金	Fees	175	175	175	525
小計	Sub-total	175	175	175	525

上述獨立非執行董事酬金主要有關彼等作為本公司董事所提供的服務。

The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

總計	Total				2018年總計 Total 2018 千港元 HK\$'000 5,415
----	-------	--	--	--	--

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

13. 董事、總裁及僱員酬金 (續)

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(a) 董事及總裁 (續)

(a) Directors and chief executive (Continued)

	韓樹旺#	王曉東	李光	許峻	2017年總計
	Han	Wang	Li	Xu	Total
	Shuwang#	Xiaodong	Guang	Jun	2017
	千港元	千港元	千港元	千港元	千港元
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
執行董事	Executive directors				
袍金	Fees	–	–	–	–
其他酬金：	Other emoluments:				
薪金、津貼及	Salaries, allowances and				
其他福利	other benefits	1,156	1,540	1,307	1,074
退休福利	Retirement benefits	8	18	12	12
小計	Sub-total	1,164	1,558	1,319	1,086
					5,127

上述執行董事酬金主要有關彼等就本公司及本集團管理事務所提供的服務。

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

	劉效偉*	方世力^	2017年總計
	Liu	Fan	Total
	Xiaowei*	Shili^	2017
	千港元	千港元	千港元
	HK\$'000	HK\$'000	HK\$'000
非執行董事	Non-executive directors		
袍金	Fees	–	–
其他酬金：	Other emoluments:		
薪金、津貼及其他福利	Salaries, allowances and other		
	benefits	–	–
小計	Sub-total	–	–

上述非執行董事酬金主要有關彼等作為本公司及本集團董事所提供的服務。

The non-executive director's emoluments shown above were mainly for his services as director of the Company and the Group.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

13. 董事、總裁及僱員酬金 (續)

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(a) 董事及總裁 (續)

(a) Directors and chief executive (Continued)

		李大鵬	簡麗娟	吳君棟	2017年總計
		Li	Kan		Total
		Dapeng	Lai Kuen, Alice	Ng Gordon	2017
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
獨立非執行董事	Independent non-executive directors				
袍金	Fees	173	173	173	519
小計	Sub-total	173	173	173	519
<p>上述獨立非執行董事酬金主要有關彼等作為本公司董事所提供的服務。</p>		<p>The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.</p>			
					2017年總計
					Total
					2017
					千港元
					HK\$'000
總計	Total				5,646

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

13. 董事、總裁及僱員酬金 (續)

(a) 董事及總裁 (續)

概無總裁或任何董事於截至2018年12月31日及2017年12月31日止年度放棄任何酬金。

李光為本公司之董事兼總裁，上文所披露彼之酬金包括彼作為總裁所提供服務之酬金。

附註：

- * 劉效偉於2017年3月30日獲委任為非執行董事，並於2018年3月29日調任為執行董事。
- # 韓樹旺於2018年2月14日由執行董事調任為非執行董事，彼於2018年3月29日辭職。
- ^ 方世力的辭任於2017年6月2日生效。

(b) 五位最高薪酬人士

五位最高薪酬人士包括四位董事(2017年：四位)。四位董事中，李光為總裁。其餘一位最高薪酬人士之酬金如下：

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(a) Directors and chief executive (Continued)

Neither the chief executive nor any of the directors waived any emoluments in the years ended 31 December 2018 and 31 December 2017.

Li Guang is both director and chief executive officer of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive officer.

Notes:

- * Liu Xiaowei was appointed as non-executive director on 30 March 2017, and re-designated as executive director on 29 March 2018.
- # Han Shuwang was re-designated from executive director to non-executive director on 14 February 2018, and resigned with effect from 29 March 2018.
- ^ Fan Shili resigned with effective from 2 June 2017.

(b) Five highest paid individuals

The five highest paid individuals included four (2017: four) directors. Amongst the four directors, Li Guang is the chief executive officer. The emoluments of the remaining one highest paid individual were as follows:

	2018	2017
	千港元	千港元
	HK\$'000	HK\$'000
薪金及其他福利	981	1,086
Salaries and other benefits		

上述一名僱員的薪酬範圍介乎零至1,000,000港元(2017年：1,000,001港元至1,500,000港元)。

The emoluments of the above employee were within the band of nil to HK\$1,000,000 (2017: HK\$1,000,001 to HK\$1,500,000).

14. 稅項

14. TAXATION

		2018 千港元 HK\$'000	2017 千港元 HK\$'000 (重列) (Restated)
持續經營業務	Continuing operations		
本年度稅項支出包括：	Tax charge for the year comprises:		
中國企業所得稅	PRC Enterprise Income Tax		
本年度	Current year	3,193	3,743
過往年度撥備不足	Underprovision in prior years	309	879
		3,502	4,622
遞延稅項(抵免)支出	Deferred tax (credit) charge	(2,922)	543
		580	5,165

本年度稅項支出與除稅前虧損之對賬如下：

The reconciliation of tax charge for the year to the loss before taxation is as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000 (重列) (Restated)
除稅前虧損 (來自持續經營業務)	Loss before taxation (from continuing operations)	(1,316,852)	(228,252)
按中國企業所得稅稅率25% 計入之稅項抵免	Tax credit at PRC Enterprise Income Tax rate of 25%	(329,213)	(57,063)
應佔聯營公司及合營企業業績 毋須課稅收入之稅務影響	Share of results of associates and joint ventures Tax effect of income not taxable for tax purpose	13,414	(34,568)
不可扣稅開支之稅務影響	Tax effect of expenses not deductible for tax purpose	(5,414)	(134)
未經確認可扣減臨時差額 之稅務影響	Tax effect of deductible temporary differences not recognised	974	446
未經確認虧損之稅務影響	Tax effect of losses not recognised	212,293	36,588
動用先前未經確認之稅項虧損	Utilisation of tax losses previously not recognised	108,312	58,308
來自中國附屬公司未經分配 溢利的臨時差額之稅務影響	Tax effect of temporary differences attributable to undistributed profits of PRC subsidiaries	(214)	(7)
過往年度撥備不足	Underprovision in prior years	119	716
本年度稅項支出	Tax charge for the year	309	879
		580	5,165

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

14. 稅項 (續)

由於本集團於兩年內並無產生自或源自香港之應課稅溢利，故並未計提香港利得稅。

根據《中國企業所得稅法》(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於兩年內之稅率均為25%。

遞延稅項之詳情載列於附註35。

14. TAXATION (Continued)

No provision for Hong Kong Profits Tax is made as the Group has no assessable profits arising in or derived from Hong Kong for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Details of deferred taxation are set out in note 35.

15. 股息

本公司董事概無擬派截至2018年及2017年12月31日止年度的末期股息。

15. DIVIDENDS

No final dividend in respect of year ended 31 December 2018 and 2017 has been proposed by the directors of the Company.

16. 每股虧損 – 基本

本公司擁有人應佔每股基本虧損基於下列數據計算。

16. LOSS PER SHARE – BASIC

The calculation of the basic loss per share attributable to owners of the Company is based on the following data.

		2018 千港元 HK\$'000	2017 千港元 HK\$'000 (重列) (Restated)
來自持續經營業務	From continuing operations		
本公司擁有人應佔本年度虧損	Loss for the year attributable to owners of the Company	(1,320,525)	(237,098)
加：來自已終止經營業務之 本年度虧損	Add: loss for the year from discontinued operations	12,714	11,647
就來自持續經營業務之每股 基本虧損而言之虧損	Loss for the purpose of basic loss per share from continuing operations	(1,307,811)	(225,451)

		股份數目 Number of shares	
		2018	2017
就每股基本虧損而言 之股份數目	Number of shares for the purpose of basic loss per share	4,368,995,668	4,368,995,668

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

16. 每股虧損 – 基本 (續)

16. LOSS PER SHARE – BASIC (Continued)

		2018 千港元 HK\$'000	2017 千港元 HK\$'000 (重列) (Restated)
來自持續及已終止經營業務	From continuing and discontinued operations		
就每股基本虧損而言之本公司擁有人應佔本年度虧損	Loss for the year attributable to owners of the Company for the purpose of basic loss per share	(1,320,525)	(237,098)

每股基本虧損所採納之分母與上文所詳述者相同。

The denominators used are the same as those detailed above for basic loss per share.

來自已終止經營業務

From discontinued operations

已終止經營業務之每股基本虧損每股0.29港仙(2017年(經重列): 0.27港仙), 乃根據已終止經營業務之年內虧損12,714,000港元(2017年(經重列): 11,647,000港元)及上述計算每股基本虧損所採納之分母計算。

Basic loss per share for the discontinued operations is HK\$0.29 cents per share (2017 (restated): HK\$0.27 cents), based on the loss for the year from the discontinued operation of HK\$12,714,000 (2017 (restated): HK\$11,647,000) and the denominators detailed above for basic loss per share.

由於兩年內均無已發行潛在普通股, 因此並無呈列每股攤薄虧損。

No diluted loss per share has been presented as there were no potential ordinary shares outstanding for both years.

17. 投資物業

17. INVESTMENT PROPERTIES

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
公平值	FAIR VALUE		
於年初	At beginning of the year	149,538	137,730
匯兌調整	Exchange realignment	(6,555)	9,733
已於損益確認之公平值(減少)增加	(Decrease) increase in fair value recognised in profit or loss	(9,452)	2,075
於年終	At end of the year	133,531	149,538

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

17. 投資物業 (續)

本集團根據經營租賃持有以獲取租金或持作資本增值目的之所有物業權益均按公平值模式計量，分類為投資物業並以投資物業入賬。投資物業位於中國。

本集團於2018年及2017年12月31日之投資物業公平值基於與本集團並無關連之獨立合資格專業估值師萊坊測計師行有限公司於有關日期進行之估值而得出。投資物業之估值乃經參考市場可用月租，及(如適用)同類物業之潛在收入資本化基準釐定。

於釐定相關物業的公平值時，本公司財務總監及若干董事釐定公平值計量所適用之估值技術及輸入數據。

本集團委聘獨立合資格專業估值師進行估值。財務總監與獨立合資格專業估值師密切合作，建立適用於相關模式的估值技術及輸入數據。財務總監每半年向本公司董事會報告相關結果，解釋該等物業公平值波動的原因。

於估計物業之公平值時，有關物業之最高及最佳用途即為當前用途。

下表載列有關如何釐定該等投資物業公平值(尤其是所使用之估值技術及輸入數據)及公平值計量所屬公平值等級(第一至第三級)(根據公平值計量輸入數據之可觀察程度分類)之資料。

17. INVESTMENT PROPERTIES (Continued)

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties. The investment properties are located in the PRC.

The fair value of the Group's investment properties as at 31 December 2018 and 2017 has been arrived at on the basis of a valuation carried out on the respective dates by Knight Frank Petty Limited, independent qualified professional valuers not connected with the Group. The valuation of the investment properties was arrived by reference to monthly rent as available in the market, and where appropriate, on the basis of capitalisation of the income potential of similar properties.

In determining the fair value of the relevant properties, the financial controller and certain directors of the Company determine the appropriate valuation techniques and inputs for fair value measurements.

The Group engages independent qualified professional valuers to perform the valuation. The financial controller works closely with the independent qualified professional valuers to establish the appropriate valuation techniques and inputs to the model. The financial controller reports the findings to the board of directors of the Company semi-annually to explain the cause of fluctuations in the fair value of the properties.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

17. 投資物業 (續)

17. INVESTMENT PROPERTIES (Continued)

財務狀況表內本集團 所持之投資物業 Investment properties held by the Group in the statement of financial position	於2018年 12月31日 之公平值 Fair value as at 31 December 2018 千港元 HK\$'000	於2017年 12月31日 之公平值 Fair value as at 31 December 2017 千港元 HK\$'000	公平值等級 Fair value hierarchy	估值技術及 主要輸入數據 Valuation technique(s) and key input(s)	重要之不可觀察輸入數據 Significant unobservable input(s)	不可觀察輸入數據 與公平值之關係 Relationship of unobservable inputs to the fair value
位於中國廣東省深圳市 之商用物業	49,303	50,843	第三級	直接資本化法 主要輸入數據為： (1) 資本化比率； (2) 月租。	資本化比率4% (2017年：4%)，經 計及潛在租金收入之資本化、物業 性質及現行市況 月租每平方米人民幣98元 (2017 年：每平方米人民幣97元)，基於 淨樓面面積使用直接市場比較方法 並經計及樓齡、位置以及物業規模 等個別因素	資本化比率越高， 公平值越低。 月租越高，公平值越高。
Commercial property in Shenzhen, Guangdong Province, PRC	49,303	50,843	Level 3	Direct Capitalisation Approach The key inputs are: (1) Capitalisation rate; (2) Monthly rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, prevailing market condition, of 4% (2017: 4%) Monthly rent, based on net floor area, using direct market comparables and taking into account age, location and individual factors such as size of property of RMB98/sq.m. (2017: RMB97/sq.m.)	The higher the capitalisation rate, the lower the fair value. The higher the monthly rent, the higher the fair value.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

17. 投資物業 (續)

17. INVESTMENT PROPERTIES (Continued)

財務狀況表內本集團 所持之投資物業 Investment properties held by the Group in the statement of financial position	於2018年 12月31日 之公平值 Fair value as at 31 December 2018 千港元 HK\$'000	於2017年 12月31日 之公平值 Fair value as at 31 December 2017 千港元 HK\$'000	公平值等級 Fair value hierarchy	估值技術及 主要輸入數據 Valuation technique(s) and key input(s)	重要之不可觀察輸入數據 Significant unobservable input(s)	不可觀察輸入數據 與公平值之關係 Relationship of unobservable inputs to the fair value
位於中國遼寧省鐵嶺市之工 業綜合大樓	84,228	98,695	第三級	直接資本化法 主要輸入數據為： (1) 資本化比率； (2) 月租。	資本化比率5-5.5% (2017年： 5-5.5%)，經計及潛在租金收入之 資本化、物業性質及現行市況 月租每平方米人民幣11元 (2017 年：每平方米人民幣12元)，基於 淨樓面面積使用直接市場比較方法 並經計及樓齡、位置以及物業位置 及規模等個別因素	資本化比率越高，公平值越 低。 月租越高，公平值越高。
Industrial complex in Tieling, Liaoning Province, PRC	84,228	98,695	Level 3	Direct Capitalisation Approach The key inputs are: (1) Capitalisation rate; (2) Monthly rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, prevailing market condition, of 5 – 5.5% (2017: 5 – 5.5%) Monthly rent, based on net floor area, using direct market comparables and taking into account age, location and individual factors such as location and size of property of RMB11/sq.m. (2017: RMB12/sq.m.)	The higher the capitalisation rate, the lower the fair value. The higher the monthly rent, the higher the fair value.

兩年內均無轉入或轉出第三級。

There were no transfers into or out of Level 3 for both years.

18. 物業、廠房及設備

18. PROPERTY, PLANT AND EQUIPMENT

		租賃土地 及樓宇	廠房、設備 及機器	風力發電 廠房及設備	模具及工具	家具及 辦公室設備	汽車	在建工程	總額
		Leasehold land and buildings	Plant, equipment and machinery	Wind energy plant and equipment	Moulds and tools	Furniture and office equipment	Motor vehicles	Construction in progress	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
成本	COST								
於2017年1月1日	At 1 January 2017	15,339	16,619	391,714	36,649	22,627	21,699	6,373	511,020
匯兌調整	Exchange realignment	1,262	1,243	33,391	3,022	959	1,099	447	41,423
添置	Additions	-	509	1,423	12,949	1,053	2,273	391	18,598
出售	Disposals	-	-	(21)	-	(560)	(110)	-	(691)
終止確認視作出售附屬公司 (附註43)	Derecognised on deemed disposal of a subsidiary (note 43)	-	(12,305)	-	(1,297)	(836)	(986)	-	(15,424)
於2017年12月31日	At 31 December 2017	16,601	6,066	426,507	51,323	23,243	23,975	7,211	554,926
匯兌調整	Exchange realignment	(821)	(323)	(21,376)	(2,328)	(620)	(487)	(75)	(26,030)
添置	Additions	-	-	3,181	1,130	1,049	1,264	5,477	12,101
出售/撤銷	Disposals/write off	-	-	(4,614)	(1,601)	(1,012)	(3,825)	(6,734)	(17,786)
終止確認出售附屬公司(附註43)	Derecognised on disposal of a subsidiary (note 43)	-	(424)	-	(892)	(2,129)	(1,201)	-	(4,646)
於2018年12月31日	At 31 December 2018	15,780	5,319	403,698	47,632	20,531	19,726	5,879	518,565
折舊及減值	DEPRECIATION AND IMPAIRMENT								
於2017年1月1日	At 1 January 2017	5,808	13,920	135,601	27,412	18,505	15,141	-	216,387
匯兌調整	Exchange realignment	533	1,058	12,759	2,537	1,503	1,184	-	19,574
本年撥備	Provided for the year	927	345	22,075	3,486	738	1,347	-	28,918
出售時沖銷	Eliminated on disposals	-	-	-	-	(400)	(104)	-	(504)
視作出售一間附屬公司時沖銷 (附註43)	Eliminated on deemed disposal of a subsidiary (note 43)	-	(11,058)	-	(694)	(678)	(945)	-	(13,375)
於2017年12月31日	At 31 December 2017	7,268	4,265	170,435	32,741	19,668	16,623	-	251,000
匯兌調整	Exchange realignment	(420)	(249)	(10,006)	(1,625)	(496)	(233)	-	(13,029)
本年撥備	Provided for the year	855	233	21,479	5,432	1,329	1,838	-	31,166
出售/撤銷時沖銷	Eliminated on disposals/write-off	-	-	(4,093)	(1,333)	(928)	(2,676)	-	(9,030)
出售一間附屬公司時沖銷 (附註43)	Eliminated on disposal of a subsidiary (note 43)	-	(200)	-	(639)	(1,701)	(1,077)	-	(3,617)
於損益確認之減值虧損	Impairment losses recognised in profit or loss	-	-	23,501	-	-	-	-	23,501
於2018年12月31日	At 31 December 2018	7,703	4,049	201,316	34,576	17,872	14,475	-	279,991
賬面值	CARRYING VALUES								
於2018年12月31日	At 31 December 2018	8,077	1,270	202,382	13,056	2,659	5,251	5,879	238,574
於2017年12月31日	At 31 December 2017	9,333	1,801	256,072	18,582	3,575	7,352	7,211	303,926

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

18. 物業、廠房及設備 (續)

上述物業、廠房及設備項目以直線法按以下年率折舊：

租賃土地及樓宇	3 – 5%或尚餘租期，以較短者為準
廠房、設備及機器	9 – 15%
風力發電廠房及設備	5 – 15%
模具及工具	25%
家具及辦公室設備	10 – 25%
汽車	18 – 25%

於2017年12月31日賬面淨值53,000港元的汽車以融資租賃方式持有(2018年：無)。

就減值測試而言，風力發電廠房及設備已分配至「風力發電相關產品」分類之個別現金產生單位(如附註20所披露)。

截至2018年12月31日止年度，已就風力發電廠房及設備確認減值虧損23,501,000港元(2017年：無)。

截至2018年3月31日止年度，主要因本集團終止一項建築項目，已就在建工程確認撇銷6,734,000港元(2017年：無)。

18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and buildings	3 – 5% or over the unexpired lease terms, whichever is shorter
Plant, equipment and machinery	9 – 15%
Wind energy plant and equipment	5 – 15%
Moulds and tools	25%
Furniture and office equipment	10 – 25%
Motor vehicles	18 – 25%

The net book value of a motor vehicle as at 31 December 2017 of HK\$53,000 was held under a finance lease (2018: nil).

For the purpose of impairment testing, wind energy plant and equipment have been allocated to the individual cash generating unit of the “Wind Energy Related Products” segment as disclosed in note 20.

During the year ended 31 December 2018, impairment loss of HK\$23,501,000 (2017: nil) was recognised in respect of the wind energy plant and equipment.

During the year ended 31 March 2018, a write off of HK\$6,734,000 (2017: nil) was recognised in respect of construction in progress and was mainly attributable to the termination of construction project by the Group.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

19. 商譽

19. GOODWILL

		千港元 HK\$'000
成本	COST	
於2017年1月1日、2017年12月31日 及2018年12月31日	At 1 January 2017, 31 December 2017 and 31 December 2018	15,397
減值	IMPAIRMENT	
於2017年1月1日、2017年12月31日 及2018年12月31日	At 1 January 2017, 31 December 2017 and 31 December 2018	13,393
賬面值	CARRYING VALUES	
於2017年12月31日及2018年12月31日	At 31 December 2017 and 31 December 2018	2,004

就減值測試而言，商譽已分配至風場運營分類之個別現金產生單位。

本集團使用以最近期財務業績編製的為期五年財務預算而得出之現金流量預測為基準，審閱餘下商譽2,004,000港元之減值，而該預測依據管理層批准之估計，按風場運營分類之貼現率9.6%（2017年：9.1%）計算，以反映當前市場對貨幣時間值及現金產生單位特定風險之評估。管理層相信任何該等假設之任何合理可能變動將不會造成賬面總值超逾可收回總金額。

截至2018年12月31日止年度，本集團管理層確定概無包含商譽之現金產生單位出現減值。

For the purpose of impairment testing, goodwill has been allocated to the individual cash generating unit of the Operation of Wind Farm segment.

Management of the Group performed impairment review for the remaining goodwill of HK\$2,004,000 based on cash flow forecast derived from the financial budget covering a period of 5 years, which was prepared by using the most recent financial results with projections approved by management at discount rate of 9.6% (2017: 9.1%) for the Operation of Wind Farm segment, which reflects current market assessments of the time value of money and the risks specific to the cash generating unit. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount.

During the year ended 31 December 2018, management of the Group determines that there are no impairment of its cash generating unit containing goodwill.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

20. 無形資產

20. INTANGIBLE ASSETS

		開發成本 Development cost 千港元 HK\$'000 (附註a) (Note a)	技術知識 Technology know-how 千港元 HK\$'000 (附註b) (Note b)	授權許可證 Licence right 千港元 HK\$'000 (附註c) (Note c)	總額 Total 千港元 HK\$'000
成本	COST				
於2017年1月1日	At 1 January 2017	32,685	216,726	13,256	262,667
匯兌調整	Exchange realignment	2,291	15,193	832	18,316
添置	Additions	9,216	5,135	–	14,351
於2017年12月31日	At 31 December 2017	44,192	237,054	14,088	295,334
匯兌調整	Exchange realignment	(2,032)	(10,900)	(582)	(13,514)
添置	Additions	28,174	8,721	14,565	51,460
終止確認出售一間 附屬公司	Derecognised on disposal of a subsidiary	–	–	(26,630)	(26,630)
於2018年12月31日	At 31 December 2018	70,334	234,875	1,441	306,650
攤銷與減值	AMORTISATION AND IMPAIRMENT				
於2017年1月1日	At 1 January 2017	–	31,113	6,469	37,582
匯兌調整	Exchange realignment	–	3,636	440	4,076
年內支出	Charge for the year	–	21,387	2,236	23,623
於損益確認之減值虧損	Impairment losses recognised in profit or loss	–	17,399	–	17,399
於2017年12月31日	At 31 December 2017	–	73,535	9,145	82,680
匯兌調整	Exchange realignment	(1,955)	(7,352)	(338)	(9,645)
年內支出	Charge for the year	–	30,410	3,064	33,474
於損益確認之減值虧損	Impairment losses recognised in profit or loss	57,494	89,912	16,200	163,606
出售一間附屬公司時沖銷	Eliminated on disposal of a subsidiary	–	–	(26,630)	(26,630)
於2018年12月31日	At 31 December 2018	55,539	186,505	1,441	243,485
賬面值	CARRYING VALUES				
於2018年12月31日	At 31 December 2018	14,795	48,370	–	63,165
於2017年12月31日	At 31 December 2017	44,192	163,519	4,943	212,654

20. 無形資產 (續)

上述無形資產按直線基準於下列期間攤銷：

開發成本	5年
技術知識	6至8年
授權許可證	5年

附註：

- (a) 該金額指「儲能及相關產品」分類之基於石墨烯的電池負極材料及高效鋰電池的開發成本。
- (b) 該金額指用於生產「風力發電相關產品」分類之驅風機的技術知識所產生的成本。
- (c) 該金額主要指截至2018年12月31日止年度已終止經營「電訊業務」分類之全球定位系統終端機開發授權許可證。

就減值測試而言，技術知識已分類至「風力發電相關產品」分類之個別現金產生單位。

截至2018年12月31日止年度，本集團管理層斷定其內含無形資產的現金產生單位呈減值跡象。

本集團管理層根據為期10年財務預算使用貼現現金流量預測為基準，利用使用價值審閱技術知識之減值，而該預測乃由管理層就「風力發電相關產品」分類批准之最近期財務業績按稅前貼現率19.2% (2017年：20.9%) 所編製。已採用估計恆定增長速率3% (2017年：3%) (並無超過相關市場的平均增長速率) 推測十年期後的未來現金流量。使用價值計算的其他主要假設與包括預計銷售額及毛利的現金流入／流出估計有關，有關估計乃基於現金產出單位的過往表現以及管理層對於市場發展的戰略計劃及預期而作出。

20. INTANGIBLE ASSETS (Continued)

The above intangible assets are amortised on a straight-line basis over the following period:

Development cost	5 years
Technology know-how	6 years – 8 years
Licence right	5 years

Notes:

- (a) The amounts represent costs to develop graphene-based cathode material for batteries and high capacity lithium batteries for the “Energy Storage and Related Products” segment.
- (b) The amounts represent costs incurred for the technology know-how for the manufacture of wind turbines for the “Wind Energy Related Products” segment.
- (c) The amounts mainly represent global positioning system terminal development licence rights for the “Telecommunication Business” segment, which was discontinued operation during the year ended 31 December 2018.

For the purpose of impairment testing, technology know-how have been allocated to the individual cash generating unit of the “Wind Energy Related Products” segment.

During the year ended 31 December 2018, management of the Group determines that there are impairment indicators in its cash generating unit containing intangible assets.

Management of the Group performed impairment review for technology know-how based on a value in use calculation. The calculation used discounted cash flow forecast based on financial budget covering a period of 10 years, which was prepared by using the most recent financial results with projections approved by management at pre-tax discount rate of 19.2% (2017: 20.9%) for the “Wind Energy Related Products” segment. Cash flows beyond the ten-year period have been extrapolated using an estimated constant growth rate of 3% (2017: 3%) which does not exceed the average growth rate for the relevant markets. Other key assumptions for the value in use calculations relate to the estimation of future cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the cash generating unit's historical performance, management's strategic plans and expectations for the market development.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

20. 無形資產 (續)

因此，截至2018年12月31日止年度，就技術知識已確認減值虧損89,912,000港元（2017年：17,399,000港元）。於2018年12月31日，技術知識累計的減值虧損為106,298,000港元（2017年：17,399,000港元）。

年內，就與一項項目有關的開發成本確認減值虧損57,494,000港元（2017年：無），鑒於市場競爭劇烈，影響本集團的策略，減慢相關的項目發展，故此董事認為，該等無形資產的預期現金流量並不重大。

年內，就授權許可證確認減值虧損16,200,000港元（2017年：無），因為本公司董事預計，由於技術陳舊過時，該等無形資產日後不會帶來巨額的現金流量。

21. 於聯營公司之權益

本集團於聯營公司之投資詳情如下：

非上市投資之成本	Cost of unlisted investments
匯兌調整	Exchange realignment
應佔收購後虧損及其他全面 開支（扣除已收股息及未變現 溢利）	Share of post-acquisition loss and other comprehensive expense, net of dividend received and unrealised profit

於2018年12月31日，非上市投資成本包括收購聯營公司產生之商譽681,000港元（2017年：681,000港元）。

20. INTANGIBLE ASSETS (Continued)

Accordingly, impairment losses of HK\$89,912,000 (2017: HK\$17,399,000) are recognised in respect of the technology know-how during the year ended 31 December 2018. As at 31 December 2018, the accumulated impairment loss in respect of technology know-how is HK\$106,298,000 (2017: HK\$17,399,000).

During the year, impairment losses of HK\$57,494,000 (2017: nil) are recognised in respect of development cost related to a project which in the opinion of directors, expected cash flows from these intangible assets are insignificant given the intense market competition which impact on the Group's strategy to slow down the related project development.

During the year, impairment losses of HK\$16,200,000 (2017: nil) are recognised in respect of licence right as the directors of the Company would not expect any significant future cash flows from these intangible assets because of technology obsolescence.

21. INTERESTS IN ASSOCIATES

Details of the Group's investments in associates are as follows:

	2018 千港元 HK\$'000	2017 千港元 HK\$'000
非上市投資之成本	426,598	422,427
匯兌調整	16,600	27,108
應佔收購後虧損及其他全面 開支（扣除已收股息及未變現 溢利）	(237,090)	(101,267)
	206,108	348,268

Included in the cost of unlisted investments as at 31 December 2018 is goodwill of HK\$681,000 (2017: HK\$681,000) arising on the acquisition of associates.

21. 於聯營公司之權益 (續)

重大聯營公司之財務資料概要

有關本集團重大聯營公司之財務資料概要載列如下。以下財務資料概要呈列聯營公司財務報表(根據香港財務報告準則編製)所示之金額。

聯營公司採用權益法於該等綜合財務報表入賬。

江蘇龍源風力發電有限公司(「江蘇龍源」)

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
流動資產	Current assets	564,280	904,602
非流動資產	Non-current assets	671,222	783,891
流動負債	Current liabilities	(49,731)	(510,288)
非流動負債	Non-current liabilities	(741,954)	(717,781)

		截至2018年 12月31日 止年度 Year ended 31 December 2018 千港元 HK\$'000	截至2017年 12月31日 止年度 Year ended 31 December 2017 千港元 HK\$'000
收益	Revenue	160,536	138,262
年內溢利及全面收益總額	Profit and total comprehensive income for the year	18,550	14,993
年內已收聯營公司股息	Dividends received from the associate during the year	3,339	5,171

21. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of material associates

Summarised financial information in respect of the Group's material associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with HKFRSs.

The associate is accounted for using the equity method in these consolidated financial statements.

Jiangsu Longyuan Wind Power Co., Ltd. ("Jiangsu Longyuan")

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

21. 於聯營公司之權益 (續)

重大聯營公司之財務資料概要 (續)

江蘇龍源風力發電有限公司 (「江蘇龍源」) (續)

上述財務資料概要與於綜合財務報表中
確認之於聯營公司權益之賬面值對賬：

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
江蘇龍源之資產淨額	Net assets of Jiangsu Longyuan	443,817	460,424
本集團於江蘇龍源所有權 權益之百分比	Proportion of the Group's ownership interest in Jiangsu Longyuan	25%	25%
本集團於江蘇龍源權益 之賬面值	Carrying amount of the Group's interest in Jiangsu Longyuan	110,954	115,106

非個別重大之聯營公司匯總資料

Aggregate information of associates that are not individually material

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
本集團分佔年內虧損	The Group's share of loss for the year	(134,471)	(31,602)
本集團於該等聯營公司 權益之總賬面值	Aggregate carrying amount of the Group's interests in these associates	95,154	233,162

於2018年及2017年12月31日，本集團
主要聯營公司之詳情載列於附註44。

Details of the principal associates of the Group at 31 December 2018
and 2017 are set out in note 44.

22. 於合營企業之權益

22. INTERESTS IN JOINT VENTURES

本集團於合營企業之投資詳情如下：

Details of the Group's investments in joint ventures are as follows:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
於合營企業之非上市投資 成本，扣除收購前股息	Cost of unlisted investments in joint ventures, net of pre-acquisition dividend	1,624,311	1,624,311
匯兌調整	Exchange realignment	111,699	169,114
應佔收購後(虧損)溢利， 扣除股息	Share of post-acquisition (loss) profits, net of dividend	(67,811)	51,759
		1,668,199	1,845,184
減：已確認之減值虧損	Less: Impairment loss recognised	(652,900)	(652,900)
		1,015,299	1,192,284

非上市投資成本包括2007年因收購合營企業而產生之商譽703,308,000港元(2017年：703,308,000港元)。

Included in the cost of unlisted investments is goodwill of HK\$703,308,000 (2017: HK\$703,308,000) arising on the acquisition of joint ventures arose in 2007.

重大合營企業之財務資料概要

Summarised financial information of material joint venture

有關本集團重大合營企業之財務資料概要載列如下。以下財務資料概要呈列合營企業財務報表(根據香港財務報告準則編製)所示之金額。

Summarised financial information in respect of the Group's material joint venture, is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs.

合營企業採用權益法於該等綜合財務報表入賬。

The joint venture is accounted for using the equity method in these consolidated financial statements.

北京德爾福萬源發動機管理系統有限公司
(「德爾福」)

Beijing Delphi Wan Yuan Engine Management Systems Co.,
Ltd. ("Delphi")

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
流動資產	Current assets	765,050	1,554,007
非流動資產	Non-current assets	382,406	401,331
流動負債	Current liabilities	(639,094)	(1,196,402)

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

22. 於合營企業之權益 (續)

重大合營企業之財務資料概要 (續)

北京德爾福萬源發動機管理系統有限公司 (「德爾福」) (續)

以上資產及負債包括以下各項：

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
現金及現金等價物	Cash and cash equivalents	61,862	132,262
流動金融負債(不包括貿易及其他應付款及撥備)	Current financial liabilities (excluding trade and other payables and provisions)	-	202,175

		截至2018年 12月31日 止年度 Year ended 31 December 2018 千港元 HK\$'000	截至2017年 12月31日 止年度 Year ended 31 December 2017 千港元 HK\$'000
收益	Revenue	2,341,247	2,924,615
年內溢利及全面收益總額	Profit and total comprehensive income for the year	190,008	372,451
年內已收德爾福股息	Dividends received from Delphi during the year	195,747	157,559

上述年內溢利包括以下各項：

The above profit for the year include the following:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
折舊及攤銷	Depreciation and amortisation	25,292	35,627
利息收入	Interest income	1,176	193
利息開支	Interest expense	1,926	4,682
所得稅開支	Income tax expenses	32,661	64,328

22. 於合營企業之權益 (續)

重大合營企業之財務資料概要 (續)

北京德爾福萬源發動機管理系統有限公司
(「德爾福」) (續)

上述財務資料概要與於綜合財務報表中
確認之於德爾福權益之賬面值對賬：

德爾福之資產淨額	Net assets of Delphi
本集團於德爾福所有權權益 之百分比	Proportion of the Group's ownership interest in Delphi
商譽	Goodwill
於收購時進行公平值調整 之影響	Effect of fair value adjustment at acquisition
本集團於德爾福權益 之賬面值	Carrying amount of the Group's interest in Delphi

22. INTERESTS IN JOINT VENTURES (Continued)

Summarised financial information of material joint venture
(Continued)

Beijing Delphi Wan Yuan Engine Management Systems Co.,
Ltd. ("Delphi") (Continued)

Reconciliation of the above summarised financial information to the
carrying amount of the interest in Delphi recognised in the consolidated
financial statements:

2018	2017
千港元	千港元
HK\$'000	HK\$'000
508,362	758,936
49%	49%
575,448	603,184
152,119	177,588
976,664	1,152,651

非個別重大之合營企業匯總資料

Aggregate information of joint ventures that are not
individually material

2018	2017
千港元	千港元
HK\$'000	HK\$'000
985	1,108

於2018年及2017年12月31日，本集團
主要合營企業之詳情載列於附註44。

Details of the principal joint ventures of the Group at 31 December
2018 and 2017 are set out in note 44.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

23. 按公平值計入其他全面收益之金融資產／可供出售投資

23. FINANCIAL ASSETS AT FVTOCI/ AVAILABLE-FOR-SALE INVESTMENTS

		2018 千港元 HK\$'000
按公平值計入其他全面收益之金融資產：	Financial assets at FVTOCI:	
非上市股份 (附註 a)	Unlisted shares (note a)	4,908
		2017 千港元 HK\$'000
可供出售投資：	Available-for-sale investments:	
非上市股份，按成本計 (附註 b)	Unlisted shares, at cost (note b)	5,144

附註：

- (a) 非上市股份為本集團持有於中國成立私人實體的股權。應用香港財務報告準則第9號之後，本公司董事自2018年1月1日起選擇將該等投資指定為按公平值計入其他全面收益的股權工具。
- (b) 於報告期末，該投資以成本減減值計量，因本公司董事認為公平值不能可靠計量。

Notes:

- (a) The unlisted shares represent the Group's equity interest in a private entity established in the PRC. The directors of the Company have elected to designate these investments in equity instruments as at FVTOCI upon application of HKFRS 9 since 1 January 2018.
- (b) The investment is measured at cost less impairment at the end of the reporting period as the directors of the Company are of the opinion that the fair value cannot be measured reliably.

24. 存貨

24. INVENTORIES

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
原材料	Raw materials	14,462	34,131
在製品	Work-in-progress	20,871	41,041
製成品	Finished goods	42,958	88,354
		78,291	163,526

25. 貿易及其他應收款

於2018年12月31日，本集團貿易及其他應收款總額包括貿易應收款、其他應收票據及其他應收款、按金及預付款，金額分別為1,495,086,000港元、184,739,000港元及80,774,000港元。

於2017年12月31日，本集團貿易及其他應收款總額包括貿易應收款、其他應收票據及其他應收款、按金及預付款，金額分別為2,690,233,000港元、71,180,000港元及162,063,000港元。

於2018年12月31日，本集團貿易應收款已扣除信貸虧損撥備632,447,000港元(2017年：149,141,000港元)。

本集團就銷售貨物給予客戶不超過六個月的信貸期。執行董事酌情允許數名主要客戶於信貸期後一年內結算。計入貿易應收款的為並無已收票據的結餘943,820,000港元(2017年：1,612,727,000港元)，餘額為具備已收票據供未來結算的貿易應收款。於報告期末根據發票日期(與各收益確認日期相若)列示並無已收票據之貿易應收款(扣減撥備)之賬齡分析如下：

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
30日內	Within 30 days	11,023	149,431
31至90日	Between 31 – 90 days	3,702	7,804
91至180日	Between 91 – 180 days	28,829	2,917
181至365日	Between 181 – 365 days	6,467	712
超過一年	Over 1 year	893,799	1,451,863
		943,820	1,612,727

於2018年12月31日，本集團所有具已收票據的貿易應收款之賬齡超過一年(按報告期末的發票日期計)。於2017年12月31日，本集團具已收票據63,404,000港元的貿易應收款之賬齡為一年以內，餘額則超過一年(按報告期末的發票日期計)。

25. TRADE AND OTHER RECEIVABLES

As at 31 December 2018, the Group's total trade and other receivables comprised of trade receivables, other bills receivables and other receivables, deposits and prepayments of HK\$1,495,086,000, HK\$184,739,000 and HK\$80,774,000, respectively.

As at 31 December 2017, the Group's total trade and other receivables comprised of trade receivables, other bills receivables and other receivables, deposits and prepayments of HK\$2,690,233,000, HK\$71,180,000 and HK\$162,063,000, respectively.

The Group's trade receivables as at 31 December 2018 are net of allowance for credit losses of HK\$632,447,000 (2017: HK\$149,141,000).

The Group allows credit periods for not more than six months to its customers for sales of goods. At the discretion of the executive director, several major customers were allowed to settle their balances beyond the credit terms up to one year. Included in trade receivables are balances of HK\$943,820,000 (2017: HK\$1,612,727,000) without bills received while the remaining balances are trade receivables with bills received for future settlements. The following is an aging analysis of trade receivables without bills received, net of allowances, presented based on the invoices dates at the end of the reporting period, which approximately the respective revenue recognition dates:

All the Group's trade receivables with bills received as at 31 December 2018 are aged over one year, based on invoice dates at the end of the reporting period. The Group's trade receivables with bills received of HK\$63,404,000 as at 31 December 2017 are aged within one year while the remaining balances are aged over one year, based on invoice dates at the end of the reporting period.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

25. 貿易及其他應收款(續)

於2018年12月31日，本集團貿易應收款50,021,000港元(2017年：224,268,000港元)之賬齡為一年以內，餘額則超過一年(按報告期末的發票日期計)。逾期90天或以上的餘額，基於客戶還款記錄且與本集團持續有業務往來，故此該款額並未視為違約。除已收票據外，本集團並無就該等結餘持有任何抵押品。

於2018年12月31日，本集團貿易應收款結餘包括總賬面值1,463,344,000港元的應收賬款，於報告日期已逾期。計入已逾期結餘的1,461,074,000港元已逾期90天或以上，基於客戶還款記錄且與本集團持續有業務往來，故此該款額並未視為違約。除已收票據外，本集團並無就該等結餘持有任何抵押品。

於2017年12月31日，本集團貿易應收款結餘包括總賬面值1,070,359,000港元的應收賬款，於報告期末已逾期，而本集團並未就減值虧損作出撥備。管理層定期審閱已逾期結餘。除已收票據外，本集團並未就此等結餘持有任何抵押品。此等應收款之平均賬齡超過一年。

已逾期但未減值之貿易應收款的賬齡如下：

		2017 千港元 HK\$'000
逾期：	Overdue by:	
0至90日	Between 0 – 90 days	3,420
91至180日	Between 91 – 180 days	209
超過180日	Over 180 days	1,066,730
總額	Total	1,070,359

本集團一般會為所有逾期365日的應收款作全數撥備，原因是根據過往經驗，逾期365日的應收款一般無法收回，惟執行董事酌情給予較長信貸期之若干主要客戶除外。

25. TRADE AND OTHER RECEIVABLES (Continued)

The Group's trade receivables of HK\$50,021,000 (2017: HK\$224,268,000) as at 31 December 2018 are aged within one year while the remaining balances are aged over one year, based on the invoice dates at the end of reporting period. The balances that is past due 90 days or more is not considered as in default based on repayment records for those customers and continuous business with the Group. Other than bills received, the Group does not hold any collateral over these balances.

As at 31 December 2018, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$1,463,344,000 which are past due as at the reporting date. Included in the past due balances of HK\$1,461,074,000 has been past due 90 days or more and is not considered as in default based on repayment records for those customers and continuous business with the Group. Other than bills received, the Group does not hold any collateral over these balances.

As at 31 December 2017, included in the Group's trade receivables balance were debtors with aggregate carrying amount of HK\$1,070,359,000 which were past due at the end of the reporting period for which the Group had not provided for impairment loss. The overdue balances are reviewed regularly by management. Other than bills received, the Group does not hold any collateral over these balances. The average age of these receivables is over one year.

Ageing of trade receivables which are past due but not impaired:

The Group will normally recognise full allowance for all receivables overdue 365 days because historical experiences is such that receivables that are past due 365 days are generally not recoverable, except for some major customers with longer credit terms at the discretion of the executive directors.

25. 貿易及其他應收款 (續)

以下為截至2017年12月31日止年度的貿易呆賬撥備變動：

		2017 千港元 HK\$'000
年初結餘	Balance at beginning of the year	65,247
匯兌調整	Exchange realignment	4,473
視作出售一間附屬公司	Deemed disposal of a subsidiary	(14,498)
就貿易應收款確認的減值虧損	Impairment losses recognised in respect of trade receivables	93,919
年終結餘	Balance at end of the year	149,141

呆賬撥備結餘指逾期365日或／及於年內與本集團並無重大交易的個別減值的貿易應收款。本集團並無就該等結餘持有任何抵押品。

於2017年12月31日之貿易應收款包括出售風機、儲能及相關產品予第三方的應收質保金413,267,000港元。結餘將於1至5年質保期結束時結算。應用香港財務報告準則第15號後，應收質保金已重新分類為合約資產。

本集團於2018年12月31日之其他應收款包括於中國採購存貨之按金25,490,000港元（2017年：113,139,000港元）及可收回增值稅19,511,000港元（2017年：9,452,000港元）。

有關截至2018年12月31日止年度貿易及其他應收款的減值評估詳情載於附註40。

25. TRADE AND OTHER RECEIVABLES (Continued)

The following is the movement in the allowance for doubtful trade debts account during the year ended 31 December 2017:

		2017 千港元 HK\$'000
Balance at beginning of the year		65,247
Exchange realignment		4,473
Deemed disposal of a subsidiary		(14,498)
Impairment losses recognised in respect of trade receivables		93,919
Balance at end of the year		149,141

The balance of the allowance for doubtful debts are individually impaired trade receivables which have been overdue 365 days or/ and have no material transactions with the Group during the year. The Group does not hold any collateral over these balances.

As at 31 December 2017, included in the trade receivables are retention receivables for the sales of wind turbines and energy storage and related products to third parties of HK\$413,267,000. The balance will be settled upon the completion of warranty period of 1 to 5 years. Upon application of HKFRS 15, the retention receivables were reclassified to contract assets.

Included in the Group's other receivables at 31 December 2018 are deposits for purchase of inventories in the PRC of HK\$25,490,000 (2017: HK\$113,139,000) and VAT recoverable of HK\$19,511,000 (2017: HK\$9,452,000).

Details of impairment assessment of trade and other receivables for the year ended 31 December 2018 are set out in note 40.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

26. 合約資產／合資負債

26. CONTRACT ASSETS/CONTRACT LIABILITIES

合約資產

Contract assets

		於2018年 12月31日 31.12.2018 千港元 HK\$'000	於2018年 1月1日* 1.1.2018* 千港元 HK\$'000
銷售風機以及儲能及相關產品	Sales of wind turbines and energy storage and related products	403,349	422,790
減：信貸虧損撥備	Less: Allowance for credit losses	(98,590)	—
		304,759	422,790

* 該欄金額經應用香港財務報告準則第15號後調整。合約資產主要有關於本集團向第三方出售風機以及儲能及相關產品可收取代價之權利(尚未成為無條件)。本集團同意提供質保期1至5年，質保金主要介乎合約價值之5%至10%。於質保期屆滿前，金額計入合約資產。

* The amounts in this column are after the adjustments from the application of HKFRS 15. The contract assets primarily relate to the Group's right to consideration for wind turbines and energy storage and related products sold to third parties which has not yet become unconditional. The Group agrees to a warranty period of 1 to 5 years for retention amounts mainly ranging from 5% to 10% of the contract value. The amount is included in contract assets until the completion of the warranty period.

於2018年12月31日，計入上述結餘的為與聯營公司訂立合約產生的合約資產9,085,000港元。

Included in balances above are contract assets arising from contracts with associates of HK\$9,085,000 as at 31 December 2018.

本集團將該等合約資產分類為流動，因為本集團預期於正常營運週期將該等資產變現。

The Group classifies these contract assets as current because the Group expects to realise them in its normal operating cycle.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

26. 合約資產／合資負債(續)

合約負債

銷售風機以及儲能及
相關產品

Sales of wind turbines and energy storage and
related products

於2018年 12月31日 31.12.2018 千港元 HK\$'000	於2018年 1月1日* 1.1.2018* 千港元 HK\$'000
-	13,938

* 該欄金額經應用香港財務報告準則第15號後調整。對本集團若干客戶而言，本集團因交付產品前會收取按金，因而產生合約負債直至就有關合約超出預收金額的差額確認收益為止。

於2018年1月1日的13,938,000港元的金額確認為截至2018年12月31日止年度的收益。

26. CONTRACT ASSETS/CONTRACT LIABILITIES (Continued)

Contract liabilities

* The amounts in this column are after the adjustments from the application of HKFRS 15. For certain of the Group's customers, the Group will receive a deposit before delivery of products, giving rise to contract liabilities until revenue is recognised on the relevant contract exceeds the amount of the advance receipt.

The amount as at 1 January 2018 of HK\$13,938,000 is recognised as revenue during the year ended 31 December 2018.

27. 應收／應付聯營公司款

扣除信貸虧損撥備138,382,000港元(2017年:36,045,000港元)，應收聯營公司款包括貿易應收款127,619,000港元(2017年:貿易應收款及應收質保金264,968,000港元)。該款項為無抵押、免息及就銷售商品(主要為風力發電相關產品)有180日信貸期。結餘30,032,000港元(2017年:32,676,000港元)為給予一間聯營公司的貸款，按固定年利率4.35%(2017年:4.35%)計息。該款項為無抵押及按要求償還。剩餘結餘94,806,000港元(2017年:5,823,000港元)為無抵押、免息及按要求償還。

應付聯營公司款包括貿易應付款25,167,000港元(2017年:60,694,000港元)。該款項為無抵押、免息及有365日信貸期。剩餘結餘709,000港元(2017年:245,000港元)為無抵押、免息及按要求償還。

27. AMOUNTS DUE FROM/TO ASSOCIATES

Included in the amounts due from associates are trade receivables of HK\$127,619,000 (2017: trade and retention receivables of HK\$264,968,000) net of allowance for credit loss of HK\$138,382,000 (2017: HK\$36,045,000). The amount is unsecured, non-interest bearing and has credit period of 180 days for sales of goods mainly wind energy related products. Balances of HK\$30,032,000 (2017: HK\$32,676,000) are loans advanced to an associate that bear fixed interest and of 4.35% (2017: 4.35%) per annum. The amount is unsecured and repayable on demand. The remaining balances of HK\$94,806,000 (2017: HK\$5,823,000) are unsecured, non-interest bearing and repayable on demand.

Included in the amounts due to associates are trade payables of HK\$25,167,000 (2017: HK\$60,694,000). The amount is unsecured, non-interest bearing and has credit period of 365 days. The remaining balance of HK\$709,000 (2017: HK\$245,000) are unsecured, non-interest bearing and repayable on demand.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

28. 應收／應付合營企業款

非流動結餘

該等結餘包括應收一間合營企業款104,165,000港元(2017年:106,468,000港元)，其中包括貸款予合營企業63,912,000港元(2017年:66,993,000港元)，按固定年利率4.35%(2017年:4.35%)計息。為取得貸款，合營企業已向本集團抵押土地及樓宇。餘額40,253,000港元(2017年:39,475,000港元)為免息。合營企業與本集團就2018年12月31日之上述貸款63,912,000港元(2017年:66,993,000港元)及其他結餘21,000,000港元(2017年:22,012,000港元)訂立安排，該等款項將以變現該合營企業之土地及樓宇及若干其他資產的所得款項償還。本公司董事認為應收合營企業款將不會於報告期末起十二個月內清償，因此該款項分類至非流動資產。

流動結餘

應收一間合營企業款為無抵押、免息及按要求償還。

應付合營企業款包括貿易應付款2,218,000港元(2017年:3,602,000港元)。該款項為無抵押、免息及有365日信貸期。剩餘結餘241,000港元(2017年:428,000港元)為無抵押、免息及按要求償還。

28. AMOUNTS DUE FROM/TO JOINT VENTURES

Non-current balance

Included in the balances is an amount due from a joint venture of HK\$104,165,000 (2017: HK\$106,468,000), of which loans advanced to the joint venture amounted to HK\$63,912,000 (2017: HK\$66,993,000) that bear fixed interest rate at 4.35% (2017: 4.35%) per annum. The joint venture has pledged its land and buildings to the Group to secure the loan. The remaining amount of HK\$40,253,000 (2017: HK\$39,475,000) is non-interest bearing. The joint venture has entered into arrangements with the Group in connection with the above loans of HK\$63,912,000 (2017: HK\$66,993,000) and other balance of HK\$21,000,000 (2017: HK\$22,012,000) as at 31 December 2018 that these amounts shall be repaid from the proceeds upon the realisation of the land and buildings and certain other assets of that joint venture. The directors of the Company considered that the amount due from the joint venture will not be settled within twelve months from the end of the reporting period, therefore classified as non-current asset.

Current balance

The amount due from a joint venture is unsecured, non-interest bearing and repayable on demand.

Included in the amounts due to joint ventures are trade payables of HK\$2,218,000 (2017: HK\$3,602,000). The amount is unsecured, non-interest bearing, trade nature and has credit period of 365 days. The remaining balance of HK\$241,000 (2017: HK\$428,000) are unsecured, non-interest bearing and repayable on demand.

29. 已抵押銀行存款、銀行結餘及現金

計入已抵押銀行存款、銀行結餘及現金的為已抵押銀行存款9,000港元（2017年：63,000港元），該存款按固定年利率0.30%（2017年：0.30%）計息。

銀行結餘按0.01%至1.25%（2017年：0.01%至1.25%）之現行市場年利率計息。

銀行結餘包括下列以有關實體功能貨幣以外貨幣計值的款項。

29. PLEDGED BANK DEPOSITS, BANK BALANCES AND CASH

Included in the pledged bank deposits, bank balances and cash are pledged bank deposits of HK\$9,000 (2017: HK\$63,000) which carry fixed interest rate of 0.30% (2017: 0.30%) per annum.

Bank balances carry interest at prevailing market rates which range from 0.01% to 1.25% (2017: 0.01% to 1.25%) per annum.

Included in bank balances are the following amounts denominated in currencies other than the functional currency of the entity to which they are related.

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
港元	HK\$	18,371	19,373

30. 貿易及其他應付款

貿易及其他應付款包括貿易應付款944,674,000港元（2017年：1,237,354,000港元）。本集團通常從供應商取得30日至90日的信貸期。貿易應付款於報告期末按發票日期之賬齡分析如下：

30. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of HK\$944,674,000 (2017: HK\$1,237,354,000). The Group normally receives credit period for 30 to 90 days from its suppliers. The following is an aged analysis of trade payables based on invoice date at the end of the reporting period:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
30日內	Within 30 days	19,010	218,321
31至90日	Between 31 – 90 days	8,697	15,368
91至180日	Between 91 – 180 days	11,053	227,626
181至365日	Between 181 – 365 days	35,255	163,222
超過一年	Over 1 year	870,659	612,817
		944,674	1,237,354

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

30. 貿易及其他應付款(續)

於2018年12月31日，本集團之其他應付款包括預收客戶款項零元(2017年：13,938,000港元)、應付票據426,974,000港元(2017年：355,771,000港元)、收購一間附屬公司應付代價12,422,000港元(2017年：13,021,000港元)。

30. TRADE AND OTHER PAYABLES (Continued)

Included in the Group's other payable at 31 December 2018 are receipt in advance from customers of nil (2017: HK\$13,938,000), bills payable of HK\$426,974,000 (2017: HK\$355,771,000) and consideration payable for acquisition of a subsidiary of HK\$12,422,000 (2017: HK\$13,021,000).

31. 政府補助

於2018年12月31日，政府補助28,834,000港元(2017年：31,000,000港元)為中國政府機關就購買物業、廠房及設備提供資金而授予之補助。該款項將根據相關土地及樓宇(包括在物業、廠房及設備內)之可使用年期按5年至50年於損益確認。

31. GOVERNMENT GRANTS

At 31 December 2018, government grants of HK\$28,834,000 (2017: HK\$31,000,000) represent subsidies granted by the PRC government authorities for the purpose of financing the acquisition of property, plant and equipment. The amount will be recognised in profit or loss over 5 to 50 years according to the useful lives of the relevant land and buildings (included in property, plant and equipment).

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
為呈報而分析為：	Analysed for reporting purpose as:		
非流動負債	Non-current liabilities	28,123	30,225
流動負債	Current liabilities	711	775
		28,834	31,000

32. 保修撥備

保修撥備指董事根據本集團於本地銷售風機之保修責任之規定而對經濟利益未來流出作出最佳估計之現值。

保修撥備變動：

年初之結餘	Balance at beginning of the year
匯兌調整	Exchange realignment
確認新增撥備(附註)	Additional provision recognised (note)
動用撥備	Utilisation of provision
年終之結餘	Balance at end of the year

附註：計入年內已確認額外保修撥備的為風機相關供應商同意補償的結餘98,162,000港元(2017年：無)。因此，上述結餘98,162,000港元(2017年：無)會抵銷年內就計提額外保修撥備於損益確認的金額。計入上述結餘98,162,000港元(2017年：無)的為一間聯營公司供應風機的金額67,887,000港元(2017年：無)，而相關的補償金額則計入於報告期間末應收聯營公司款項。

32. WARRANTY PROVISION

Warranty provision represents the present value of the directors' best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties of local sales of wind turbines.

Movement in the warranty provision:

2018	2017
千港元	千港元
HK\$'000	HK\$'000
139,091	136,731
(6,397)	9,585
158,752	17,023
(31,528)	(24,248)
259,918	139,091

Note: Included in the additional warranty provision recognised during the year are balances of HK\$98,162,000 (2017: nil) which are agreed to be reimbursed by the corresponding suppliers of wind turbines. Accordingly, same amount of HK\$98,162,000 (2017: nil) are offset with the amount recognised in the profit and loss with respect to the additional warranty provision made during the year. Included in the above balances of HK\$98,162,000 (2017: nil) is an amount of HK\$67,887,000 (2017: nil) relating to the supply of wind turbines by an associate and the related reimbursement amount was included in the amounts due from associates as at the end of the reporting period.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

33. 借貸

33. BORROWINGS

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
短期銀行貸款(附註a)	Short-term bank loans (note a)	125,542	315,519
其他短期貸款(附註b)	Short-term other loans (note b)	-	647,199
其他長期貸款(附註b)	Long-term other loans (note b)	899,338	9,570
股東貸款短期部分(附註c)	Short-term portion of shareholder's loans (note c)	-	299,075
股東貸款長期部分(附註c)	Long-term portion of shareholder's loans (note c)	741,840	478,521
		1,766,720	1,749,884
減：列為流動負債而於一年內 到期之款項	Less: Amount due within one year under current liabilities	(125,542)	(1,261,793)
一年後到期之款項	Amount due after one year	1,641,178	488,091
本集團借貸之到期情況 如下*：	The maturity of the Group's borrowings is as follows*:		
一年內	Within one year	125,542	1,261,793
一年至兩年	Between one to two years	899,338	-
兩年至五年	Between two to five years	741,840	488,091
		1,766,720	1,749,884

* 按貸款協議所載還款日時程為基準。

* Based on scheduled repayment dates set out in the loan agreements.

附註：

Notes:

(a) 於2018年12月31日的金額為無抵押
銀行貸款125,542,000港元(2017年：
315,519,000港元)。

(a) The amount as at 31 December 2018 represents unsecured bank loans of
HK\$125,542,000 (2017: HK\$315,519,000).

於2018年12月31日的貸款
125,542,000港元或人民幣110,000,000
元按中國貸款最優惠利率加0.04%(即
年利率4.79%)計息。

Loan of HK\$125,542,000 or RMB110,000,000 as at 31 December 2018
bears floating-rate interest at PRC Loan Prime Rate plus 0.04% that is
4.79% per annum.

於2017年12月31日的貸款
155,519,000港元或人民幣130,000,000
元按固定年利率4.35%計息。

Loan of HK\$155,519,000 or RMB130,000,000 as at 31 December 2017
bore fixed-rate interest at 4.35% per annum.

於2017年12月31日的貸款
160,000,000港元按香港銀行同業拆息
加1.4%的浮動利率計息。

Loan of HK\$160,000,000 as at 31 December 2017 bore floating-rate
interest ranging from Hong Kong Inter-Bank Offered Rate ("HIBOR") plus
1.4%.

該等貸款須於一年內償還(2016年：
一年內)，用途乃為本集團的業務經營
撥付資金。

The loans are repayable within one year (2016: within one year) and are
used to finance the operations of the Group.

33. 借貸(續)

附註：(續)

- (b) 本集團從火箭院之同系附屬公司航天科技財務有限責任公司(「航天科技財務」)獲得貸款890,208,000港元或人民幣780,000,000元(2017年：647,199,000港元或人民幣541,000,000元)。該等款項為無抵押及由火箭院擔保，按固定年利率4.13%(2017年：4.13%)計息。

於2018年12月31日，貸款148,368,000港元或人民幣130,000,000元、44,282,000港元或人民幣38,800,000元、148,368,000港元或人民幣130,000,000元、34,238,000港元或人民幣30,000,000元、251,085,000港元或人民幣220,000,000元、27,391,000港元或人民幣24,000,000元、213,422,000港元或人民幣187,000,000元及23,054,000港元或人民幣20,200,000元分別須於2020年3月、2020年5月、2020年6月、2020年7月、2020年9月、2020年10月、2020年11月及2020年12月償還。

於2017年12月31日，貸款155,519,000港元或人民幣130,000,000元、263,186,000港元或人民幣220,000,000元、28,711,000港元或人民幣24,000,000元及199,783,000港元或人民幣167,000,000元須於2018年3月、2018年9月、2018年10月及2018年11月償還。上述金額已於2018年悉數償還。

計入其他貸款的結餘亦包括來自一間附屬公司非控股股東墊付的貸款9,130,000港元或人民幣8,000,000元(2017年：9,570,000港元或人民幣8,000,000元)。該金額為無抵押，按中國人民銀行基準利率的0.9倍(即年利率4.28%，(2017年：4.28%))的浮動利率計息，須於2020年11月償還。

33. BORROWINGS (Continued)

Notes: (Continued)

- (b) The Group obtained loans from Aerospace Science and Technology Finance Co., Ltd. ("ASTF"), a fellow subsidiary of CALT, amounting to HK\$890,208,000 or RMB780,000,000 (2017: HK\$647,199,000 or RMB541,000,000). The amounts are unsecured and are guaranteed by CALT, bearing fixed rate interest at 4.13% (2017: 4.13%) per annum.

As at 31 December 2018, loans of HK\$148,368,000 or RMB130,000,000, HK\$44,282,000 or RMB38,800,000, HK\$148,368,000 or RMB130,000,000, HK\$34,238,000 or RMB30,000,000, HK\$251,085,000 or RMB220,000,000, HK\$27,391,000 or RMB24,000,000, HK\$213,422,000 or RMB187,000,000 and HK\$23,054,000 or RMB20,200,000 which are repayable in March 2020, May 2020, June 2020, July 2020, September 2020, October 2020, November 2020 and December 2020, respectively.

As at 31 December 2017, loans of HK\$155,519,000 or RMB130,000,000, HK\$263,186,000 or RMB220,000,000, HK\$28,711,000 or RMB24,000,000 and HK\$199,783,000 or RMB167,000,000 are repayable in March 2018, September 2018, October 2018 and November 2018, respectively. The above amounts were fully repaid in 2018.

Included in the balances of other loans is also a loan of HK\$9,130,000 or RMB8,000,000 (2017: HK\$9,570,000 or RMB8,000,000) advanced from a non-controlling shareholder of a subsidiary. The amount is unsecured, bears floating-rate interest at 0.9 times of the People's Bank of China Benchmark interest rate that is 4.28% (2017: 4.28%) per annum and is repayable in November 2020.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

33. 借貸 (續)

附註：(續)

- (c) 金額為火箭院透過中航總之附屬公司航天科技財務(作為受託人)墊付之貸款741,840,000港元或人民幣650,000,000元(2017年：777,596,000港元或人民幣650,000,000元)。該款項為無抵押、按固定年利率4.88%至5.00%(2017年：4.88%至5.00%)計息。

於2018年12月31日，貸款456,517,000港元或人民幣400,000,000元及285,323,000港元或人民幣250,000,000元分別須於2021年4月及2021年12月償還。

於2017年12月31日，貸款299,075,000港元或人民幣250,000,000元及478,521,000港元或人民幣400,000,000元分別須於2018年3月及2021年4月償還。貸款299,075,088港元或人民幣250,000,000元已於2018年悉數償還。

截至2018年12月31日止年度，本集團借貸的實際年利率介乎2.44%至5.34%(2017年：2.86%至5.22%)。

33. BORROWINGS (Continued)

Notes: (Continued)

- (c) The amounts represents loans advanced from CALT through CASC's subsidiary, ASTF as the trustee in aggregate amounting to HK\$741,840,000 or RMB650,000,000 (2017: HK\$777,596,000 or RMB650,000,000). The amounts are unsecured, bear fixed-rate interest ranging from 4.88% to 5.00% (2017: 4.88% to 5.00%) per annum.

As at 31 December 2018, loans of HK\$456,517,000 or RMB400,000,000 and HK\$285,323,000 or RMB250,000,000 are repayable in April 2021 and December 2021 respectively.

As at 31 December 2017, loans of HK\$299,075,000 or RMB250,000,000 and HK\$478,521,000 or RMB400,000,000 were repayable in March 2018 and April 2021. The loan of HK\$299,075,088 or RMB250,000,000 were fully repaid in 2018.

The effective interest rate of the Group's borrowings were ranged from 2.44% to 5.34% per annum for the year ended 31 December 2018 (2017: 2.86% to 5.22% per annum).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

34. 融資租賃承擔

於2017年12月31日，本集團已根據融資租賃租用一輛汽車，租期為4年。融資租賃承擔相關之利率固定為每年2.5%。租賃於到期時有購買權。

34. OBLIGATION UNDER A FINANCE LEASE

As at 31 December 2017, the Group had one of its motor vehicles held under finance lease. The lease terms was 4 years. Interest rate underlying the obligation under a finance lease was fixed at 2.5% per annum. The lease had purchase options upon the end of the lease term.

		最低租金		最低租金現值	
		Minimum lease payments		Present value of minimum lease payments	
		2018 千港元 HK\$'000	2017 千港元 HK\$'000	2018 千港元 HK\$'000	2017 千港元 HK\$'000
融資租賃應付款項	Amounts payable under finance lease				
一年內	Within one year	-	23	-	22
		-	23	-	22
減：未來財務費用	Less: Future finance charges	-	(1)	-	N/A
租賃承擔現值	Present value of lease obligation	-	22	-	22
減：一年內應償付之款項（於流動負債下列示）	Less: Amount due for settlement within one year (shown under current liabilities)			-	(22)
一年後應償付之款項	Amount due for settlement after one year			-	-

本集團之融資租賃承擔以出租人的租賃資產抵押作擔保。

The Group's obligation under the finance lease was secured by the lessor's charge over the leased asset.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

35. 遞延稅項

就呈列綜合財務狀況表而言，若干遞延稅項資產及負債已予對銷。以下為用作財務申報之遞延稅項結餘分析：

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
遞延稅項資產	Deferred tax assets	1,643	1,784
遞延稅項負債	Deferred tax liabilities	(18,337)	(22,237)
		(16,694)	(20,453)

於本年度及過往年度已確認之重大遞延稅項負債(資產)及有關變動如下：

		重估 投資物業 Revaluation of investment properties 千港元 HK\$'000	附屬公司 未分派溢利 Undistributed profits of subsidiaries 千港元 HK\$'000	其他 (附註) Others (note) 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於2017年1月1日	At 1 January 2017	9,289	11,023	(1,637)	18,675
匯兌調整	Exchange realignment	668	774	(207)	1,235
損益表支出	Charge to profit or loss	519	716	60	1,295
已支付之中國預扣稅	PRC withholding tax paid	-	(752)	-	(752)
於2017年12月31日	At 31 December 2017	10,476	11,761	(1,784)	20,453
匯兌調整	Exchange realignment	(401)	(518)	82	(837)
(計入)損益表支出	(Credit) charge to profit or loss	(2,363)	119	59	(2,185)
已支付之中國預扣稅	PRC withholding tax paid	-	(737)	-	(737)
於2018年12月31日	At 31 December 2018	7,712	10,625	(1,643)	16,694

附註：該款項主要為政府補助產生之臨時差額。

35. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

The followings are the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

Note: The amount mainly represents temporary differences arising on government grants.

35. 遞延稅項(續)

於2018年12月31日，本集團估計未動用稅項虧損約768,778,000港元(2017年：471,405,000港元)可用作抵銷未來溢利。年內，由於未能估計未來溢利來源，故未就稅項虧損確認遞延稅項資產。稅項虧損31,033,000港元(2017年：188,189,000港元)已於年內到期。未確認稅項虧損136,670,000港元(2017年：123,949,000港元)可無限期結轉。其餘未確認稅項虧損將自2019年至2023年(2017年：自2018年至2022年)五年內到期。

根據中國企業所得稅法，自2008年1月1日起就中國附屬公司所賺取溢利宣派的股息須徵收預扣稅。本集團已就該等中國附屬公司未分派溢利臨時差額計提遞延稅項撥備10,625,000港元(2017年：11,761,000港元)。並無就中國附屬公司未分派溢利臨時差額214,000港元(2017年：47,036,000港元)於綜合財務報表中作出遞延稅項撥備，是由於本集團可控制臨時差額之撥回時間，而臨時差額不大可能於可見未來撥回。

35. DEFERRED TAXATION (Continued)

At 31 December 2018, the Group has estimated unused tax losses of approximately HK\$768,778,000 (2017: HK\$471,405,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses during the year due to unpredictability of future profit streams. During the year, tax losses of HK\$31,033,000 (2017: HK\$188,189,000) were expired. Included in unrecognised tax losses are losses of HK\$136,670,000 (2017: HK\$123,949,000) that may be carried forward indefinitely. The remaining unrecognised tax losses will expire within five years from 2019 to 2023 (2017: from 2018 to 2022).

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation of HK\$10,625,000 (2017: HK\$11,761,000) has been provided in respect of temporary differences attributable to those undistributed profits of the PRC subsidiaries. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to undistributed profits of the PRC subsidiaries amounting to HK\$214,000 (2017: HK\$47,036,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

36. 股本

36. SHARE CAPITAL

	股份數目 Number of shares	金額 Amount 千港元 HK\$'000
每股面值0.10港元之普通股	Ordinary shares of HK\$0.10 each	
法定：	Authorised:	
於2017年1月1日、 2017年12月31日 及2018年12月31日	At 1 January 2017, 31 December 2017 and 31 December 2018	1,000,000,000
已發行及繳足：	Issued and fully paid:	
於2017年1月1日、 2017年12月31日及 2018年12月31日	At 1 January 2017, 31 December 2017 and 31 December 2018	4,368,995,668
		1,000,000
		436,900

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

37. 經營租賃承擔

本集團作為承租人

於報告期末，本集團根據不可撤銷經營租賃而應付未來土地及樓宇最低租金如下：

		2018 千港元 HK\$'000	2017 千港元 <i>HK\$'000</i>
一年內	Within one year	7,504	7,231
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	1,442	1,940
		8,946	9,171

租約一般協定平均為期一年至三年(2017年：一年至三年)，而租金於租期內不變。

本集團作為出租人

於報告期末，本集團與租戶訂約的未來最低租金如下：

		2018 千港元 HK\$'000	2017 千港元 <i>HK\$'000</i>
一年內	Within one year	6,969	7,019
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	21,647	24,255
五年後	After five years	46,353	51,919
		74,969	83,193

所持物業之承諾租期為未來1至15年(2017年：1至16年)。

37. OPERATING LEASE COMMITMENTS

The Group as lessee

At the end of the reporting period, the Group had future minimum lease payments payable under non-cancellable operating leases in respect of land and buildings as set out below:

Leases are generally negotiated for an average term of one to three years (2017: one to three years) and rentals are fixed for the lease period.

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

The properties held have committed tenants for the next one to fifteen years (2017: one to sixteen years).

38. 退休福利計劃

本集團為香港所有合資格僱員操作強制性公積金計劃(「該計劃」)。該計劃之資產與本集團資產分開處理並以基金形式由信託人控制。本集團向該計劃作出有關薪酬成本5%的供款，而僱員亦作出同等供款。

本公司之中國附屬公司僱員為中國政府操作之國家管理退休福利計劃之成員。本公司之中國附屬公司須按僱員薪酬的特定百分比向退休福利計劃供款以支付福利。本集團就退休福利計劃之唯一責任為根據該計劃作出所需之供款。

自損益扣除之成本總額11,720,000港元(2017年：12,728,000港元)即本集團於本會計期內應付該等計劃之供款。

39. 資本風險管理

本集團管理資本，以確保本集團內各實體能夠持續經營，同時亦透過優化負債與權益之平衡而為股東爭取最高回報。本集團整體策略與去年保持不變。

本集團之資本架構包括負債，當中包括於附註33披露之借貸及於附註34披露之融資租賃承擔(扣除現金及現金等價物及本公司擁有人應佔權益(包括已發行股本、儲備及累積虧損))。

本集團管理層定期檢討資本架構。管理層考慮資本成本及與各資本類別相關的風險後，將會均衡整體資本架構。

38. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme (the "Scheme") for all qualifying employees in Hong Kong. The assets of the Scheme are held separately from those of the Group in funds under the control of trustee. The Group contributes 5% of relevant payroll costs to the Scheme, which contribution is matched by employees.

The employees of the Company's PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The Company's PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The total cost charged to profit or loss of HK\$11,720,000 (2017: HK\$12,728,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

39. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 33 and obligation under a finance lease disclosed in note 34, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated losses.

The management of the Group reviews the capital structure regularly. The management considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

40. 金融工具

40. FINANCIAL INSTRUMENTS

金融工具類別

Categories of financial instruments

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
金融資產	Financial assets		
貸款及應收款(包括現金及現金等價物)	Loans and receivables (including cash and cash equivalents)	不適用 N/A	3,316,599
按攤銷成本計量之金融資產	Financial assets at amortised cost	2,032,763	不適用 N/A
可供出售投資	Available-for-sale investments	不適用 N/A	5,144
按公平值計入其他全面收入的金融資產	Financial assets at FVTOCI	4,908	-
		2,037,671	3,321,743
金融負債	Financial liabilities		
攤銷成本	Amortised cost	3,192,344	3,440,174

金融風險管理目標及政策

本集團之主要金融工具包括按公平值計入其他全面收入的金融資產、貿易及其他應收款、應收／應付聯營公司款、應收／應付合營企業款、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款及借貸。有關該等金融工具之詳情已於各附註內披露。有關該等金融工具之風險及降低該等風險之政策載於下文。

金融工具對本集團之日常運作至關重要。管理層管理及監察有關風險，以確保及時有效實施適當措施。本集團所承受之信貸風險、市場風險及流動資金風險或管理及計算風險之方式並無改變。

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTOCI, trade and other receivables, amounts due from/to associates, amounts due from/to joint ventures, pledged bank deposits, bank balances and cash, trade and other payables and borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

The financial instruments are fundamental to the Group's daily operations. The management manages and monitors the exposures to ensure appropriate measures are implemented on a timely and effective manner. There has been no change to the Group's exposure to credit risk, market risk and liquidity risk or the manner in which it manages and measures the risk.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

40. 金融工具(續)

金融風險管理目標及政策(續)

市場風險

利率風險

本集團承受與2018年及2017年浮息銀行結餘(詳見附註29)及2018年及2017年浮息銀行借貸(詳見附註33)有關之現金流量利率風險。管理層持續監察利率波動，並會於有需要時考慮進一步對沖利率風險。

本集團亦承受與2018年及2017年定息銀行存款(詳見附註29)、2018年及2017年定息借貸(詳見附註33)、2018年及2017年應收一間聯營公司定息款項(詳見附註27)以及2018年及2017年應收一間合營企業定息款項(詳見附註28)有關之公平值利率風險。管理層監察利率風險，並會於預期出現重大利率風險時考慮償還定息銀行借貸。

本集團有關金融負債利率風險的詳情，載於本附註之流動資金風險管理一節。本集團之現金流量利率風險主要集中於中國貸款最優惠利率及香港銀行同業拆息的波動。

敏感度分析

下述敏感度分析乃根據浮息借貸於報告期末承受之利率風險，及所規定變動於年初進行並全年維持不變而釐定。

倘浮息借貸之利率上升/下跌10個基點(2017年: 10個基點)，而所有其他可變因素均維持不變，則本集團之稅後虧損將會上升/下跌約101,000港元(2017年: 稅後虧損將會上升/下跌127,000港元)。

40. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances for 2018 and 2017 (note 29 for details) and variable-rate bank borrowings for 2018 and 2017 (note 33 for details). The management continuously monitors interest rate fluctuation and will consider further hedging interest rate risk should the need arise.

The Group is also exposed to fair value interest rate risk in relation to fixed-rate pledged bank deposits for 2018 and 2017 (note 29 for details), fixed-rate borrowings for 2018 and 2017 (note 33 for details), amount due from an associate that bears fixed interest rate for 2018 and 2017 (note 27 for details) and amount due from a joint venture that bears fixed interest rate for 2018 and 2017 (note 28 for details). The management monitors interest rate exposure and will consider repaying the fixed-rate bank borrowings when significant interest rate exposure is anticipated.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of PRC Loan Prime Rate and HIBOR.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for variable-rate borrowings at the end of the reporting period and the stipulated changes taking place at the beginning of the year and held constant throughout the year.

If the interest rates on variable-rate borrowings have been 10 basis points (2017: 10 basis points) higher/lower and all other variables were held constant, the Group's post-tax loss would have increased/decreased by approximately HK\$101,000 (2017: post-tax loss would have increased/decreased by HK\$127,000).

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

40. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

貨幣風險

本集團承受之貨幣風險極低，原因是大部分交易及結餘均以集團實體各自之功能貨幣計值。本集團目前並無外幣對沖政策。然而，管理層會監察外匯風險，倘有需要會考慮對沖重大外幣風險。

信貸風險及減值評估

於2018年及2017年12月31日，除按公平值計入其他全面收入的金融資產(2017年：可供出售投資)外，於綜合財務狀況表呈列的金融資產賬面值代表對手方無法履行責任將使本集團蒙受的財務損失涉及的最高信貸風險。本集團並無持有任何抵押品或其他加強信貸措施以保障與其金融資產相關的信貸風險。

為減低信貸風險，本集團管理層已特派專責釐定信貸上限及信貸審批的團隊。在接納新客戶前，本集團會評核潛在客戶的信貸質素，給予客戶內部信貸評級以及為其設定信貸上限。客戶的信貸上限及評級會定期檢討。另設有其他監察程序，以確保有跟進行動收回逾期債務。此外，於應用香港財務報告準則第9號後，本集團根據預期信貸虧損模型個別對貿易結餘進行減值評估。於應用香港財務報告準則第9號前，本集團根據已產生虧損模型對貿易結餘進行減值評估。就此，本公司董事認為本集團的信貸風險已大幅減低。

本集團有集中信貸風險，因為應收本集團最大債務人及五大債務人款項佔貿易應收款總額分別24% (2017年：17%) 及76% (2017年：60%)。

40. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk

The Group has minimal currency exposures as the majority of transactions and balances were denominated in respective functional currencies of group entities. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposures should the need arise.

Credit risk and impairment assessment

As at 31 December 2018 and 2017, other than the financial assets at FVTOCI (2017: available-for-sale investments), the carrying amounts of financial assets as stated in the consolidated statement of financial position represent the maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties. The Group does not hold any collateral or other credit enhancement to cover its credit risks associated with its financial assets.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group assesses the potential customer's credit quality, assign an internal credit rating and defines credit limits by customer. Limits and credit rating attributed to customers are reviewed on a periodic basis. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 on trade balances based on individual assessment. Before application of HKFRS 9, the Group performs impairment assessment under incurred loss model on trade balances. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk as 24% (2017: 17%) and 76% (2017: 60%) of the total trade receivables due from the Group's largest debtor and the five largest debtors respectively.

40. 金融工具 (續)**金融風險管理目標及政策 (續)****信貸風險及減值評估 (續)**

此外，由於應收聯營公司款總額之77% (2017年：72%) 來自一間聯營公司，因此本集團信貸風險集中。本集團通過對聯營公司之財務及經營決策施行影響或共同控制及定期審閱其財務狀況，以監控應收聯營公司款之信貸風險。

於2018年1月1日採納香港財務報告準則第9號後，本集團應用簡化方法為香港財務報告準則第9號規定的預期信貸虧損撥備，允許就貿易應收款、合約資產及與聯營公司具貿易性質的結餘以存續期預期信貸虧損撥備，並允許就所有其他工具以12個月預期信貸虧損撥備，除非自初始確認以來信貸風險大幅上升則除外 (在本集團確認存續期預期信貸虧損的情況下)。

管理層個別評估貿易應收款、合約資產及與聯營公司具貿易性質的結餘的預期虧損，方法為估算應用於各債務人的內部信貸評級 (基礎為個別貿易債務人的近期貿易關係、財務背景及信用、過往結付記錄 (如拖欠付款或延遲付款、該等結餘的賬齡分析、債務人經營所處行業的整體經濟狀況))、其後就信貸減值結餘的結付以及就前瞻性資料作調整。

另外，管理層認為，逾期90天或以上的貿易應收款並無違約，結餘仍被視為可收回，因為與該等客戶的業務關係屬長期／持續維繫，且基於金額並不重大，故此並無確認預期信貸虧損撥備。

於2018年12月31日，被評為有總賬面值1,709,482,000港元信貸減值的債務人已個別進行評估。

40. FINANCIAL INSTRUMENTS (Continued)**Financial risk management objectives and policies (Continued)****Credit risk and impairment assessment (Continued)**

In addition, the Group has concentration of credit risk as 77% (2017: 72%) of total amounts due from associates is due from one associate. The Group monitors the exposure to credit in respect of the amounts due from associates through exercising influence or joint control over their financial and operating policy decisions and reviewing their financial position on a regular basis.

Upon adoption of HKFRS 9 on 1 January 2018, the Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables, contract assets and balances with associates in trade nature, and 12m ECL for all other instruments unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL.

Management assessed the expected loss on trade receivables, contract assets and balances with associates in trade nature individually by estimation with the internal credit rating applied to each debtors (based on recent trade relationships, financial background and creditability of individual trade debtors, historical settlement records such as default or delay in payments, ageing analysis of such balances, general economic conditions of industry in which the debtors operate), subsequent settlement (for credit-impaired balances) and adjusted for the forward-looking information.

In addition, the management is of the opinion that there has no default occurred for trade receivables past due 90 days or more and the balances are still considered recoverable due to long term/on-going relationship with these customers and no ECL allowance is recognised due to insignificance.

Debtors that were assessed to be credit-impaired with gross carrying of HK\$1,709,482,000 as at 31 December 2018 were assessed individually.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

40. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險及減值評估 (續)

作為本集團信貸風險管理的一部分，本集團對其客戶應用內部信貸評級。下表提供以存續期預期信貸虧損內於2018年12月31日個別評估的客戶合約產生貿易結餘的信貸風險之資料。

賬面值

滿意

Satisfactory

* 包括貿易應收款及客戶合約資產1,040,129,000港元以及應收聯營公司具貿易性質款及聯營公司合約資產47,272,000港元。

質素分類定義：

「滿意」：對手方具溫和的違約風險。

所用估計虧損率以個別評核的內部信貸評級為基礎，並計入本公司董事毋須繁重成本或工作即可取得的合理可靠前瞻性資料。本集團管理層使用該前瞻性資料評估於報告日期現時狀況以及預測未來狀況。

40. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The following table provides information about the exposure to credit risk for trade balances arising from contracts with customers which are individually assessed as at 31 December 2018 within lifetime ECL.

Carrying amount

賬面值*	虧損撥備
Carrying amount*	Loss allowance
千港元	千港元
HK\$'000	HK\$'000

1,087,401

39,473

* Included trade receivables and contract assets from customers of HK\$1,040,129,000 and amounts due from associates in trade nature and contract assets from associates of HK\$47,272,000, respectively.

Quality classification definitions:

“Satisfactory”: The counterparty has moderate default risk.

The estimated loss rate applied is based on the internal credit rating assessed individually taking into consideration forward-looking information that is reasonable, supportable, and available to the directors of the Company without undue costs or effort. Such forward-looking information is used by the management of the Group to assess both the current as well as the forecast of future conditions at the reporting date.

40. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險及減值評估 (續)

下表以簡化方法載列已就客戶產生貿易結餘確認的存續期預期信貸虧損的變動 (包括貿易應收款、合約資產及具貿易性質的應收聯營公司款)。

40. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade balances arising with customers including trade receivables, contract assets and amounts due from associates in trade nature under the simplified approach.

		存續期預期 信貸虧損 (並未信貸減值)	存續期預期 信貸虧損 (已信貸減值)	總計
		Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於2017年12月31日	As at 31 December 2017 under			
根據香港會計準則	HKAS 39 & 1 January 2018			
第39號及於2018年	under HKFRS 9			
1月1日根據香港財務				
報告準則第9號		–	185,186	185,186
於1月1日因確認金融	Change due to financial instruments			
工具之變動：	recognised as at 1 January:			
已確認減值虧損	Impairment losses recognised	40,862	686,331	727,193
匯兌調整	Exchange realignment	(1,389)	(41,571)	(42,960)
於2018年12月31日	As at 31 December 2018	39,473	829,946	869,419

來自客戶新增貿易結餘的預期信貸虧損相信並不重大。

The ECL on newly originated trade balances arising with customer is considered insignificant.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

40. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險及減值評估 (續)

由於年內政策及市場環境不斷改變，業務經營業績未有改善，且貿易結餘收回金額低於預期，故此錄得重大的信貸虧損。管理層在釐定減值撥備時已個別考慮對手方的財務狀況，並計入市場環境的變動。截至2018年12月31日止年度，管理層已評核客戶合約涉及信貸減值貿易結餘的違約風險，方法為考慮本集團預計收回未來的現金流量，再按實際利率進行貼現，且就有關結餘計提567,531,000港元的減值撥備。就債務人合約的貿易結餘計提的減值撥備40,862,000港元尚未出現信貸減值。

對應收聯營公司具貿易性質款項及聯營公司合約資產，本集團按存續期預期信貸虧損計量虧損撥備。本集團按個別評核對該等項目釐定預期信貸虧損。截至2018年12月31日止年度，管理層按照估值報告評核應收聯營公司具貿易性質信貸減值款項的違約風險，且就該等結餘計提118,800,000港元的減值撥備。

於對其他應收款及應收合營企業款項釐定12個月預期信貸虧損時，本集團管理層已考慮過往違約經驗及前瞻性資料(如適用)，如本集團已考慮與付款有關的過往貫徹低違約率，且斷定本集團未償還其他應收款及應收合營企業款的固有信貸風險為不重大，並基於不重大之故而並無確認預期信貸虧損撥備。

40. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

As a result of the changing in policies and market environment during the year, the result of the operation have not improved and the collection of trade balances fall below expectation, a significant credit loss was recorded. The management has considered the financial position of the counterparty individually and taken into consideration about the change of market environment to determine the impairment the allowance. During the year ended 31 December 2018, the management assessed the exposure at default for credit-impaired trade balances arising from contracts with customers by considering the future cash flows that the Group expects to recover, discounted at effective interest rate and provided HK\$567,531,000 impairment allowance on such balances. Impairment allowance of HK\$40,862,000 were made on trade balances arising from contracts with debtors that are not credit impaired.

For amounts due from associates in trade nature and contracts assets from associates, the Group measured the loss allowance at life time ECL. The Group determines the expected credit losses on these items by individual assessment. During the year ended 31 December 2018, the management assessed the exposure at default for credit-impaired amounts due from associates in trade nature based on the valuation report and provided HK\$118,800,000 impairment allowance on such balances.

In determining the 12m ECL for other receivables and amounts due from joint ventures, the management of the Group has taken into account the historical default experience and forward-looking information, as appropriate, for example, the Group has considered the consistently low historical default rate in connection with payments, and concluded that credit risk inherent in the Group's outstanding other receivables and amounts due from joint ventures is insignificant and no ECL allowance was recognised due to immateriality.

40. 金融工具 (續)**金融風險管理目標及政策** (續)**信貸風險及減值評估** (續)

本集團管理層認為，存入具高信貸評級金融機構的已質押銀行存款及銀行結餘屬低信貸風險金融資產。本集團管理層認為，已質押銀行存款及銀行結餘屬短期性質，鑒於高信貸評級發行人的基礎，違約的機會率極微，因此，虧損撥備被視為並不重大。

流動資金風險

於管理流動資金風險時，本集團會監督及維持現金及現金等價物處於管理層認為充足之水平，以為本集團之營運提供資金及減低現金流量波動之影響。管理層會監督銀行融資之動用情況及確保遵守貸款契諾。

本集團將來自於航天科技財務或火箭院借貸作為主要流動資金來源。董事認為上述安排，可以應對本集團於可見將來到期之各項債務及管理資金的流動性。

下表詳列本集團金融負債根據協定還款條款之剩餘合約期限，乃根據本集團可被要求還款之最早日期的金融負債未貼現現金流量編製。該表包括利息及本金現金流量。倘利息流以浮息計算，則未貼現金額將會於報告期末按利率曲線計算。

40. FINANCIAL INSTRUMENTS (Continued)**Financial risk management objectives and policies** (Continued)**Credit risk and impairment assessment** (Continued)

The management of the Group considers the pledged bank deposits and bank balances that are deposited with the financial institutions with high credit rating to be low credit risk financial assets. The management of the Group considers the pledged bank deposits and bank balances are short-term in nature and the probability of default is negligible on the basis of high-credit-rating issuers, and accordingly, loss allowance was considered as insignificant.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of banking facilities and ensures compliance with loan covenants.

The Group relies on borrowings from ASTF and CALT as a significant source of liquidity. In the opinion of directors, adequate sources of funding are available to enable the Group to meet in full its financial obligations due for the foreseeable future and manage its liquidity position.

The following table details the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

40. 金融工具 (續)

金融風險管理目標及政策 (續)

流動資金風險 (續)

流動資金及利率風險表

40. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity and interest risk tables

		加權平均 實際利率	於要求時					未貼現	
			支付	少於一個月	一至三個月	三個月至一年	一至五年	現金流量總額	賬面值
		Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Total undiscounted cash flows	Carrying amount	
		%	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	
2018年	2018								
金融負債	Financial liabilities								
貿易及其他應付款	Trade and other payables	-	942,609	11,358	45,164	398,159	-	1,397,290	1,397,289
借貸-定息	Borrowings - fixed rate	4.47	-	-	-	-	1,789,174	1,789,174	1,632,048
借貸-浮息	Borrowings - floating rate	4.75	-	-	-	130,966	9,886	140,852	134,672
應付聯營公司款	Amounts due to associates	-	25,876	-	-	-	-	25,876	25,876
應付合營企業款	Amounts due to joint ventures	-	2,459	-	-	-	-	2,459	2,459
			970,944	11,358	45,164	529,125	1,799,060	3,355,651	3,192,344
2017年	2017								
金融負債	Financial liabilities								
貿易及其他應付款	Trade and other payables	-	1,035,861	183,526	238,337	167,597	-	1,625,321	1,625,321
借貸-定息	Borrowings - fixed rate	4.54	-	-	459,287	668,820	559,742	1,687,849	1,580,314
借貸-浮息	Borrowings - floating rate	2.57	-	160,096	-	-	10,805	170,901	169,570
應付聯營公司款	Amounts due to associates	-	60,939	-	-	-	-	60,939	60,939
應付合營企業款	Amounts due to joint ventures	-	4,030	-	-	-	-	4,030	4,030
融資租賃承擔	Obligation under a finance lease	2.50	-	11	12	-	-	23	22
			1,100,830	343,633	697,636	836,417	570,547	3,549,063	3,440,196

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

40. 金融工具 (續)

金融工具之公平值計量

本集團按經常性基礎以公平值計量金融資產之公平值計量

本集團若干金融資產於各報告期末按公平值計量。下表提供有關此等金融資產的公平值釐定方式(尤其是所採用的估值方法及輸入數據)的資料,以及根據公平值計量的輸入數據的可觀察程度,公平值計量分類的公平值等級(第一至三級)的水平。

40. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

金融資產	於12月31日的公平值	公平值等級	估值方法及關鍵輸入數據	重大不可觀察輸入數據	不可觀察輸入數據與公平值的關係	
Financial assets	Fair value as at 31 December	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	
	2018 千港元 HK\$'000	2017 千港元 HK\$'000				
(iv) 分類為按公平值計入其他全面收入之股權工具的非上市股權工具	4,908	不適用	3	股息貼現法-就此方法,已利用貼現股息法計算出從該投資對象擁有權所得預期未來股息收入的現值(以合適的貼現率為基礎)。	貼現率、收益增長率及經營溢利率會計入管理層的經驗以及對特定行業市況的了解。	貼現率越高,公平值越低。收益增長率及經營溢利率越高,公平值越高。
(iv) Unlisted equity instruments classified as equity instruments at FVTOCI	4,908	N/A	3	Dividend discount approach – in this approach, the discounted dividend method was used to capture the present value of the expected future dividend income to be derived from the ownership of this investee, based on an appropriate discount rate.	Discount rate, revenue growth rate and operating margin taking into account management's experience and knowledge of market conditions of the specific industries.	The higher the discount rate, the lower the fair value. The higher the revenue growth rate and operating margin, the higher the fair value.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

40. 金融工具 (續)

金融工具之公平值計量 (續)

截至2018年12月31日止年度，第一至第三級之間並無轉讓。

其他金融資產及金融負債之公平值按貼現現金流量分析根據普遍採納之定價模式釐定。

董事認為，按攤銷成本入賬之金融資產及金融負債之賬面值與公平值相若。

41. 與關連人士之交易／結餘

除財務報表相關附註披露者外，本集團與關連公司有下列重大交易及結餘：

(i) 與中國政府相關實體之交易

本集團現時於由中國政府最終控制、共同控制或行使重大影響力之實體（「政府相關實體」）主導之經濟環境下經營。此外，本集團本身隸屬由中國政府控制之中航總旗下之較大公司集團。

40. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

There were no transfers between Level 1 and 3 during the years ended 31 December 2018.

The fair values of other financial assets and financial liabilities are determined in accordance with general accepted pricing models based on discounted cash flow analysis.

The Directors consider that the carrying amounts of these financial assets and financial liabilities recorded at amortised cost approximate their fair values.

41. RELATED PARTY TRANSACTIONS/ BALANCES

Other than disclosed in respective notes to the financial statements, the Group has the following significant transactions and balances with related companies:

(i) Transactions with government-related entities in the PRC

The Group operates in an economic environment currently predominated by entities ultimately controlled, jointly controlled or significantly influenced by the PRC government ("government-related entities"). In addition, the Group itself is part of a larger group of companies under CASC which is controlled by the PRC government.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

41. 與關連人士之交易／結餘(續)

(i) 與中國政府相關實體之交易(續)

(a) 與中航總集團之交易

- (1) 於2018年12月31日之借貸包括火箭院透過中航總之附屬公司航天科技財務(作為受託人)墊付之二筆(2017年:二筆)貸款合共741,840,000港元或人民幣650,000,000元(2017年:777,596,000港元或人民幣650,000,000元),有關貸款為無抵押,按固定年利率4.88%至5.00%(2017年:4.88%至5.00%)計息。貸款零(2017年:299,075,000港元或人民幣250,000,000元)、456,517,000港元或人民幣400,000,000元(2017年:478,521,000港元或人民幣400,000,000元)及285,323,000港元或人民幣250,000,000元(2017年:零)分別須於2018年3月、2021年4月及2021年12月償還。於2017年12月31日之貸款299,075,000港元或人民幣250,000,000元於2018年悉數償還。

41. RELATED PARTY TRANSACTIONS/ BALANCES (Continued)

(i) Transactions with government-related entities in the PRC (Continued)

(a) Transactions with CASC Group

- (1) Included in borrowings as at 31 December 2018 were two (2017: two) loans advanced from CALT through CASC's subsidiary, ASTF, as the trustee totalling HK\$741,840,000 or RMB650,000,000 (2017: HK\$777,596,000 or RMB650,000,000) which are unsecured and bear fixed-rate interest ranging from 4.88% to 5.00% (2017: 4.88% to 5.00%) per annum. Loans of nil (2017: HK\$299,075,000 or RMB250,000,000), HK\$456,517,000 or RMB400,000,000 (2017: HK\$478,521,000 or RMB400,000,000) and HK\$285,323,000 or RMB250,000,000 (2017: nil) are repayable in March 2018, April 2021 and December 2021 respectively. Loans of HK\$299,075,000 or RMB250,000,000 as at 31 December 2017 were fully repaid in 2018.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

41. 與關連人士之交易／結餘 (續)

(i) 與中國政府相關實體之交易 (續)

(a) 與中航總集團之交易 (續)

- (2) 本集團亦從火箭院之同系附屬公司航天科技財務獲得貸款890,208,000港元或人民幣780,000,000元(2017年: 647,199,000港元或人民幣541,000,000元)。該款項為無抵押及由火箭院擔保, 按固定年利率4.13%(2017年: 4.13%)計息及須於2020年償還(2017年: 須於2018年償還)。於2017年12月31日之貸款647,199,000港元或人民幣541,000,000元已於2018年悉數償還。

41. RELATED PARTY TRANSACTIONS/ BALANCES (Continued)

(i) Transactions with government-related entities in the PRC (Continued)

(a) Transactions with CASC Group (Continued)

- (2) The Group also obtained loans from ASTF, a fellow subsidiary of CALT, amounting to HK\$890,208,000 or RMB780,000,000 (2017: HK\$647,199,000 or RMB541,000,000). The amount are unsecured and are guaranteed by CALT, bear fixed-rate interest at 4.13% (2017: 4.13%) per annum and are repayable in 2020 (2017: repayable in 2018). Loans of HK\$647,199,000 or RMB541,000,000 as at 31 December 2017 were fully paid in 2018.

41. 與關連人士之交易／結餘 (續)

**41. RELATED PARTY TRANSACTIONS/
BALANCES** (Continued)

(i) 與中國政府相關實體之交易 (續)

**(i) Transactions with government-related entities in the
PRC** (Continued)

(b) 與其他政府實體之交易

(b) Transactions with other government entities

(1) 2018年12月31日之借貸包括由一間附屬公司非控制性股東墊付之貸款9,130,000港元或人民幣8,000,000元(2017年:9,570,000港元或人民幣8,000,000元)。該款項為無抵押及按浮動年利率4.28%(2017年:4.28%)計息,並須於2020年11月全數償還。

(1) Included in borrowings as at 31 December 2018 was a loan of HK\$9,130,000 or RMB8,000,000 (2017: HK\$9,570,000 or RMB8,000,000) advanced from a non-controlling shareholder of a subsidiary. The amount is unsecured, bears floating-rate interest at 4.28% (2017: 4.28%) per annum and is repayable in full in November 2020.

(2) 本集團亦與其他政府相關實體有業務往來。本公司董事認為,就本集團與彼等之業務往來而言,該等政府相關實體均屬獨立第三方。本集團亦與若干客戶及供應商有若干買賣交易,董事認為,要確定對方身份及該等交易是否屬與其他政府相關實體進行實屬不切實際。

(2) The Group conducts business with other government-related entities. The directors of the Company consider those government-related entities are independent third parties so far as the Group's business with them are concerned. The Group also has certain sales and purchases transactions with certain customers and suppliers in which the directors are of the opinion that it is impracticable to ascertain the identity of the counterparties and accordingly whether the transactions are with other government-related entities.

此外,本集團與屬政府相關實體之銀行訂立各種交易,包括存款、借貸及其他一般銀行融資,大部分銀行存款及銀行借貸為與政府相關實體交易。

In addition, the Group has entered into various transactions, including deposits placements, borrowings and other general banking facilities, with banks which are government-related entities. A majority of its bank deposits and bank borrowings are with government-related entities.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

41. 與關連人士之交易／結餘 (續)

(ii) 與其他關連人士之交易

- (a) 有關應收／應付聯營公司款，請參閱附註27。
- (b) 有關應收／應付合營企業款，請參閱附註28。
- (c) 本集團於2018年12月31日的應收票據184,739,000港元(2017年：71,180,000港元)乃有關於結付應收一間合營企業的股息。
- (d) 年內，本集團與關連人士之重大交易如下：

41. RELATED PARTY TRANSACTIONS/ BALANCES (Continued)

(ii) Transactions with other related parties

- (a) For amounts due from/to associates, please refer to note 27.
- (b) For amounts due from/to joint ventures, please refer to note 28.
- (c) The Group has bills receivables as at 31 December 2018 of HK\$184,739,000 (2017: HK\$71,180,000) in relation to the settlement of dividend receivable from a joint venture.
- (d) During the year, the Group had the following significant transactions with related parties:

		2018	2017
		千港元	千港元
		HK\$'000	HK\$'000
向一間合營企業售貨	Sales of goods to a joint venture	-	2,619
自一間聯營公司購貨	Purchases of goods from an associate	279	4,662
來自股東火箭院之貸款利息支出	Interest expenses on loan from a shareholder, CALT	36,920	40,668
來自同系附屬公司航天科技財務之貸款利息支出	Interest expenses on loan from a fellow subsidiary, ASTF	34,196	19,576
來自合一間營企業之利息收入	Interest income from a joint venture	2,878	2,809
來自一間聯營公司之利息收入	Interest income from an associate	1,365	-
向一間合營企業支付之維修服務支出	Maintenance service expense paid to a joint venture	10,835	5,281

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度
For the year ended 31 December 2018

41. 與關連人士之交易／結餘(續)

(ii) 與其他關連人士之交易(續)

- (e) 於2018年12月31日，火箭院已向航天科技財務提供公司擔保1,232,595,000港元或人民幣1,080,000,000元(2017年：693,855,000港元或人民幣580,000,000元)以作為本集團獲授之信貸融資之抵押。
- (f) 主要管理人員之薪酬
- 主要管理人員僅涵蓋本公司執行董事及支付予彼等之薪酬披露於附註13。
- 主要管理人員之薪酬由薪酬委員會視乎個人表現及市場趨勢釐定。

41. RELATED PARTY TRANSACTIONS/ BALANCES (Continued)

(ii) Transactions with other related parties (Continued)

- (e) At 31 December 2018, CALT has given corporate guarantees amounting to HK\$1,232,595,000 or RMB1,080,000,000 (2017: HK\$693,855,000 or RMB580,000,000) to ASTF to secure the credit facilities granted to the Group.
- (f) Compensation of key management personnel
- The key management personnel includes solely the executive directors of the Company and the compensation paid to them is disclosed in note 13.
- The remuneration of key management is determined by the remuneration committee having regard to the performance of individuals and market trends.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

42. 融資活動之負債對賬

下表詳列本集團融資活動之負債變動，同時包括現金及非現金變動。融資活動產生之負債乃指其現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量之負債。

42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		應付利息	借貸	融資 租賃承擔	應付非控股 權益款項	總額
		Interest payable	Borrowings	Obligation under a finance lease	Amounts due to non- controlling interests	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於2017年1月1日	At 1 January 2017	–	1,601,885	152	–	1,602,037
匯兌調整	Exchange realignment	–	98,276	–	–	98,276
融資現金流量	Financing cash flows	(74,486)	49,723	(133)	(1,191)	(26,087)
利息支出	Interest expenses	74,486	–	3	–	74,489
已宣派股息	Dividend declared	–	–	–	1,191	1,191
於2017年12月31日	At 31 December 2017	–	1,749,884	22	–	1,749,906
匯兌調整	Exchange realignment	–	(73,107)	–	–	(73,107)
融資現金流量	Financing cash flows	(82,546)	89,943	(22)	(1,282)	6,093
利息支出	Interest expenses	82,546	–	–	–	82,546
已宣派股息	Dividend declared	–	–	–	1,282	1,282
於2018年12月31日	At 31 December 2018	–	1,766,720	–	–	1,766,720

43. 出售／視作出售一間附屬公司

- (a) 誠如附註11(a)所披露，截至2018年12月31日止年度，本集團於出售其附屬公司深圳航天通信51%股權時終止其電訊業務。

於出售當日，深圳航天通信的資產淨額如下：

43. DISPOSAL/DEEMED DISPOSAL OF A SUBSIDIARY

- (a) As disclosed in note 11(a), during the year ended 31 December 2018, the Group discontinued its Telecommunication Business operation at the time of disposal of 51% equity interest in its subsidiary, Shenzhen Aerospace Telecommunications.

The net assets of Shenzhen Aerospace Telecommunications as at the date of disposal are as follows:

		千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	1,029
存貨	Inventories	4,323
貿易及其他應收款	Trade and other receivables	4,391
銀行結餘及現金	Bank balances and cash	3,140
貿易及其他應付款	Trade and other payables	(4,370)
已出售資產淨額	Net assets disposed of	8,513
出售收益：	Gain on disposal:	
已收代價	Consideration received	21,759
出售深圳航天通信資產淨額	Net assets disposed of Shenzhen Aerospace Telecommunications	(8,513)
本集團持有深圳航天通信股權的公平值(作為於聯營公司之權益)	Fair value of the equity interest in Shenzhen Aerospace Telecommunications held by the Group as interest in an associate	4,171
出售深圳航天通信的收益	Gain on disposal of Shenzhen Aerospace Telecommunications	17,417
出售產生的現金流入淨額：	Net cash inflow arising on disposal:	
現金代價	Cash consideration	21,759
減：出售銀行結餘及現金	Less: Bank balances and cash disposed of	(3,140)
		18,619

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

43. 出售／視作出售一間附屬公司 (續)

- (b) 誠如附註11(b)所披露，截至2017年12月31日止年度，本集團於視作出售其附屬公司江蘇萬源時終止其稀土永磁產品營運。

於視作出售當日，江蘇萬源的資產淨額如下：

43. DISPOSAL/DEEMED DISPOSAL OF A SUBSIDIARY (Continued)

- (b) As disclosed in note 11 (b), during the year ended 31 December 2017, the Group discontinued its REPM Products operation at the time of deemed disposal of its subsidiary, Jiangsu Energine.

The net assets of Jiangsu Energine as at the date of deemed disposal were as follows:

		千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	2,049
存貨	Inventories	14,684
貿易及其他應收款	Trade and other receivables	51,118
可收回稅項	Taxation recoverable	142
銀行結餘及現金	Bank balances and cash	3,534
貿易及其他應付款	Trade and other payables	(53,739)
已出售資產淨額	Net assets disposed of	17,788
視作出售虧損：	Loss on deemed disposal:	
已出售資產淨額	Net assets disposed of	(17,788)
非控制性權益	Non-controlling interests	11,953
本集團持有江蘇萬源股權的公平值 (作為於聯營公司之權益)	Fair value of the equity interest in Jiangsu Energine held by the Group as interest in an associate	5,835
視作出售江蘇萬源的虧損	Loss on deemed disposal of Jiangsu Energine	-
視作出售產生的現金流出淨額：	Net cash outflow arising on deemed disposal:	
出售銀行結餘及現金	Bank balances and cash disposed of	(3,534)

44. 主要附屬公司、聯營公司及合營企業資料

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

於2018年及2017年12月31日之本公司主要附屬公司、聯營公司及合營企業資料如下：

Details of the principal subsidiaries, associates and joint ventures of the Company at 31 December 2018 and 2017 are as follows:

公司名稱 Name of company	已發行普通股本之 面值/註冊資本 Nominal value of issued ordinary share capital/ registered capital	股本權益之百分比 Percentage of equity				主要業務 Principal activities
		本公司持有 held by the Company		本集團應佔 attributable to the Group		
		2018	2017	2018	2017	
		%	%	%	%	
附屬公司 Subsidiaries						
<i>在香港註冊成立及經營：</i> <i>Incorporated and operating in Hong Kong:</i>						
中國航天科技通信有限公司 China Aerospace Telecommunications Limited	10,000港元 HK\$10,000	100	100	-	-	分銷寬帶業務 Distribution of broadband business
中國航天萬源(香港)有限公司 China Enginex (Hong Kong) Limited	2港元 HK\$2	100	100	-	-	分銷升降機產品 Distribution of elevator products
力明發展有限公司 New Image Development Limited	1港元 HK\$1	100	100	-	-	投資控股 Investment holding
加冠國際有限公司 Crownpluss International Limited	1港元 HK\$1	100	100	-	-	投資控股 Investment holding

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

44. 主要附屬公司、聯營公司及合營企業資料 (續)

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

公司名稱 Name of company	已發行普通股本之 面值/註冊資本 Nominal value of issued ordinary share capital/ registered capital	股本權益之百分比 Percentage of equity				主要業務 Principal activities
		本公司持有 held by the Company		本集團應佔 attributable to the Group		
		2018 %	2017 %	2018 %	2017 %	
附屬公司 (續) Subsidiaries (Continued)						
在中國註冊及經營： Incorporated and operating in PRC:						
北京萬源工業有限公司 (附註(b)) Beijing Engerine Industry Co., Ltd. (note (b))	人民幣118,251,100元 RMB118,251,100	-	-	100	100	投資控股及分銷風機 Investment holding and distribution of wind turbine generators
航天龍源(本溪)風力發電有限公司 (附註(a)) Aerospace Long Yuan (Benxi) Wind Power Co., Ltd. (note (a))	人民幣93,800,000元 RMB93,800,000	-	-	55	55	風場運營 Operation of wind farm
航天萬源新能源(深圳)有限公司 (附註(b))(note (b))	20,000,000港元 HK\$20,000,000	-	-	100	100	租賃物業 Rental of properties
內蒙古航天萬源新能源開發有限公司 (附註(b)) Inner Mongolia Engerine New Energy Development Co. Ltd. (note (b))	人民幣80,000,000元 RMB80,000,000	-	-	100	100	製造及分銷風機 Manufacture and distribution of wind turbine generators

44. 主要附屬公司、聯營公司及合營企業資料(續)

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

公司名稱 Name of company	已發行普通股本之 面值/註冊資本 Nominal value of issued ordinary share capital/ registered capital	股本權益之百分比				主要業務 Principal activities
		本公司持有		本集團應佔		
		Percentage of equity				
		held by the Company		attributable to the Group		
		2018	2017	2018	2017	
		%	%	%	%	
附屬公司(續) Subsidiaries (Continued)						
在中國註冊及經營:(續) Incorporated and operating in PRC: (Continued)						
內蒙古航天萬源風電設備製造有限公司 (附註(a))# Inner Mongolia CASC Enginere Wind Turbine Manufacture Co. Ltd. (note (a)) #	人民幣50,000,000元 RMB50,000,000	-	-	-	95	製造及分銷風機 Manufacture and distribution of wind turbine generators
內蒙古航天萬源複合材料有限公司 (附註(a)) Inner Mongolia CASC Enginere Composite Materials Co. Ltd. (note (a))	人民幣80,000,000元 RMB80,000,000	-	-	56.41	56.41	製造及分銷風機葉片 Manufacture and distribution of wind blades
深圳航天通信(附註(b)) Shenzhen Aerospace Telecommunications (note (b))	人民幣56,000,000元 RMB56,000,000	-	-	不適用 N/A	100	製造及分銷電訊產品 Manufacture and distribution of telecommunication products

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

44. 主要附屬公司、聯營公司及合營企業資料 (續)

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

公司名稱 Name of company	已發行普通股本之 面值/註冊資本 Nominal value of issued ordinary share capital/ registered capital	股本權益之百分比 Percentage of equity				主要業務 Principal activities
		本公司持有 held by the Company		本集團應佔 attributable to the Group		
		2018 %	2017 %	2018 %	2017 %	
附屬公司 (續) Subsidiaries (Continued)						
在中國註冊及經營: (續) Incorporated and operating in PRC: (Continued)						
北京航天萬源新興能源科技有限公司 (附註(a))(note (a))	人民幣25,000,000元 RMB25,000,000	65	65	-	-	分銷風機產品 Distribution of wind turbine products
甘肅航天萬源風電設備製造有限公司 (附註(b))(note (b))	人民幣80,000,000元 RMB80,000,000	-	-	100	100	製造及分銷風機 Manufacture and distribution of wind turbine generators
鐵嶺航天萬源新能源開發有限公司 (附註(b))(note (b))	人民幣60,000,000元 RMB60,000,000	-	-	100	100	租賃物業 Rental of properties

44. 主要附屬公司、聯營公司及
合營企業資料(續)

44. PARTICULARS OF PRINCIPAL
SUBSIDIARIES, ASSOCIATES AND JOINT
VENTURES (Continued)

公司名稱 Name of company	已發行普通股本之 面值/註冊資本 Nominal value of issued ordinary share capital/ registered capital	股本權益之百分比				主要業務 Principal activities
		本公司持有		本集團應佔		
		Percentage of equity				
		held by the Company		attributable to the Group		
		2018	2017	2018	2017	
		%	%	%	%	
聯營公司						
Associates						
在中國註冊及經營:						
Registered and operating in the PRC:						
江蘇龍源風力發電有限公司(附註(a)) Jiangsu Longyuan Wind Power Co., Ltd. (note (a))	人民幣333,320,000元 RMB333,320,000	-	-	25	25	風場運營 Operation of wind farm
吉林龍源風力發電有限公司 (附註(a)、(d)) Jilin Longyuan Wind Power Co., Ltd. (note (a), (d))	人民幣438,200,000元 RMB438,200,000	-	-	15.35	15.35	風場運營 Operation of wind farm
航天閩箭新能源投資股份有限公司 (附註(b))(note (b))	人民幣150,000,000元 RMB150,000,000	-	-	20	20	風場運營 Operation of wind farm
無錫航天萬源新大力電機有限公司 (附註(a)) Wuxi CASC Energiner Xindali Co., Ltd. (note (a))	人民幣120,000,000元 RMB120,000,000	-	-	41.67	41.67	製造及分銷風機 Manufacture and distribution of wind turbine generators

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

44. 主要附屬公司、聯營公司及 合營企業資料 (續)

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

公司名稱 Name of company	已發行普通股本之 面值/註冊資本 Nominal value of issued ordinary share capital/ registered capital	股本權益之百分比 Percentage of equity				主要業務 Principal activities
		本公司持有 held by the Company		本集團應佔 attributable to the Group		
		2018 %	2017 %	2018 %	2017 %	
聯營公司 (續) Associates (Continued)						
在中國註冊及經營：(續) Registered and operating in the PRC: (Continued)						
蓋州航天萬源風力發電有限公司 (附註(a)) Gaizhou Energin Wind Power Co., Ltd. (note (a))	人民幣171,070,000元 RMB171,070,000	-	-	48.78	48.78	風場運營 Operation of wind farm
江蘇航天萬源科技有限公司 (附註(a)·(c))(note (a), (c))	人民幣70,000,000元 RMB70,000,000	-	-	37.14	37.14	製造及分銷升降機產品 Manufacture and distribution of elevator products
深圳航天通信(附註(b)) Shenzhen Aerospace Telecommunications (note (b))	人民幣56,000,000元 RMB56,000,000	-	-	49	不適用 N/A	製造及分銷電訊產品 Manufacture and distribution of telecommunication products

44. 主要附屬公司、聯營公司及合營企業資料(續)

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

公司名稱 Name of company	已發行普通股本之 面值/註冊資本 Nominal value of issued ordinary share capital/ registered capital	股本權益之百分比 Percentage of equity				主要業務 Principal activities
		本公司持有 held by the Company		本集團應佔 attributable to the Group		
		2018 %	2017 %	2018 %	2017 %	
合營企業 Joint ventures						
在中國註冊及經營: Registered and operating in the PRC:						
北京德爾福萬源發動機管理系統 有限公司(附註(a)·(e)) Beijing Delphi Wan Yuan Engine Management Systems Co., Ltd. (note (a), (e))	16,000,000美元 US\$16,000,000	—	—	49	49	製造汽車發動機管理系統 及部件 Manufacture of automotive engine management systems and components
內蒙古大唐萬源新能源有限公司 (附註(a)·(e))(note (a), (e))	人民幣92,610,000元 RMB92,610,000	—	—	49	49	風場運營 Operation of wind farm

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

44. 主要附屬公司、聯營公司及合營企業資料(續)

附註：

- (a) 於中國註冊之中外合資企業。
- (b) 於中國註冊之全外資企業。
- (c) 於2018年及2017年12月31日，本集團有權並已委任該實體董事會五名董事其中二名。因此，本公司董事認為，本集團對該實體有重大影響力，故該實體入賬為本集團擁有37.14%權益之聯營公司。
- (d) 於2018年及2017年12月31日，本集團有權並已委任該實體董事會九名董事其中兩名。因此，本公司董事認為本集團對該實體有重大影響力，故該公司入賬為本集團擁有15.35%權益之聯營公司。
- (e) 由於該實體相關業務之決策須由本集團及其他股東雙方協商後作出，故本公司董事認為彼等對該實體有共同控制權。
- # 該實體於2018年12月25日取消註冊。
- * 該實體的51%股權已於2018年12月29日出售，而該實體成為一間聯營公司(如附註43(a)所披露)

除於中國成立之公司外，本集團持有上述公司股份之類別為該等公司發行之普通股。

本公司董事認為，上表所載之本公司附屬公司、聯營公司及合營企業，乃影響本集團業績或資產之主要公司或為本集團資產淨額之主要部分。董事認為，詳列其他附屬公司及聯營公司之資料，將令本節過於冗長。

截至報告期末，附屬公司概無發行任何債務證券。

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Notes:

- (a) Sino-foreign joint entity enterprises registered in the PRC.
- (b) Wholly foreign-owned enterprises registered in the PRC.
- (c) The Group is entitled to appoint up to and has appointed two out of five directors to the board of directors of this entity as at 31 December 2018 and 2017. Hence, in the opinion of the directors of the Company, the Group has significant influence over the entity. Accordingly, the entity is accounted for a 37.14% owned associate of the Group.
- (d) The Group is entitled to appoint up to and has appointed two out of nine directors to the board of directors of this entity as at 31 December 2018 and 2017. Hence, in the opinion of the directors of the Company, the Group has significant influence over the entity. Accordingly, the company is accounted for as a 15.35% owned associate of the Group.
- (e) In the opinion of the directors of the Company, the Group and the other shareholders have joint control of the company because decisions on the relevant activities of the entity cannot be made without both parties agreeing.
- # The entity was deregistered on 25 December 2018
- * 51% equity interest of the entity was disposed of on 29 December 2018 and the entity became an associate as disclosed in note 43 (a)

Except for the companies established in the PRC, the classes of shares held by the Group in the above companies are ordinary shares issued by those companies.

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

None of the subsidiaries had issued any debt securities at the end of the reporting period.

44. 主要附屬公司、聯營公司及合營企業資料(續)

於2017年12月31日，本公司董事認為，非全資附屬公司之非控制性權益個別而言不屬重大。

下表載列本集團於2018年12月31日擁有重大非控股權益的非全資附屬公司之詳情：

附屬公司名稱 Name of subsidiary	成立及主要 經營業務地點 Place of establishment and principal place of business	本集團2018年 所佔股權百分比 Percentage of equity attributable to the Group 2018	2018年分配	2018年累計
			至非控股權益 的溢利(虧損) Profit (loss) allocated to non-controlling interests 2018	非控股權益 Accumulated non-controlling interests 2018
			千港元 HK\$'000	千港元 HK\$'000
		%		
航天龍源(本溪)風力發電有限公司(「龍源本溪」) Aerospace Long Yuan (Benxi) Wind Power Co., Ltd. ("Longyuan Benxi")	中國 PRC	55	912	51,802
持非控股權益而個別並不重大的附屬公司 Individually immaterial subsidiaries with non-controlling interests			(10,533)	1,302
			(9,621)	53,104

下文概列本集團具重大非控股權益附屬公司的財務資料。下文概述的財務資料為集團內公司間撇銷前金額。

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

As at 31 December 2017, in the opinion of the directors of the Company, the non-controlling interests of non-wholly owned subsidiaries are all individually not material.

The table below shows details of the non-wholly-owned subsidiary of the Group that has material non-controlling interests as at 31 December 2018:

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intergroup eliminations.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

44. 主要附屬公司、聯營公司及合營企業資料 (續)

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

龍源本溪

Longyuan Benxi

		2018 千港元 HK\$'000
流動資產	Current assets	30,847
非流動資產	Non-current assets	96,468
流動負債	Current liabilities	(3,069)
非流動負債	Non-current liabilities	(9,130)
龍源本溪擁有人應佔股權	Equity attributable to owners of Longyuan Benxi	63,314
龍源本溪非控股權益	Non-controlling interests of Longyuan Benxi	51,802

		截至2018年 12月31日 止年度 Year ended 31/12/2018 千港元 HK\$'000
收益	Revenue	25,438
年度溢利	Profit for the year	2,028
龍源本溪擁有人應佔年度溢利及全面收入總額	Profit and total comprehensive income for the year attributable to owners of Longyuan Benxi	1,116
龍源本溪非控股權益應佔年度溢利及全面收入總額	Profit and total comprehensive income for the year attributable to non-controlling interests of Longyuan Benxi	912
已付龍源本溪非控股權益的股息	Dividend paid to non-controlling interest of Longyuan Benxi	1,282

45. 本公司財務狀況表之資料

45. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

(a) 於報告期末本公司財務狀況表之資料包括：

(a) Information about the statement of financial position of the Company at the end of the reporting period includes:

		2018 千港元 HK\$'000	2017 千港元 HK\$'000
非流動資產	Non-current assets		
物業、廠房及設備	Property, plant and equipment	1,098	1,386
投資附屬公司	Investments in subsidiaries	402,415	1,398,727
應收附屬公司款	Amounts due from subsidiaries	158,502	158,502
		562,015	1,558,615
流動資產	Current assets		
其他應收款	Other receivables	1,790	2,651
應收附屬公司款	Amounts due from subsidiaries	36,109	471,315
銀行結餘及現金	Bank balances and cash	4,861	28,933
		42,760	502,899
流動負債	Current liabilities		
貿易及其他應付款	Trade and other payables	3,660	3,400
借貸	Borrowings	-	160,000
		3,660	163,400
流動資產淨額	Net current assets	39,100	339,499
資產淨額	Net assets	601,115	1,898,114
資本及儲備	Capital and reserves		
股本	Share capital	436,900	436,900
儲備	Reserves	164,215	1,461,214
權益總額	Total equity	601,115	1,898,114

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至2018年12月31日止年度

For the year ended 31 December 2018

45. 本公司財務狀況表之資料 (續)

45. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

(b) 於報告期末本公司儲備之資料包括：

(b) Information about the reserves of the Company at the end of the reporting period includes:

		股份溢價 Share premium 千港元 HK\$'000	特別儲備 Special reserve 千港元 HK\$'000	累計虧損 Accumulated losses 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於2017年1月1日	At 1 January 2017	2,732,397	86,971	(1,355,995)	1,463,373
本年度虧損及全面開支 總額	Loss and total comprehensive expense for the year	–	–	(2,159)	(2,159)
於2017年12月31日	At 31 December 2017	2,732,397	86,971	(1,358,154)	1,461,214
本年度虧損及全面開支 總額	Loss and total comprehensive expense for the year	–	–	(1,296,999)	(1,296,999)
於2018年12月31日	At 31 December 2018	2,732,397	86,971	(2,655,153)	164,215

財務資料摘要 FINANCIAL SUMMARY

截至12月31日止年度

Year ended 31 December

		2014	2015	2016	2017	2018
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
					(經重列)	
					(Restated)	
					(附註)	(附註)
					(Note)	(Note)
持續經營業務	Continuing operations					
營業額	Turnover	2,699,950	2,616,696	2,415,211	263,414	75,759
除稅前溢利(虧損)	Profit (loss) before taxation	94,280	74,854	94,131	(228,252)	(1,316,852)
稅項	Taxation	(1,296)	(2,701)	(12,367)	(5,165)	(580)
持續經營業務產生的	Profit (loss) for the year from					
本年度溢利(虧損)	continuing operations	92,984	72,153	81,764	(233,417)	(1,317,432)
已終止經營業務產生的	Loss for the year from					
本年度虧損	discontinued operation	–	–	(2,440)	(14,531)	(12,714)
本年度溢利(虧損)	Profit (loss) for the year	92,984	72,153	79,324	(247,948)	(1,330,146)

附註：電訊業務包括其業績，於2018年已分類為終止經營業務。2017年的業績已重新編列，與2018年之呈列方式一致。

Note: Included results of Telecommunication Business operation whereby its operation was classified as discontinued operation in 2018. The results of 2017 has been restated to conform to the presentation of 2018.

於12月31日

At 31 December

		2014	2015	2016	2017	2018
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
資產及負債	ASSETS AND LIABILITIES					
資產總值	Total assets	5,905,267	5,698,802	6,322,715	5,845,669	4,274,430
負債總值	Total liabilities	(3,564,538)	(3,449,874)	(4,112,552)	(3,744,791)	(3,571,273)
資產淨額	Net assets	2,340,729	2,248,928	2,210,163	2,100,878	703,157

詞彙表

GLOSSARY

「二零一九年股東周年大會」 “2019 AGM”	本公司於2019年5月31日(星期五)舉行的股東周年大會 the annual general meeting of the Company to be held on Friday, 31 May 2019
「年報」 “Annual Report”	本公司截至2018年12月31日止年度的年度報告 the annual report of the Company for the year ended 31 December 2018
「章程」 “Articles”	本公司組織章程(經不時修訂) the articles of association of the Company as amended from time to time
「Astrotech」 “Astrotech”	Astrotech Group Limited，於英屬維爾京群島註冊成立的有限公司並為火箭院全資附屬公司 Astrotech Group Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of CALT
「核數師」 “Auditor”	本公司外聘核數師德勤•關黃陳方會計師行 the external auditor of the Company, Messrs. Deloitte Touche Tohmatsu
「審核委員會」 “Audit Committee”	董事會審核委員會 the Audit Committee of the Board
「董事會」 “Board”	本公司董事會 the board of director(s) of the Company
「火箭院」 “CALT”	中國運載火箭技術研究院，於中國成立的公司，由本公司最終控股股東中國航天科技集團公司全資擁有 中國運載火箭技術研究院 (China Academy of Launch Vehicle Technology), a company established in the PRC which is wholly-owned by 中國航天科技集團公司 (China Aerospace Science and Technology Corporation), the ultimate controlling shareholder of the Company
「中航總」 “CASC”	中國航天科技集團公司，於中國成立的公司並為本公司最終控股股東 中國航天科技集團公司 (China Aerospace Science and Technology Corporation), a company established in the PRC and the ultimate controlling Shareholder of the Company
「本公司」 “Company”	China Enginert International (Holdings) Limited (中國航天萬源國際(集團)有限公司*)，於開曼群島註冊成立的有限公司，其證券於聯交所主板上市(股份代號：01185) China Enginert International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the Main Board of the Stock Exchange (Stock Code: 01185)

「公司法」 “Companies Law”	開曼群島公司法第22章（一九六一年第3號法例，經綜合及修改）（經不時修訂、補充及以其他方式作改動） The Companies Law (Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands) as amended, supplemented or otherwise modified from time to time
「企業管治守則」 “CG Code”	上市規則附錄十四所載企業管治守則 Corporate Governance Code set out in Appendix I4 of the Listing Rules
「中國」 “China” or “PRC”	中華人民共和國，僅就本年報而言，不包括香港、中華人民共和國澳門特別行政區及台灣 the People's Republic of China, excluding, for the purpose of this annual report only, Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
「董事」 “Director(s)”	本公司董事 director(s) of the Company
「ESG報告」 “ESG Report”	本公司環境、社會及管治報告 the environmental, social and governance report of the Company
「本集團」 “Group”, or “we” or “us”	本公司及其附屬公司 the Company and its subsidiaries
「港元」 “HK\$”	香港法定貨幣港元 Hong Kong dollars, the lawful currency of Hong Kong
「香港」 “Hong Kong”	中華人民共和國香港特別行政區 the Hong Kong Special Administrative Region of the People's Republic of China
「內蒙複料」 “IM Composite Material”	內蒙古航天萬源複合材料有限公司，於中國內蒙古烏蘭察布成立且本公司持有56.41%權益的附屬公司 內蒙古航天萬源複合材料有限公司（Inner Mongolia CASC Energin Composite Material Co. Ltd.），a subsidiary of the Company as to 56.41% equity established in Ulanqab City, Inner Mongolia, the PRC
「內蒙新能源」 “IM New Energy”	內蒙古航天萬源新能源開發有限公司，本公司於中國內蒙古烏蘭察布成立的全資附屬公司 內蒙古航天萬源新能源開發有限公司（Inner Mongolia Energin New Energy Development Co. Ltd.），a wholly-owned subsidiary of the Company established in Ulanqab City, Inner Mongolia, the PRC

詞彙表 GLOSSARY

「上市規則」 “Listing Rules”	香港聯合交易所有限公司證券上市規則 the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
「標準守則」 “Model Code”	上市規則附錄十所載上市發行人董事進行證券交易的標準守則 Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules
「提名委員會」 “Nomination Committee”	董事會提名委員會 the Nomination Committee of the Board
「薪酬委員會」 “Remuneration Committee”	董事會薪酬委員會 the Remuneration Committee of the Board
「報告期」 “Reporting Period”	截至二零一八年十二月三十一日止年度 the year ended 31 December 2018
「人民幣」 “RMB” or “Renminbi”	中國法定貨幣 the lawful currency of the PRC
「證券及期貨條例」 “SFO”	香港法例第571章證券及期貨條例(經不時修訂、補充或以其他方式修改) the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
「股份」 “Share(s)”	本公司股本中每股面值0.10港元的股份 share(s) of HK\$0.10 each in the share capital of the Company
「股東」 “Shareholder(s)”	股份持有人 the holder(s) of Shares
「聯交所」 “Stock Exchange”	香港聯合交易所有限公司 The Stock Exchange of Hong Kong Limited

* 僅供識別

* for identification purposes only



**CHINA
ENERGINE**

From Engine to New Energy

CHINA ENERGINE INTERNATIONAL (HOLDINGS) LIMITED

中國航天萬源國際(集團)有限公司*

Tel 電話 : (852) 2586 1185
Fax 傳真 : (852) 2531 0088
Email 電郵 : energine@energine.hk
Website 網址 : <http://www.energine.hk>

Suite 4701, 47th Floor, Central Plaza,
18 Harbour Road, Wanchai, Hong Kong
香港灣仔港灣道18號中環廣場47樓4701室