



**CHINA ORIENTAL GROUP COMPANY LIMITED**  
**中國東方集團控股有限公司\***

(Incorporated in Bermuda with limited liability) (在百慕達註冊成立的有限公司)  
(Stock Code: 581) (股份代號: 581)



ANNUAL REPORT 年報 **2018**

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# Financial Highlights 財務摘要

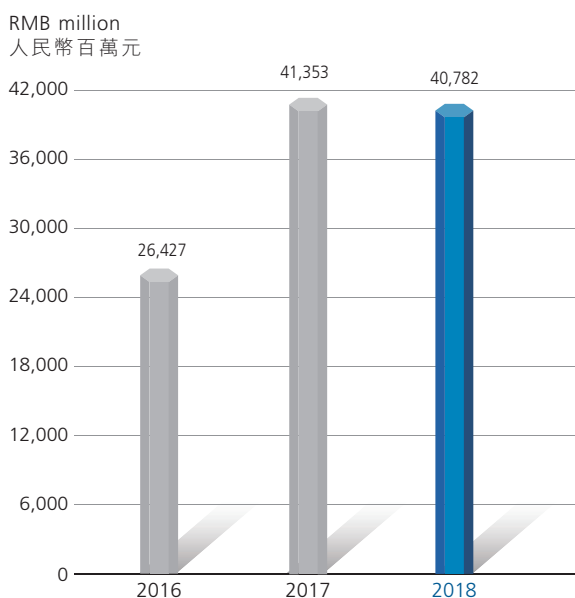
## FINANCIAL SUMMARY

		財務摘要		
		2016	2017	2018
		(RMB million)	(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)	(人民幣百萬元)
Revenue	收入	26,427	41,353	<b>40,782</b>
Gross Profit	毛利	2,674	7,292	<b>6,791</b>
EBITDA <sup>1</sup>	扣除所得稅、財務淨(成本)/ 收入、折舊及攤銷前溢利 <sup>1</sup>	3,022	7,474	<b>7,619</b>
Profit before income tax	除所得稅前溢利	1,055	6,408	<b>6,299</b>
Profit for the year	年度溢利	531	4,883	<b>4,861</b>
Profit attributable to owners of the Company	本公司權益持有者 應佔溢利	722	4,839	<b>4,782</b>
Basic earnings per Share (RMB)	每股基本收益 (人民幣元)	0.25	1.39	<b>1.31</b>
Net Assets	淨資產值	9,365	14,105	<b>17,682</b>
Total Assets	總資產	21,049	24,405	<b>29,609</b>
Net Assets value per Share (excluding non-controlling interests) (RMB)	每股淨資產值 (豁除非控制性權益) (人民幣元)	3.16	3.94	<b>4.68</b>

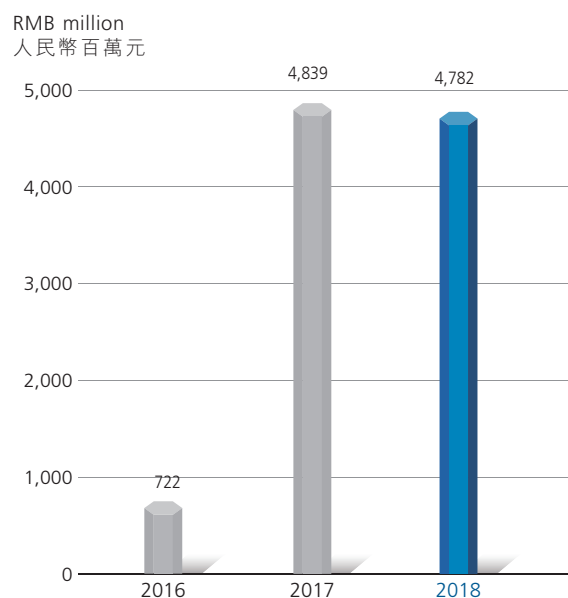
1 China Oriental Group Company Limited (the “Company”) defines EBITDA as profit for the year before finance (costs)/income – net, income tax expense, amortisation of intangible assets, amortisation of leasehold land and land use rights, depreciation and non-recurring items. Non-recurring items for the year ended 31 December 2018 included approximately RMB 34 million (2017 and 2016: nil) as impairment loss on investment in an associate.

1 中國東方集團控股有限公司(「本公司」)對EBITDA的定義為扣除財務淨(成本)/收入、所得稅費用、無形資產攤銷、租賃土地及土地使用權攤銷、折舊及非經常發生的項目前之年度溢利。於截至2018年12月31日止年度內，非經常發生的項目包括約人民幣3,400萬元(2017年及2016年:無)作為於一間聯營公司之投資減值損。

**Revenue**  
收入



**Profit attributable to owners of the Company**  
本公司權益持有者應佔溢利



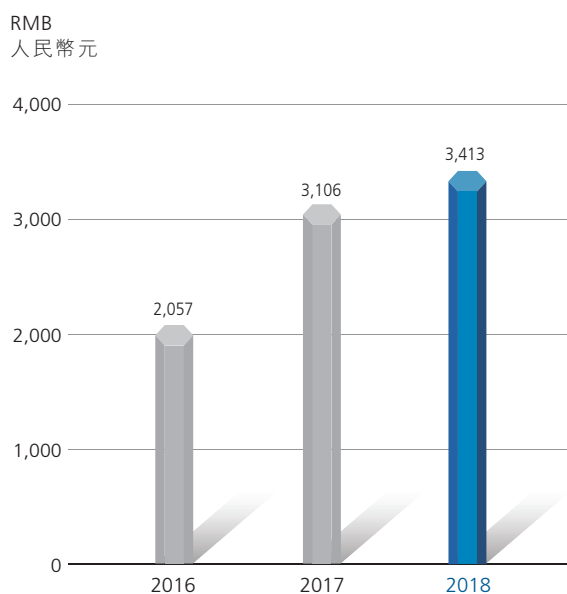
## Financial Highlights 財務摘要

### AVERAGE SELLING PRICE AND GROSS PROFIT PER TONNE OF SELF-MANUFACTURED STEEL PRODUCTS

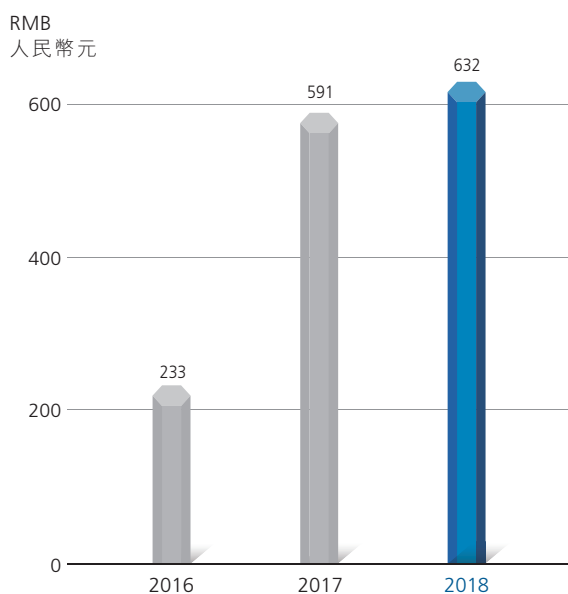
### 自行生產的鋼鐵產品每噸平均銷售單價與毛利

		2016 (RMB) (人民幣元)	2017 (RMB) (人民幣元)	2018 (RMB) (人民幣元)
Average Selling Price per Tonne	每噸平均銷售單價	2,057	3,106	<b>3,413</b>
Gross Profit per Tonne	每噸毛利			
H-section steel products	H型鋼產品	258	579	<b>609</b>
Strips and strip products	帶鋼及帶鋼類產品	319	666	<b>681</b>
Billets	鋼坯	49	352	<b>287</b>
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	205	111	<b>91</b>
Rebar	螺紋鋼	127	682	<b>728</b>
Sheet piling	鋼板樁	321	641	<b>624</b>
Combined	綜合	233	591	<b>632</b>

**Average Selling Price per Tonne**  
每噸平均銷售單價



**Gross Profit per Tonne**  
每噸毛利



## Financial Highlights 財務摘要

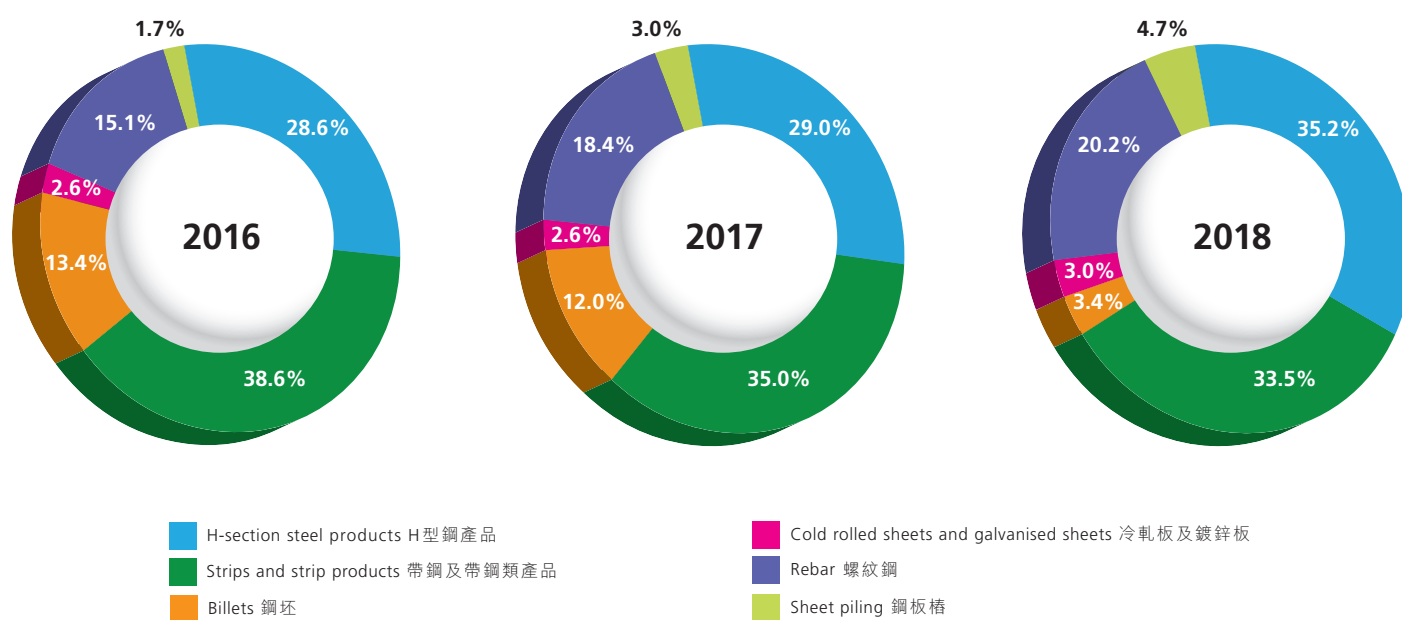
### SALES VOLUME OF SELF-MANUFACTURED STEEL PRODUCTS CLASSIFIED BY PRODUCTS

### 自行生產的鋼鐵產品按產品種類劃分之銷售量

		2016 (‘000 tonnes) (千噸)	2017 (‘000 tonnes) (千噸)	2018 (‘000 tonnes) (千噸)
H-section steel products	H型鋼產品	3,247	3,413	<b>3,675</b>
Strips and strip products	帶鋼及帶鋼類產品	4,381	4,111	<b>3,505</b>
Billets	鋼坯	1,526	1,407	<b>360</b>
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	291	306	<b>310</b>
Rebar	螺紋鋼	1,712	2,158	<b>2,109</b>
Sheet piling	鋼板樁	200	359	<b>494</b>
Total	合計	11,357	11,754	<b>10,453</b>

### Sales Distribution of Self-manufactured Steel Products

### 自行生產的鋼鐵產品的銷售分佈



## BOARD OF DIRECTORS

### Executive Directors

Mr. Han Jingyuan (*Chairman and Chief Executive Officer*)

Mr. Zhu Jun

(*Executive Deputy General Manager and Chief Operating Officer*)

Mr. Shen Xiaoling

Mr. Zhu Hao

Mr. Han Li

(*Deputy General Manager and Chief Financial Officer*)

### Non-executive Director

Mr. Ondra Otradovec

### Independent Non-executive Directors

Mr. Wong Man Chung, Francis

Mr. Wang Tianyi

Mr. Wang Bing

## COMPOSITION OF BOARD COMMITTEE

### AUDIT COMMITTEE

Mr. Wong Man Chung, Francis (*Chairman*)

Mr. Wang Tianyi

Mr. Wang Bing

### NOMINATION COMMITTEE

Mr. Han Jingyuan (*Chairman*)

Mr. Wong Man Chung, Francis

Mr. Wang Tianyi

Mr. Wang Bing

## 董事局

### 執行董事

韓敬遠先生 (*董事局主席兼首席執行官*)

朱軍先生

(*常務副總經理兼首席運營官*)

沈曉玲先生

朱浩先生

韓力先生

(*副總經理兼首席財務官*)

### 非執行董事

Ondra Otradovec 先生

### 獨立非執行董事

黃文宗先生

王天義先生

王冰先生

## 董事局委員會架構

### 審核委員會

黃文宗先生 (*主席*)

王天義先生

王冰先生

### 提名委員會

韓敬遠先生 (*主席*)

黃文宗先生

王天義先生

王冰先生

## Corporate Information 公司資料

### REMUNERATION COMMITTEE

Mr. Wong Man Chung, Francis (*Chairman*)  
Mr. Han Jingyuan  
Mr. Wang Tianyi  
Mr. Wang Bing

### AUTHORISED REPRESENTATIVE

Mr. Zhu Hao  
Mr. Lam Pak Kan

### COMPANY SECRETARY

Mr. Lam Pak Kan

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 901-2 & 10, 9<sup>th</sup> floor, Great Eagle Centre  
23 Harbour Road  
Wanchai, Hong Kong

### BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited

### 薪酬委員會

黃文宗先生(主席)  
韓敬遠先生  
王天義先生  
王冰先生

### 授權代表

朱浩先生  
林柏勤先生

### 公司秘書

林柏勤先生

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### 香港主要營業地點

香港灣仔  
港灣道23號  
鷹君中心9樓901-2及10室

### 百慕達主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited

## Corporate Information 公司資料

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

### AUDITOR

PricewaterhouseCoopers

### COMPANY'S WEBSITE

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

### LIST OF PRINCIPAL BANKERS (IN ALPHABETICAL ORDERS)

ABN AMRO  
Agricultural Bank of China  
Bank of Cangzhou  
Bank of Chengde  
Bank of Communications  
Bank of Hebei  
Bank of Tangshan  
China Construction Bank  
China Minsheng Bank  
Hang Seng Bank  
Industrial and Commercial Bank of China  
ING Bank N.V.  
Rabobank

### 股份過戶登記處香港分處

卓佳證券登記有限公司

### 核數師

羅兵咸永道會計師事務所

### 公司網址

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

### 主要往來銀行(按英文次序排列)

荷蘭銀行  
中國農業銀行  
滄州銀行  
承德銀行  
交通銀行  
河北銀行  
唐山銀行  
中國建設銀行  
民生銀行  
恆生銀行  
中國工商銀行  
ING Bank N.V.  
荷蘭合作銀行



# Chairman's Statement 主席報告

## REVIEW OF YEAR 2018

### OPERATING ENVIRONMENT

Looking back 2018, it remained full of opportunities for the PRC iron and steel industry and the industry sustained the recovery of 2017. Despite the steel prices and profits decreased during the fourth quarter of 2018, overall it stayed positive throughout the year. Under the Chinese Government's "Supply-Side-Reform" Policy, together with the backdrop of implementation of multiple environmental protection policies including the winter production restriction policy, as well as the proactive prevention of the resurrection of "Sub-Standard Steel" and the strict prohibition of the new iron and steel production capacity, etc. of the Chinese Government, it promoted sustainability of the prosperous development of iron and steel industry. Even though the steel price remained volatile during the year and the occurrence of trade disputes in the international markets (particularly between China and the United States), the domestic infrastructure construction and the real estate development investment, etc. still strived to stay stable and positive, resulting in the inventory of the iron and steel industry continually remained at a relatively low level and the supply and demand of the industry also maintained in a relatively strained situation. These factors led to structural reform of the steel industry and increase in average steel price comparing with that of the last year. At the same time, benefited from the structural reform of the supply and demand of the industry, increase in raw material prices was relatively moderate. Hence, despite of the prices and profits of steel have been lowered since mid-November, the overall gross profit and net profit of the iron and steel industry significantly increased comparing with that of the last year.

## 2018 年回顧

### 經營環境

回顧 2018 年，中國鋼鐵行業仍然是充滿機遇及行業延續了自 2017 年的復甦。雖然鋼材價格及利潤於 2018 年的第 4 季度有所回落，但整體全年保持正面。在中國政府推行「供給側改革」政策，加上多項環保政策（包括冬季限產）實施的背景，以及中國政府積極防範「地條鋼」死灰復燃、嚴禁新增鋼鐵產能等，都促使鋼鐵行業維持蓬勃的發展。縱然鋼材價格於年內維持波動，國際市場（尤其中國與美國間）出現貿易磨擦，但國內基礎設施建設及房地產開發投資等仍能保持平穩正面，使鋼鐵行業的庫存持續維持在較低水平，以致行業的供求一直維持比較緊張的局面。這些因素都造成鋼鐵行業的結構性改革以及鋼鐵的平均價格較去年上升。與此同時，受惠於行業供求的結構性改革，原材料的價格上升相對平緩。因此，縱使自 11 月中鋼材價格及利潤下調，鋼鐵行業的整體毛利及淨利潤仍較去年得以顯著增長。

**EBITDA of the Group for the year reached approximately RMB 7.62 billion.**

本年度的本集團扣除所得稅、財務淨成本、折舊及攤銷前溢利達到約人民幣 76.2 億元。





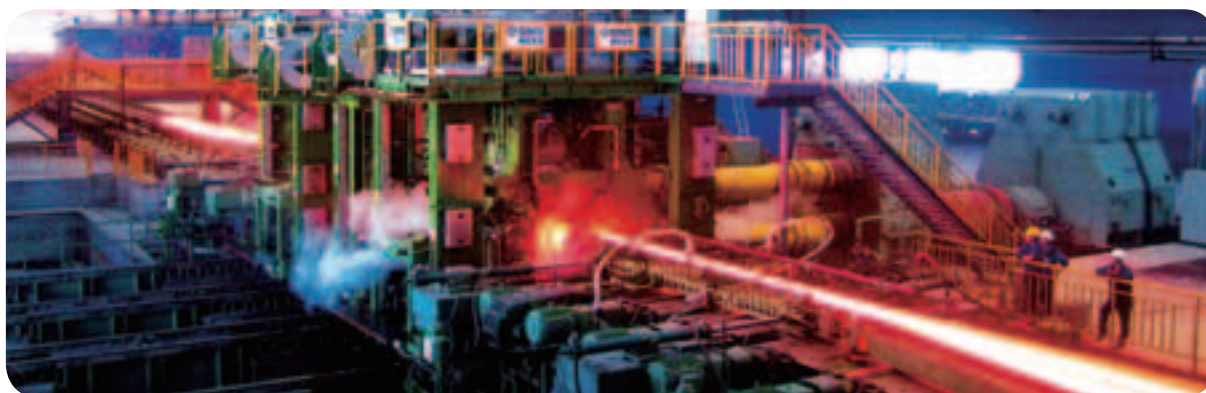
### OPERATING ENVIRONMENT *(continued)*

With this background, the Group through continuously and proactively conforming with the Chinese Government policies, persistently pursuing efficiency enhancement and cost control as well as implementing environmental protection equipment upgrades, etc., enhanced the profit margin and sustainability. At the same time, under the regularisation of environmental protection production restrictions in Tangshan City, the Group faced up to various levels of production restriction throughout the year leading to production could not be carried out at maximum efficiency. Further, according to the future development plan of the iron and steel manufacturing industry in Tangshan City announced by the Government of Tangshan City, it was anticipated that the Government of Tangshan City may require enterprises to complete shutdown of all the blast furnaces with capacity of 1,000 cubic meters or below and all the converter furnaces with capacity of 100 tonnes or below by

### 經營環境(續)

在此背景下，本集團繼續積極配合中國政府政策、持續進行效率提升及成本控制以至推行環保設備升級等，從而提升利潤率及可持續性。與此同時，面對唐山市環保限產常規化，本集團整年均面對不同程度之限產，令生產無法以最佳效益進行。再者，根據唐山市政府已公佈的唐山市鋼鐵製造業之未來發展計劃，預期唐山市政府可能要求企業在2020年完成關停所有1,000立方米或以下容積的高爐及所有100噸或以下容積的轉爐，因此，本集團之若干生產設備需要調整折舊年限而於2018年額外產生約人





### OPERATING ENVIRONMENT (continued)

2020. Hence, certain production equipment of the Group would require adjustment of the remaining life of depreciation and would additionally incur depreciation expenses of approximately RMB 217 million in 2018. On the other hand, the Group has recorded reversal of impairment on other receivable of RMB 234 million mainly due to successful recovery of a previously impaired other receivable. As a consequence, the annual results of the Group slightly decreased comparing with that of last year. The revenue was approximately RMB 40.8 billion for the year ended 31 December 2018, representing a decrease of approximately 1.4% as compared with the last year. Comparing with last year, the average selling price of self-manufactured iron and steel products increased by approximately 9.9% to approximately RMB 3,413 per tonne, and due to the aforesaid factors the gross profit of self-manufactured iron and steel products decreased by approximately 5.0% to approximately RMB 6.60 billion, and the profit of the Group for the period still reached approximately RMB 4.86 billion, representing a slight decrease of approximately 0.5% over the profit of RMB 4.88 billion of last year. EBITDA of the Group, adjusted for non-recurring items, further increased from RMB 7.47 billion of last year to approximately RMB 7.62 billion. Basic earnings per share reached RMB 1.31 per share (2017: RMB 1.39 per share).

In February 2018, Hebei Jinxi Iron and Steel Group Company Limited (“**Jinxi Limited**”), the Group’s 97.6% indirect non-wholly owned subsidiary, was elected by the Government of Tangshan City as one of the three leading iron and steel enterprises. Furthermore, the Company was elected by Hang Seng Indexes Company Limited as the constituent of Hang Seng Composite LargeCap & MidCap Indexes, taking effect on 10 September 2018. In July 2018, the Company was also ranked the 181<sup>st</sup> in the top 2018 Fortune China 500 companies.

Based on the operating results of 2018 and the Group’s future development need, as well as for sharing of the outstanding results of the Group with the shareholders of the Company (“**Shareholder(s)**”), the Board proposed a distribution of 2018 final dividend of HK\$ 0.11 per ordinary share and special dividend of HK\$ 0.07 per ordinary share.

### 經營環境(續)

人民幣2.17億元之折舊費用。另一方面，本集團主要因成功回收一項過去已作減值的其他應收款而錄得人民幣2.34億元的其他應收款之減值撥回。因此，本集團的年度業績較去年輕微回落。於截至2018年12月31日止年度錄得收入約人民幣408億元，較去年減少約1.4%。與去年相比，自行生產鋼鐵產品的平均銷售單價上升約9.9%至每噸約人民幣3,413元，自行生產鋼鐵產品的毛利則受上述因素影響減少約5.0%至約人民幣66.0億元，而本集團期內溢利仍達到約人民幣48.6億元，較去年人民幣48.8億元的溢利輕微減少約0.5%。集團年內的扣除財務成本、所得稅、折舊及攤銷前溢利(經調整非經常性項目後)，從去年的人民幣74.7億元進一步增加至約人民幣76.2億元，每股基本收益達到人民幣1.31元(2017年：每股人民幣1.39元)。

於2018年2月，本集團擁有97.6%權益之間接非全資附屬公司河北津西鋼鐵集團股份有限公司(「**津西鋼鐵**」)獲唐山市政府選為三家鋼鐵龍頭企業之一。此外，本公司獲恒生指數有限公司加入成為恒生綜合大中型股指數成份股，由2018年9月10日起生效。於2018年7月，本公司亦獲選為2018年《財富》中國500強排行榜中第181位。

基於2018年經營業績和本集團未來發展的需要，以及為與本公司股東們(「**股東(們)**」)分享本集團優秀業績的成果，董事局建議派發2018年末期股息每股普通股0.11港元及特別股息每股普通股0.07港元。



### OPERATING ENVIRONMENT (continued)

With respect to the steel business, the Group continued to invest substantially to and endeavored to enhance the competitiveness and economic efficiency of its products as well as environmental protection. These efforts include improving production facilities to enhance efficiency, developing diversified and high-end products, increasing the proportion of products with high added-value and investing in various projects to reduce emissions. The Group's section steel production volume had been leading nationwide since 2009, and it continually participated in drafting the country's section steel standards. The Group made its first investment in an upgrading project for the rolling production line of sheet piling and ultra-large H-section steel products since 2016. It formally began normal production in the second quarter of 2018, and completed development of various sheet piling products with new specifications. At the same time, through conducting benchmarking analysis with overseas and nationwide corporations, the Group continuously optimised product quality and production techniques, with multiple key technical indicators maintained at the forefront position nationwide. In addition, the Group has also been investing in its production facilities, energy recycling management and control and environmental protection emission reduction equipment, etc., for reducing energy consumption in the iron and steel production process as well as satisfying new emission requirements. A number of environmental protection projects have been completed during the year, including all the processes such as sintering, iron making, steel making and steel rolling in line with ultra-low emission standards, further fulfilling the social responsibility.

On 25 June 2018, the Group entered into an agreement to sell the entire issued share capital of the Tianjin Oriental Jiangtian Section Steel Sales Company Limited\* (天津市東方江天型鋼銷售有限公司) ("Oriental Jiangtian") at a consideration of RMB 10 million to Tianjin Jiangtian Section Steel Company Limited\* (天津市江天型鋼有限公司) and Tianjin Tianzhong Giant Heavy Industry Co., Ltd.\* (天津市天重江天重工有限公司) (the "Disposal"), in order to realise its interest in Oriental Jiangtian and re-allocate its resources to other operations.



### 經營環境(續)

就鋼鐵業務而言，本集團持續投放大量資源並致力提高產品的競爭力及經濟效益以至環境保護，這些努力包括改善生產設備以提高效能、開發多元化及高端產品、加大高附加值產品比例及投入多種項目以減低排放。本集團之型鋼產量自2009年起一直位列全國領導位置，並且一直參與起草國家的型鋼標準。本集團自2016年開始投資鋼板樁及超大H型鋼產品軋制生產線升級項目，已於2018年第2季正式投入正常生產，並完成開發多個新規格之鋼板樁產品。同時，本集團亦通過與海外及全國企業進行對標分析，持續不斷優化產品質量及生產技術，多項關鍵技術指標保持在全國前列位置。此外，本集團亦繼續投放資源在其生產設施、能源回收管理控制及環保減排設備等，以減低在生產鋼鐵過程中的能源消耗及符合新的排放規定。於年內已完成多項環保項目，包括燒結、煉鐵、煉鋼及軋鋼等所有工序均符合超低排放標準，進一步履行社會責任。

於2018年6月25日，本集團訂立協議以人民幣1,000萬元出售天津市東方江天型鋼銷售有限公司(「東方江天」)之所有已發行股本予天津市江天型鋼有限公司及天津市天重江天重工有限公司(「該出售事項」)，以變現在東方江天的權益，及重新分配其資源予其他營運業務。隨著

# Chairman's Statement 主席報告

## OPERATING ENVIRONMENT (continued)

Following completion of the Disposal and through continuous optimisation of the production efficiency in previous years, the annual steelmaking capacity of the Group still maintained at approximately 11 million tonnes. In addition, in November 2018, the Group acquired 60% share capital of Beijing SBS Architectural Design Co., Ltd. (北京賽博思建築設計有限公司) (“**Beijing SBS**”) which specialised in steel structure design at a consideration of RMB 50 million to realise the extension of the industry chain to downstream. During 2018, the Group sold approximately 3.68 million tonnes of self-manufactured H-section steel products, and kept securing its leading position in the H-section steel market of the Mainland China.

With respect to the real estate business, the Group was dedicated in promoting green structural development construction apart from developing traditional real estate projects. The on-going sales and delivery of the Donghu Bay project in Tangshan City, the commercial and office projects of Xintiandi and the Meishu Hall project in Suzhou in 2018 recorded a stable revenue and profit contribution, which will facilitate the stable development of the real estate business of the Group. During 2018, the Group recorded a revenue and operating profit from its real estate business of approximately RMB 0.19 billion and RMB 56 million respectively.

In 2018, the revenue and gross loss arising from trading of steel products and iron ore of the Group were approximately RMB 3.67 billion (2017: approximately RMB 2.82 billion) and approximately RMB 27 million (2017: gross profit of approximately RMB 129 million) respectively.

In order to diversify its business, the Group has also set up Dongfang Jingyuan Electron Limited and its related subsidiaries to develop core technologies for semiconductor chip design and manufacturing process optimisation/equipment. Since 2017, the Group obtained grant from the Chinese Government and will continue to explore the development potential of this project.

Finally, with the substantial growth of the results of the Group, the Board would like to take this opportunity to express the heartfelt gratitude to the shareholders of the Company for the continuous support, as well as appreciation to the staffs for the dedication and contribution. The Company will diligently create greater value for its shareholders.

## 經營環境(續)

完成該出售事項後，並透過歷年不斷優化生產效率，本集團的鋼材年產能仍保持在約1,100萬噸的水平。此外，於2018年11月，本集團以人民幣5,000萬元收購專精於鋼結構設計的北京賽博思建築設計有限公司(「北京賽博思」)之60%股權，實現產業鏈延伸至下游。於2018年內，本集團共銷售自行生產的H型鋼產品約368萬噸，繼續穩佔中國H型鋼市場的領導者地位。

就房地產業務而言，本集團除發展傳統地產項目外，亦致力推動使用綠色結構發展建築。本集團位於唐山市的東湖灣項目、蘇州的新天地之商業和辦公室項目及美墅館項目於2018年內繼續銷售及交付，並錄得穩定的收入及溢利貢獻，這將有助本集團房地產業務的穩定發展。於2018年內，本集團錄得房地產業務收入及營運溢利分別約人民幣1.9億元及人民幣5,600萬元。

於2018年內，本集團的鋼鐵產品及鐵礦石貿易帶來的收入和毛虧分別為約人民幣36.7億元(2017年：約人民幣28.2億元)及約人民幣2,700萬元(2017年：毛利約人民幣1.29億元)。

為使本集團業務多元化，本集團亦設立了東方晶源微電子科技(北京)有限公司及相關附屬公司，以開發半導體晶片設計及製造工序優化／設備的核心技術。自2017年開始，本集團已獲得中國政府對該項目的資助，並將繼續探索其發展潛力。

最後，董事局希望藉此機會，就本集團取得優秀業績，對本公司股東們一如既往的支持表示衷心感謝，也對全體員工的努力付出和貢獻表示謝意，本公司將持續不懈為股東們創造更大價值。

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

## BUSINESS REVIEW

Sales analysis on self-manufactured steel products

### Sales Volume

In 2018, the total sales volume was 10,453,000 tonnes (2017: 11,754,000 tonnes), representing a decrease of approximately 11.1%.

The sales volume breakdown during the year was as follows:

		<b>2018</b>		2017		Changes in
		<b>Sales volume</b>		Sales volume		Sales volume
		<b>銷售量</b>		銷售量		銷售量變化
		<b>('000 tonnes)</b>		('000 tonnes)		Increase/ (Decrease)
		<b>(千噸)</b>		(千噸)		增加/(減少)
H-section steel products	H型鋼產品	<b>3,675</b>	<b>35.2%</b>	3,413	29.0%	7.7%
Strips and strip products	帶鋼及帶鋼類產品	<b>3,505</b>	<b>33.5%</b>	4,111	35.0%	(14.7%)
Billets	鋼坯	<b>360</b>	<b>3.4%</b>	1,407	12.0%	(74.4%)
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	<b>310</b>	<b>3.0%</b>	306	2.6%	1.3%
Rebar	螺紋鋼	<b>2,109</b>	<b>20.2%</b>	2,158	18.4%	(2.3%)
Sheet piling	鋼板樁	<b>494</b>	<b>4.7%</b>	359	3.0%	37.6%
<b>Total</b>	<b>合計</b>	<b>10,453</b>	<b>100%</b>	11,754	100%	(11.1%)

During the year of 2018, the Group's production capacity was approximately 11 million tonnes per annum.

## 業績回顧

自行生產的鋼鐵產品之銷售分析

### 銷售量

2018年總銷售量為10,453,000噸(2017年：11,754,000噸)，減少約11.1%。

於有關年度銷售量明細如下：

於2018年年度內，本集團的年產能約1,100萬噸。

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

## BUSINESS REVIEW (continued)

### Sales analysis on self-manufactured steel products (continued)

#### Revenue

Revenue in 2018 was RMB 35,679 million (2017: RMB 36,504 million), representing a decrease of approximately 2.3%. Export to foreign countries contributed revenue of RMB 290 million (2017: RMB 923 million), representing approximately 0.8% (2017: 2.5%) of revenue from sales of self-manufactured steel products.

The sales breakdown and average selling price by product (excluding value added tax) during the year were as follows:

		2018		2017		Changes	
		Revenue	Average selling price	Revenue	Average selling price	Revenue	Average selling price
		收入	平均銷售單價	收入	平均銷售單價	收入	平均銷售單價
		(RMB million)	(RMB/tonne)	(RMB million)	(RMB/tonne)	Increase/(Decrease)	
		(人民幣百萬元)	(人民幣元/噸)	(人民幣百萬元)	(人民幣元/噸)	增加/(減少)	
H-section steel products	H型鋼產品	12,392	3,371	10,673	3,127	16.1%	7.8%
Strips and strip products	帶鋼及帶鋼類產品	11,527	3,289	12,454	3,030	(7.4%)	8.5%
Billets	鋼坯	1,113	3,087	3,954	2,810	(71.9%)	9.9%
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	1,390	4,482	1,239	4,049	12.2%	10.7%
Rebar	螺紋鋼	7,296	3,459	6,801	3,151	7.3%	9.8%
Sheet piling	鋼板樁	1,961	3,973	1,383	3,847	41.8%	3.3%
Total/combined	合計/綜合	35,679	3,413	36,504	3,106	(2.3%)	9.9%

The decrease in revenue from self-manufactured steel products was primarily due to a decrease in the sales volume of the Group's products by 11.1% to approximately 10.5 million tonnes in 2018 from approximately 11.8 million tonnes in 2017, but partially offset by increase in average selling price. The increase in average selling price and decrease in sales volume of the Group's products were mainly due to the improved supply and demand in the PRC steel industry under the policy of reduction of overcapacity, the reduced output volume under various environmental protection production restriction policy and the disposal of Oriental Jiangtian during 2018.

## 業績回顧(續)

### 自行生產的鋼鐵產品之銷售分析(續)

#### 收入

2018年收入為人民幣356.79億元(2017年:人民幣365.04億元),減少約2.3%。出口至海外國家貢獻的收入為人民幣2.90億元(2017年:人民幣9.23億元),佔自行生產的鋼鐵產品之銷售收入約0.8%(2017年:2.5%)。

年內產品的銷售明細及平均銷售單價(不含增值稅)如下:

自行生產的鋼鐵產品收入減少主要由於本集團產品銷量由2017年約1,180萬噸減少11.1%至2018年約1,050萬噸,但部份由平均銷售單價上升所抵銷。本集團產品平均銷售單價增加及銷售量減少主要由於在2018年中國鋼鐵行業在減低產能過剩的政策下供求關係改善、多項環保限產政策下產量減少及東方江天的出售所致。

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

## BUSINESS REVIEW (continued)

Sales analysis on self-manufactured steel products (continued)

### Cost of Sales and Gross Profit

The consolidated gross profit in 2018 was RMB 6,602 million (2017: RMB 6,946 million), representing a decrease of approximately 5.0%.

Average unit cost per tonne, gross profit per tonne and gross profit margin during the year were as follows:

		2018			2017		
		Average	Gross	Gross	Average	Gross	Gross
		unit cost	profit	profit	unit cost	profit	profit
		平均	每噸毛利	毛利率	平均	每噸毛利	毛利率
		成本單價	每噸毛利	毛利率	成本單價	每噸毛利	毛利率
		(RMB/tonne)	(RMB)	(RMB/tonne)	(RMB/tonne)	(RMB)	(RMB/tonne)
		(人民幣元/噸)	(人民幣元)	(人民幣元/噸)	(人民幣元/噸)	(人民幣元)	(人民幣元/噸)
H-section steel products	H型鋼產品	2,762	609	18.1%	2,548	579	18.5%
Strips and strip products	帶鋼及帶鋼類產品	2,608	681	20.7%	2,364	666	22.0%
Billets	鋼坯	2,800	287	9.3%	2,458	352	12.5%
Cold rolled sheets and galvanised sheets	冷軋板及鍍鋅板	4,391	91	2.0%	3,938	111	2.7%
Rebar	螺紋鋼	2,731	728	21.0%	2,469	682	21.6%
Sheet piling	鋼板樁	3,349	624	15.7%	3,206	641	16.7%
Combined	綜合	2,781	632	18.5%	2,515	591	19.0%

In 2018, gross profit per tonne of the Group's products increased to RMB 632 from RMB 591 in 2017, reflecting an increase of 6.9%. In 2018, gross profit margin decreased to 18.5% from 19.0% in 2017. The decrease in gross profit margin was primarily due to the increase in the average unit cost greater than the increase in the average selling price and decrease in sales volume of the Group's steel products in 2018.

## 業績回顧(續)

自行生產的鋼鐵產品之銷售分析(續)

### 銷售成本及毛利

2018年的合併毛利為人民幣66.02億元(2017年：人民幣69.46億元)，減少約5.0%。

於有關年度每噸平均成本單價、每噸毛利及毛利率如下：

於2018年，本集團產品的每噸毛利由2017年的人民幣591元增加至人民幣632元，增加6.9%。於2018年，毛利率由2017年的19.0%下降至18.5%。毛利率減少主要是因為2018年本集團鋼鐵產品的平均成本單價上升大於平均銷售單價上升幅度及銷售量減少。



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

## **BUSINESS REVIEW** *(continued)*

### Property Development

For the year ended 31 December 2018, the revenue from real estate business of the Group amounted to approximately RMB 194 million. The gross floor area of properties delivered was 19,710 m<sup>2</sup>. The average selling price of properties delivered was approximately RMB 9,900 per m<sup>2</sup>.

As at 31 December 2018, the Group had no project under construction.

## 業績回顧 *(續)*

### 房地產開發

截至2018年12月31日止年度，本集團房地產業務收入約人民幣1.94億元，已交付物業的建築面積為19,710平方米。已交付物業的平均售價為每平方米約人民幣9,900元。

於2018年12月31日，本集團沒有在建項目。

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

## FINANCIAL REVIEW

### Future Prospects

Looking into 2019, it is expected that the steel prices will continue to fluctuate, the steel industry's supply and demand will remain in relatively strained situation, and the overall of which shall be positive. According to press release issued by the National Development and Reform Commission of the People's Republic of China ("NDRC"), China had completed reduction of steel production capacity by approximately 30 million tonnes in 2018, and in addition with the completed steel production capacity cut of 115 million tonnes in 2016 and 2017, the goal in net reduction of crude steel production capacity by 100 million to 150 million tonnes during 2016 to 2020 set in the "Adjustment and Upgrading Plan for the Iron and Steel Industry (2016-2020)" was basically accomplished two years ahead. Moreover, the Hebei Provincial Government also published "Steel Industry Capacity Cut Work Proposal of Hebei Province (2018-2020)" and the work report of the Government of Hebei Province, which targeted that the Hebei Province will reduce iron and steel production capacity by approximately 14 million tonnes and 20 million tonnes in 2019 and 2020 respectively, and the steel production capacity of the whole province will be controlled within 200 million tonnes by the end of 2020. In addition, China's environmental protection production restriction policy has gradually become regularised. With multiple environmental protection policies at different levels, including the "Notice for Winning Three-Year Blue Sky Battle Action Plan" issued by the State Council of the PRC ("**State Council**"), the "Air Pollution Prevention and Control Action Plan in Beijing, Tianjin, Hebei and Surrounding Regions for 2018-2019 Autumn and Winter Seasons" issued by the Ministry of Ecology and Environment of the PRC, etc., as well as the various environmental protection policies of the local governments, these will result in achieving better environmental emission standards and limiting the production volume of various industries, including the iron and steel industry, and will also continuously bring along structural reform for China's iron and steel industry. According to the "Opinion on resolving the overcapacity and overcoming difficulties and achieving development for the iron and steel industry" issued by the State Council, it is expected that the work focus of supply-side structural reform of the iron and steel industry will steer from resolving overcapacity to optimising structure of the existing production capacity, layout adjustment and mergers and acquisitions starting

## 財務回顧

### 未來展望

展望2019年，預期鋼材價格將仍然波動，鋼鐵行業將維持供求偏緊的情況，整體上仍屬正面。按中國國家發展和改革委員會(「發改委」)發放的新聞信息，中國於2018年完成減低鋼鐵產能約3,000萬噸，加上於2016年及2017年，中國已完成鋼鐵去產能1.15億噸，已提前兩年基本完成《鋼鐵工業調整升級規劃(2016-2020年)》中於2016年至2020年粗鋼產能淨減少1億噸至1.5億噸的目標。此外，河北省政府亦刊發了《河北省鋼鐵行業去產能工作方案(2018-2020)》及河北省政府工作報告，當中訂立河北省將於2019年及2020年目標分別壓減鋼鐵產能約1,400萬噸及約2,000萬噸，至2020年年底全省鋼鐵產能控制在2億噸以內的目標。另一方面，中國的環保限產政策逐漸常規化。多項不同級別的環保政策，包括由中國國務院(「國務院」)刊發的《打贏藍天保衛戰三年行動計劃的通知》及中華人民共和國生態環境部刊發的《京津冀及周邊地區2018-2019年秋冬季大氣污染綜合治理攻堅行動方案》等，以至各地地方政府種種環保政策，都致使達成更佳之環保排放標準及限制各種行業，包括鋼鐵行業之產量，為中國鋼鐵行業持續帶來結構性改革。按國務院刊發的《關於鋼鐵行業化解過剩產能實現脫困發展的意見》，預料2019年及以後鋼鐵行業供給側結構性改革的工作重點將會從化解過剩產能轉向至現有產能結構優化、佈局調整和併購重組。與此同時，面對中美貿易磨擦及經濟增速放緩的風險，國務院已於2019年1月提前下達本年度的人民幣1.39萬億元地方政府新增債務限額。這將有

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

## FINANCIAL REVIEW (continued)

### Future Prospects (continued)

from 2019. At the meantime, confronting with the China-US trade disputes and the risk of slowdown in the economic growth, in January 2019 the State Council has promulgated in advance the local government new debt limit of RMB 1.39 trillion for the current year. This will facilitate promoting the growth in investment of infrastructure projects bringing stable demand for the iron and steel industry, balancing the impact of the international trade disputes leading to possibly weakening the demand for iron and steel products of real estate and other downstream industries. To summarise, despite the international environment and economy are unstable and uncertain, it is expected that the overall iron and steel industry will stay positive throughout the year.

Under such backdrop, the Group will proactively follow the Chinese Government's policies, and plan to maintain its competitiveness and gain a prominent position in the industry by continuously improving the production efficiency and cost, developing and increasing the high value-added products, expanding its market share, enhancing internal management and optimising the utilisation of internal resources as well as continuously improving the environmental protection facilities etc.. Since 2018, the Group has promoted the management optimisation work of "extreme thinking, data analysis, display board pushing forward and continuous improvement" at the grass-roots level, expecting further enhancing management and reducing cost. Moreover, in November 2018, the Group acquired 60% share capital of Beijing SBS which is a well-known steel structure design company in China specialising in steel structure design. The Group expects through integrating with steel structure design to achieve direct processing section steel into steel structure components, expanding into assembled steel structure construction industry as well as realising the extension of the industry chain to the downstream.

The Group plans the capital expenditure for 2019 would include payment for the balance of the project completed last year, blast furnace overhaul, equipment transformation and upsizing and general capital expenditure, etc.. The Group expects to complete the equipment transformation and upsizing by the end of 2020, among which, mainly replacing blast furnace(s) with capacity of 1,000 cubic

## 財務回顧(續)

### 未來展望(續)

助推動基礎設施項目投資增長，為鋼鐵行業帶來穩定的需求，平衡國際貿易磨擦以至房地產及其他下游行業對鋼鐵產品需求有可能轉弱的影響。綜合以上，縱然國際環境及經濟帶有不穩定及不明朗因素，預料全年整體鋼鐵行業仍將維持正面。

在此背景下，本集團將繼續積極跟隨中國政府政策，並計劃透過持續改善生產效率及成本、開發及增加高附加值產品、拓展市場份額、加強內部管理及優化內部資源運用和持續提升環保設備等以維持其競爭力，並爭取行業中前列的位置。從2018年開始，本集團於基層推動「極限思維、數據分析、看板推進、持續改善」的管理優化工作，希望進一步強化管理及減省成本。此外，於2018年11月，本集團已收購專精於鋼結構設計的北京賽博思之60%股權，北京賽博思為中國國內知名的鋼結構設計企業。本集團期望透過與鋼結構設計結合以達至直接將型鋼加工成鋼結構零部件，拓展裝配式鋼結構建築產業及實現產業鏈延伸至下游。

本集團計劃2019年的資本開支包括支付去年已完成之工程餘額、高爐大修、裝備改造大型化及一般資本開支等。本集團預期於2020年年底前完成裝備改造大型化，當中主要分別把1,000立方米或以

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

## FINANCIAL REVIEW (continued)

### Future Prospects (continued)

meters or below and converter furnace(s) with capacity of 100 tonnes or below with blast furnace(s) with capacity of approximately 2,000 cubic meters and converter furnace(s) with capacity of approximately 150 tonnes respectively. This is still subject to the negotiation and confirmation with government and is expected the production volume of iron and steel would be approximately 10 million tonnes for both 2019 and 2020. Currently, the Group retains a relatively larger amount of cash and resources within the Group in order to cope with the future development needs. The Group is considering a wide variety of possibilities, including proactive study of equipment transformation and upsizing, horizontal and vertical corporate mergers and acquisitions as well as setting up new plants, etc., so as to achieve sustainable development. At the same time, the Group will also from time to time evaluate to increase the dividends distributions in appropriate circumstances to reward the shareholders of the Company for their support to the Group.

Since its listing in 2004, the Group has been continuously expanding its business as well as diversifying its iron and steel product categories and business portfolio. During the last 15 years (since being listed), the Group's overall iron and steel production capacity has increased to approximately 11.0 million tonnes per annum from approximately 3.1 million tonnes per annum at the time of the listing. Categories of the steel products include H-section steel, sheet piling, strips and strip products, billets, cold rolled sheets as well as galvanised sheets and rebars. The Group is continuously developing products of different series and specifications to meet the market needs. Moreover, the H-section steel products manufactured by the Group maintain its leading position in China. The Group will continue to develop its business towards the direction of the largest base for section steel production in the world, and to explore the industry's expansion through upstream and downstream integration in order to become a sizable enterprise with distinctive products. The Group will strive to take the full advantage of the current solid financial condition and efficient management to intensify the continuous development of the Group and to maximise the value of its shareholders.

## 財務回顧(續)

### 未來展望(續)

下容積的高爐及100噸或以下容積的轉爐分別置換成約2,000立方米容積的高爐及約150噸容積的轉爐。這仍待與政府磋商及落實，並預料2019年及2020年的鋼鐵產量均約1,000萬噸。本集團目前保留較多現金及資源於集團內，以應付未來發展需要。本集團正在考慮多方面的可能性，包括積極研究裝備改造大型化、橫向及縱向的企業併購以及建立新廠房等，以達致可持續的發展。同時，本集團亦將不時評估在合適的情況下增加股息分派，以回饋本公司股東們對本集團的支持。

本集團自2004年上市以來，不斷擴展其業務規模並擴闊鋼鐵產品種類和業務組合。在過去15年間(自上市以來)，本集團的整體鋼鐵年產能已由上市時的約310萬噸提升至現時約1,100萬噸。鋼材產品種類包括：H型鋼、鋼板樁、帶鋼及帶鋼類產品、鋼坯、冷軋板及鍍鋅板和螺紋鋼。本集團不斷開發不同系列及規格的產品以迎合市場需要。此外，由本集團生產的H型鋼產品在中國大陸保持著領先的地位。本集團的業務將繼續朝著世界最大型的型鋼生產基地方向發展，探索在本行業實行上、下游伸延，以成為具規模且帶有產品特色的企業。本集團將致力有效運用其現有的穩健財政狀況和高效的管理模式，推動本集團的持續發展，以實現股東價值最大化。

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

## FINANCIAL REVIEW (continued)

### Liquidity and Financial Resources

In order to sustain a stable financial status, the Group closely monitors its liquidity and financial resources.

As at 31 December 2018, the Group had unutilised banking facilities of approximately RMB 4.7 billion (2017: RMB 2.0 billion).

As at 31 December 2018, the current ratio of the Group, representing current assets divided by current liabilities, was 1.6 (2017: 1.5) and the gearing ratio, representing total liabilities divided by total assets, was 40.3% (2017: 42.2%).

As at 31 December 2018, the cash and cash equivalents of the Group amounted to approximately RMB 2,845 million (2017: approximately RMB 2,766 million).

After considering its cash and cash equivalents as well as the banking facilities currently available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for general business expansion and development.

### Capital Structure

As at 31 December 2018, borrowings of RMB 1,485 million of the Group bore fixed interest rates ranged from 2.96% to 6.01% per annum and borrowings of RMB 1,280 million of the Group bore floating rates ranged from 4.75% to 8.00% per annum. The Group's exposure to changes in market interest rates was considered to be limited. The Group also entered into certain foreign currency and interest rate swap contracts to manage its exposure to foreign currency exchange rates and interest rates fluctuation. As at 31 December 2018, the notional amounts of these derivative instruments amounted to approximately RMB 196 million.

The Group monitors its capital on the basis of the debt-to-capital ratio. This ratio is calculated as total debt divided by total capital. Total debt includes current and non-current borrowings, other long-term payables and loans from related parties. The Group regards its non-current borrowings and its equity attributable to owners of the Company as its total capital. As at 31 December 2018, the debt-to-capital ratio of the Group was 15.9% (2017: 16.9%).

## 財務回顧(續)

### 資金流動性及財務資源

本集團密切監察資金流動性及財政資源，以保持穩健的財政狀況。

於2018年12月31日，本集團的未使用銀行授信額度為約人民幣47億元(2017年：人民幣20億元)。

於2018年12月31日，本集團的流動比率(流動資產除以流動負債)為1.6倍(2017年：1.5倍)及資產負債比率(總負債除以總資產)為40.3%(2017年：42.2%)。

於2018年12月31日，本集團的現金及現金等價物為約人民幣28.45億元(2017年：約人民幣27.66億元)。

考慮目前本集團所持有之現金及現金等價物及現時可用銀行授信額度後，相信本集團擁有充足的資金應付未來之業務運作及一般業務擴充和發展之資金需要。

### 資本結構

於2018年12月31日，本集團的人民幣14.85億元的借款為年利率介乎2.96%至6.01%的固定利率，而本集團的人民幣12.80億元的借款為年利率介乎4.75%至8.00%的浮動利率。本集團對市場利率變化的風險被認為屬有限。本集團亦已訂定若干外幣及利率掉期合約以管理外幣匯率及利率波動的風險，於2018年12月31日，該等衍生工具之名義總額為約人民幣1.96億元。

本集團根據債項與資本比率監察資本狀況。該比率為債項總額除以總資本，而債項總額包括流動及非流動借款、其他長期應付賬款及關聯方貸款。本集團將其非流動借款及歸屬於本公司權益持有者的權益視為本集團的總資本。於2018年12月31日，本集團的債項與資本比率為15.9%(2017年：16.9%)。

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

## FINANCIAL REVIEW (continued)

### Capital Structure (continued)

The consolidated interest expenses and capitalised interest in 2018 amounted to RMB 146 million (2017: RMB 101 million). The interest coverage (divide profit for the year before finance (costs)/income – net and income tax expense by total interest expenses) was 43.9 times (2017: 63.4 times).

### Commitments

As at 31 December 2018, the Group had total commitments of RMB 2,195 million (2017: RMB 1,025 million). It is estimated the commitments will be financed by the Group's internal resources and unutilised banking facilities.

### Guarantee and Contingent Liabilities

As at 31 December 2018, the Group had no contingent liabilities (2017: nil).

### Pledge of Assets

As at 31 December 2018, the net book value of the Group's leasehold land and land use rights amounting to approximately RMB 53 million (2017: RMB 54 million), property, plant and equipment amounting to approximately RMB 645 million (2017: RMB 859 million), inventories amounting to approximately RMB 34 million (2017: approximately RMB 74 million), notes receivable amounting to approximately RMB 146 million (2017: approximately RMB 307 million), structured bank deposits amounting to RMB 1,000 million (2017: nil) and restricted bank balances amounting to approximately RMB 528 million (2017: approximately RMB 417 million) had been pledged as securities for the Group's notes payable issuing, banking borrowings and letters of credit issuing.

## 財務回顧(續)

### 資本結構(續)

2018年合併利息支出及資本化利息共人民幣1.46億元(2017年：人民幣1.01億元)。利息盈利倍數(扣除財務淨(成本)／收入及所得稅支出前之年度溢利除以總利息支出)為43.9倍(2017年：63.4倍)。

### 承擔

於2018年12月31日，本集團的總承擔為人民幣21.95億元(2017年：人民幣10.25億元)。此承擔預計將由本集團內部資源及可用銀行授信額度作為融資。

### 擔保及或然負債

於2018年12月31日，本集團沒有或然負債(2017年：無)。

### 資產抵押

於2018年12月31日，本集團賬面淨值約人民幣5,300萬元(2017年：人民幣5,400萬元)的租賃土地及土地使用權、約人民幣6.45億元(2017年：人民幣8.59億元)的物業、廠房及設備、約人民幣3,400萬元(2017年：約人民幣7,400萬元)的存貨、約人民幣1.46億元(2017年：約人民幣3.07億元)的應收票據、人民幣10億元(2017年：零)的結構性銀行存款及約人民幣5.28億元(2017年：約人民幣4.17億元)的受限制銀行結餘，已為本集團發出的應付票據、銀行借款及開具信用證作抵押。

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

## FINANCIAL REVIEW (continued)

### Exchange Risks

Foreign exchange risk is the risk to the Group's financial conditions and results of operations arising from movements of foreign exchange rates. The Group mainly operates in the Mainland China with most of the transactions denominated and settled in RMB. The Group's foreign exchange risk primarily arises from the procurement of iron ores and the relevant products from overseas suppliers, which is denominated and settled in USD. Foreign exchange rates fluctuate in reaction to the macro-economic performance of different countries and fund flows between countries arising from trade or capital commitments. In view of the continuous fluctuation of the RMB exchange rate against USD, during the year ended 31 December 2018, the Group has entered into certain foreign currency forward contracts so as to reduce the impact of the volatility of the RMB exchange rate against USD. The Group also reviewed and rearranged its monetary assets to mitigate the impact from the change of RMB to USD exchange rate.

### Iron Ore Swaps

In view of the continuous fluctuation of iron ore price in 2018, the Group has been cautious in entering into iron ore swap contracts so as to reduce the risk of potential negative impact of the iron ore swap contracts.

### Dividend

The Board proposed a final dividend of HK\$ 405.2 million (approximately RMB 344.7 million), representing HK\$ 0.11 per ordinary share and a special dividend of HK\$ 262.5 million (approximately RMB 223.4 million), representing HK\$ 0.07 per ordinary share in respect of the year ended 31 December 2018 to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on Friday, 19 July 2019. The final dividend and special dividend, payable on or around Tuesday, 6 August 2019 are subject to approval of the shareholders of the Company at the forthcoming Annual General Meeting of the Company (the "AGM") to be held on Monday, 3 June 2019.

## 財務回顧(續)

### 匯率風險

外匯風險指匯率變動對本集團財務狀況及營運業績構成之風險。本集團主要在中國大陸境內經營，大多數交易均以人民幣計值及結算。本集團之外匯風險主要由於向海外供應商購入鐵礦石和相關產品均以美元計值及結算。匯率波動受不同國家宏觀經濟表現以及貿易或資本動向帶來國家之間資金流動所影響。鑒於人民幣兌美元匯率持續波動，截至2018年12月31日止年度，本集團已訂立若干外幣遠期合約，以減低人民幣兌美元匯率波動的影響。本集團亦已審核及重新調配其貨幣資產以減低人民幣兌美元匯率變動產生的影響。

### 鐵礦石掉期

鑒於2018年鐵礦石價格持續波動，為了降低鐵礦石掉期合約的潛在負面影響的風險，本集團已謹慎訂立鐵礦石掉期合約。

### 股息

就有關截至2018年12月31日止年度，董事局建議向在2019年7月19日(星期五)辦公時間結束時名列於本公司股東名冊上之本公司股東派發末期股息4.052億港元(約人民幣3.447億元)(即每股普通股0.11港元)及特別股息2.625億港元(約人民幣2.234億元)(即每股普通股0.07港元)。末期股息及特別股息須待將於2019年6月3日(星期一)舉行應屆的本公司之股東週年大會(「股東週年大會」)上獲股東批准後方可作實，並將於2019年8月6日(星期二)或前後支付。

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

## FINANCIAL REVIEW (continued)

### Post Balance Sheet Events

Save as disclosed in this report, there are no events to cause material impact on the Group from the balance sheet date to the date of this report that should be disclosed.

Reference is made to the announcement of the Company dated 16 January 2019, Jinxi Limited acquired 14,500,000 shares, representing 29% of the total issued share capital of Hebei Jinxi Iron and Steel Group Zhengda Iron and Steel Company Limited, a subsidiary of the Group, from the minority shareholders at a cash consideration of RMB 14.5 million and acquired iron and steel production capacity of 0.6 million tonnes from Energy Consumption and Production Capacity Exchange of Tangshan City\* (唐山市能源消費和產能交易中心) at a cash consideration of RMB 892.4 million respectively.

### Litigation

As disclosed in the announcements of the Company dated 27 January 2017, 19 May 2017 and 29 May 2017, on 19 May 2017, the Company received an originating summons (the “**Summons**”) filed by ArcelorMittal and ArcelorMittal Holdings AG as the plaintiffs (collectively, the “**Plaintiffs**”) under an action number HCMP 1163 of 2017 in the Court of First Instance of the High Court of Hong Kong Special Administrative Region of the PRC (the “**Court**”) against (i) the Company; (ii) Mr. Han Jingyuan; (iii) Mr. Han Li; (iv) Mr. Zhu Jun; (v) Mr. Shen Xiaoling; (vi) Mr. Zhu Hao; (vii) Mr. Wong Man Chung, Francis; (viii) Mr. Wang Tianyi; and (ix) Mr. Wang Bing as defendants (collectively, the “**Defendants**”). Defendants (ii) – (ix) are Directors. Pursuant to the Summons, the Plaintiffs applied to the Court for an order pursuant to section 740 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) that the Defendants disclose and allow inspection of certain documents relating to the completion of placing of the shares of the Company on 27 January 2017 (the “**Placing**”) (the “**Plaintiffs’ Application**”).

## 財務回顧(續)

### 結算日後事項

除本報告披露外，自結算日後至本報告日期止期間，並無發生須予披露之重大影響本集團的事項。

參照日期為2019年1月16日之本公司公告，津西鋼鐵分別以現金代價款人民幣1,450萬元向河北津西鋼鐵集團正達鋼鐵有限公司(本集團的一間附屬公司)的小股東們收購14,500,000股股份，佔其已發行總股本的29%及以現金代價款人民幣8.924億元向唐山市能源消費和產能交易中心收購60萬噸的鋼鐵產能。

### 訴訟

誠如日期為2017年1月27日、2017年5月19日及2017年5月29日之本公司公告所披露，於2017年5月19日，本公司接獲ArcelorMittal及ArcelorMittal Holdings AG為原告(統稱「該等原告」)入稟中國香港特別行政區高等法院原訟法庭(「該法庭」)向(i)本公司；(ii)韓敬遠先生；(iii)韓力先生；(iv)朱軍先生；(v)沈曉玲先生；(vi)朱浩先生；(vii)黃文宗先生；(viii)王天義先生；及(ix)王冰先生為被告(統稱「該等被告」)的一張原訴傳票(「該傳票」，訴訟編號2017年HCMP 1163)。該等被告(ii)-(ix)為董事們。根據該傳票，該等原告已向該法庭申請一項根據公司條例(香港法例第622章)第740條的命令要求該等被告披露及給予檢查若干有關於2017年1月27日完成配售股份(「該配售」)的文件(「該等原告之申請」)。



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

## FINANCIAL REVIEW (continued)

### Litigation (continued)

The Directors (other than Mr. Ondra Otradovec) would like to emphasise to the shareholders of the Company and investors that the Placing, the restoration of the public float so as to avoid a delisting of the Company's shares and the resumption of trading of the Company's Shares at 9:00 a.m. on Wednesday, 1 February 2017 was conducted in the best interests of the Company and its shareholders as a whole, and any claim to the contrary is without merit and groundless. The Directors (other than Mr. Ondra Otradovec) will vigorously defend against any action that is founded on the basis that the Directors (other than Mr. Ondra Otradovec) did not act properly and in the best interest of the Company and its shareholders as a whole.

On 14 March 2018 hearing was held in the Court. On 14 September 2018, the Court dismissed the Plaintiffs' Application and handed down the judgment, in which the Court found that the Plaintiffs' Application was without merits. Therefore, the Company is not required to disclose and allow inspection of documents as specified in the Plaintiffs' Application. Furthermore, the Court made a cost order nisi that the Plaintiffs shall pay the costs of the Defendants in relation to the Plaintiffs' Application forthwith.

## 財務回顧(續)

### 訴訟(續)

董事們(不包括Ondra Otradovec先生)在此向本公司股東及投資者強調，該配售、恢復公眾持股量致使避免本公司之股份除牌及本公司的股份於2017年2月1日(星期三)上午9時正起恢復買賣是為本公司及其股東之整體最佳利益進行，而任何相反的指控都是毫無根據和憑空的。董事們(不包括Ondra Otradovec先生)將竭力抗辯就任何對董事們(不包括Ondra Otradovec先生)基於行事不當及沒有為本公司及其股東之整體最佳利益行事的指控。

於2018年3月14日，聆訊已於該法庭舉行。於2018年9月14日，該法庭已駁回該等原告之申請並作出裁決，其中該法庭已認定該等原告之申請為沒有法律依據，因此，本公司無須根據該等原告之申請內所規定披露及允許檢查文件，再者，該法庭已作出暫准訟費命令以要求該等原告須立刻支付該等被告有關該等原告之申請的訟費。

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

## FINANCIAL REVIEW (continued)

## 財務回顧(續)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

按公允價值計量且其變動計入損益表之金融資產

As at 31 December 2018, the Group held financial assets at fair value through profit or loss of approximately RMB 6,810 million, particulars of which are set out below:

於2018年12月31日，本集團持有的按公允價值計量且其變動計入損益表之金融資產約人民幣68.10億元，其中詳情載列如下：

### Money Market Funds

### 貨幣市場基金

Name of the financial assets	金融資產名稱	Number of	Investment	Fair value	Total amount	Total amount	Realised	Unrealised
		units held	cost as at	as at	of purchase(s)	of disposal(s)	investment	investment
		as at	31 December	31 December	made during	made during	income/(loss)	income/(loss)
		31 December	31 December	31 December	the year ended	the year ended	for the	for the
		2018	2018	2018	31 December	31 December	year ended	year ended
		2018	2018	2018	2018	2018	2018	2018
		於2018年	於2018年	於2018年	於截至2018年	於截至2018年	截至2018年	截至2018年
		12月31日	12月31日	12月31日	12月31日	12月31日	12月31日	12月31日
		持有之	之投資成本	之公允價值	止年度內購入	止年度內出售	止年度已變現	止年度未變現
		單位數量	(RMB'000)	(RMB'000)	之總金額	之總金額	的投資收入/	的投資收入/
		('000)	(人民幣千元)	(人民幣千元)	(RMB'000)	(RMB'000)	(虧損)	(虧損)
		(千)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)
<b>Harvest Fund Management Company Limited</b>	<b>嘉實基金管理有限公司</b>							
Harvest Express Monetary Market Fund*	嘉實快錢貨幣市場基金	1,031,672	1,031,672	1,032,020	2,630,872	(2,100,484)	29,729	348
Harvest HuoQiBao Monetary Market Fund*	嘉實活期寶貨幣市場基金	82,030	82,030	82,030	864,250	(950,780)	11,944	-
Harvest ZengYiBao Monetary Market Fund*	嘉實增益寶貨幣市場基金	-	-	-	84,070	(205,859)	2,070	-
Harvest Monetary Market Fund*	嘉實貨幣市場基金	226,035	226,035	226,129	669,482	(453,518)	7,394	93
<b>Bosera Asset Management Company Limited</b>	<b>博時基金管理有限公司</b>							
Bosera Hehui Money Market Fund	博時合惠貨幣市場基金	102,826	102,826	102,826	203,485	(100,659)	3,506	-
Bosera Cash Pot Money Market Fund	博時現金寶貨幣市場基金	590,064	590,064	590,064	669,429	(79,365)	15,800	-
Bosera Security Cash Pot Money Market Fund	博時外服貨幣市場基金	-	-	-	6,026	(6,026)	26	-
Bosera Heli Money Market Fund	博時合利貨幣市場基金	-	-	-	130,519	(130,519)	819	-
Bosera Cash Income Money Market Securities Investment Fund	博時現金收益證券投資基金	-	-	-	170,300	(170,300)	1,298	-
Others	其他	-	-	-	33,987	(33,987)	94	-

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

## FINANCIAL REVIEW (continued)

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(continued)

Money Market Funds (continued)

## 財務回顧(續)

按公允價值計量且其變動計入損益表之  
金融資產(續)

貨幣市場基金(續)

Name of the financial assets	金融資產名稱	Number of units held as at 31 December 2018	Investment cost as at 31 December 2018	Fair value as at 31 December 2018	Total amount of purchase(s) made during the year ended 31 December 2018	Total amount of disposal(s) made during the year ended 31 December 2018	Realised investment income/(loss) for the year ended 31 December 2018	Unrealised investment income/(loss) for the year ended 31 December 2018
					於截至2018年12月31日止年度內購入之總金額	於截至2018年12月31日止年度內出售之總金額	截至2018年12月31日止年度已變現的投資收入/(虧損)	截至2018年12月31日止年度未變現的投資收入/(虧損)
		單位數量	之投資成本	之公允價值	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
		(千)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)
<b>China Minsheng Banking Corp., Ltd.</b>	<b>中國民生銀行股份有限公司</b>							
GuangFa Monetary Market Fund*	廣發貨幣市場基金	-	-	-	162,823	(162,823)	2,823	-
GuangFa TianTianLi Monetary Market Fund*	廣發天天利貨幣市場基金	-	-	-	25,505	(25,505)	505	-
Minsheng JiaYin Cash ZengLi Monetary Market Fund*	民生加銀現金增利貨幣市場基金	509	509	510	102,509	(102,000)	2,509	1
HuaBao Cash Pot Monetary Market Fund*	華寶現金寶貨幣市場基金	50,963	50,963	50,963	463,963	(413,000)	2,963	-
Minsheng JiaYin Cash Pot Monetary Market Fund*	民生加銀現金寶貨幣市場基金	56,265	56,265	56,265	56,265	-	1,665	-
China Southern Cash ZengLi Fund*	南方現金增利基金	178	178	178	61,178	(61,000)	1,179	-
China Southern Income Pot Monetary Market Fund*	南方收益寶貨幣市場基金	-	-	-	4,212	(4,212)	212	-
China Southern TianTianLi Monetary Market Fund*	南方天天利貨幣市場基金	40,245	40,245	40,245	121,245	(81,000)	1,245	-
HuaXia Cash ZengLi Securities Investment Fund*	華夏現金增利證券投資基金	-	-	-	20,335	(20,335)	338	-
Bosera Cash Pot Money Market Fund	博時現金寶貨幣市場基金	4,145	4,145	4,145	5,145	(1,000)	145	-
Harvest Monetary Market Fund*	嘉實貨幣市場基金	2,257	2,257	2,257	41,257	(39,000)	257	-
Others	其他	-	-	-	50,482	(50,482)	543	-

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

## FINANCIAL REVIEW (continued)

## 財務回顧(續)

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(continued)

按公允價值計量且其變動計入損益表之  
金融資產(續)

Money Market Funds (continued)

貨幣市場基金(續)

Name of the financial assets	金融資產名稱	Number of units held as at 31 December 2018	Investment cost as at 31 December 2018	Fair value as at 31 December 2018	Total amount of purchase(s) made during the year ended 31 December 2018	Total amount of disposal(s) made during the year ended 31 December 2018	Realised investment income/(loss) for the year ended 31 December 2018	Unrealised investment income/(loss) for the year ended 31 December 2018
							截至2018年12月31日止年度已變現的投資收入/(虧損)	截至2018年12月31日止年度未變現的投資收入/(虧損)
		於2018年12月31日持有之單位數量 ('000) (千)	於2018年12月31日之投資成本 (RMB'000) (人民幣千元)	於2018年12月31日之公允價值 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內購入之總金額 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內出售之總金額 (RMB'000) (人民幣千元)	(RMB'000) (人民幣千元)	(RMB'000) (人民幣千元)
<b>China Construction Bank Corporation</b>	<b>中國建設銀行股份有限公司</b>							
CCB Principal Profit Raise Money Market Fund	建信現金添利貨幣市場基金	3,462	3,462	3,462	49,462	(48,700)	236	-
E Fund Day Cash Income Money Market Fund*	易方達天天增利貨幣市場基金	5,016	5,016	5,016	5,071	(43,055)	71	-
<b>Bank of Communications Co., Ltd.</b>	<b>交通銀行股份有限公司</b>							
HuaBao Cash Pot Money Market Fund*	華寶現金寶貨幣市場基金	61,267	61,267	61,267	278,669	(217,402)	1,468	-
Aegon-Industrial Monetary Market Securities Investment Fund*	興全貨幣市場證券投資基金	60,790	60,790	60,790	372,054	(311,264)	2,054	-
GuangFa TianTianLi Monetary Market Fund*	廣發天天利貨幣市場基金	2	2	2	100,447	(100,445)	447	-
E Fund Swift Wealth Management Money Market Fund	易方達財富快線貨幣市場基金	2,879	2,879	2,879	966,578	(963,699)	5,978	-
E Fund Day Wealth Management Money Market Fund	易方達天天理財貨幣市場基金	174	174	174	290,213	(290,039)	1,113	-
Fullgoal Listed Money Market Fund	富國收益寶交易型貨幣市場基金	978	978	978	47,386	(46,408)	386	-
China Southern TianTianLi Monetary Market Fund*	南方天天利貨幣市場基金	169,327	169,327	169,327	441,493	(272,166)	6,633	-
China Universal Money Market Fund*	匯添富貨幣市場基金	403,212	403,212	404,073	967,469	(564,257)	4,579	861

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

## FINANCIAL REVIEW (continued)

## 財務回顧(續)

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(continued)

按公允價值計量且其變動計入損益表之  
金融資產(續)

Money Market Funds (continued)

貨幣市場基金(續)

Name of the financial assets	金融資產名稱	Number of	Investment	Fair value	Total amount	Total amount	Realised	Unrealised
		units held as at 31 December 2018	cost as at 31 December 2018	as at 31 December 2018	of purchase(s) made during the year ended 31 December 2018	of disposal(s) made during the year ended 31 December 2018	investment income/(loss) for the year ended 31 December 2018	investment income/(loss) for the year ended 31 December 2018
		於2018年 12月31日 持有之 單位數量 ('000) (千)	於2018年 12月31日 之投資成本 (RMB'000) (人民幣千元)	於2018年 12月31日 之公允價值 (RMB'000) (人民幣千元)	於截至2018年 12月31日 止年度內購入 之總金額 (RMB'000) (人民幣千元)	於截至2018年 12月31日 止年度內出售 之總金額 (RMB'000) (人民幣千元)	截至2018年 12月31日 止年度已變現 的投資收入/ (虧損) (RMB'000) (人民幣千元)	截至2018年 12月31日 止年度未變現 的投資收入/ (虧損) (RMB'000) (人民幣千元)
ABC-CA Money Market Fund	農銀匯理貨幣市場 證券投資基金	50,110	50,110	50,110	50,110	-	110	-
UBS SDIC Qianduobao Money Market Fund	國投瑞銀錢多寶貨 幣市場基金	10,152	10,152	10,152	20,220	(10,068)	220	-
ICBC CS Salary Monetary Market Fund*	工銀瑞信薪金貨幣 市場基金	10,127	10,127	10,127	30,338	(20,211)	338	-
ICBC CS Monetary Market Fund*	工銀瑞信貨幣市場 基金	370	370	370	60,765	(60,395)	765	-
ZhongRong Cash ZengLi Monetary Market Fund*	中融現金增利貨幣 市場基金	180	180	180	40,180	(40,000)	180	-
Others	其他	-	-	-	20,058	(20,058)	58	-
<b>China Asset Management Company Limited</b>	<b>華夏基金管理有限 公司</b>							
HuaXia TianLi Monetary Market Fund*	華夏天利貨幣市場 基金	21,738	21,738	21,738	66,724	(44,986)	840	-
Income Treasure Money Market Fund	華夏收益寶貨幣市 場基金	-	-	-	484,254	(484,254)	1,554	-
HuaXia WoLi Monetary Market Fund*	華夏沃利貨幣市場 基金	12,195	12,195	12,195	23,245	(11,050)	245	-
HuaXia Cash ZengLi Security Investment Fund*	華夏現金增利證券 投資基金	208,382	208,382	208,382	343,726	(135,344)	12,489	-
HuaXia Cash Pot Monetary Market Fund*	華夏現金寶貨幣市 場基金	37,597	37,597	37,597	107,716	(70,119)	716	-
Wealth Treasure Money Market Fund	華夏財富寶貨幣市 場基金	279,300	279,300	279,300	371,877	(153,733)	13,377	-
HuaXia Monetary Market Fund*	華夏貨幣市場基金	138,709	138,709	138,709	155,207	(16,498)	3,207	-
Others	其他	-	-	-	61,138	(61,138)	138	-

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

## FINANCIAL REVIEW (continued)

## 財務回顧(續)

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(continued)

按公允價值計量且其變動計入損益表之  
金融資產(續)

Money Market Funds (continued)

貨幣市場基金(續)

Name of the financial assets	金融資產名稱	Number of units held as at 31 December 2018	Investment cost as at 31 December 2018	Fair value as at 31 December 2018	Total amount of purchase(s) made during the year ended 31 December 2018	Total amount of disposal(s) made during the year ended 31 December 2018	Realised investment income/(loss) for the year ended 31 December 2018	Unrealised investment income/(loss) for the year ended 31 December 2018
							截至2018年12月31日止年度已變現的投資收入/(虧損)	截至2018年12月31日止年度未變現的投資收入/(虧損)
		於2018年12月31日持有之單位數量 ('000) (千)	於2018年12月31日之投資成本 (RMB'000) (人民幣千元)	於2018年12月31日之公允價值 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內購入之總金額 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內出售之總金額 (RMB'000) (人民幣千元)	(RMB'000) (人民幣千元)	(RMB'000) (人民幣千元)
<b>ZhongRong Fund Management Company Limited</b>	<b>中融基金管理有限公司</b>							
ZhongRong Cash ZengLi Monetary Market Fund*	中融現金增利貨幣市場基金	442,305	442,305	442,305	837,685	(786,012)	21,389	-
ZhongRong Monetary Market Fund*	中融貨幣市場基金	-	-	-	358,614	(358,614)	1,614	-
Others	其他	-	-	-	8,015	(8,015)	15	-
<b>China Southern Asset Management Company Limited</b>	<b>南方基金管理股份有限公司</b>							
China Southern TianTianLi Monetary Market Fund*	南方天天利貨幣市場基金	331,669	331,669	331,669	356,453	(24,784)	4,354	-
China Southern Cash ZengLi Fund*	南方現金增利基金	172,521	172,521	172,691	172,521	-	521	170
<b>Aegon-Industrial Fund Management Company Limited</b>	<b>興全基金管理有限公司</b>							
Aegon-Industrial Monetary Market Securities Investment Fund*	興全貨幣市場證券投資基金	30,113	30,113	30,113	55,238	(25,125)	238	-
<b>HuaBao WP Fund Management Company Limited</b>	<b>華寶基金管理有限公司</b>							
HuaBao Cash Pot Monetary Market Fund*	華寶現金寶貨幣市場基金	158,291	158,291	158,291	158,291	-	291	-
<b>China Universal Asset Management Company Limited</b>	<b>匯添富基金管理有限公司</b>							
China Universal Money Market Fund*	匯添富貨幣市場基金	39,300	39,300	39,300	39,300	-	300	-

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

## FINANCIAL REVIEW (continued)

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(continued)

Money Market Funds (continued)

## 財務回顧(續)

按公允價值計量且其變動計入損益表之  
金融資產(續)

貨幣市場基金(續)

Name of the financial assets	金融資產名稱	Number of	Investment	Fair value	Total amount	Total amount	Realised	Unrealised
		units held as at 31 December 2018	cost as at 31 December 2018	as at 31 December 2018	of purchase(s) made during the year ended 31 December 2018	of disposal(s) made during the year ended 31 December 2018	investment income/(loss) for the year ended 31 December 2018	investment income/(loss) for the year ended 31 December 2018
		於2018年 12月31日 持有之 單位數量 ('000) (千)	於2018年 12月31日 之投資成本 (RMB'000) (人民幣千元)	於2018年 12月31日 之公允價值 (RMB'000) (人民幣千元)	於截至2018年 12月31日 止年度內購入 之總金額 (RMB'000) (人民幣千元)	於截至2018年 12月31日 止年度內出售 之總金額 (RMB'000) (人民幣千元)	截至2018年 12月31日 止年度已變現 的投資收入/ (虧損) (RMB'000) (人民幣千元)	截至2018年 12月31日 止年度未變現 的投資收入/ (虧損) (RMB'000) (人民幣千元)
<b>Agricultural Bank of China Limited</b>	中國農業銀行 股份有限公司							
ABC-CA Money Market Fund	農銀匯理貨幣市場 證券投資基金	10,004	10,004	10,004	10,004	-	4	-
<b>E Fund Management Co., Ltd.</b>	易方達基金管理 有限公司							
E Fund Day Wealth Management Money Market Fund	易方達天天理財貨 幣市場基金	-	-	-	67,971	(67,971)	1,065	-
E Fund Swift Wealth Management Money Market Fund	易方達財富快線貨 幣市場基金	15,088	15,088	15,103	75,749	(60,661)	660	15
Others	其他	-	-	-	25,960	(25,960)	360	-

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds

#### Harvest Fund Management Company Limited

Harvest Express Monetary Market Fund\* (嘉實快綫貨幣市場基金) tracks and analyses changes in market funds and investors trading behaviors and combines macro and micro studies to formulate its investment strategies. It seeks to achieve higher current returns while satisfying safety and liquidity needs.

Harvest HuoQiBao Monetary Market Fund\* (嘉實活期寶貨幣市場基金) determines the average remaining period (long/medium/short) and distribution of its portfolio assets according to macroeconomic indicators (including mainly market capital supply and demand, interest rate levels and market expectations, inflation rates, GDP Growth rates, money supplies, employment rates, international market interest rate level and exchange rate, etc.). It determines the investment ratios of each investment asset in the portfolio based on the liquidity nature of each asset (including mainly average daily trading volume, trading platforms, holdings of institutional investors, amount of repurchases and pledges, etc.). It determines portfolio risk level based on investment assets' credit rating and collaterals provided.

Harvest ZengYiBao Monetary Market Fund\* (嘉實增益寶貨幣市場基金) tracks and analyses changes in market funds and investors trading behaviors and combines macro and micro studies to formulate its investment strategies. It seeks to achieve higher current returns while satisfying safety and liquidity needs.

Harvest Monetary Market Fund\* (嘉實貨幣市場基金) determines the remaining period (long/medium/short) and distribution of its portfolio assets according to macroeconomic indicators (including mainly interest rate levels, inflation rates, GDP Growth rates, money supplies, employment rate level, international market interest rate level and exchange rate, etc.). It determines the investment ratios of each investment asset in the portfolio based on the liquidity nature of each asset (including mainly average daily trading volume, trading platforms, holdings of institutional investors, amount of repurchases and pledges, subdivision and conversion progress). It determines portfolio risk level based on bonds' credit rating and collaterals provided.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略

#### 嘉實基金管理有限公司

嘉實快綫貨幣市場基金是跟蹤分析市場資金面及投資者交易行為變化，結合宏觀和微觀研究制定投資策略，謀求在滿足安全性、流動性需要的基礎上，實現較高的當期收益。

嘉實活期寶貨幣市場基金是根據宏觀經濟指標(主要包括：市場資金供求、利率水平和市場預期、通貨膨脹率、國內生產總值增長率、貨幣供應量、就業率水平、國際市場利率水平及匯率等)，決定組合的平均剩餘期限(長/中/短)和比例分佈。本基金按各類資產的流動性特徵(主要包括：平均日交易量、交易場所、機構投資者持有情況、回購抵押數量等)，決定組合中各類資產的投資比例。本基金根據各類資產的信用等級及擔保狀況，決定組合的風險級別。

嘉實增益寶貨幣市場基金是跟蹤分析市場資金面及投資者交易行為變化，結合宏觀和微觀研究制定投資策略，謀求在滿足安全性、流動性需要的基礎上，實現較高的當期收益。

嘉實貨幣市場基金是根據宏觀經濟指標(主要包括：利率水平、通貨膨脹率、國內生產總值增長率、貨幣供應量、就業率水平、國際市場利率水平及匯率等)，決定債券組合的剩餘期限(長/中/短)和比例分佈。本基金按各類資產的流動性特徵(主要包括：平均日交易量、交易場所、機構投資者持有情況、回購抵押數量、分拆轉換進程)，決定組合中各類資產的投資比例。本基金根據債券的信用等級及擔保狀況，決定組合的風險級別。



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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

Bosera Asset Management Company Limited

Bosera Hehui Money Market Fund (博時合惠貨幣市場基金), Bosera Cash Pot Money Market Fund (博時現金寶貨幣市場基金), Bosera Security Cash Pot Money Market Fund (博時外服貨幣市場基金) and Bosera Heli Money Market Fund (博時合利貨幣市場基金) adopt active management style investment strategy. Subject to interest rate risk control, striving to minimise fund net asset value fluctuation risk and satisfying liquidity, they seek to maximise the fund return.

Bosera Cash Income Money Market Securities Investment Fund (博時現金收益證券投資基金) (1) adopts active investment management; (2) according to short-term interest rate changes and market situation changes, it carries out active, top down asset allocation and short, medium and long term asset repurchase type allocation. At the same time, according to quantitative and qualitative methodologies, it carries out active choice in individual repurchase type, debenture type and market timing, so as to maximise the fund asset returns; and (3) under the premise of strict control of risk, it strives to achieve excess returns.

China Minsheng Banking Corp., Ltd.

GuangFa Monetary Market Fund\* (廣發貨幣市場基金)'s investment strategy is primarily based on top down approach, with consideration given to bottom up approach. Among which, top down approach refers that the fund manager, through combining quantitative and qualitative comprehensive analysis, conducts forecast on changing trend of the interest rate, particularly the short-term interest rate. On the basis of scientific and reasonable forecast of short-term interest rate, it determines the fund portfolio term structure and product structure, thereby establishing a stable investment portfolio. Bottom up approach refers to emphasis on the particular investment target's value analysis, and at the same time, in connection with the investment opportunities brought along by the temporary failure of market segmentation and pricing mechanism, performs respective arbitrage, increasing investment return.

## 財務回顧(續)

按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

博時基金管理有限公司

博時合惠貨幣市場基金、博時現金寶貨幣市場基金、博時外服貨幣市場基金及博時合利貨幣市場基金採用積極管理型的投資策略。在控制利率風險、盡量降低基金資產淨值波動風險並滿足流動性的前提下，提高基金收益。

博時現金收益證券投資基金：(1)採取主動式投資管理；(2)根據短期利率的變動和市場格局的變化，進行積極主動的、自上而下的資產配置和短、中、長期回購資產類屬配置；同時，根據定量和定性方法，在個別回購品種、債券品種和市場時機方面進行主動式選擇，從而達到基金資產收益最大化的目的；及(3)在嚴格控制風險的前提下，力爭獲取超額收益。

中國民生銀行股份有限公司

廣發貨幣市場基金的投資策略以自上而下為主，兼顧自下而上的方式。其中，自上而下是指基金管理人通過定量與定性相結合的綜合分析，對利率尤其是短期利率的變化趨勢進行預測。在科學、合理的短期利率預測的基礎上決定本基金組合的期限結構和品種結構，構建穩健的投資組合。自下而上是指要重視具體投資物件的價值分析，同時針對市場分割及定價機制暫時失靈帶來的投資機會，進行相應的套利操作，增加投資收益。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### China Minsheng Banking Corp., Ltd. (continued)

GuangFa TianTianLi Monetary Market Fund\* (廣發天天利貨幣市場基金) analyses and judges the interest rate trend and yield curve changing trend on the basis of in-depth research of domestic and foreign macroeconomic trend, monetary policy changing trend, capital market supply and demand, and comprehensively considers different investment products' profitability, liquidity and risk traits, thereby performing active management to the fund's asset portfolio.

Minsheng JiaYin Cash ZengLi Monetary Market Fund\* (民生加銀現金增利貨幣市場基金) will be that based on premises of fully controlling fund asset risks and maintaining fund asset liquidity, to pursue investment return exceeding performance benchmarks and striving to realise fund asset stable appreciation. The overall asset allocation strategy is being mainly reflected in: 1) according to macroeconomics trend, currency policies, short term money market condition, etc., factors to perform comprehensive analysis; 2) according to aforesaid judgement, to formulate interest expectation and dynamically adjust fund investment portfolio's average remaining terms.

HuaBao Cash Pot Monetary Market Fund\* (華寶現金寶貨幣市場基金)'s investment strategy is (1) according to research macroeconomic indicators and interest rate changing trend, to determine the investment portfolio average duration; (2) while satisfying condition of investment portfolio average duration, to fully consider relevant product's return, liquidity and credit rating, to determine the portfolio allocation; (3) utilising modern financial analysis methodology and tools, in order to optimise the portfolio allocation result and to realise appreciation of the portfolio; (4) adopting methodologies of balanced distribution, rolling investment and optimising term allocation etc., to enhance the liquidity management; and (5) with real time monitoring of interest change of each product, to catch risk-free arbitrage opportunity.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 中國民生銀行股份有限公司(續)

廣發天天利貨幣市場基金在深入研究國內外的宏觀經濟走勢、貨幣政策變化趨勢、市場資金供求狀況的基礎上，分析和判斷利率走勢與收益率曲線變化趨勢，並綜合考慮各類投資品種的收益性、流動性和風險特徵，對基金資產組合進行積極管理。

民生加銀現金增利貨幣市場基金在充分控制基金資產風險、保持基金資產流動性的前提下，追求超越業績比較基準的投資回報，力爭實現基金資產的穩定增值。整體資產配置策略主要體現在：1) 根據宏觀經濟走勢、貨幣政策、短期資金市場狀況等因素對短期利率走勢進行綜合判斷；2) 根據前述判斷形成的利率預期動態調整基金投資組合的平均剩餘期限。

華寶現金寶貨幣市場基金的投資策略為(1)按照研究宏觀經濟指標及利率變動趨勢，確定投資組合平均久期。(2)在滿足投資組合平均久期的條件下及充分考慮相關品種的收益性、流動性及信用等級，確定組合配置。(3)利用現代金融分析方法和工具，優化組合配置效果及實現組合增值。(4)採用均衡分佈、滾動投資及優化期限配置等方法，加強流動性管理。(5)即時監控各品種利率變動，捕捉無風險套利機會。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### China Minsheng Banking Corp., Ltd. (continued)

Minsheng JiaYin Cash Pot Monetary Market Fund\* (民生加銀現金寶貨幣市場基金)'s investment will be that based on securing safety and liquidity of assets as fundamental principle, striving on the basis of full evaluation of factors such as domestic and foreign macroeconomic trend as well as monetary fiscal policy changes etc., it scientifically forecasts future interest rate trend as well as screens for the best and optimises allocation of financial instruments within the investment scope and performs active investment portfolio management.

China Southern Cash ZengLi Fund\* (南方現金增利基金)'s objective of asset allocation is to consider stable investment returns on the basis of fully satisfying liquidity. The fund's strategic asset allocation portion, mainly including market interest rate forecast and fund portfolio's average remaining term level etc., are being determined by the investment decision committee according to the macroeconomic situation and future money supply judgement. The fund's tactical asset allocation portion, mainly including trading market and choice of investment product, timing in critical period, repurchase arbitrage, choice of undervalued central bank bills and short-term debts etc., will be adjusted for the asset allocation ratio by the fund manager according to the market situation at the material time and the market environment changes, fully utilisation of the company's research resources and financial engineering techniques, so as to achieve optimising allocation effect.

China Southern Income Pot Monetary Market Fund\* (南方收益寶貨幣市場基金) adopts active management style investment strategy. By controlling the investment portfolio's average remaining term within 120 days, on the basis of controlling interest rate risk, trying to minimise the fund's net asset value fluctuation risk and satisfying liquidity, it enhances the fund returns.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 中國民生銀行股份有限公司(續)

民生加銀現金寶貨幣市場基金的投資將以保證資產的安全性和流動性為基本原則，力求在對國內外宏觀經濟走勢、貨幣財政政策變動等因素充分評估的基礎上，科學地預計未來利率走勢，擇優篩選並優化配置投資範圍內的各種金融工具及進行積極的投資組合管理。

南方現金增利基金資產配置的目標是充分滿足流動性的基礎上考慮穩定的投資收益。本基金的戰略資產配置部份，主要包括市場利率預期、基金組合平均剩餘期限水平等，由投資決策委員會根據宏觀經濟情況及未來資金面的判斷決定。本基金的戰術資產配置部分，主要包括交易市場和投資品種選擇、關鍵時期的時機選擇、回購套利、選擇價格低估的央行票據和短債等，將由基金經理根據當時的市場情況、市場環境變化、充分利用公司研究資源和金融工程技術調整資產配置比例，以期達到優化配置效果。

南方收益寶貨幣市場基金採用積極管理型的投資策略，將投資組合的平均剩餘期限控制在120天以內，在控制利率風險、盡量降低基金淨值波動風險並滿足流動性的前提下，提高基金收益。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### China Minsheng Banking Corp., Ltd. (continued)

China Southern TianTianLi Monetary Market Fund\* (南方天天利貨幣市場基金) adopts active management style investment strategy. On the basis of controlling interest rate risk, trying to minimise the fund's net asset value fluctuation risk and satisfying liquidity, it enhances the fund return.

HuaXia Cash ZengLi Security Investment Fund\* (華夏現金增利證券投資基金) with active judging of short-term interest rate changes, reasonable arrangement of terms, detail studies, and cautious operation, so as to realise principal safety, liquidity and a relatively higher returns stably exceeding the benchmark. (1) Short-term interest rate is affected by factors such as monetary policy and short-term capital demand and supply etc.. Through active judgement on its trend and change, it enables to optimise term allocation, class and product allocation, so as to increase portfolio return. (2) Through reasonable term arrangement and maintaining portfolio's higher liquidity, it fulfils investors' liquidity requirements and prevents impact on the execution of investment strategy from change of scale. (3) Through detail studies, cautious operation and utilising multiple flexible strategies, it is able to fully utilise market opportunities and continuously accumulates returns.

Bosera Cash Pot Money Market Fund (博時現金寶貨幣市場基金) adopts active management style for investment strategy. On the basis of interest rate risk control, striving to minimise fund net asset value fluctuation risk and satisfying liquidity, it seeks to maximise the fund returns.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 中國民生銀行股份有限公司(續)

南方天天利貨幣市場基金採用積極管理型的投資策略，在控制利率風險、盡量降低基金淨值波動風險並滿足流動性的前提下，提高基金收益。

華夏現金增利證券投資基金積極判斷短期利率變動，合理安排期限，細緻研究，謹慎操作，以實現本金的安全性、流動性和穩定超過基準的較高收益。(1)短期利率受到貨幣政策和短期資金供求等因素的影響，通過對其走勢和變動的積極判斷，能夠優化期限配置、類屬和品種配置，從而提高組合收益。(2)通過合理期限安排及保持組合較高的流動性，既能滿足投資者的流動性需求，又能避免組合規模的變化對投資策略實施的影響。(3)通過細緻研究和謹慎操作和運用多種靈活策略，能夠充分利用市場機會及不斷積累超額收益。

博時現金寶貨幣市場基金採用積極管理型的投資策略，在控制利率風險、盡量降低基金資產淨值波動風險並滿足流動性的前提下，提高基金收益。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### China Minsheng Banking Corp., Ltd. (continued)

Harvest Monetary Market Fund\* (嘉實貨幣市場基金) determines the remaining period (long/medium/short) and distribution of its portfolio assets according to macroeconomic indicators (mainly including interest rate levels, inflation rates, GDP Growth rates, money supplies, employment rate, international market interest rate and exchange rate, etc.). It determines the investment ratios of each investment asset in the portfolio based on the liquidity nature of each asset (mainly including average daily trading volume, trading platforms, holdings of institutional investors, amount of repurchases and pledges, subdivision and conversion progress). It determines portfolio risk level based on bonds' credit rating and collaterals provided.

#### China Construction Bank Corporation

CCB Principal Profit Raise Money Market Fund (建信現金添利貨幣市場基金) determines the allocation ratio of fund assets between each class of assets such as debentures, bank deposits etc., according to the comprehensive judgement on macroeconomic operation status, policies situation, credit situation, interest rate trends, money supply changes etc., as well as combining with each class of assets' liquidity traits, risk and rewards, valuation level traits, and makes dynamic adjustment when appropriate. For choice of individual securities, the fund will comprehensively utilise methodology of yield curve analysis, liquidity analysis, credit risk analysis, etc., to evaluate investment value of individual securities and to find out individual securities with relative values.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 中國民生銀行股份有限公司(續)

嘉實貨幣市場基金是根據宏觀經濟指標(主要包括：利率水平、通貨膨脹率、國內生產總值增長率、貨幣供應量、就業率水平、國際市場利率水平及匯率等)，決定債券組合的剩餘期限(長/中/短)和比例分佈。本基金按各類資產的流動性特徵(主要包括：平均日交易量、交易場所、機構投資者持有情況、回購抵押數量、分拆轉換進程)，決定組合中各類資產的投資比例。本基金根據債券的信用等級及擔保狀況，決定組合的風險級別。

#### 中國建設銀行股份有限公司

建信現金添利貨幣市場基金是根據宏觀經濟運行狀況、政策形勢、信用狀況、利率走勢、資金供求變化等的綜合判斷，並結合各類資產的流動性特徵、風險收益、估值水準特徵，決定基金資產在債券、銀行存款等各類資產的配置比例，並適時進行動態調整。在個券選擇上，基金將綜合運用收益率曲線分析、流動性分析、信用風險分析等方法來評估個券的投資價值，發掘出具備相對價值的個券。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### China Construction Bank Corporation (continued)

E Fund Day Cash Income Money Market Fund\* (易方達天天增利貨幣市場基金) will perform active management on the fund portfolio. On the basis of in-depth research of domestic and foreign macroeconomic trend, monetary policy changing trend, money supply situation as well as comprehensively considering each class of assets' return, liquidity and risk traits, it strives to achieve investment returns higher than the performance benchmark. Its investment scope covers financial instruments with good liquidity, including cash; bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days), as well as other monetary market instruments with good liquidity approved by the related law and regulations, the China Securities Regulatory Commission and the People's Bank of China.

#### Bank of Communications Co., Ltd.

HuaBao Cash Pot Monetary Market Fund\* (華寶現金寶貨幣市場基金)'s investment strategy is (1) according to research macroeconomic indicators and interest rate changing trend, to determine the investment portfolio average duration; (2) while satisfying condition of investment portfolio average duration, to fully consider relevant product's return, liquidity and credit rating, to determine the portfolio allocation; (3) utilising modern financial analysis methodology and tools, in order to optimise the portfolio allocation result and to realise appreciation of the portfolio; (4) adopting methodologies of balanced distribution, rolling investment and optimising term allocation etc., to enhance the liquidity management; and (5) with real time monitoring of interest change of each product, to catch risk-free arbitrage opportunity.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 中國建設銀行股份有限公司(續)

易方達天天增利貨幣市場基金將對基金資產組合進行積極管理，在深入研究國內外的宏觀經濟走勢、貨幣政策變化趨勢、市場資金供求狀況的基礎上，綜合考慮各類投資品種的收益性、流動性和風險特徵，力爭獲得高於業績比較基準的投資回報。投資範圍為具有良好流動性的金融工具，包括現金，期限在一年以內(含一年)的銀行存款、債券回購、中央銀行票據、同業存單，剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券，以及法律法規或中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。

#### 交通銀行股份有限公司

華寶現金寶貨幣市場基金的投資策略為(1)按照研究宏觀經濟指標及利率變動趨勢，確定投資組合平均久期。(2)在滿足投資組合平均久期的條件下及充分考慮相關品種的收益性、流動性及信用等級，確定組合配置。(3)利用現代金融分析方法和工具，優化組合配置效果及實現組合增值。(4)採用均衡分佈、滾動投資及優化期限配置等方法，加強流動性管理。(5)即時監控各品種利率變動，捕捉無風險套利機會。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### Bank of Communications Co., Ltd. (continued)

Aegon-Industrial Monetary Market Securities Investment Fund\* (興全貨幣市場證券投資基金) pursues steady cash returns through active stable investment in short term financial instrument of monetary market, seeking the best combination under risk and reward with a premise of securing safety of principal and adequate liquidity of assets. The fund comprehensively utilises multi-investment strategies of class configuration, target duration control, yield curve, choice of individual securities and arbitrage etc., to perform investment. The investment scope includes cash, call deposit, bank deposits with a term of within 1 year (including 1 year), bonds with remaining term within 397 days (including 397 days), central bank notes with term within 1 year (including 1 year), bond repurchases with term within 1 year (including 1 year), short term financing vouchers as well as other monetary market instruments with good liquidity approved by the China Securities Regulatory Commission and the People's Bank of China.

GuangFa TianTianLi Monetary Market Fund\* (廣發天天利貨幣市場基金) analyses and judges the interest rate trend and yield curve changing trend on the basis of in-depth research of domestic and foreign macroeconomic trend, monetary policy changing trend, capital market supply and demand, and comprehensively considers different investment products' profitability, liquidity and risk traits, thereby performing active management to the fund's asset portfolio.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 交通銀行股份有限公司(續)

興全貨幣市場證券投資基金在通過對貨幣市場短期金融工具的積極穩健投資，在風險和收益中尋找最優組合，在保持本金安全與資產充分流動性的前提下，追求穩定的現金收益。基金綜合運用類屬配置、目標久期控制、收益曲線、個券選擇及套利等多種投資策略進行投資。投資範圍包括現金、通知存款、1年以內(含1年)的銀行存款、剩餘期限在397天以內(含397天)的債券，期限在1年以內(含1年)的中央銀行票據、期限在1年以內(含1年)的債券回購、短期融資券以及中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。

廣發天天利貨幣市場基金在深入研究國內外的宏觀經濟走勢、貨幣政策變化趨勢、市場資金供求狀況的基礎上，分析和判斷利率走勢與收益率曲線變化趨勢，並綜合考慮各類投資品種的收益性、流動性和風險特徵，對基金資產組合進行積極管理。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### Bank of Communications Co., Ltd. (continued)

E Fund Swift Wealth Management Money Market Fund (易方達財富快線貨幣市場基金) utilises qualitative and quantitative analysis methodologies, through active investment in short term financial instruments and on the basis of effective control of investment risk and maintenance of high liquidity, it strives to achieve investment returns higher than the performance benchmark. The fund manager comprehensively considers market fund flow direction, credit quality of depositing banks, credit rating of credit bonds as well as returns rate standard of each class of assets, liquidity traits, etc., according to market situation and volume of variety available for investment, determines allocation ratio of each class of assets. The fund will carry out comparison on repurchase rate, short term bond returns rate, deposit interest rate, as well as on the basis of comprehensive analysis on funds, in order to judge room for rate arbitrage and determine leverage strategies.

E Fund Day Wealth Management Money Market Fund (易方達天天理財貨幣市場基金) utilises qualitative and quantitative analysis methodologies, through active investment in short term financial instruments, and on the basis of effective control of investment risk and maintenance of high liquidity, it strives to achieve investment returns higher than the performance benchmark. Investment scope covers financial instruments with good liquidity, including cash; bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days), as well as other monetary market instruments with good liquidity approved by the related law and regulations, the China Securities Regulatory Commission and the People's Bank of China.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 交通銀行股份有限公司(續)

易方達財富快線貨幣市場基金利用定性分析和定量分析方法，通過對短期金融工具的積極投資，在有效控制投資風險和保持高流動性的基礎上，力爭獲得高於業績比較基準的投資回報。基金管理人根據市場情況和可投資品種的容量，在嚴謹深入的研究分析基礎上，綜合考量市場資金面走向、存款銀行的信用資質、信用債券的信用評級以及各類資產的收益率水準、流動性特徵等，確定各類資產的配置比例。基金將對回購利率與短期債券收益率、存款利率進行比較，並在對資金面進行綜合分析的基礎上，判斷利差套利空間，並確定槓桿操作策略。

易方達天天理財貨幣市場基金利用定性分析和定量分析方法，通過對短期金融工具的積極投資，在有效控制投資風險和保持高流動性的基礎上，力爭獲得高於業績比較基準的投資回報。其投資範圍為具有良好流動性的金融工具，包括現金，期限在一年以內(含一年)的銀行存款、債券回購、中央銀行票據、同業存單，剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券，以及相關法律法規或中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。



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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### Bank of Communications Co., Ltd. (continued)

Fullgoal Listed Money Market Fund (富國收益寶交易型貨幣市場基金) adopts active management style investment strategy. By controlling the investment portfolio's average remaining term within 120 days, on the basis of controlling interest rate risk, trying to minimise the fund's net asset value fluctuation risk and satisfying liquidity, it enhances the fund returns. In the course of investment management, the fund manager will base on the principle of "combining qualitative and quantitative, combining conservative and active", and in accordance with short-term interest rate changes and market situation changes, adopt active investment strategy under control of average remaining term of investment portfolio.

China Southern TianTianLi Monetary Market Fund\* (南方天天利貨幣市場基金) adopts active management style investment strategy, and on the basis of controlling interest rate risk, trying to minimise the fund's net asset value fluctuation risk and satisfying liquidity, it enhances the fund return.

China Universal Money Market Fund\* (匯添富貨幣市場基金) integrates macro and micro analysis to formulate investment strategies. It strives to realise higher returns rate on the basis of satisfying safety and liquidity requirements. Using value analysis as basis, combining macro and micro, qualitative and quantitative, it realises value preservation and value add for investors through professional liquidity management. It invests in financial instruments allowed for investment under the related law and regulations and approved by regulators, including cash; bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days), as well as other monetary market instruments with good liquidity approved by the China Securities Regulatory Commission and the People's Bank of China.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 交通銀行股份有限公司(續)

富國收益寶交易型貨幣市場基金採用積極管理型的投資策略，將投資組合的平均剩餘期限控制在120天以內，在控制利率風險、盡量降低基金淨值波動風險並滿足流動性的前提下，提高基金收益。在投資管理過程中，基金管理人將基於「定性與定量相結合、保守與積極相結合」的原則，根據短期利率的變動和市場格局的變化，採用投資組合平均剩餘期限控制下的主動性投資策略。

南方天天利貨幣市場基金採用積極管理型的投資策略，在控制利率風險、盡量降低基金淨值波動風險並滿足流動性的前提下，提高基金收益。

匯添富貨幣市場基金將結合宏觀分析和微觀分析制定投資策略，力求在滿足安全性、流動性需要的基礎上實現更高的收益率。以價值分析為基礎，宏觀與微觀、定性與定量相結合，通過專業的流動性管理為投資者實現資產的保值、增值。投資於相關法律法規及監管機構允許投資的金融工具，包括現金，期限在一年以內(含一年)的銀行存款、債券回購、中央銀行票據、同業存單，剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券，以及中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### Bank of Communications Co., Ltd. (continued)

ABC-CA Money Market Fund (農銀匯理貨幣市場證券投資基金) will follow the basic rule of safety and liquidity as priority, through in-depth analysis of macroeconomics, policy environment, market situation and demand and supply of funds, it will scientifically estimate future interest rate trend, reasonably set investment portfolio's target duration and asset allocation ratios. At the same time, by comprehensively utilising various investment strategies of interest rate, duration, class, repurchases, liquidity management, etc., and on the basis of securing safety and liquidity, it strives to achieve investment returns exceeding the performance benchmarks. The investment targets are financial instruments with good liquidity, including (1) cash; (2) bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); (3) bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days); (4) other monetary market instruments with good liquidity approved by the China Securities Regulatory Commission and the People's Bank of China.

UBS SDIC Qianduobao Money Market Fund (國投瑞銀錢多寶貨幣市場基金) mainly adopts liquidity management strategy and asset allocation strategy, and by appropriately using trade strategies, carries out proactive investment portfolio management. The fund mainly invests in following financial instruments: cash; bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days); other monetary market instruments with good liquidity approved by the China Securities Regulatory Commission and the People's Bank of China.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 交通銀行股份有限公司(續)

農銀匯理貨幣市場證券投資基金將遵循安全性和流動性優先的基本原則，通過對宏觀經濟、政策環境、市場狀況和資金供求的深入分析，科學預計未來利率走勢，合理設定投資組合的目標久期和資產配置比例。同時，綜合運用利率、久期、類屬、回購、流動性管理等多種投資策略，在保證安全性和流動性的基礎上，力爭獲得超越業績比較基準的投資回報。本基金投資對象是具有良好流動性的金融工具，包括(一)現金；(二)期限在1年以內(含1年)的銀行存款、債券回購、中央銀行票據、同業存單；(三)剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券；(四)中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。

國投瑞銀錢多寶貨幣市場基金主要採用流動性管理策略、資產配置策略，並適當利用交易策略，進行積極的投資組合管理。基金主要投資於以下金融工具：現金、期限在1年以內(含1年)的銀行存款、債券回購、中央銀行票據、同業存單、剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券，以及中國證監會、中國人民銀行認可的其它具有良好流動性的貨幣市場工具。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### Bank of Communications Co., Ltd. (continued)

ICBC CS Salary Monetary Market Fund\* (工銀瑞信薪金貨幣市場基金) will adopt proactive investment strategies such as interest rate strategy, credit strategy, relative value strategy, etc., under a premise of strict risk control, in order to explore and utilise investment opportunities from market imbalance and to realise portfolio value added. The fund mainly invests in instruments with good liquidity, including cash; bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days); other monetary market instruments with good liquidity approved by the related law and regulations or the China Securities Regulatory Commission and the People's Bank of China.

ICBC CS Monetary Market Fund\* (工銀瑞信貨幣市場基金) strives to achieve stable returns exceeding the fund performance benchmarks under the premises of maintaining fund assets and principals stable and good liquidity. The fund manager follows rigorous, scientific investment process, through professional separation of research area and establishing long term fundamental factors analysis, to formulate investment strategies and optimise portfolio. The fund mainly invests in financial instruments, including: (1) cash; (2) bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); (3) bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days); (4) other monetary market instruments with good liquidity approved by the China Securities Regulatory Commission and the People's Bank of China for monetary fund investment.

ZhongRong Cash ZengLi Monetary Market Fund\* (中融現金增利貨幣市場基金) follows the macroeconomic trends, monetary policy, short-term capital market conditions and other factors to make overall judgement on interest rate trend, and dynamically adjusts the average remaining maturity of the fund's investment portfolio based on interest rate expectations, and strive to achieve higher profitability while satisfying security and liquidity needs.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 交通銀行股份有限公司(續)

工銀瑞信薪金貨幣市場基金將採取利率策略、信用策略、相對價值策略等積極投資策略，在嚴格控制風險的前提下，發掘和利用市場失衡提供的投資機會及實現組合增值。本基金主要投資於具有良好流動性的工具，包括現金；期限在1年以內(含1年)的銀行存款、債券回購、中央銀行票據、同業存單；剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券及相關法律法規或中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。

工銀瑞信貨幣市場基金力求在保持基金資產本金穩妥和良好流動性的前提下，獲得超過基金業績比較基準的穩定收益。本基金管理人遵循嚴謹、科學的投資流程，通過專業分工細分研究領域，立足長期基本因素分析，形成投資策略，優化組合，獲取可持續的穩定投資收益。本基金主要投資於以下金融工具，包括：(1)現金；(2)期限在1年以內(含1年)的銀行存款、債券回購、中央銀行票據、同業存單；(3)剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券；(4)中國證監會、中國人民銀行認可並允許貨幣市場基金投資的其他具有良好流動性的貨幣市場工具。

中融現金增利貨幣市場基金根據宏觀經濟走勢、貨幣政策、短期資金市場狀況等因素對利率走勢進行綜合判斷，並根據利率預期動態調整基金投資組合的平均剩餘期限，力求在滿足安全性、流動性需要的基礎上實現更高的收益率。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

China Asset Management Company Limited

HuaXia TianLi Monetary Market Fund\* (華夏天利貨幣市場基金) and HuaXia WoLi Monetary Market Fund\* (華夏沃利貨幣市場基金) determine the allocation ratio of fund assets between each class of assets such as debentures, bank deposits, monetary market funds, etc., according to the comprehensive judgement on macroeconomic operation status, policies situation, credit situation, interest rate trends, money supply changes, etc., combining with each class of assets' liquidity traits, risk and rewards, valuation level traits, and make dynamic adjustment when appropriate. For choice of individual securities, the fund will comprehensively utilise methodology of yield curve analysis, liquidity analysis, credit risk analysis, etc., to evaluate investment value of individual securities and to find out individual securities with relative values.

Income Treasure Money Market Fund (華夏收益寶貨幣市場基金) and HuaXia Cash Pot Monetary Market Fund\* (華夏現金寶貨幣市場基金) and Wealth Treasure Money Market Fund (華夏財富寶貨幣市場基金) determine the allocation ratio of fund assets between various assets such as debentures, bank deposits, etc., according to the comprehensive judgement on macroeconomic operation status, policies situation, credit situation, interest rate trends, money supply changes, etc., combining with each class of assets' liquidity traits, risk and rewards, valuation level traits, and make dynamic adjustment when appropriate. For choice of individual securities, the fund will comprehensively utilise methodology of yield curve analysis, liquidity analysis, credit risk analysis, etc., to evaluate investment value of individual securities and to find out individual securities with relative values.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

華夏基金管理有限公司

華夏天利貨幣市場基金及華夏沃利貨幣市場基金根據對宏觀經濟運行狀況、政策形勢、信用狀況、利率走勢、資金供求變化等的綜合判斷，並結合各類資產的流動性特徵、風險收益、估值水準特徵，決定基金資產在債券、銀行存款、貨幣市場基金等各類資產的配置比例，並適時進行動態調整。在個券選擇上，基金將綜合運用收益率曲線分析、流動性分析、信用風險分析等方法來評估個券的投資價值及發掘出具備相對價值的個券。

華夏收益寶貨幣市場基金、華夏現金寶貨幣市場基金及華夏財富寶貨幣市場基金根據宏觀經濟運行狀況、政策形勢、信用狀況、利率走勢、資金供求變化等的綜合判斷，並結合各類資產的流動性特徵、風險收益、估值水平特徵，決定基金資產在債券、銀行存款等各類資產的配置比例，並適時進行動態調整。在個券選擇上，基金將綜合運用收益率曲線分析、流動性分析、信用風險分析等方法來評估個券的投資價值及發掘出具備相對價值的個券。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### China Asset Management Company Limited (continued)

HuaXia Cash ZengLi Securities Investment Fund\* (華夏現金增利證券投資基金) with active judgement of short-term interest rate changes, reasonable arrangement of terms, detail studies, and cautiously operates, so as to realise principal safety, liquidity and a relatively higher returns stably exceeding the benchmark. (1) Short-term interest rate is affected by factors such as monetary policy and short-term capital demand and supply etc.. Through active judgement on its trend and change, it enables to optimise term allocation, class and product allocation, so as to increase portfolio return. (2) Through reasonable term arrangement and maintaining portfolio's higher liquidity, it fulfils investors' liquidity requirements and prevents impact on the execution of investment strategy from change of scale. (3) Through detail studies and cautious operations and utilising multiple flexible strategies, it is able to fully utilise market opportunities and continuously accumulates returns.

HuaXia Monetary Market Fund\* (華夏貨幣市場基金) will integrate monetary market interest rate forecast and cash demand arrangement, adopt cash flow management strategy for carrying out monetary market instrument investment, in order to achieve higher returns on the basis of safeguarding fund asset's security and liquidity. The fund invests in monetary market instruments with good liquidity, mainly includes of: cash; bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days); other financial instruments with good liquidity approved by the related law and regulations or the China Securities Regulatory Commission and the People's Bank of China.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 華夏基金管理有限公司(續)

華夏現金增利證券投資基金積極判斷短期利率變動，合理安排期限，細緻研究，謹慎操作，以實現本金的安全性、流動性和穩定超過基準的較高收益。(1)短期利率受到貨幣政策和短期資金供求等因素的影響，通過對其走勢和變動的積極判斷，能夠優化期限配置、類屬和品種配置，從而提高組合收益。(2)通過合理期限安排，保持組合較高的流動性，既能滿足投資者的流動性需求，又能避免組合規模的變化對投資策略實施的影響。(3)通過細緻研究和謹慎操作，運用多種靈活策略，能夠充分利用市場機會，不斷積累超額收益。

華夏貨幣市場基金結合貨幣市場利率的預測與現金需求安排，採取現金流管理策略進行貨幣市場工具投資，以便在保證基金資產的安全性和流動性的基礎上，獲得較高的收益。本基金投資於具有良好流動性貨幣市場工具，主要包括以下：現金，期限在1年以內(含1年)的銀行存款、債券回購、中央銀行票據、同業存單，剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券，以及相關法律法規或中國證監會、中國人民銀行認可的其他具有良好流動性的金融工具。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### ZhongRong Fund Management Company Limited

ZhongRong Cash Zengli Monetary Market Fund\* (中融現金增利貨幣市場基金) and ZhongRong Monetary Market Fund\* (中融貨幣市場基金) follow the macroeconomic trends, monetary policy, short-term capital market conditions and other factors to make overall judgement on interest rate trend, and dynamically adjust the average remaining maturity of the fund's investment portfolio based on interest rate expectations, and strive to achieve higher profitability while satisfying security and liquidity needs.

#### China Southern Asset Management Company Limited

China Southern TianTianLi Monetary Market Fund\* (南方天天利貨幣市場基金) adopts active management style investment strategy, and on the basis of controlling interest rate risk, trying to minimise the fund's net asset value fluctuation risk and satisfying liquidity, it enhances the fund return.

China Southern Cash ZengLi Fund\* (南方現金增利基金)'s objective of asset allocation is to consider stable investment returns on the basis of fully satisfying liquidity. The fund's strategic asset allocation portion, mainly includes market interest rate forecast, fund portfolio's average remaining term level, etc., and is determined by the investment decision committee according to the macroeconomic situation and future money supply judgement. The asset allocation ratio of the fund's tactical asset allocation portion, mainly includes trading market and choice of investment product, timing in critical period, repurchase arbitrage, choice of undervalued central bank bills and short-term debts, etc., and will be adjusted by the fund manager according to the market situation at the material time and the market environment changes, full utilisation of the company's research resources and financial engineering techniques, so as to achieve optimising allocation effect.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 中融基金管理有限公司

中融現金增利貨幣市場基金及中融貨幣市場基金根據宏觀經濟走勢、貨幣政策、短期資金市場狀況等因素對利率走勢進行綜合判斷，並根據利率預期動態調整基金投資組合的平均剩餘期限，力求在滿足安全性、流動性需要的基礎上實現更高的收益率。

#### 南方基金管理股份有限公司

南方天天利貨幣市場基金採用積極管理型的投資策略，及在控制利率風險、盡量降低基金淨值波動風險並滿足流動性的前提下，提高基金收益。

南方現金增利基金資產配置的目標是充分滿足流動性的基礎上考慮穩定的投資收益。本基金的戰略資產配置部份，主要包括市場利率預期、基金組合平均剩餘期限水準等，由投資決策委員會根據宏觀經濟情況及未來資金面的判斷決定。本基金的戰術資產配置部份，主要包括交易市場和投資品種選擇、關鍵時期的時機選擇、回購套利、選擇價格低估的央行票據和短債等，將由基金經理根據當時的市場情況、市場環境變化、充分利用公司研究資源和金融工程技術調整資產配置比例，以期達到優化配置效果。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### Aegon-Industrial Fund Management Company Limited

Aegon-Industrial Monetary Market Securities Investment Fund\* (興全貨幣市場證券投資基金) pursues steady cash returns through active stable investment in short term financial instrument of monetary market, seeking the best combination under risk and reward with a premise of securing safety of principal and adequate liquidity of assets. The fund comprehensively utilises multi-investment strategies of class configuration, target duration control, yield curve, choice of individual securities and arbitrage etc., to perform investment. The investment scope includes cash, call deposit, bank deposits with a term of within 1 year (including 1 year), bonds with remaining term within 397 days (including 397 days), central bank notes with term within 1 year (including 1 year), bond repurchases with term within 1 year (including 1 year), short term financing vouchers as well as other monetary market instruments with good liquidity approved by the China Securities Regulatory Commission and the People's Bank of China.

#### HuaBao WP Fund Management Company Limited

HuaBao Cash Pot Monetary Market Fund\* (華寶現金寶貨幣市場基金)'s investment strategy is (1) research on macroeconomic indicators and interest rate changing trend in order to determine the investment portfolio average duration. (2) while satisfying condition of investment portfolio average duration and fully considering relevant product's returns, liquidity, credit rating in order to determine the portfolio allocation. (3) utilising modern financial analysis methodology and tools in order to optimise the portfolio allocation result and realise appreciation of the portfolio. (4) adopting methodologies of balanced distribution, rolling investment, optimising term allocation etc., in order to enhance the liquidity management. (5) real time monitoring of change of interest of each product in order to catch risk-free arbitrage opportunity.

## 財務回顧(續)

按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 興全基金管理有限公司

興全貨幣市場證券投資基金在通過對貨幣市場短期金融工具的積極穩健投資，在風險和收益中尋找最優組合，在保持本金安全與資產充分流動性的前提下，追求穩定的現金收益。基金綜合運用類屬配置、目標久期控制、收益曲線、個券選擇及套利等多種投資策略進行投資。投資範圍包括現金、通知存款、1年以內(含1年)的銀行存款、剩餘期限在397天以內(含397天)的債券，期限在1年以內(含1年)的中央銀行票據、期限在1年以內(含1年)的債券回購、短期融資券以及中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。

#### 華寶基金管理有限公司

華寶現金寶貨幣市場基金的投資策略為(1)研究宏觀經濟指標及利率變動趨勢，確定投資組合平均久期。(2)在滿足投資組合平均久期的條件下，充分考慮相關品種的收益性、流動性、信用等級，確定組合配置。(3)利用現代金融分析方法和工具，優化組合配置效果，實現組合增值。(4)採用均衡分佈、滾動投資、優化期限配置等方法，加強流動性管理。(5)即時監控各品種利率變動，捕捉無風險套利機會。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

#### China Universal Asset Management Company Limited

China Universal Money Market Fund\* (匯添富貨幣市場基金) integrates macro and micro analysis to formulate investment strategies. It strives to realise higher returns rate on the basis of satisfying safety and liquidity requirements. Using value analysis as basis, combining macro and micro, qualitative and quantitative, it realises value preservation and value add for investors through professional liquidity management. It invests in financial instruments allowed for investment under the related law and regulations and approved by regulators, including cash; bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days), as well as other monetary market instruments with good liquidity approved by the China Securities Regulatory Commission and the People's Bank of China.

#### Agricultural Bank of China Limited

ABC-CA Money Market Fund (農銀匯理貨幣市場證券投資基金) will follow the basic rule of safety and liquidity as priority, through in-depth analysis of macroeconomics, policy environment, market situation and demand and supply of funds, it will scientifically estimate future interest rate trend, reasonably set investment portfolio's target duration and asset allocation ratios. At the same time, by comprehensively utilising various investment strategies of interest rate, duration, class, repurchases, liquidity management, etc., on the basis of securing safety and liquidity, it strives to achieve investment returns exceeding the performance benchmarks. The investment targets are financial instruments with good liquidity, including (1) cash; (2) bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); (3) bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days); (4) other monetary market instruments with good liquidity approved by the China Securities Regulatory Commission and the People's Bank of China.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

#### 匯添富基金管理有限公司

匯添富貨幣市場基金將結合宏觀分析和微觀分析制定投資策略，力求在滿足安全性、流動性需要的基礎上實現更高的收益率。以價值分析為基礎，宏觀與微觀、定性與定量相結合，通過專業的流動性管理為投資者實現資產的保值、增值。投資於相關法律法規及監管機構允許投資的金融工具，包括現金、期限在一年以內(含一年)的銀行存款、債券回購、中央銀行票據、同業存單、剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券，以及中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。

#### 中國農業銀行股份有限公司

農銀匯理貨幣市場證券投資基金將遵循安全性和流動性優先的基本原則，通過對宏觀經濟、政策環境、市場狀況和資金供求的深入分析，科學預計未來利率走勢，合理設定投資組合的目標久期和資產配置比例。同時，綜合運用利率、久期、類屬、回購、流動性管理等多種投資策略，在保證安全性和流動性的基礎上，力爭獲得超越業績比較基準的投資回報。本基金投資對象是具有良好流動性的金融工具，包括(1)現金；(2)期限在1年以內(含1年)的銀行存款、債券回購、中央銀行票據、同業存單；(3)剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券；(4)中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。



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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Money Market Funds (continued)

#### Investment strategies of money market funds (continued)

E Fund Management Co., Ltd.

E Fund Day Wealth Management Money Market Fund (易方達天天理財貨幣市場基金) utilises qualitative and quantitative analysis methodologies, through active investment in short term financial instruments, and on the basis of effective control of investment risk and maintenance of high liquidity, it strives to achieve investment returns higher than the performance benchmark. Investment scope covers financial instruments with good liquidity, including cash; bank deposits, bond repurchases, central bank notes, interbank deposits with a term of within 1 year (including 1 year); bonds, debt financing instruments of non-financial institutions, asset-backed securities with remaining term within 397 days (including 397 days), as well as other monetary market instruments with good liquidity approved by the related law and regulations, the China Securities Regulatory Commission and the People's Bank of China.

E Fund Swift Wealth Management Money Market Fund (易方達財富快線貨幣市場基金) utilises qualitative and quantitative analysis methodologies, through active investment in short term financial instruments, and on the basis of effective control of investment risk and maintenance of high liquidity, it strives to achieve investment returns higher than the performance benchmark. The fund manager comprehensively considers market fund flow direction, credit quality of depositing banks, credit rating of credit bonds as well as returns rate standard of each class of assets, liquidity traits, etc. according to market situation and volume of variety available for investment, and determines allocation ratio of each class of assets. The fund will carry out comparison on repurchase rate, short term bond returns rate and deposit interest rate, as well as on the basis of comprehensive analysis on funds, in order to judge room for rate arbitrage and determine leverage strategies.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 貨幣市場基金(續)

#### 貨幣市場基金的投資策略(續)

易方達基金管理有限公司

易方達天天理財貨幣市場基金利用定性分析和定量分析方法，通過對短期金融工具的積極投資，在有效控制投資風險和保持高流動性的基礎上，力爭獲得高於業績比較基準的投資回報。其投資範圍為具有良好流動性的金融工具，包括現金，期限在一年以內(含一年)的銀行存款、債券回購、中央銀行票據、同業存單，剩餘期限在397天以內(含397天)的債券、非金融企業債務融資工具、資產支援證券，以及相關法律法規或中國證監會、中國人民銀行認可的其他具有良好流動性的貨幣市場工具。

易方達財富快線貨幣市場基金利用定性分析和定量分析方法，通過對短期金融工具的積極投資，在有效控制投資風險和保持高流動性的基礎上，力爭獲得高於業績比較基準的投資回報。基金管理人根據市場情況和可投資品種的容量，在嚴謹深入的研究分析基礎上，綜合考量市場資金面走向、存款銀行的信用資質、信用債券的信用評級以及各類資產的收益率水準、流動性特徵等，以及確定各類資產的配置比例。基金將對回購利率與短期債券收益率、存款利率進行比較，並在對資金面進行綜合分析的基礎上，判斷利差套利空間，並確定槓桿操作策略。

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

## FINANCIAL REVIEW (continued)

## 財務回顧(續)

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(continued)

按公允價值計量且其變動計入損益表之  
金融資產(續)

Financial Investment Products

金融投資產品

Name of the financial assets	金融資產名稱	Number of units held as at 31 December 2018	Investment cost as at 31 December 2018	Fair value as at 31 December 2018	Total amount of purchase(s) made during the year ended 31 December 2018	Total amount of disposal(s) made during the year ended 31 December 2018	Realised investment income/(loss) for the year ended 31 December 2018	Unrealised investment income/(loss) for the year ended 31 December 2018
					於截至2018年12月31日止年度內購入之總金額	於截至2018年12月31日止年度內出售之總金額	截至2018年12月31日止年度已變現的投資收入/(虧損)	截至2018年12月31日止年度未變現的投資收入/(虧損)
		(’000)	(RMB’000)	(RMB’000)	(RMB’000)	(RMB’000)	(RMB’000)	(RMB’000)
		(千)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)
<b>China Minsheng Banking Corp., Ltd.</b>	<b>中國民生銀行股份有限公司</b>							
Feifan Asset Management ZengZengRiShang Financial Investment Product*	非凡資產管理增增日上收益遞增理財產品對公款	-	-	-	-	(427,500)	3,343	-
Feifan Asset Management TianYiJin Financial Investment Product A	非凡資產管理天溢金對公機構A款	- <sup>1</sup>	467,500	467,500	4,617,671	(4,280,171)	3,298	-
<b>China Construction Bank Corporation</b>	<b>中國建設銀行股份有限公司</b>							
QianYuan-TianTianYing Open-end RMB Financial Investment Product*	乾元一天天盈開放式資產組合型人民幣理財產品	- <sup>1</sup>	1,000	1,000	203,039	(270,239)	321	-
QianYuan-Weekly Open-end Guaranteed Financial Investment Product*	乾元一周周利開放式資產組合型保本人民幣理財產品	- <sup>1</sup>	8,000	8,000	110,073	(130,174)	73	-
QianYuan-RiXinYueYi (Daily) Open-end RMB Financial Investment Product*	乾元一日鑫月溢(按日)開放式資產組合型人民幣理財產品	- <sup>1</sup>	11,100	11,100	37,957	(26,857)	57	-
Others	其他	-	-	-	25,016	(25,016)	16	-
<b>Agricultural Bank of China Limited</b>	<b>中國農業銀行股份有限公司</b>							
Agricultural Bank of China BenLiFeng Daily Open-end RMB Financial Investment Product*	中國農業銀行「本利豐天天利」開放式人民幣理財產品	- <sup>1</sup>	304,900	304,900	952,117	(647,217)	217	-

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Financial Investment Products (continued)

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 金融投資產品(續)

Name of the financial assets	金融資產名稱	Number of units held as at 31 December 2018	Investment cost as at 31 December 2018	Fair value as at 31 December 2018	Total amount of purchase(s) made during the year ended 31 December 2018	Total amount of disposal(s) made during the year ended 31 December 2018	Realised investment income/(loss) for the year ended 31 December 2018	Unrealised investment income/(loss) for the year ended 31 December 2018
					於截至2018年12月31日止年度內購入之總金額	於截至2018年12月31日止年度內出售之總金額	截至2018年12月31日止年度已變現的投資收入/(虧損)	截至2018年12月31日止年度未變現的投資收入/(虧損)
		單位數量	之投資成本	之公允價值	之總金額	之總金額	(RMB'000)	(RMB'000)
		(千)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)
<b>China Merchants Bank</b>	<b>招商銀行</b>							
Utrust Trust-Jingxin No.4 Specified Asset Usufruct Assembled Funds Trust Programme*	粵財信託-京信4號特定資產收益權集合資金信託計劃	- <sup>1</sup>	250,000	250,000	250,000	-	-	-
<b>Bank of Communications Co., Ltd.</b>	<b>交通銀行股份有限公司</b>							
YunTong Fortune • RiZengLi RMB Financial Investment Product*	蘊通財富•日增利人民幣理財產品	-	-	-	4,395,640	(5,175,640)	4,640	-
Others	其他	- <sup>1</sup>	500	500	1,001	(501)	1	-
<b>CSC Financial Co., Ltd.</b>	<b>中信建投證券股份有限公司</b>							
14 Days National Debt Reverse Repurchase-GC014*	14天國債逆回購-GC014	- <sup>1</sup>	83,991	83,991	140,719	(56,728)	17	-
CSC Fixed Income Securities "GuShouXin • WenXiang" "No. 2817" - 35 days*	中信建投收益憑證 [固收鑫•穩享] [2817號]-35天	- <sup>1</sup>	20,000	20,000	20,000	-	-	-
<b>AVIC Trust Company Limited</b>	<b>中航信託股份有限公司</b>							
AVIC TianQi #556 TianChengJuFu Combined Investment Fund Trust Plan*	中航信託•天啟556號天誠聚富投資基金集合資金信託計劃	- <sup>1</sup>	50,000	50,000	50,000	-	-	-
Others	其他	- <sup>1</sup>	15,000	15,000	90,320	(75,320)	20	-

Note:

1. Due to the nature of this type of financial assets, investment in financial investment products is presented by way of fair value instead of units.

註：

1. 因此類金融資產的性質，在金融投資產品內的投資以公允價值方式呈列而非以單位呈列。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Financial Investment Products (continued)

#### Investment strategies of financial investment products

##### China Minsheng Bank Corp., Limited

Feifan Asset Management ZengZengRiShang Financial Investment Product\* (非凡資產管理增增日上收益遞增理財產品對公款) and Feifan Asset Management TianYiJin Financial Investment Product A (非凡資產管理天溢金對公機構A款) adopt investments strategies with priority in security and liquidity while pursuing an appropriate level of returns. Accordingly, in order to meet safety and liquidity requirements, they will invest in interbank bond market circulation bonds, money market funds, bond funds in asset allocations, funds with investment target in bonds or broker-oriented asset management plans, deposits, bond repurchases, etc.. On this basis, they will conduct reasonable allocations of debt assets, equity assets, other assets or asset combinations that comply with regulatory requirements, so as to further increase the return level.

##### China Construction Bank Corporation

QianYuan-TianTianYing Open-end RMB Financial Investment Product\* (乾元一天天盈開放式資產組合型人民幣理財產品) will invest in financial instruments such as PBOC bills, debentures, bank notes and trust financing interests on the interbank bond market, so as to enable funds to realise higher returns than that of deposits.

QianYuan-Weekly Open-end Guaranteed Financial Investment Product\* (乾元一周周利開放式資產組合型保本人民幣理財產品) invests in bonds and monetary market instruments assets and debt assets of national debts, financial bonds, central bank notes, short term financing bonds of enterprises, ultra short-term financing bond, medium term notes, corporate debts, debentures, private placement debts, reverse repurchase of bonds, money lending, due from banks, etc., as well as other assets meeting compliance requirements.

QianYuan-RiXinYueYi (Daily) Open-end RMB Financial Investment Product\* (乾元一日鑫月溢(按日)開放式資產組合型人民幣理財產品) invests in equity assets, debt assets, debentures and monetary market instrument assets and other asset portfolio which are in compliance with the regulatory requirements. The investment ratio of each of the asset is: equity assets 0%-70%, debt assets 0%-70%, debentures and monetary market instrument assets 30%-100%, other asset portfolio which are in compliance with the regulatory requirements 0%-70%.

## 財務回顧(續)

按公允價值計量且其變動計入損益表之金融資產(續)

#### 金融投資產品(續)

#### 金融投資產品的投資策略

##### 中國民生銀行股份有限公司

非凡資產管理增增日上收益遞增理財產品對公款及非凡資產管理天溢金對公機構A款採用的投資策略以安全性及流動性優先，追求適度收益的投資策略。因此，產品主要投資銀行間債券市場流通債券、貨幣市場基金、債券基金、投資方向為債券的基金專戶或券商定向資產管理計劃、銀行存款、債券回購等，以滿足安全性和流動性要求。在此基礎上通過合理配置符合監管要求的債權類資產、權益類資產、其他資產或資產組合，進一步提高收益水平。

##### 中國建設銀行股份有限公司

乾元一天天盈開放式資產組合型人民幣理財產品投資於銀行間債券市場的央行票據、債券、銀行票據、信託融資受益權等金融工具，從而使賬戶資金獲得高於存款收益。

乾元一周周利開放式資產組合型保本人民幣理財產品投資於國債、金融債、央行票據、企業短期融資券、超短期融資券、中期票據、企業債、公司債、私募債、債券逆回購、資金拆借、存放同業等債券和貨幣市場工具類資產，債權類資產，以及其他符合監管要求的資產。

乾元一日鑫月溢(按日)開放式資產組合型人民幣理財產品投資於股權類資產、債權類資產、債券和貨幣市場工具類資產及其他符合監管要求的資產組合。各類資產的投資比例為：股權類資產0%-70%、債權類資產0%-70%、債券和貨幣市場工具類資產30%-100%、其他符合監管要求的資產組合0%-70%。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Financial Investment Products (continued)

#### Investment strategies of financial investment products (continued)

#### Agricultural Bank of China Limited

Agricultural Bank of China BenLiFeng Daily Open-end RMB Financial Investment Product\* (中國農業銀行「本利豐天天利」開放式人民幣理財產品) mainly invests in inter-bank and exchange market bonds, repurchases, borrowings (includes national debts, financial bonds, central bank notes, letter of credit with relatively higher credit rating, private placement financing debt instruments, convertible bonds, etc.), monetary market funds, bond funds, other funds in low risk category, low risk interbank fund business, non-standard debt assets (includes usufruct, entrusted debts, etc.), securities issued by asset managers as well as fixed income products issued by commercial banks or other qualified institutions. Among these, the ratio for investing in high liquidity assets (cash, repurchase, sovereign and quasi-sovereign debts as well as mid-high rating letter of credit, etc.) is 60%-100%. The ratio of investment class of monetary market funds, bond funds, other funds in low risk category, low risk interbank fund business is approximately 10%-30%, non-standard debt assets and other investment classes contribute approximately 0-10%. The above investment ratio could be adjusted by a range of 10% up or down.

#### China Merchants Bank

Utrust Trust-Jingxin No. 4 Specified Asset Usufruct Assembled Funds Trust Programme\* (粵財信託—京信4號特定資產收益權集合資金信託計劃) (“**Jingxin No. 4**”) is a wealth management product issued by China Merchants Bank that invested by the Group on 21 December 2018. The investment was bearing floating returns rate and with a term of 62 days maturing on 21 February 2019. Jingxin No. 4 uses the usufruct of the receivable of remaining balance of real estate purchase of real estate projects as the transfer subject, with the seller of usufruct repurchasing upon maturity. At the same time, the real estate developer uses its deposits at China Merchants Bank as a pledge. The investment principal and interests has been fully settled with annualised returns rate of 5.2% upon maturity.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 金融投資產品(續)

#### 金融投資產品的投資策略(續)

#### 中國農業銀行股份有限公司

中國農業銀行「本利豐天天利」開放式人民幣理財產品主要投資於銀行間和交易所市場債券、回購、拆借(包括國債、金融債、央行票據、較高信用等級的信用債、非公開定向債務融資工具、可轉債等)、貨幣市場基金、債券型基金、低風險類其他基金、低風險同業資金業務、非標準債權資產(包括收益權、委託類債權等)、資產管理人發行的證券,以及商業銀行或其他符合資質的機構發行的固定收益型產品。其中,投資於現金、回購、主權及準主權債以及中高等級信用債等高流動性資產的比例為60%-100%,貨幣市場基金、債券型基金、低風險類其他基金、低風險同業資金業務的投資品種佔比約10%-30%,非標準債權資產及其他投資品種佔比約為0-10%,以上投資比例可在正負10%的區間內浮動。

#### 招商銀行

粵財信託—京信4號特定資產收益權集合資金信託計劃(「**京信4號**」)為本集團於2018年12月21日投資於招商銀行發行的理財產品,投資為浮動收益率及期限為62天,於2019年2月21日到期。京信4號以房地產項目應收購買房地產的尾款收益權作為轉讓標的,出售收益權方於到期時回購。同時,該房地產公司以其於招商銀行之存款提供質押擔保。該等投資本金及利息已於到期日按年化收益率5.2%全額收回。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Financial Investment Products (continued)

#### Investment strategies of financial investment products (continued)

Bank of Communications Co., Ltd.

YunTong Fortune • RiZengLi RMB Financial Investment Product\* (蘊通財富•日增利人民幣理財產品) adopts an investment strategy that prioritises safety and liquidity with consideration given to profitability. Its asset portfolio comprises a majority of assets such as bonds and money market instruments that have high liquidity and high investment grade, and strives to achieve stable returns through portfolio management.

CSC Financial Co., Ltd.

14 Days National Debt Reverse Repurchase – GC014\* (14天國債逆回購 – GC014) is a national debt reverse repurchase wealth management product with a pledge purchased from CSC Financial Company Limited (“**CSC Financial**”) by the Group. It’s bearing floating returns rate, with maturity of 14 days and maturing on 4 January 2019. CSC Financial used its national debt held as pledges. After year end, the investment principal and interests has been fully settled with annualised returns rate of 5.15% upon maturity.

CSC Fixed Income Securities “GuShouXin • WenXiang” “No. 2817” – 35 days\* (中信建投收益憑證「固收鑫•穩享」【2817號】-35天) is issued by CSC Financial Company Limited with principal guarantee for a term of 35 days with maturity on 1 February 2019, bearing floating interest rate. After year end, the investment principal and interests has been fully settled with annualised returns rate of 3.8% upon maturity.

AVIC Trust Company Limited

AVIC TianQi#556 TianChengJuFu Combined Investment Fund Trust Plan\* (中航信託•天啟556號天誠聚富投資基金集合資金信託計劃) carries out diversified dynamic asset allocation of the trust investment asset with the principles of safety, efficiency and liquidity. The investment scope are: bank deposits, interbank borrowings, reverse repurchase of bonds, monetary market funds, bond funds, exchange and interbank market bonds, etc. and other products that the trustee being confirmed in accordance with the trust deed. The asset under the trust shall not invest directly in secondary stock market, QDII products as well as high risk financial derivative products (including but not limited to stock index futures, stock futures, stock index forwards, stock forwards, etc.). It shall not invest projects which do not comply with the national industry policy, the investment policy and the macroeconomic control policy.

## 財務回顧(續)

按公允價值計量且其變動計入損益表之金融資產(續)

#### 金融投資產品(續)

#### 金融投資產品的投資策略(續)

交通銀行股份有限公司

蘊通財富•日增利人民幣理財產品採用安全性、流動性優先，兼顧收益率的投資策略，在資產配置中較大比例配置流動性高、投資級別高的債券、貨幣市場工具等資產，並通過組合管理實現穩健收益。

中信建投證券股份有限公司

14天國債逆回購-GC014為本集團向中信建投證券股份有限公司(「**中信建投證券**」)購入質押式國債逆回購理財產品，帶有浮動收益率，期限為14天並於2019年1月4日到期，中信建投證券以其持有的國債作為抵押品，於年結後，該等投資本金及利息已於到期日按年化收益率5.15%全額收回。

中信建投收益憑證「固收鑫•穩享」【2817號】-35天為中信建投證券股份有限公司發行並帶有本金保障，產品期限為35天並於2019年2月1日到期，為浮動利率，於年結後，該等投資本金及利息已於到期日按年化收益率3.8%全額收回。

中航信託股份有限公司

中航信託•天啟556號天誠聚富投資基金集合資金信託計劃項下的信託財產投資，按照安全性、效益性、流動性原則進行多元化動態資產配置。投資範圍如下：銀行存款、同業拆借、債券逆回購、貨幣市場基金、債券基金、交易所及銀行間市場債券等其他由受託人根據信託合同的約定所確定的產品。信託計劃財產不得直接投資於股票二級市場、QDII產品以及高風險的金融衍生產品(包括但不限於股指期貨、股票期貨、股指期權、股票期權等);不得投資於不符合國家產業政策、投資政策和宏觀調控政策的項目。

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

## FINANCIAL REVIEW (continued)

## 財務回顧(續)

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(continued)

按公允價值計量且其變動計入損益表之  
金融資產(續)

Investment Funds

投資基金

Name of the financial assets	金融資產名稱	Number of	Investment	Fair value	Total amount	Total amount	Realised	Unrealised
		units held	cost as at	as at	of purchase(s)	of disposal(s)	investment	investment
		as at	31 December	31 December	made during	made during	income/(loss)	income/(loss)
		31 December	2018	2018	the year ended	the year ended	for the	for the
		2018			31 December	31 December	year ended	year ended
		2018	2018	2018	2018	2018	31 December	31 December
		2018	2018	2018	2018	2018	2018	2018
		於2018年	於2018年	於2018年	於截至2018年	於截至2018年	截至2018年	截至2018年
		12月31日	12月31日	12月31日	12月31日	12月31日	12月31日	12月31日
		持有之	之投資成本	之公允價值	止年度內購入	止年度內出售	止年度已變現	止年度未變現
		單位數量	(RMB'000)	(RMB'000)	之總金額	之總金額	的投資收入/	的投資收入/
		('000)	(人民幣千元)	(人民幣千元)	(RMB'000)	(RMB'000)	(虧損)	(虧損)
		(千)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)
<b>CSC Financial Co., Ltd.</b>	中信建投證券股份 有限公司							
FengHeXin FengJun JuJin#2 Structured Investment Fund*	澧合信澧浚聚金2 號結構化私募投 資基金	200,000	200,000	208,028	200,000	-	-	8,028
<b>CITIC Securities Co., Ltd.</b>	中信證券股份 有限公司							
QiuSheng Asset QiHang#3 Investment Fund*	秋晟資產啟航3號 私募投資基金	-	-	-	77,000	(77,000)	8,263	-

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Investment Funds (continued)

#### Investment strategies of investment funds

CSC Financial Co., Ltd.

FengHeXin FengJun JuJin#2 Structured Investment Fund\* (豐合信豐浚聚金2號結構化私募投資基金) primarily through investing in trust plan beneficial rights and/or trust plans, strives to achieve steady appreciation of fund assets. Based on in-depth studying of domestic and foreign macroeconomic trend, monetary policy changing trend, capital market demand and supply situation, the fund will analyse and judge interest rate trend and comprehensively consider each investment products' profitability, liquidity and risk traits, and perform active management to the fund's asset portfolio.

Citic Securities Co., Ltd.

QiuSheng Asset QiHang#3 Investment Fund\* (秋晟資產啟航3號私募投資基金)'s strategies are: (1) For futures, through three dimensions of time, room and volatility, it addresses to the issues of strategic term, strategic room for profit and volatility during the term respectively. First, according to macroeconomic analysis model, and considering information in currency, investment, financing, interest rate, inflation, treasury, consumption, industry operation, import and export trade, etc., it carries out long cycle time series analysis, builds up co-integration model of each of the macroeconomic indicators under different economic cycle, studies and judges the macroeconomic operation situation. Second, according to own industry fixed asset investment, production output level as well as middle and downstream industries' output, sales, inventory situation of different commodities, it carries out evaluation to each of the commodities' supply and demand status and analyses strengths and weaknesses. At the same time, it makes an evaluation on the trade indicators such as future basis, monthly price difference, contract volume, margin deposit changes, etc., at transaction level, and finally it establishes arbitrage and hedging transaction model. (2) For equities, through analysing factors such as company's industry policy direction, industry concentration, industry competition threshold, company technology level in the industry, company financial status, company product market share, company research and development expense, etc., it seeks for equity targets having product price bargaining power, production cost competitive advantages or having relatively higher development potential.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 投資基金(續)

#### 投資基金的投資策略

中信建投證券股份有限公司

豐合信豐浚聚金2號結構化私募投資基金主要通過投資信託計劃受益權及/或信託計劃，力爭實現基金資產的穩步增值。本基金將在深入研究國內外的宏觀經濟走勢、貨幣政策變化趨勢、市場資金供求狀況的基礎上，分析和判斷利率走勢並綜合考慮各類投資品種的收益性、流動性和風險特徵，對基金資產組合進行積極管理。

中信證券股份有限公司

秋晟資產啟航3號私募投資基金的策略是(1)在期貨上，通過時間、空間、波動率三個維度，分別對應於策略期限、策略盈利空間、期間波動率三方面的問題。首先，根據巨集觀經濟分析模型，及考量貨幣、投資、融資、利率、通脹、財政、消費、工業運行、進出口貿易等方面的資料，進行長週期時間序列分析，建立不同經濟週期下各宏觀指標的協整模型，研判巨集觀經濟運行情況。其次，根據不同商品自身的行業固定資產投資、產出水平以及主要中、下游行業的產、銷、存情況對各類商品的供給、需求狀況進行評估，分析強弱性。同時，對期貨的基差、月間價差、合約成交量、持倉保證金變化等交易指標在交易層面上作出評價，最終構建套利、對沖交易模型。(2)在股票上，通過分析公司所處行業政策導向、行業集中度、行業競爭門檻、公司技術水準在行業中所處的位置、公司財務情況、公司產品市佔率、公司研發支出等多方面的因素，尋找具有產品價格話語權、成本競爭優勢或者具有較大發展潛力的股票標的。



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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Bond Market Funds

Name of the financial assets	金融資產名稱	Number of units held as at 31 December 2018	Investment cost as at 31 December 2018	Fair value as at 31 December 2018	Total amount of purchase(s) made during the year ended 31 December 2018	Total amount of disposal(s) made during the year ended 31 December 2018	Realised investment income/(loss) for the year ended 31 December 2018	Unrealised investment income/(loss) for the year ended 31 December 2018
		於2018年12月31日持有之單位數量 ('000) (千)	於2018年12月31日之投資成本 (RMB'000) (人民幣千元)	於2018年12月31日之公允價值 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內購入之總金額 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內出售之總金額 (RMB'000) (人民幣千元)	截至2018年12月31日止年度已變現的投資收入/(虧損) (RMB'000) (人民幣千元)	截至2018年12月31日止年度未變現的投資收入/(虧損) (RMB'000) (人民幣千元)
<b>Och-Ziff Capital Management Group LLC</b>	奧氏資本管理集團有限公司*							
OZ Institutional Income Overseas Fund, L.P.	奧氏機構收益海外基金*	- <sup>1</sup>	198,569	199,826	198,569	-	4,711	1,257
<b>Value Partners Hong Kong Limited</b>	惠理基金管理香港有限公司							
Value Partners Greater China High Yield Income Fund	惠理大中華高收益債券基金	481	33,243	30,725	-	-	2,028	(2,518)

Note:

1. The investment is presented by way of fair value instead of units.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 債券市場基金

Name of the financial assets	金融資產名稱	Number of units held as at 31 December 2018	Investment cost as at 31 December 2018	Fair value as at 31 December 2018	Total amount of purchase(s) made during the year ended 31 December 2018	Total amount of disposal(s) made during the year ended 31 December 2018	Realised investment income/(loss) for the year ended 31 December 2018	Unrealised investment income/(loss) for the year ended 31 December 2018
		於2018年12月31日持有之單位數量 ('000) (千)	於2018年12月31日之投資成本 (RMB'000) (人民幣千元)	於2018年12月31日之公允價值 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內購入之總金額 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內出售之總金額 (RMB'000) (人民幣千元)	截至2018年12月31日止年度已變現的投資收入/(虧損) (RMB'000) (人民幣千元)	截至2018年12月31日止年度未變現的投資收入/(虧損) (RMB'000) (人民幣千元)
<b>Och-Ziff Capital Management Group LLC</b>	奧氏資本管理集團有限公司*							
OZ Institutional Income Overseas Fund, L.P.	奧氏機構收益海外基金*	- <sup>1</sup>	198,569	199,826	198,569	-	4,711	1,257
<b>Value Partners Hong Kong Limited</b>	惠理基金管理香港有限公司							
Value Partners Greater China High Yield Income Fund	惠理大中華高收益債券基金	481	33,243	30,725	-	-	2,028	(2,518)

註：

1. 該投資以公允價值方式呈列而非以單位呈列。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Bond Market Funds (continued)

#### Investment strategies of bond market funds

#### Och-Ziff Capital Management Group LLC

OZ Institutional Income Overseas Fund, L.P. is the feeder fund for U.S. Tax Exempt and Non-U.S. investors of OZ Institutional Income Master Fund, Ltd. (together, the “**OZ Fund**”). The OZ Fund seeks to generate risk-adjusted returns across the market cycle by combining rigorous fundamental analysis and active portfolio management. In addition, in respect of the distribution tranches, it also intends to make quarterly distributions of all or a portion of the current income that includes cash dividends, interest and other similar cash proceeds. The OZ Fund’s investment objective is to invest on an unlevered basis predominantly in U.S. dollar-denominated senior secured loans, or participation interests therein, senior secured notes, second lien loans, unsecured loans, letters of credit and bonds issued by below-investment grade obligors, as well as other debt securities. The allocation of capital across industries and types of obligors will vary depending on market opportunities and other factors.

#### Value Partners Hong Kong Limited

Value Partners Greater China High Yield Income Fund seeks to provide capital appreciation for investors. In addition, in respect of the distribution classes, it also intends to pay monthly dividends equal to all or substantially all of the net income attributable to each of the distribution classes.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 債券市場基金(續)

#### 債券市場基金的投資策略

#### 奧氏資本管理集團有限公司\*

奧氏機構收益海外基金\*為OZ Institutional Income Master Fund, Ltd. (統稱為「**奧氏基金**」)的美國免稅及非美國投資者的聯接基金。奧氏基金通過結合嚴謹的基本面分析和積極的投資組合管理，力求跨越市場週期創造風險調整後回報。此外，就派息期次而言，該基金亦擬每季度派付包括現金股息、利息和其他類似現金流在內的全部或部份當期收益。奧氏基金的投資目標是不加槓桿地進行投資，並主要投資於以美元計價的優先有抵押貸款、或其中參與權益、優先有抵押票據、第二留置權貸款、無抵押貸款、信用證和投資級別以下債務人發行的債券，以及其他債務證券。各個行業或債務人類型的資本配置將根據市場機遇與其他因素而變化。

#### 惠理基金管理香港有限公司

惠理大中華高收益債券基金旨在為投資者提供資本增值。此外，就分派類別而言，該基金亦擬每月派付相等於全部或絕大部份各分派類別應佔淨收入的股息。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Bond Market Funds (continued)

#### Investment strategies of bond market funds (continued)

#### Value Partners Hong Kong Limited (continued)

Value Partners Greater China High Yield Income Fund invests in a broadly diversified portfolio of debt securities with no fixed duration, term structure or industry sector weightings in the allocation of assets in Greater China. Selection of investments will be determined by the availability of attractive investment opportunities. It aims to achieve its investment objective by investing not less than 70% of its non-cash assets in a portfolio of debt securities issued by or fully guaranteed by (i) listed or unlisted corporations with their main operations (or majority of assets) in, or have their majority of their income derived from the Greater China Region, and (ii) governments and/or government related entities in the Greater China Region. The debt securities in which the fund may invest shall include, but are not limited to, convertible and non-convertible debt securities, fixed and floating rate bonds and high-yield bonds.

#### Equity Investment

Name of the financial assets	金融資產名稱	Number of units held as at 31 December 2018	Investment cost as at 31 December 2018	Fair value as at 31 December 2018	Total amount of purchase(s) made during the year ended 31 December 2018	Total amount of disposal(s) made during the year ended 31 December 2018	Realised investment income/(loss) for the year ended 31 December 2018	Unrealised investment income/(loss) for the year ended 31 December 2018
							截至2018年12月31日止年度已變現的投資收入/(虧損)	截至2018年12月31日止年度未變現的投資收入/(虧損)
		於2018年12月31日持有之單位數量 ('000) (千)	於2018年12月31日之投資成本 (RMB'000) (人民幣千元)	於2018年12月31日之公允價值 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內購入之總金額 (RMB'000) (人民幣千元)	於截至2018年12月31日止年度內出售之總金額 (RMB'000) (人民幣千元)	(RMB'000) (人民幣千元)	(RMB'000) (人民幣千元)
Chinacity EDU Fund I L.P.	Chinacity EDU Fund I L.P.	- <sup>1</sup>	110,828	114,959	110,828	-	-	4,131
China Risun Coal Chemicals Group Limited*	中國旭陽煤化工集團有限公司	approximately 24.80 million shares 約2,480萬股	128,161	128,161	128,161	-	-	-
Jiangsu Shentong Valve Company Limited	江蘇神通閥門股份有限公司	approximately 9.20 million shares 約920萬股	53,934	52,737	95,645	(41,711)	583	(1,197)

Note:

1. The investment is presented by way of fair value instead of units.

## 財務回顧(續)

按公允價值計量且其變動計入損益表之金融資產(續)

#### 債券市場基金(續)

#### 債券市場基金的投資策略(續)

#### 惠理基金管理香港有限公司(續)

惠理大中華高收益債券基金將廣泛投資於多元化的債務證券組合，於分配大中華地區的資產上並無固定期間、期限結構或行業比重。投資選擇將根據投資機遇的吸引力釐定。該基金旨在透過將其非現金資產不少於70%投資於(i)其主要業務(或大部份資產)位於或其大部份收入來自大中華地區的上市或非上市企業；及(ii)大中華地區政府及/或政府相關實體所發行或全面擔保的債務證券組合，以達致其投資目標。該基金可投資的債務證券包括但不限於可轉換及不可轉換債務證券、固定及浮動利率債券及高收益債券。

#### 股權投資

註：

1. 該投資以公允價值方式呈列而非以單位呈列。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Equity Investment (continued)

#### Investment strategies of equity investment

#### Chinacity EDU Fund I L.P.

During the year ended 31 December 2018, the Company subscribed for approximately 1.57% of the enlarged registered capital of Koolearn Technology Holding Limited (“**Koolearn**”) through Chinacity EDU Fund I L.P., at a cash consideration of USD 16.75 million. As at 31 December 2018, the Company held approximately 1.57% of the enlarged registered capital of Koolearn through Chinacity EDU Fund I L.P.. Koolearn’s operating entity is Beijing New Oriental Xuncheng Network Technology Inc., which was incorporated in 2005. Its first product released was the online education platform, Koolearn. Today, Koolearn develops into an online education platform providing education products for college, K-12, pre-school and institutional clients, from an initial pure online foreign examination preparation service provider. Koolearn submitted an application for the listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (“**Main Board**”) and was listed on 28 March 2019 with stock code 1797.

#### China Risun Coal Chemicals Group Limited\* (中國旭陽煤化工集團有限公司) (“**Risun Group**”)

During the year ended 31 December 2018, the Company subscribed for approximately 24.80 million shares of Risun Group, representing approximately 2.58% of its enlarged registered capital, at a cash consideration of approximately RMB 128 million. As at 31 December 2018, the Company held approximately 2.58% of the enlarged registered capital of Risun Group. Risun Group was incorporated in 1995. It has four large chemical industrial zones in Xingtai, Dingzhou, Tangshan and Cangzhou, with more than ten coal chemical subsidiaries and joint ventures. It is a large scale enterprise group with principal business of manufacturing, and domestic and foreign trading of coal chemical products. It is a leading enterprise in China’s coke and coal chemicals, also being one of the major suppliers of coke of the Group. Risun Group has submitted an application for listing on the Main Board and was listed on 15 March 2019 with stock code 1907.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 股權投資(續)

#### 股權投資的投資策略

#### Chinacity EDU Fund I L.P.

於2018年12月31日止年度內，本公司通過Chinacity EDU Fund I L.P.認購新東方在綫科技控股有限公司(「**新東方在綫**」)經擴大後註冊股本約1.57%權益，現金代價為1,675萬美元。於2018年12月31日，本公司通過Chinacity EDU Fund I L.P.持有新東方在綫經擴大後註冊股本約1.57%權益。新東方在綫運營實體是2005年成立的北京新東方迅程網路科技有限公司，推出的最早產品即是綫上教育平台新東方在綫。時至今日，新東方在綫已經從最初的純綫上海外考試準備服務供應商，發展成為集大學、K-12、學前和向機構客戶提供教育產品於一身的綫上教育平台。新東方在綫已提交於香港聯合交易所有限公司(「**聯交所**」)主板(「**主板**」)上市申請及已於2019年3月28日上市，其股份編號為1797。

#### 中國旭陽煤化工集團有限公司(「**旭陽集團**」)

於2018年12月31日止年度內，本公司認購旭陽集團約2,480萬股股份，即佔其經擴大後註冊股本約2.58%，現金代價約為人民幣1.28億元。於2018年12月31日，本公司仍持有旭陽集團經擴大後註冊股本約2.58%股份。旭陽集團成立於1995年，擁有邢臺、定州、唐山、滄州四大化工園區，十多家煤化工子公司和合資公司，是一家以煤化工產品生產和國內外貿易為主業的大型企業集團，是中國焦炭和煤化工產業的龍頭企業，並為本集團焦炭主要供應商之一。旭陽集團已提交於主板上市申請及已於2019年3月15日上市，其股份編號為1907。

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

## FINANCIAL REVIEW (continued)

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS  
(continued)

Equity Investment (continued)

Investment strategies of equity investment (continued)

Jiangsu Shentong Valve Company Limited (“**Jiangsu Shentong**”)

During the year ended 31 December 2018, the Group acquired certain amount of shares of Jiangsu Shentong. As at 31 December 2018, the Group held approximately 9.20 million shares of Jiangsu Shentong, representing approximately 1.89% of its issued capital, with a historical cost of cash consideration of approximately RMB 53.9 million. Jiangsu Shentong is listed on the Shenzhen Stock Exchange (stock code 002438). It specialises in research, development, production and sale of novel special valves and is one of the suppliers of valves to the Group.

Investment in Debt

Shanghai ManShe Corporate  
Development Company Limited  
– Debt Investment Fund

上海曼舍企業發展  
有限公司  
– 債權投資款

Number of units held as at 31 December 2018	Investment cost as at 31 December 2018	Fair value as at 31 December 2018
-	-	-

## 財務回顧(續)

按公允價值計量且其變動計入損益表之  
金融資產(續)

股權投資(續)

股權投資的投資策略(續)

江蘇神通閥門股份有限公司(「**江蘇神  
通**」)

於截至2018年12月31日止年度內，本集團收購若干數量江蘇神通的股份。於2018年12月31日，本集團持有江蘇神通約920萬股股份，即佔其已發行股本約1.89%，歷史成本約人民幣5,390萬元，江蘇神通於深圳證券交易所上市(股份編號002438)，其專業從事新型特種閥門研究、開發、生產與銷售並為本集團閥門供應商之一。

債權投資

Total amount of purchase(s) made during the year ended 31 December 2018	Total amount of disposal(s) made during the year ended 31 December 2018	Realised investment income/(loss) for the year ended 31 December 2018	Unrealised investment income/(loss) for the year ended 31 December 2018
於截至2018年 12月31日 止年度內購入 之總金額 (RMB‘000) (人民幣千元)	於截至2018年 12月31日 止年度內出售 之總金額 (RMB‘000) (人民幣千元)	截至2018年 12月31日 止年度已變現 的投資收入/ (虧損) (RMB‘000) (人民幣千元)	截至2018年 12月31日 止年度未變現 的投資收入/ (虧損) (RMB‘000) (人民幣千元)
20,000	(20,981)	981	-

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Investment in Debt (continued)

#### Investment strategies of investment in debt

Shanghai ManShe Corporate Development Company Limited (“**Shanghai ManShe**”) – Debt Investment Fund (上海曼舍企業發展有限公司(「上海曼舍」) – 債權投資款)

During the year ended 31 December 2018, Tianjin Ansai Assets Management Company Limited (“**Ansai Asset Management**”), a subsidiary of the Company, entered into a debt investment agreement to invest RMB 20 million in Shanghai ManShe, for a term of 2 years and extendable for further 1 year. The fund occupation fee of the investment is calculated at an annual interest rate of 9%. Before 31 December 2018, Ansai Asset Management is entitled to be assigned 5% equity interest of Shanghai ManShe at a consideration of RMB 15 million from Mr. Fan Minjun. The principal business of Shanghai Manshe is operation of leasing of luxury service apartments. Mr. Fan Minjun is the major and controlling shareholder of Shanghai ManShe. The investment sum bears unlimited guarantee by Mr. Fan Minjun and Shanghai ManShe Asset Management Company Limited, a wholly-owned subsidiary of Shanghai ManShe. As the debt investment fund was not converted into the equity interest of Shanghai ManShe before 31 December 2018, the conversion right lapsed and the debt investment fund was reclassified as loan receivable of the Group.

#### Investment Strategy and Future Prospects

The Group’s investments in financial assets at fair value through profit or loss have been conducted on the premises that such investments would not affect the working capital of the Group or the daily operation of the Group’s principal business. Such investments are conducive to improving the capital usage efficiency and generating investment returns from the Group’s temporarily idle funds. Giving top priority to prevention of excessive risk, the Company implemented control and made prudent decisions in respect of such investments on the principle of protecting the interests of its shareholders as a whole and the Company. On one hand, the Company is able to generate a relatively higher returns from such investments than fixed-term bank deposits, while at the same time the Company is still able to retain flexibility in redeeming the investments whenever it foresees there is a cash need.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 債權投資(續)

#### 債權投資的投資策略

上海曼舍企業發展有限公司(「上海曼舍」) – 債權投資款

於2018年12月31日止年度內，本公司之附屬公司天津安塞資產管理有限公司(「安塞資產管理」)訂立一項債權投資協議以投資人民幣2,000萬元於上海曼舍，年期為兩年並可展期1年，該投資之資金佔用費按年利率9%計算，於2018年12月31日前，安塞資產管理有權以人民幣1,500萬元對價受讓范敏俊先生持有的上海曼舍的5%權益。上海曼舍的主營業務為經營高端公寓租賃，范敏俊先生為上海曼舍主要及控制股東，該投資款由范敏俊先生及上海曼舍之全資子公司上海曼舍資產管理有限公司作出無限擔保。由於債權投資款沒有於2018年12月31日前轉換為上海曼舍的權益，該轉換權已失效及該債權投資款已重分類至本集團之應收貸款。

#### 投資策略及未來展望

本集團進行於按公允價值計量且其變動計入損益表之金融資產內的投資，前提是該等投資不會影響本集團的營運資金或本集團主要業務的日常運作，此等投資有利改善資金使用效益及為本集團暫時閒置的資金賺取投資回報，以防止過度風險為首要重點，本公司已就相關的投資進行控制及作出謹慎決策以保障本公司及其股東之整體利益為原則。另一方面，本公司自該等投資可產生相對銀行定期存款較高的回報，同時可以保留在預計出現現金需求時贖回該等投資的靈活性。

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

## FINANCIAL REVIEW (continued)

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

#### Investment Strategy and Future Prospects (continued)

Subject to any unforeseeable changes in China's and global economic, political and social conditions, the Company currently expects that the Group will continue to make such investments as and where appropriate pursuant to the investment strategy mentioned above. It is currently expected that barring any unforeseeable circumstances, such investments would continue to generate additional returns for the Group.

## ACCREDITATION FOR THE COMPANY AND ITS MANAGEMENT

For the year ended 31 December 2018, the Company was awarded rank 181<sup>st</sup> in the top 2018 Fortune China 500 companies, as well as elected by Hang Seng Indexes Company Limited as the constituent of Hang Seng Composite LargeCap & MidCap Index, taking effect on 10 September 2018. Jinxi Limited, a subsidiary of the Company, was elected by the Government of Tangshan City as one of the three leading iron and steel enterprises in Tangshan City in February 2018. Furthermore, Jinxi Limited was awarded the "2018 China Top 10 Excellent Steel Enterprise Brand", "2018 Green Development Model Enterprise", and "A" grade super competitive enterprise in the "2018 Steel Enterprises Comprehensive Competitiveness Ratings" by the China Metallurgical Industry Planning and Research Institute.

## 財務回顧(續)

### 按公允價值計量且其變動計入損益表之金融資產(續)

#### 投資策略及未來展望(續)

受限於中國及環球的經濟、政治及社會環境任何不可預期的變化，本公司現時預期本集團將於合適時根據以上所述的投資策略繼續進行投資。目前預期，除非出現不可預見的情況，該等投資仍會繼續為本集團賺取額外回報。

## 公司及管理層取得的榮譽

截至2018年12月31日止年度，本公司獲選2018年《財富》中國500強排行榜中第181位，並獲恒生指數有限公司加入成為恒生綜合大中型股指數成份股，由2018年9月10日起生效。本公司的附屬公司，津西鋼鐵，於2018年2月，獲唐山市政府選為唐山市三家鋼鐵龍頭企業之一；此外，津西鋼鐵亦榮膺「2018年中國十大優秀鋼鐵企業品牌」、「2018年度綠色發展典範企業」，以及獲得冶金工業規劃研究院發佈的「2018年鋼鐵企業綜合競爭力評級」評為「A」級競爭力特強企業。

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

## INVESTOR RELATIONS

The Company maintained close contact with its investors during the year of 2018. The Company not only made timely disclosures of the Company's information through the website of the Stock Exchange for increasing the transparency of the Company, but also held meetings and conferences with investors, updating them on the Group's business development and industrial trend.

This helped to promote investors' understanding of the Group while allowing us to understand more about the opinions and expectations of investors. In future, the Group will further its effort to maintain close contact and effective interactive communication with investors.

## HUMAN RESOURCES AND REMUNERATION POLICIES

As at 31 December 2018, the Group had a workforce of approximately 9,400 and temporary staff of approximately 1,400. The staff cost included basic salaries and benefits. Staff benefits included discretionary bonus, medical insurance plans, pension scheme, unemployment insurance plan, maternity insurance plan and the fair value of the share options, etc.. Effective from July 2008, the Group implemented a workers' injury insurance scheme and contributed 1.5% of the workers' wages to the Social Insurance Bureau. According to the Group's remuneration policy, employees' package is based on productivity and/or sales performance, and is consistent with the Group's quality control and cost control targets.

## APPRECIATION

The Board would like to extend its heartfelt gratitude to all of its staff for their hard work and dedication to the Group, and to its shareholders for their continuous support and trust in the Company.

By order of the Board  
**China Oriental Group Company Limited**

**HAN Jingyuan**  
*Chairman and Chief Executive Officer*

Hong Kong, 28 March 2019

## 投資者關係

本公司在2018年年度內與投資者維持緊密的溝通，本公司除適時透過聯交所網站發放本公司信息以增強本公司的透明度，同時亦與投資者會面及會議，更新本集團的業務發展及行業趨勢。

此等有助促進投資者對本集團瞭解的同時，亦有助我們更有效掌握投資者的意見和期望。在未來本集團會繼續致力維持與投資者的密切溝通和良性互動。

## 人力資源及薪酬政策

於2018年12月31日，本集團僱用員工約9,400人及臨時工人約1,400人。職工成本包括基本薪金及福利。僱員福利包括酌情發放的花紅、醫療保險計劃、養老金計劃、失業保險計劃、生育保險計劃及購股權的公允價值等。自2008年7月起，本集團推行工傷保險並按員工發放工資的1.5%上繳社保部門。根據本集團的薪酬政策，僱員的整套福利與生產力及／或銷售業績掛鉤，與本集團質量控制及成本控制目標一致。

## 感謝

董事局衷心感謝本集團全體僱員的辛勤工作及對本集團的奉獻，並感謝股東們的持續信任及對本公司的一貫支持。

承董事局命  
**中國東方集團控股有限公司\***

**韓敬遠**  
*董事局主席兼首席執行官*

香港，2019年3月28日



### EXECUTIVE DIRECTORS

**Mr. Han Jingyuan**, aged 62, is the Chairman and Chief Executive Officer of the Company (appointed on 13 November 2003), and also serves as a director of certain subsidiaries of the Company. Mr. Han graduated from the People's University in 1994 with a degree in management. Mr. Han began his career in Metallurgy in 1984 when he was employed as a deputy mine manager and mine manager of Han'erzhuang Iron Mine. Mr. Han has in-depth industry knowledge and 33 years of extensive operational and managerial experience in the iron and steel industry. Mr. Han was awarded the honorary title of "No. 6 in Forbes China Best CEO List 2018", "Hebei Metallurgy Top Ten Man", "Outstanding Entrepreneur of Hebei Province", "Excellent Privately-owned Enterprises Entrepreneur in Hebei Province" and "Economic Top Ten Men of Honesty and Credibility in China", etc.. Mr. Han is the Vice Chairman of the China Chamber of Commerce for Metallurgical Enterprises (formerly known as "Metallurgy Chamber of All-China Federation of Industry and Commerce"), the Honorary Chairman of Hong Kong Tong San Chamber of Commerce and the Vice Chairman of Tangshan Charity Federation. Mr. Han was also the 9<sup>th</sup> and 11<sup>th</sup> representative of the People's Congress of Hebei Province, the PRC. Mr. Han is a director and the controlling shareholder of Wellbeing Holdings Limited, the controlling shareholder of the Company. Mr. Han Jingyuan is the father of Mr. Han Li, the Executive Director, Deputy General Manager and Chief Financial Officer of the Company.

**Mr. Zhu Jun**, aged 55, is an Executive Director (appointed on 23 December 2003), Executive Deputy General Manager and Chief Operating Officer of the Company and also a director of certain subsidiaries of the Company. Mr. Zhu graduated in 2001 from a graduate programme of the Communist Party School in Hebei Province with a diploma in management. Prior to working in the steel industry, Mr. Zhu worked for 10 years as deputy director of Qianxi County Chemical Fertilizer Factory which was based in Qianxi County, Hebei Province. Mr. Zhu joined Jinxi Iron Factory in 1992 and later served as deputy director. Mr. Zhu has 25 years of working experience in the iron and steel industry. Mr. Zhu is a director and minority shareholder of Wellbeing Holdings Limited, the controlling shareholder of the Company.

### 執行董事

**韓敬遠先生**，62歲，為本公司的董事局主席兼首席執行官（於2003年11月13日獲委任），亦為本公司若干附屬公司的董事。彼於1994年在人民大學畢業取得管理學位。韓先生於1984年在漢兒庄鐵礦出任副礦長及礦長職務開始其冶金事業。韓先生擁有深入的行業知識，並在鋼鐵業擁有33年的豐富運營和管理經驗。韓先生曾獲「2018年福布斯中國最佳CEO名單第六位」、「河北冶金十大年度人物」、「河北省傑出企業家」、「河北省優秀民營企業家」及「中國經濟十大誠信人物」等殊榮。韓先生為全聯冶金商會（前稱為「中華全國工商業聯合會冶金業商會」）副會長、香港唐山商會名譽會長及唐山市慈善總會副會長。韓先生亦曾任第九屆及第十一屆中國河北省人民代表大會代表。韓先生為本公司的控股股東 Wellbeing Holdings Limited 的一位董事及控股股東。韓敬遠先生為本公司執行董事、副總經理兼首席財務官韓力先生的父親。

**朱軍先生**，55歲，本公司的執行董事（於2003年12月23日獲委任）、常務副總經理兼首席運營官，亦為本公司若干附屬公司的董事。彼於2001年在中共河北省委黨校畢業，持有管理文憑。在從事鋼鐵業前，朱先生在河北省遷西縣的遷西縣化肥廠擔任副廠長達10年之久。彼於1992年加盟津西鐵廠，其後出任副廠長之職。朱先生在鋼鐵業累積25年經驗。朱先生為本公司控股股東 Wellbeing Holdings Limited 的一位董事及少數股東。

## Directors' and Senior Management's Biographical Information 董事及高級管理人員的履歷資料

### EXECUTIVE DIRECTORS (continued)

**Mr. Shen Xiaoling**, aged 58, is an Executive Director (appointed on 1 July 2005) of the Company, Chairman of the Supervisory Board of Jinxi Limited and also serves as a director of certain subsidiaries of the Company. He obtained a diploma in management from the Hebei Province Communist Party School in 2001. Before joining the Group, Mr. Shen was the head of China Construction Bank Luanxian Sub-branch. Mr. Shen also had 5 years experience acting as the Head of China Construction Bank Qianxi Sub-branch and more than 6 years of experience as the deputy head of Bank of China Qianxi Sub-branch. Mr. Shen has been the deputy general manager of Jinxi Limited during the period January 2002 to October 2015. Mr. Shen was redesignated as the Chairman of the Supervisory Board of Jinxi Limited since October 2015. Mr. Shen is a director and minority shareholder of Wellbeing Holdings Limited, the controlling shareholder of the Company.

**Mr. Zhu Hao**, aged 52, is an Executive Director of the Company (appointed on 21 November 2007). Mr. Zhu graduated at Tianjin Nankai University and obtained his Master degree in accounting from the University of New South Wales in Australia. Mr. Zhu is a senior economist in China.

**Mr. Han Li**, aged 31, is an Executive Director (appointed on 7 February 2012), Deputy General Manager and Chief Financial Officer of the Company. Mr. Han joined the Group in 2009 as the assistant to the Financial Controller of the Company. He was the executive assistant to Chief Executive Officer of the Company and also currently serves as a director of certain subsidiaries of the Company. He also assists the Chief Executive Officer and Chief Operating Officer of the Company managing the daily operations of the Group. Currently, Mr. Han is the 12<sup>th</sup> and 13<sup>th</sup> representative of the People's Congress of Hebei Province, PRC, vice chairman of the 11<sup>th</sup> Committee of Hebei Youth Federation and 17<sup>th</sup> representative of the People's Congress of the Communist Youth League of China; he was awarded 企業品牌建設特殊貢獻人物 (Enterprise Brand Special Contribution Character) and 和諧中國2012年度影響力人物 – 中國節能環保領域十大創新標兵 (The Harmonious China 2012 Influential People's Award in Energy Saving). Mr. Han is the son of Mr. Han Jingyuan, the Chairman and Chief Executive Officer and the substantial shareholders (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) (holding approximately 34.34% of the issued shares of the Company as at 31 December 2018) of the Company.

### 執行董事(續)

沈曉玲先生，58歲，本公司的執行董事（於2005年7月1日獲委任）、津西鋼鐵監事會主席及本公司若干附屬公司的董事。彼於2001年在中共河北省委黨校取得管理文憑。在加盟本集團前，沈先生為中國建設銀行灤縣支行行長，亦曾擔任中國建設銀行遷西支行行長達5年及中國銀行遷西支行副行長逾6年。沈先生在2002年1月至2015年10月間擔任津西鋼鐵的副總經理，自2015年10月起調職為津西鋼鐵監事會主席。沈先生為本公司控股股東 Wellbeing Holdings Limited 的一位董事及少數股東。

朱浩先生，52歲，本公司的執行董事（於2007年11月21日獲委任），朱先生於天津南開大學畢業並取得澳洲新南威爾斯大學會計學碩士學位。朱先生為中國高級經濟師。

韓力先生，31歲，本公司的執行董事（於2012年2月7日獲委任）、副總經理兼首席財務官。韓先生於2009年加入本集團並於當時任職本公司的財務總監助理，彼曾為本公司的首席執行官的行政助理，亦現為本公司若干附屬公司的董事，彼亦協助本公司的首席執行官及首席運營官管理本集團的日常工作。韓先生為中國河北省第十二屆及第十三屆人大代表、河北省青年聯合會第十一屆委員會副主席及共青團第十七次全國代表大會代表；彼曾榮獲「企業品牌建設特殊貢獻人物」及「和諧中國2012年度影響力人物—中國節能環保領域十大創新標兵」之榮譽稱號。韓先生為本公司董事局主席兼首席執行官及根據證券及期貨條例（「證券及期貨條例」）第XV部屬本公司主要股東韓敬遠先生（於2018年12月31日其持有本公司已發行股份約34.34%）的兒子。

### NON-EXECUTIVE DIRECTOR

**Mr. Ondra Otradovec**, aged 50, is a Non-Executive Director of the Company (re-appointed on 16 January 2015). Mr. Otradovec graduated from State University of New York in Stony Brook with a Bachelor's degree in Finance. Mr. Otradovec is the Global Head of Mergers & Acquisitions at ArcelorMittal (a substantial shareholder of the Company). Previously he worked at HSBC Investment Bank and was responsible for corporate finance transactions in emerging markets. Since joining in 2003, Mr. Otradovec has been involved in mergers & acquisitions at ArcelorMittal and has completed a large number of acquisitions, mergers and divestments undertaken by the company. Mr. Otradovec was involved in the merger of Mittal Steel with Arcelor as well as many other major transactions including acquisitions in Europe, US, South America and Asia, including Hunan Valin Steel Company Limited ("**Valin Group**") in China (he served as a director of Hunan Valin Iron and Steel Company Limited). More recently, he was in charge of acquisitions of ThyssenKrupp Steel plant in Calvert, USA, Votorantim Steel in Brazil and ILVA in Italy. Mr. Otradovec acted as a Non-Executive Director of the Company from 2 January 2009 to 15 July 2013.

### 非執行董事

**Ondra Otradovec** 先生，50歲，本公司的非執行董事（於2015年1月16日獲再度委任）。Otradovec先生畢業於紐約州立大學石溪分校並獲得金融學士學位。Otradovec先生為ArcelorMittal（本公司的主要股東）的收購與合併部之環球主管。此前，彼曾任職滙豐投資銀行，並負責新興市場的企業融資交易工作。Otradovec先生自2003年加入ArcelorMittal後已參與該公司的收購與合併事項並完成大量收購、合併及撤資業務。Otradovec先生亦曾參與Mittal Steel與Arcelor的合併工作以及多項於歐洲、美國、南美及亞洲的其他主要交易，包括中國的湖南華菱鋼鐵集團有限責任公司（「**華菱集團**」）（彼曾出任湖南華菱鋼鐵股份有限公司的董事）。而近期，彼負責美國Calvert市的ThyssenKrupp鋼鐵廠房、巴西的Votorantim鋼鐵及意大利的ILVA之收購事項。Otradovec先生於2009年1月2日至2013年7月15日曾出任為本公司的非執行董事。

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Wong Man Chung, Francis**, aged 54, is a Certified Public Accountant (Practising) and has over 30 years of experience in auditing, taxation, corporate internal control and governance, acquisition and financial advisory, corporate restructuring and liquidation, family trust and wealth management. He is currently an Independent Non-executive Director (“**INED**”) (appointed on 25 August 2004) and chairman of the audit committee and remuneration committee and member of the nomination committee of the Company. Mr. Wong is also an INED of Digital China Holdings Limited, Wai Kee Holdings Limited, Integrated Waste Solutions Group Holdings Limited, Greenheart Group Limited, GCL-Poly Energy Holdings Limited, China New Higher Education Group Limited, Hilong Holding Limited, Qeeka Home (Cayman) Inc., and the shares of these companies are listed on the Main Board of the Stock Exchange. He was an INED of Kunming Dianchi Water Treatment Co., Limited. Mr. Wong is the Founding Director and member of Francis M. C. Wong Charitable Foundation Limited, a charitable institution. Previously, Mr. Wong worked for KPMG, an international accounting firm for 6 years and the Hong Kong Securities Clearing Company Limited for 2 years. Mr. Wong is a fellow member of The Association of Chartered Certified Accountants, Institute of Chartered Accountants in England and Wales, The Society of Chinese Accountants and Auditors and Hong Kong Institute of Certified Public Accountants and a certified tax adviser of the Taxation Institute of Hong Kong. Mr. Wong holds a master degree in management (管理學碩士) conferred by Guangzhou Jinan University (廣州暨南大學), the PRC. Mr. Wong retired from the office of full-time director of two Certified Public Accountant firms founded by him (i.e. Union Alpha C.P.A. Limited and Union Alpha CAAP C.P.A. Limited) in April 2018, redesignate as the non-executive chairman of Union Alpha C.P.A. Limited and non-executive director of Union Alpha CAAP C.P.A. Limited, so as to contribute more time to the duties of INED of listed companies and handle charitable work.

### 獨立非執行董事

黃文宗先生，54歲，為一名資深執業會計師，於審計、稅務、公司內部監控及管治、收購及財務顧問、企業重組及清算、家族信託及財富管理方面積累逾30年經驗。黃先生現為本公司之獨立非執行董事（「獨立非執行董事」）（於2004年8月25日獲委任）及審核委員會和薪酬委員會主席及提名委員會之成員。黃先生亦為神州數碼控股有限公司、惠記集團有限公司、綜合環保集團有限公司、綠心集團有限公司、保利協鑫能源控股有限公司、中國新高教集團有限公司、海隆控股有限公司、齊屹科技（開曼）有限公司（均為聯交所主板上市之公司）之獨立非執行董事。他曾出任昆明滇池水務股份有限公司之獨立非執行董事。黃先生為黃文宗慈善基金有限公司之創辦董事及成員。在此之前，黃先生曾於畢馬威（KPMG）國際會計師事務所審計部工作6年，並於香港中央結算有限公司監察科工作2年。黃先生為英國特許公認會計師公會、英格蘭及威爾斯特許會計師公會、香港華人會計師公會及香港會計師公會資深會員及香港稅務學會之註冊稅務師。黃先生持有中國廣州暨南大學管理學碩士學位。黃先生於2018年4月已退任其創辦兩所會計師事務所（即才匯會計師事務所有限公司及中審亞太才匯（香港）會計師事務所有限公司）的全職董事工作，改任為才匯會計師事務所有限公司之非執行主席及中審亞太才匯（香港）會計師事務所有限公司之非執行董事，以便投入更多時間在上市公司獨立非執行董事的職務和處理慈善工作。

### INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

**Mr. Wang Tianyi**, aged 72, is an Independent Non-executive Director of the Company (appointed on 7 February 2012). He is currently the executive vice president of The Chinese Society For Metals. Mr. Wang has over 45 years of extensive experience in the steel industry. Mr. Wang studied metallurgical machinery in Beijing Institute of Iron and Steel Engineering (北京鋼鐵學院) (now known as University of Science and Technology of Beijing 北京科技大學) from 1965 and graduated in 1970. He then worked at Handan Iron and Steel Group Company Limited (邯鄲鋼鐵集團有限責任公司) ("Handan IS Group") from 1970 to 1995 and held various management and professional positions, including the position of a technician, deputy factory manager and executive deputy general manager. From 1995 to 2008, Mr. Wang was re-designated and worked at Tangshan Iron and Steel Group Company Limited (唐山鋼鐵集團有限責任公司) ("Tangshan IS Group") as the chairman and managing director. From 2005 to 2011, he was also the deputy chairman and managing director of Shougang Jingtang Iron and Steel Company Limited (首鋼京唐鋼鐵聯合有限責任公司). From July 2008 to August 2011, he acted as the vice chairman of Hebei Iron and Steel Group Company Limited (河北鋼鐵集團有限責任公司) ("HBIS Group"). HBIS Group was established after the merger of Tangshan IS Group and Handan IS Group on 30 June 2008.

**Mr. Wang Bing**, aged 53, is an Independent Non-executive Director of the Company (appointed on 15 July 2016). Mr. Wang graduated from Peking University with a Bachelor degree in Law in 1986 and obtained a Doctor degree in International Law from the Research Institute of Hiroshima University in 1995. Mr. Wang has over 23 years of experience in practicing law. In 1986, Mr. Wang joined Ministry of Human Resources and Social Security of the People's Republic of China, then worked for the Policy Research Office. He worked at Zhong Lun Law Firm from July 1995 to May 1998. Mr. Wang joined Beijing W&H Law Firm since May 1998 and currently, he is the Senior Partner of Beijing W&H Law Firm. Mr. Wang is qualified to practice law in the PRC. Mr. Wang was once the independent director of Shanxi Lanhua Sci-tech Venture Company Limited from May 2003 to May 2009 and Fujian Guanhong Holding Company Limited from May 2009 to May 2011. He is currently an independent director of Shanxi Tianji Coal Chemical Group Company Limited since May 2008 and Shangdong SINO-AGRI United Biotechnology Company Limited since January 2016. In addition, Mr. Wang acted an external director of Beijing Fashion Holdings Company Limited (formerly known as "Beijing Textile Holding Company Limited") which is a wholly-owned company of State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality since February 2015.

### 獨立非執行董事(續)

**王天義先生**，72歲，本公司的獨立非執行董事(於2012年2月7日獲委任)，彼現任中國金屬學會常務副理事長。王先生在鋼鐵行業擁有超過45年豐富經驗。王先生於1965年開始就讀於北京鋼鐵學院(現稱北京科技大學)修讀冶金機械專業及於1970年畢業。彼於1970年至1995年在邯鄲鋼鐵集團有限責任公司(「邯鄲集團」)工作並曾出任多個管理及專業職位，包括技術人員、副廠長及常務副總經理。於1995年至2008年期間，王先生調任至唐山鋼鐵集團有限責任公司(「唐鋼集團」)，分別擔任過董事長及總經理，在2005年至2011年期間，彼亦曾擔任首鋼京唐鋼鐵聯合有限責任公司的副董事長兼總經理，並於2008年7月至2011年8月期間出任河北鋼鐵集團有限責任公司(「河北鋼鐵集團」)的副董事長，河北鋼鐵集團於2008年6月30日由唐鋼集團及邯鄲集團合併而成。

**王冰先生**，53歲，本公司的獨立非執行董事(於2016年7月15日獲委任)。王先生於1986年在北京大學法律系畢業取得法學學士學位，並於1995年在日本廣島大學研究生學院取得國際法學博士學位。王先生具有23年以上的法律執業經驗。於1986年，王先生加入中華人民共和國人力資源和社會保障部，其後於政策研究室工作，彼在1995年7月至1998年5月期間於中倫律師事務所工作，王先生於1998年5月開始加入北京市煒衡律師事務所及現為該所的高級合夥人。王先生擁有中華人民共和國律師執業資格。王先生曾於2003年5月至2009年5月擔任山西蘭花科技創業股份有限公司及於2009年5月至2011年5月擔任福建冠宏股份有限公司的獨立董事，其目前自2008年5月擔任山西天脊煤化工集團股份有限公司及自2016年1月擔任山東中農聯合股份有限公司的獨立董事，此外，王先生自2015年2月起擔任北京市人民政府國有資產監督管理委員會的國有獨資企業，北京時尚控股有限責任公司(前稱為「北京紡織控股有限責任公司」)的外部董事。

### SENIOR MANAGEMENT

**Mr. Yu Lifeng**, aged 42, is the deputy chairman, legal representative and general manager of Jinxi Limited. Mr. Yu began his career in 1995 when he was employed as the sales supervisor of Han'erzhuang Iron Mine, and joined the Group in 1996. Mr. Yu has been awarded the honorary title of "Hebei Provincial Government – Quality Award (Individual)" (「河北省政府質量獎」個人獎), "The 10th Most Entrepreneur Concern In Hebei Province" (「河北省第十屆最受關注企業家」), "The Ten Best Newsmaker of 2018 China Era and Mainland China Appraisal Campaign" (「2018中國時代風采•中華大地之光征評活動「十佳新聞人物」」), "The Outstanding Chinese Entrepreneur" (「中華優秀企業家」), "Chinese Corporate Culture Top Ten Model of 40 Years of Reform and Opening Up" (「改革開放40年中國企業文化十大典範人物」) in 2018.

**Mr. Yu Jianshui**, aged 51, is the general manager of Hebei Jinxi Iron and Steel Group Special Steel Company Limited and was the general manager of Hebei Jinxi Iron and Steel Group Zhengda Iron and Steel Company Limited. Mr. Yu was graduated at Hebei Polytechnic University in steel metallurgy and obtained a MBA from University of Northern Virginia in June 2009. He joined the Group after graduation until May 2005 and was employed as the deputy general executive manager of Shanxi Province Xiaoyi City Chengcai Iron and Steel Company in May 2005. He then re-joined the Group in April 2006. He has been awarded County Technological Selected Talent (「縣科技拔尖人才」), Ten Outstanding Youths in the County (「縣十大傑出青年」), Outstanding Youth in Post of Tangshan City (「唐山市青年崗位能手」), Workers' Model in Hebei Province (「河北省勞動模範」), The First Class Honour of Technological Improvement in Tangshan City (「唐山市科技進步一等獎」), The Third Class Honour of Technological Improvement in Hebei Province (「河北省科技進步三等獎」).

**Mr. Lam Pak Kan**, aged 39, is the Financial Controller and Company Secretary of the Company since 30 December 2015. Mr. Lam graduated from the Hong Kong University of Science and Technology with a Bachelor's degree of Business Administration in Accounting in 2001. Mr. Lam is a member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is also a Chartered Financial Analyst (CFA) charterholder. Mr. Lam has over 18 years experience in auditing, financial management, strategic management, corporate finance, corporate governance and investor relations with accounting firm, asset management company and listed companies.

### 高級管理人員

于利峰先生，42歲，現為津西鋼鐵的副董事長、法人代表及總經理。于先生於1995年任職漢兒庄鐵礦的銷售科長開展其事業，並於1996年加入本集團。于先生於2018年分別榮獲「河北省政府質量獎」個人獎、「河北省第十屆最受關注企業家」、「2018中國時代風采•中華大地之光征評活動「十佳新聞人物」」、「中華優秀企業家」、「改革開放40年中國企業文化十大典範人物」等榮譽稱號。

于建水先生，51歲，現任河北津西鋼鐵集團特鋼有限公司總經理及曾任河北津西鋼鐵集團正達鋼鐵有限公司總經理。于先生畢業於河北理工大學鋼鐵冶金專業，2009年6月取得北弗吉尼亞大學的工商管理碩士學位。彼於畢業後在本集團工作至2005年5月，及後於2005年5月任職山西省孝義市城財鋼鐵公司常務副總經理。他其後於2006年4月重新加盟本集團。彼曾獲得「縣科技拔尖人才」、「縣十大傑出青年」、「唐山市青年崗位能手」、「河北省勞動模範」、「唐山市科技進步一等獎」、「河北省科技進步三等獎」等稱號。

林柏勤先生，39歲，本公司的財務總監及公司秘書(於2015年12月30日獲委任)。林先生於2001年畢業於香港科技大學，獲得工商管理學士學位，主修會計。林先生為特許公認會計師公會及香港會計師公會會員，彼亦為特許財務分析師。林先生曾任職於多家會計師事務所、資產管理公司及上市公司並擁有逾18年審計、財務管理、策略管理、企業融資、企業管治及投資者關係的經驗。

# Corporate Governance Report 企業管治報告

The Company is committed to sound corporate governance practices designed to promote greater transparency, investor confidence and the continued development of the Group with the best long term interest of the Group and value enhancement for all Shareholders as our ultimate goal. The Company also believes that sound corporate governance practices benefit the Group's employees and the community in which the Group operates.

## CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE REPORT PRACTICES SET OUT IN APPENDIX 14 OF THE RULES GOVERNING THE LISTING OF SECURITIES (“LISTING RULES”) ON THE STOCK EXCHANGE (“CG CODE”)

In the opinion of the Directors, the Company has complied the principles and code provisions with the CG Code throughout the year ended 31 December 2018, except for the deviations regarding code provisions A.2.1, A.4.2 and C.2.5 of the CG Code with explanation disclosed below.

## BOARD OF DIRECTORS (THE “BOARD”)

During the year under review, the Board comprised the following Directors and the composition is set out as follows:

### Executive Directors

Mr. Han Jingyuan (*Chairman and Chief Executive Officer*)  
Mr. Zhu Jun (*Executive Deputy General Manager and Chief Operating Officer*)  
Mr. Shen Xiaoling  
Mr. Zhu Hao  
Mr. Han Li (*Deputy General Manager and Chief Financial Officer*)

### Non-executive Director

Mr. Ondra Otradovec

### Independent Non-executive Directors

Mr. Wong Man Chung, Francis  
Mr. Wang Tianyi  
Mr. Wang Bing

本公司貫徹執行良好之企業管治實務，以提升透明度、投資者信心及促進本集團之持續發展，並一直以本集團之最佳長遠利益及提高全體股東的價值為其最終目標。本公司亦相信，良好之企業管治對本集團僱員及經營所在社區均屬有利。

## 聯交所證券上市規則(「上市規則」)附錄十四所載之《企業管治守則》及《企業管治報告》(「企業管治守則」)

除下文所披露關於企業管治守則之守則條文第A.2.1、A.4.2及C.2.5條的偏離和說明外，於截至2018年12月31日止整個年度，董事們認為本公司已遵守企業管治守則之原則及守則條文。

## 董事局(「董事局」)

於回顧年度內，董事局包括以下董事，其組成載列如下：

### 執行董事

韓敬遠先生(董事局主席兼首席執行官)  
朱軍先生(常務副總經理兼首席運營官)  
  
沈曉玲先生  
朱浩先生  
韓力先生(副總經理兼首席財務官)

### 非執行董事

Ondra Otradovec 先生

### 獨立非執行董事

黃文宗先生  
王天義先生  
王冰先生

# Corporate Governance Report 企業管治報告

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### ROLES AND RESPONSIBILITIES

The Board assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising the Company’s affairs. It should act in the best interest of the Company and its Shareholders at all times. The Board sets strategies for the Company and monitors the performance and activities of the senior management.

The Executive Directors of the Company are responsible for the day to day operations of the Company whereas the Independent Non-executive Directors of the Company are responsible for ensuring a high standard of financial and management reporting to the Board and Shareholders as well as to provide a balanced composition in the Board so that there is a strong independent element on the Board.

### BOARD COMPOSITION

The composition of the Board is reviewed regularly to ensure that it has a good balance of expertise, skills and experience, which can meet the requirements of the business of the Group. The Directors’ biographical information is set out on pages 64 to 68.

There is a clear division of responsibilities between the Board and the management. The Board is responsible for providing high-level guidance and effective oversight of the management while day-to-day management of the Group is delegated to the management team of each respective subsidiary. Generally speaking, the Board is responsible for:

- Formulating the Group’s long-term strategy and monitoring the implementation thereof;
- Approval of dividends;
- Reviewing and approving the interim and annual reports;
- Ensuring good corporate governance and compliance;
- Monitoring the performance of the management;
- Reviewing and approving any material acquisition and disposal of assets and other material transactions.

## 董事局(「董事局」)(續)

### 職務及職責

董事局擔負領導及監控本公司的責任，並共同負責指導及監督本公司的事宜，推動本公司的成功。董事局應始終以本公司及其股東的最佳利益行事。董事局制定本公司的策略，並監控高級管理層表現及活動。

本公司執行董事負責本公司的日常營運，而本公司獨立非執行董事負責確保向董事局及股東作出高標準之財務及管理報告，以平衡董事局架構，使董事局具有高度獨立地位。

### 董事局架構

董事局定期檢討其成員架構，務求平衡各方的專業知識、技術及資歷，以符合本集團的業務要求。董事履歷資料載列於第64至68頁。

董事局與管理層職責具清晰劃分。董事局負責提供管理層高層次的指引及有效的監督，而本集團日常管理則轉授予各附屬公司管理層。一般而言，董事局負責：

- 制訂本集團長遠策略及監督有關策略之實施；
- 批准股息；
- 審閱及批准中期報告及年報；
- 確保良好的企業管治及遵守法規；
- 監督管理層之表現；
- 審閱及批准任何重大的資產收購及出售及其他重大交易。



# Corporate Governance Report 企業管治報告

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### RELATIONSHIP BETWEEN THE BOARD MEMBERS

Except for Mr. Han Li, who is the son of Mr. Han Jingyuan, to the best knowledge of the Directors, there is no financial, business, family relationship among the other Directors. All of them are free to exercise their independent judgments.

### DIRECTORS' ATTENDANCE AND TIME COMMITMENT

The Board authorises the management to carry out the strategy that have been approved. During the year under review, four Board meetings were held and the principal business transacted included approving interim and annual results and reports, as well as assessing business development and business performance. The attendance record of each Director of Board and Board Committees meetings for the year ended 31 December 2018 is set out as follows:

#### Board 董事局

		Board		Number of Meeting Attended/Eligible Attended				General Meeting
		董事局		會議出席/ 有資格出席次數				
		Regular 定期	Ad Hoc 特別	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會		
Mr. Han Jingyuan	韓敬遠先生	3/4	-	-	1/1	1/1	1/1	
Mr. Zhu Jun	朱軍先生	3/4	-	-	-	-	0/1	
Mr. Shen Xiaoling	沈曉玲先生	4/4	-	-	-	-	0/1	
Mr. Zhu Hao	朱浩先生	3/4	-	-	-	-	1/1	
Mr. Han Li	韓力先生	4/4	-	-	-	-	1/1	
Mr. Ondra Otradovec	Ondra Otradovec 先生	2/4	-	-	-	-	0/1	
Mr. Wong Man Chung, Francis	黃文宗先生	4/4	-	4/4	1/1	1/1	1/1	
Mr. Wang Tianyi	王天義先生	4/4	-	3/4	1/1	1/1	0/1	
Mr. Wang Bing	王冰先生	3/4	-	4/4	1/1	1/1	0/1	

All Directors have access to the Company Secretary who is responsible for ensuring that the Board procedures are complied with and all applicable rules and regulations are followed.

## 董事局(「董事局」)(續)

### 董事局成員間之關係

除韓力先生為韓敬遠先生的兒子外，據董事所知悉，其他董事之間概無任何財務、業務和親屬關係。董事均可自由作出獨立判斷。

### 董事之出席情況及時間投入

董事局授權管理層履行已批准的策略。於回顧年度內，董事局共召開四次會議，已處理之主要事項包括批准中期及年度業績和報告，以及評估業務發展和表現。各董事於截至2018年12月31日止年度之董事局及董事局委員會會議出席情況如下：

		Board		Number of Meeting Attended/Eligible Attended				General Meeting
		董事局		會議出席/ 有資格出席次數				
		Regular 定期	Ad Hoc 特別	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會		
Mr. Han Jingyuan	韓敬遠先生	3/4	-	-	1/1	1/1	1/1	
Mr. Zhu Jun	朱軍先生	3/4	-	-	-	-	0/1	
Mr. Shen Xiaoling	沈曉玲先生	4/4	-	-	-	-	0/1	
Mr. Zhu Hao	朱浩先生	3/4	-	-	-	-	1/1	
Mr. Han Li	韓力先生	4/4	-	-	-	-	1/1	
Mr. Ondra Otradovec	Ondra Otradovec 先生	2/4	-	-	-	-	0/1	
Mr. Wong Man Chung, Francis	黃文宗先生	4/4	-	4/4	1/1	1/1	1/1	
Mr. Wang Tianyi	王天義先生	4/4	-	3/4	1/1	1/1	0/1	
Mr. Wang Bing	王冰先生	3/4	-	4/4	1/1	1/1	0/1	

所有董事均可與公司秘書保持聯繫，而公司秘書負責確保董事局之運作符合程序及遵守所有適用規則及規例。

# Corporate Governance Report 企業管治報告

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

The Board ensures that its members are supplied, in a timely manner, with all necessary information in a form and of a quality appropriate to enable the Board to discharge its duties.

The minutes of Board meetings recorded all the details of the matters considered by the Board and the decisions reached, including any concerns raised by Directors or dissenting views expressed. Minutes of Board meetings are kept by the Company Secretary and are available for inspection by any Director.

### A. Chairman and Chief Executive Officer

Pursuant to the Code Provision A.2.1 of the CG Code, the role of the chairman and chief executive officer should be separate and should not be performed by the same individual. The Board has Chairman to provide leadership to the Board in terms of establishing policies and business directions and monitor the daily operation of the Group.

Mr. Han Jingyuan serves as the Chairman and the Chief Executive Officer of the Company. The Board believes that there is no immediate need to separate the roles of the Chairman and the Chief Executive Officer of the Company because the role of chief executive officer/general manager of the Company’s major operating subsidiaries are performed by other persons.

The Board will consider the segregation of the roles of the Chairman and the Chief Executive Officer of the Company in light of the future development of the operating activities or businesses of the Group.

### B. Independent Non-executive Directors

During the year under review, the Company had three Independent Non-executive Directors of whom Mr. Wong Man Chung, Francis has appropriate professional qualifications and experience in financial matters in compliance with Rules 3.10(1) and 3.10(2) of the Listing Rules.

## 董事局(「董事局」)(續)

董事局確保其成員及時獲提供所有具適當形式及質量之必要資料，以便董事局履行其職責。

董事局會議記錄對董事局所審議之事項及達致之決定均有詳盡記錄，包括由董事提出之任何關注或表達之異議。董事局會議記錄由公司秘書保管，可供任何董事查閱。

### A. 董事局主席和首席執行官

根據企業管治守則之守則條文第A.2.1條，董事局主席和首席執行官的角色應有區分，並不應由一人同時兼任。董事局設主席為制定本集團政策、業務方向及領導董事局，並監督本集團日常業務。

韓敬遠先生擔任本公司的董事局主席和首席執行官。董事局相信無需立即分離本公司的董事局主席和首席執行官職務，因為本公司主要及實際營運的附屬公司的首席執行官／總經理職務已由其他人士擔任。

董事局將考慮分離本公司的董事局主席及首席執行官的職務以應付本集團未來的經營活動或業務發展。

### B. 獨立非執行董事

於回顧年度內，本公司有三名獨立非執行董事，當中黃文宗先生在財務事宜方面擁有合適之專業資格及經驗，符合上市規則第3.10(1)條及第3.10(2)條之規定。

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### B. Independent Non-executive Directors (continued)

The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the Independent Non-executive Directors to be independent.

### C. Appointment, Re-election and Removal of Directors

Under code provision A.4.2 of the CG Code, all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Article 86(2) of the Bye-laws of the Company (the “Bye-laws”) provides that, amongst other things, the directors shall have the power from time to time and at any time to appoint any person as a director, either to fill a casual vacancy on the Board, or, subject to authorisation by the shareholders in general meeting, as an addition to the existing Board. Any director so appointed by the Board shall hold office until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. In light of the Bye-laws, any director so appointed as aforesaid shall hold office until the next annual general meeting. This constitutes as a deviation from code provision of A.4.2 of the CG Code. Given the time between filling a casual vacancy and the next general meeting was generally too short to require a re-election, therefore the Company adopts the re-election to take place at the next annual general meeting instead. The Company believes that it is in the best interest of the Company’s shareholders to transact this ordinary course of business in the annual general meeting.

## 董事局(「董事局」)(續)

### B. 獨立非執行董事(續)

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出彼等之年度獨立性確認書。本公司認為全體獨立非執行董事均具備獨立性。

### C. 委任、重選和撤換董事

根據企業管治守則之守則條文第A.4.2條，所有獲委任以填補臨時空缺的董事們，均應在獲委任後的首次股東大會上膺選連任，及每位董事(包括有指定任期者)均須最少每三年輪值告退一次。

本公司之章程細則(「章程細則」)之細則第86(2)條規定，除其他事項外，董事們應有權不時及隨時委任任何人士為董事，以填補董事局臨時空缺或待股東於股東大會上授權後作為現有董事局新增成員。任何就此獲董事局委任之董事須任職至下屆本公司股東週年大會為止及應隨後有資格於該大會上重選連任。鑑於章程細則，任何董事如上述獲委任應任職至下屆股東週年大會。是項規定構成偏離企業管治守則之守則條文第A.4.2條。鑒於填補臨時空缺與下一屆股東大會之間隔時間一般是太短時間內要求重選，因此，本公司採納於下一屆股東週年大會進行重選連任。本公司相信於股東週年大會上進行此普通業務過程符合本公司股東之最佳利益。

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### C. Appointment, Re-election and Removal of Directors (continued)

Article 87(1) of the Bye-laws provides that, at each annual general meetings of the Company, one third of the directors for the time being (or, if the number is not a multiple of three, the number nearest to but not greater than one third), including the independent non-executive directors, shall retire from office by rotation, provided that the chairman of the Board and/or the managing director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of directors to retire in each year. This constitutes as a deviation from Code Provision of A.4.2 of the CG Code. Taking the Code Provision A.4.2 of the CG Code, Mr. Han Jingyuan, the Chairman of the Board and Chief Executive Officer of the Company, retired at the 2018 annual general meeting and was re-elected. The Company will consider amending the Bye-laws to comply with the Code Provision A.4.2 of the CG code in the future.

All the Directors of the Company are appointed for a specific term and subject to re-election. Currently, Mr. Han Jingyuan, Mr. Zhu Jun, Mr. Shen Xiaoling, Mr. Zhu Hao and Mr. Han Li being the Executive Directors are appointed for a fixed term of three years. Mr. Ondra Otradovec being the Non-executive Director is appointed for a fixed term of two years. All Independent Non-executive Directors, including, Mr. Wong Man Chung, Francis, Mr. Wang Tianyi and Mr. Wang Bing are appointed for a fixed term of one year. All the Directors are still subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company’s Bye-laws and CG Code.

In accordance to the Bye-laws 87 of the Company and the Code Provision A.4.2 of the CG Code, Mr. Zhu Jun, Mr. Han Li and Mr. Wang Tianyi will retire from office by rotation and, being eligible, will offer themselves for re-election at the forthcoming AGM.

Except for the change in the Board as mentioned above, during the year under review, no other Director was appointed to fill any causal vacancy or otherwise.

## 董事局(「董事局」)(續)

### C. 委任、重選和撤換董事(續)

章程細則之細則第87(1)條規定，於每次本公司之股東週年大會上，三分之一的在任董事(或倘數量並不是三的倍數，則取最接近但不能超過三分之一之人數)(包括獨立非執行董事)均須輪值告退，但本公司之董事局主席及／或董事總經理，於其任職期間，不須輪值告退或於釐定每年退任董事人數時被考慮在內。是項規定構成偏離企業管治守則之守則條文第A.4.2條。考慮到企業管治守則之守則條文第A.4.2條，本公司董事局主席兼首席執行官韓敬遠先生，已於2018年股東週年大會上退任，並獲得重選。於未來，本公司將考慮修改章程細則以符合企業管治守則之守則條文第A.4.2條。

本公司所有董事之委任均有指定任期及須接受重選。目前，韓敬遠先生、朱軍先生、沈曉玲先生、朱浩先生及韓力先生為執行董事均以指定任期獲委任，為期三年，Ondra Otradovec先生為非執行董事以指定任期獲委任，為期兩年。所有獨立非執行董事包括黃文宗先生、王天義先生及王冰先生均以指定任期一年獲委任。所有董事均需根據本公司章程細則及企業管治守則輪席告退及於本公司股東週年大會重選。

根據本公司的章程細則第87條及企業管治守則之守則條文第A.4.2條，朱軍先生、韓力先生及王天義先生將於應屆股東週年大會上輪席退任，彼等並符合資格和願意於應屆股東週年大會上重選。

除上述的董事局變動以外，於回顧年度內，概無其他董事獲委任以填補任何臨時空缺或其他變動。

# Corporate Governance Report 企業管治報告

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### D. Responsibilities of Directors and Company Secretary

All Directors fully appreciate their role and duties as Directors of the Company.

New Director will be given an introduction to the Group’s major business activities, induction into their responsibilities and duties, and other regulatory requirements.

The Company Secretary is responsible for keeping all Directors updated on the Listing Rules and other relevant regulatory requirements.

### E. Directors’ and Officers’ liability

Appropriate insurance cover on Directors’ and Officers’ liabilities has been provided by the Company to cover potential legal actions against Directors and Officers.

### F. Training and Support for Directors and Company Secretary

Each newly appointed Director will receive comprehensive, formal and tailored induction on the first occasion of his appointment, so as to ensure that he has appropriate understanding of the business and operations of the Group and that he is fully aware of his responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

There are also arrangements in place for providing continuing briefing and professional development to Directors at the Company’s expenses whenever necessary.

The Company provides regular updates relating to the Group’s business and the legislative and regulatory environments in which the Group conducts its business to the Directors.

## 董事局(「董事局」)(續)

### D. 董事及公司秘書責任

所有董事均充分了解彼等作為本公司董事之角色及職責。

新任董事於入職時，將獲簡介本集團之主要業務活動、彼等之責任及職責以及其他監管要求。

公司秘書負責向全體董事發放上市規則及其他相關監管要求之最新資料。

### E. 董事及高級職員之責任

本公司已就對董事及高級職員作出潛在性之法律行動，為董事及高級職員之責任提供適當的保險保障。

### F. 董事及公司秘書之培訓及支持

各新任董事已於首次獲委任時接受全面、正式及為彼而設之就職指引，確保董事對本集團業務及營運有恰當了解，並完全明白彼於上市規則及相關監管規定項下之責任及義務。

如有需要，董事亦獲安排提供持續簡報及專業發展，費用由本公司承擔。

本公司定期向董事提供有關本集團業務以及本集團經營業務所在地的法規及監管環境之最新資料。

# Corporate Governance Report 企業管治報告

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### F. Training and Support for Directors and Company Secretary (continued)

The Directors are committed to comply with the Code Provision A.6.5 of the CG Code. All Directors have participated in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant for the year ended 31 December 2018. The Company will arrange internally-facilitated briefings for Directors and reading material on relevant topics will be issued to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the year ended 31 December 2018, the Company has provided reading materials on corporate governance matters and update on the Listing Rules to all Directors for their reference and studying. Besides, Mr. Ondra Otradovec and Mr. Wong Man Chung, Francis also attended other seminars and training sessions arranged by other professional firms/institutions. Record of training of each Director for the year ended 31 December 2018 were kept by the Company.

The individual training record of each Director received for the year ended 31 December 2018 is summarised as below:

#### *Participation in Continuous Professional Development Programme in 2018*

## 董事局(「董事局」)(續)

### F. 董事及公司秘書之培訓及支持(續)

董事承諾遵守企業管治守則之守則條文第A.6.5條。截至2018年12月31日止年度，全體董事均已參與發展及更新彼等知識及技能之持續專業發展，以確保繼續在具備全面資訊及切合所需的情況下向董事局作出貢獻。本公司將會於適當時為董事安排內部用簡報，並就有關主題刊發閱讀材料。本公司鼓勵所有董事參加相關培訓課程，費用由本公司支付。

截至2018年12月31日止年度內，本公司已向全體董事提供有關企業管治事宜的閱讀材料及上市規則更新的簡報，以供彼等參考及細閱。此外，Ondra Otradovec先生及黃文宗先生亦參與其他專業公司／機構安排的其他研討會及培訓課程。本公司已保存截至2018年12月31日止年度各董事的培訓記錄。

各董事於截至2018年12月31日止年度所接受培訓之個別記錄概述如下：

#### *於2018年參與持續專業培訓計劃*

# Corporate Governance Report 企業管治報告

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

## 董事局(「董事局」)(續)

### F. Training and Support for Directors and Company Secretary (continued)

### F. 董事及公司秘書之培訓及支持(續)

Directors		Reading regulatory updates	Attending training/ briefing on regulatory development, directors' duties or other relevant topics
董事		閱讀監管規定的更新資料	出席有關監管變動、董事責任或其他相關題材的培訓/簡報會
<b>Executive Directors</b>	<b>執行董事</b>		
Mr. Han Jingyuan	韓敬遠先生	✓	
Mr. Zhu Jun	朱軍先生	✓	
Mr. Shen Xiaoling	沈曉玲先生	✓	
Mr. Zhu Hao	朱浩先生	✓	
Mr. Han Li	韓力先生	✓	
<b>Non-executive Director</b>	<b>非執行董事</b>		
Mr. Ondra Otradovec	Ondra Otradovec 先生	✓	✓
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>		
Mr. Wong Man Chung, Francis	黃文宗先生	✓	✓
Mr. Wang Tianyi	王天義先生	✓	
Mr. Wang Bing	王冰先生	✓	✓

During the year under review, Mr. Lam Pak Kan, the Financial Controller and Company Secretary of the Company, took more than 15 hours of professional training to update his skills and knowledge in compliance with Rule 3.29 of the Listing Rules.

於回顧年度內，本公司財務總監及公司秘書林柏勤先生曾參加超過15個小時的專業培訓，提升其技能及知識，並符合上市規則第3.29條的規定。

### G. Directors' Securities Transactions

### G. 董事之證券交易

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

本公司已採納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(「標準守則」)作為董事買賣本公司證券的守則。

The Company has made specific enquiry of all Directors and all Directors have confirmed that they have complied with the required standard as set out in the Model Code during the year under review.

經向所有董事作出具體查詢後，所有董事確認於回顧年度內已遵守標準守則所載規定標準。

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### H. Board Committees

As an integral part of sound corporate governance, the Board has established the following committees whose authorities and functions, compositions and duties are set out below:

#### (1) Audit Committee

The audit committee of the Company (“**Audit Committee**”) has been established since 2005 with specific written terms of reference. The terms of reference of the Audit Committee (which were available on the websites of the Stock Exchange and the Company) have included those specific duties as set out in the Code Provision C.3.3 of the CG Code, with appropriate modifications when necessary. Pursuant to its terms of reference, the Audit Committee is required, amongst other things, to consider and recommend to the Board the appointment, re-appointment and removal of the external auditors and to approve their remuneration, to review the interim and annual financial statements, to review the Group’s financial controls, internal controls and risk management system including the adequacy of resources, qualification and experience of staff of the accounting and financial reporting function and their training programmes and budget, and to consider any findings of major investigation of internal control matters as delegated by the Board or on its own initiative and management’s response. The Audit Committee should meet at least twice each year and when the need arises.

During the year ended 31 December 2018, the Audit Committee comprised three Independent Non-executive Directors. Mr. Wong Man Chung, Francis as the Chairman of the Audit Committee during the year under review and Mr. Wang Tianyi and Mr. Wang Bing as the members of the Audit Committee, in compliance with Rule 3.21 of the Listing Rules.

For the year ended 31 December 2018, four meetings of Audit Committee were held.

## 董事局(「董事局」)(續)

### H. 董事委員會

作為良好企業管治不可分割之部份，董事局已設立下列委員會，其權限、職能、組成及職責載列如下：

#### (1) 審核委員會

本公司審核委員會(「**審核委員會**」)自2005年起成立，並訂有特定書面職權範圍。審核委員會之職權範圍(可於聯交所及本公司網站查閱)包括企業管治守則之守則條文第C.3.3條所載之特定職責，並於需要時作出適當修訂。根據其職權範圍，審核委員會須(其中包括)審議並向董事局建議委任、重新委任及解聘外聘核數師並批准其薪酬、審閱中期及年度財務報表、審查本集團財務監控、內部監控與風險管理系統，包括在會計及財務匯報職能方面的資源、僱員資歷及經驗是否足夠，以及僱員所接受的培訓課程及有關預算又是否充足，以及審議由董事局或其自行發起對內部監控事宜進行重大調查之結果以及管理層作出之反應。審核委員會應每年最少召開兩次會議以及於有需要時舉行會議。

於截至2018年12月31日止年度內，審核委員會包括三名獨立非執行董事，於回顧年度內之審核委員會主席為黃文宗先生以及審核委員會成員為王天義先生及王冰先生，並遵守上市規則3.21條。

截至2018年12月31日止年度，審核委員會共舉行四次會議。



# Corporate Governance Report 企業管治報告

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### H. Board Committees (continued)

#### (1) Audit Committee (continued)

The Audit Committee has reviewed the Group’s consolidated financial statements for the year ended 31 December 2018 and has also discussed the internal control, the accounting principles and practices adopted by the Group. The Audit Committee is of the opinion that the consolidated financial statements have been prepared in accordance with the applicable accounting standard, the Listing Rules and the statutory requirements and that adequate disclosures have been made in this annual report.

#### (2) Remuneration Committee

The remuneration committee of the Company (“**Remuneration Committee**”) has been established since 2005 with specific written terms of reference. The terms of reference of the Remuneration Committee (which were available on the websites of the Stock Exchange and the Company) have included the duties which are set out in the Code Provision B.1.2 of the CG Code, with appropriate modifications when necessary.

Pursuant to its terms of reference, the Remuneration Committee is required, amongst other things, (i) to determine, with delegated responsibility from the Board, the remuneration packages of individual Executive Directors and senior management; (ii) to make recommendations to the Board on the remuneration of Non-executive Directors; (iii) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time; (iv) to review and approve the compensation payable to the Executive Directors, Non-executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company; and (v) to ensure that no Director is involved in deciding his/her own remuneration. The Remuneration Committee should meet at least once a year and when the need arises.

## 董事局(「董事局」)(續)

### H. 董事委員會(續)

#### (1) 審核委員會(續)

審核委員會已審閱本集團截至2018年12月31日止年度之合併財務報表，亦已討論內部監控事宜、本集團所採納之會計原則及慣例。審核委員會認為，有關合併財務報表乃按適用會計準則、上市規則及法定規定編製，並已於本年報內作出充足披露。

#### (2) 薪酬委員會

本公司薪酬委員會(「**薪酬委員會**」)自2005年起成立，並訂有特定書面職權範圍。薪酬委員會之職權範圍(可於聯交所及本公司網站查閱)包括企業管治守則之守則條文第B.1.2條所載之職責，並於需要時作出適當修訂。

根據其職權範圍，薪酬委員會須(其中包括)，(i)擁有既授董事局職責以釐定個別的執行董事及高級管理層之薪酬福利；(ii)就非執行董事的薪酬向董事局提出建議；(iii)參考不時由董事局議決之企業方針及目標審議和批准以表現為基礎的薪酬；(iv)審議和批准應付執行董事、非執行董事及高級管理層有關彼等喪失或終止職位或委任之賠償以確保該等賠償乃根據相關合約條款而釐定且對本公司而言屬公平而非過度；及(v)確保並無董事參與釐定本身之薪酬。薪酬委員會應每年最少召開一次會議以及於有需要時召開會議。

# Corporate Governance Report 企業管治報告

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### H. Board Committees (continued)

#### (2) Remuneration Committee (continued)

During the year under review, the Remuneration Committee comprised Independent Non-executive Director of the Company, Mr. Wong Man Chung, Francis, as the chairman of the Remuneration Committee, Chairman and Chief Executive Officer of the Company, Mr. Han Jingyuan and the remaining Independent Non-executive Directors of the Company namely, Mr. Wang Tianyi and Mr. Wang Bing as the members of the Remuneration Committee in compliance with the Rule 3.25 of the Listing Rules.

For the year ended 31 December 2018, one meeting of Remuneration Committee was held.

Details of the remuneration of each Director for the year ended 31 December 2018 are set out in the Note 50 to the consolidated financial statements in this annual report.

## 董事局(「董事局」)(續)

### H. 董事委員會(續)

#### (2) 薪酬委員會(續)

於回顧年度內，薪酬委員會包括本公司獨立非執行董事黃文宗先生(薪酬委員會主席)、本公司董事局主席兼首席執行官韓敬遠先生及本公司其餘的獨立非執行董事，即王天義先生及王冰先生，均為薪酬委員會成員，符合上市規則第3.25條之規定。

截至2018年12月31日止年度，薪酬委員會共舉行一次會議。

各董事於截至2018年12月31日止年度之薪酬詳情載列於本年報合併財務報表附註50。

# Corporate Governance Report 企業管治報告

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### H. Board Committees (continued)

#### (2) Remuneration Committee (continued)

The biographies of members of the senior management team at the date of this annual report are disclosed in the section headed “Directors’ and Senior Management’s Biographical Information” in this annual report. Pursuant to the Code Provision B.1.5 of the CG Code, the emoluments of the senior management (excluding Directors) for the year ended 31 December 2018 are within the following bands:

HK\$1,500,001 to HK\$2,000,000 (approximately RMB1,284,084 – RMB1,712,110)	1,500,001 港元至 2,000,000 港元 (約人民幣 1,284,084 元至人民幣 1,712,110 元)
HK\$2,500,001 to HK\$3,000,000 (approximately RMB2,140,138 – RMB2,568,165)	2,500,001 港元至 3,000,000 港元 (約人民幣 2,140,138 元至人民幣 2,568,165 元)
HK\$3,000,001 to HK\$3,500,000 (approximately RMB2,568,166 – RMB2,996,192)	3,000,001 港元至 3,500,000 港元 (約人民幣 2,568,166 元至人民幣 2,996,192 元)
HK\$4,000,001 to HK\$4,500,000 (approximately RMB3,424,221 – RMB3,852,248)	4,000,001 港元至 4,500,000 港元 (約人民幣 3,424,221 元至人民幣 3,852,248 元)

#### (3) Nomination Committees

The nomination committee of the Company (“Nomination Committee”) has been established on 23 March 2012 with specific written terms of reference. The terms of reference of the Nomination Committee (which were available on the websites of the Stock Exchange and the Company) have included the duties which are set out in the Code Provision A.5.2 of the CG Code, with appropriate modifications when necessary.

## 董事局(「董事局」)(續)

### H. 董事委員會(續)

#### (2) 薪酬委員會(續)

於本年報日期的高級管理層成員的履歷於本年報「董事及高級管理人員的履歷資料」一節內披露。根據企業管治守則之守則條文第B.1.5條所載，截至2018年12月31日止年度支付予高級管理層(不包括董事)的薪酬介乎以下範圍：

#### Number of individuals

人數

2018

2017

1

-

-

1

1

1

1

1

#### (3) 提名委員會

本公司提名委員會(「提名委員會」)於2012年3月23日成立，並訂有特定書面職權範圍。提名委員會之職權範圍(可於聯交所及本公司網站查閱)包括企業管治守則之守則條文第A.5.2條所載之職責，並於需要時作出適當修訂。

## BOARD OF DIRECTORS (THE “BOARD”) (continued)

### H. Board Committees (continued)

#### (3) Nomination Committees (continued)

The duties of the Nomination Committee are mainly to (i) review the structure, size, composition and diversity of the Board at least annually and make recommendations on any proposed changes to the Board; (ii) identify individuals suitably qualified to become Board members and select or make recommendations to the Board; (iii) assess the independence of independent non-executive directors; (iv) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors; (v) formulate a policy concerning diversity of members of the Board (the “**Board Diversity Policy**”), as appropriate; and (vi) to review the measurable objectives that the Board has set for implementing the Board Diversity Policy and the progress on achieving the objectives.

The Nomination Committee will taking into consideration a candidate’s qualification, experience, expertise and knowledge, the requirements applicable to the Company and the structure and composition of the Board, identify, review and nominate with diligence and care candidates suitably qualified as Board members before making recommendations to the Board for their final appointment.

During the year under review, the Nomination Committee comprised the Chairman and Chief Executive Officer of the Company, Mr. Han Jingyuan, as the chairman of the Nomination Committee and the Independent Non-executive Directors of the Company namely, Mr. Wong Man Chung, Francis, Mr. Wang Tianyi and Mr. Wang Bing as the members of the Nomination Committee in compliance with Code Provision A.5.1 of the CG Code.

For the year ended 31 December 2018, one meeting of Nomination Committee was held.

## 董事局(「董事局」)(續)

### H. 董事委員會(續)

#### (3) 提名委員會(續)

提名委員會的職務主要為(i)至少每年檢討董事局的架構、人數、組成及多元化並就擬對董事局作出的變動提出建議；(ii)物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事局提供意見；(iii)評核獨立非執行董事的獨立性；(iv)就董事委任或重新委任以及董事繼任計劃向董事局提出建議；(v)在適當情況下，制定關於董事局成員多元化的政策(「**董事局多元化政策**」)；及(vi)檢討董事局為執行董事局多元化政策而制定的可計量目標和達標進度。

提名委員會於向董事局就董事之最終委任作出推薦前，將考慮候選人之資歷、經驗、專長及知識、本公司之適用規定以及董事局之架構及組成，審慎識別、審閱及提名具備合適資格可擔任董事局成員之候選人。

於回顧年度內，提名委員會包括本公司董事局主席兼首席執行官韓敬遠先生(提名委員會主席)及本公司的獨立非執行董事，即黃文宗先生、王天義先生及王冰先生，均為提名委員會成員且符合企業管治規則之守則條文第A.5.1條之規定。

截至2018年12月31日止年度，提名委員會舉行一次會議。

# Corporate Governance Report 企業管治報告

## BOARD DIVERSITY POLICY

The Company has adopted the Board Diversity Policy on 30 August 2013 with a view to achieving a sustainable and balanced development of the Group. The Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development.

In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

### Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

### Monitoring and Reporting

The Nomination Committee will review the Board's composition under diversified perspectives and monitor the implementation of the Board Diversity Policy annually. During the year under review, the Nomination Committee has reviewed the Board's composition (including the gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) which has been disclosed on pages 64 to 68 in this annual report and considered the current Board's composition is appropriate.

## 董事局多元化政策

為達致本集團可持續及均衡發展，本公司於2013年8月30日採納董事局多元化政策。本公司視董事局層面日益多元化為支持其達到策略目標及維持可持續發展的關鍵元素。

在設定董事局成員組合時，會從多個方面考慮董事局多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。董事局所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事局多元化的裨益。

### 可計量目標

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選的長處及可為董事局提供的貢獻而作決定。

### 監察及匯報

提名委員會將每年檢討董事局在多元化層面之組成，並監察董事局成員多元化政策之執行。於回顧年度內，提名委員會已審閱在本年報的第64頁至第68頁內披露的董事局之組成(包括性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期)，並認為現時的董事局組成是恰當的。

# Corporate Governance Report 企業管治報告

## CORPORATE GOVERNANCE

The Company is dedicated to maintaining a high standard of corporate governance and the Board is responsible for performing the corporate governance duties as stipulated in the Listing Rules.

During the year under review, the Board had developed and reviewed the Company's policies and practices on corporate governance and review the compliance with the CG Code and disclosure in the Corporate Governance Report.

## ACCOUNTABILITY AND AUDIT

### Financial Reporting

The Board acknowledges that it is its responsibility to prepare financial statements of the Company for each financial period which give a true and fair view of the state of affairs of the Company and ensure that financial statements are prepared in accordance with statutory and regulatory requirements and applicable accounting standards. The Board also ensures the timely publication of the financial statements of the Company.

The Board confirms that, to the best of its knowledge and, having made appropriate enquires, it considers that the Company has adequate resources to continue in operational existence for the foreseeable future and has prepared the financial statements on a going concern basis accordingly.

### Risk Management and Internal Controls

For the year ended 31 December 2018, the Board conducted an annual review of the effectiveness of the Group's risk management and internal control systems based on the confirmation made by the senior management and inputs from the Audit Committee. The Board considered that the risk management and internal control systems of the Group, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions, are effective and adequate during the year.

## 企業管治

本公司致力於維持高標準之企業管治，而董事局則負責履行上市規則所規定之企業管治職責。

於回顧年度內，董事局已制定及檢討本公司有關企業管治守則之政策及實務，並審閱遵守企業管治守則之情況及企業管治報告之披露。

## 問責和核數

### 財務匯報

董事局確認，其有責任就每一財務期間編製真實及公平地反映本公司財務狀況之財務報表，以及確保該等財務報表乃按法定與規管要求及適用會計準則編製。董事局亦須確保適時刊發本公司財務報表。

於作出適當查詢後，董事局確認，就其所知本公司具有充分資源於可見將來繼續維持營運，並已按持續經營準則編製財務報表。

### 風險管理及內部監控

截至2018年12月31日止年度，根據高級管理層作出的確認及來自審核委員會的意見，董事局對本集團風險管理及內部監控系統的有效性進行年度檢討。董事局考慮的範疇包括資源的充足性、員工資歷及經驗、培訓計劃及本集團會計、內部審計及財務報告職能之相關預算，認為年內本集團的風險管理及內部監控系統是有效及充足的。

# Corporate Governance Report 企業管治報告

## ACCOUNTABILITY AND AUDIT (continued)

### Risk Management and Internal Controls (continued)

The Board has an overall and ongoing responsibility for the Group's risk management and internal control systems, and reviewing their effectiveness. It is acknowledged that risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material adverse change or damage.

The Board, through its risk oversight role, ensures that the senior management establishes an effective risk management, consistent with the Group's strategy and risk appetite. The senior management establishes risk management policies and internal control processes to identify, evaluate and manage risks. Each subsidiary implements such policies and processes in the daily operations and reports significant risks identified to the senior management regularly. The senior management assesses and evaluates these significant risks reported then allocates sufficient resources to address these risks and monitors the risk management status reported from the relevant subsidiary from time to time. The senior management will communicate the risk management and internal control findings to the Board for its assessment of the effectiveness of the relevant risk management and internal control systems of the Group.

The Finance Department and the PRC Internal Audit Department of the Group review material internal control aspects of the Group, including financial, operational and compliance controls as well as risk management function, duties which include (i) reviewing and reporting on internal and operational controls; (ii) following-up on the suggestions made by external auditors; (iii) ongoing monitoring and reviews on different operating cycles; and (iv) special review of areas of concern identified by senior management. It reports to the Chairman of Supervisory Board of Jinxi Limited as well as the Chief Operating Officer and the Chief Financial Officer of the Company from time to time, and also reports the findings to the Audit Committee at least twice a year and on ad-hoc basis. The findings are communicated with the senior management and actions are taken to resolve defects as and when identified. No material internal control defects were identified during the year.

## 問責和核數(續)

### 風險管理及內部監控(續)

董事局對本集團的風險管理及內部監控系統負起全部及持續的責任，並檢討其有效性。茲確認風險管理及內部監控系統乃旨在管理而非消除未能達成業務目標之風險，而且只能就不會有重大不利的變動或損失作出合理而非絕對的保證。

董事局透過其風險監察角色確保高級管理層建立有效之風險管理，並符合本集團之策略及風險取向。高級管理層制訂風險管理政策及內部監控流程，以識別、評估及管理風險。各個子公司會於日常營運中實施該等政策及流程，並定期向高級管理層報告所識別之重大風險。高級管理層會辨識及評估該等已作出報告之重大風險，隨後則分配充足資源以處理該等風險，並監察由相關子公司不時作出報告之風險管理狀況。高級管理層會將風險管理及內部監控的結果傳達給董事局，以供評估本集團相關風險管理及內部監控系統之有效性。

本集團的財務部門及中國大陸內部審計部門會檢討本集團的重大內部監控範疇，包括財務、營運及合規監控和風險管理職能，其工作包括(i)對內部及營運監控作出審議及報告；(ii)跟進外聘核數師提供之建議；(iii)對不同營運週期進行持續監控及檢討；及(iv)對高級管理層所識別之關注範圍進行專項審查。其不時向津西鋼鐵監事會主席以及本公司的首席運營官及首席財務官匯報，並每年向審核委員會報告有關結果至少兩次及不時向其作出報告。有關結果乃與高級管理層經溝通後得出，而於識別缺陷後則會採取行動解決。年內並無發現任何重大的內部監控缺陷。

# Corporate Governance Report 企業管治報告

## ACCOUNTABILITY AND AUDIT *(continued)*

### Risk Management and Internal Controls *(continued)*

Under code provision C.2.5 of the CG Code and the related notes of the CG Code, the Company should have an internal audit function which generally carries out the analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. While the PRC internal audit function of the Company was established since January 2018, other internal audit function is merged with the finance function during the year ended 31 December 2018. During the year, the Group conducted a review on the need for setting up an independent internal audit department. Taking into account the size and complexity of the operations of the Group, the Company considers that the existing organisation structure and the close supervision of the management could provide sufficient internal control and risk management for the Group. The Audit Committee and the Board regularly review the effectiveness of the internal control system and the risk management of the Group. The Board will review the need to set up an independent internal audit function on an annual basis.

When the Board and the Audit Committee express concerns over the risk management and internal control matters of the Group, the Finance Department and the PRC Internal Audit Department of the Group will investigate and communicate the findings with and make recommendations to the senior management. The Finance Department and the PRC Internal Audit Department of the Group also maintain an effective communication with the external auditor of the Company on the Group's internal control system during interim review and annual audit.

The Group has a policy for handling and dissemination of inside information including relevant control processes and safeguards. The processes and safeguards are implemented as needed by the relevant department heads and management involved in the handling and dissemination of inside information.

## 問責和核數 *(續)*

### 風險管理及內部監控 *(續)*

根據企業管治守則之守則條文第C.2.5條及相關附註規定，本公司應設立內部審核功能，其普遍是對本集團的風險管理及內部監控系統是否足夠和有效作出分析及獨立評估。雖然本公司之中國大陸內部審核功能已於2018年1月成立，但於截至2018年12月31日止年度內，其他內部審核功能仍與財務功能合併。於本年度內，本集團已就設立獨立內部審核部門的需要作出檢討。經考慮到本集團營運之規模及複雜程度，本公司認為現行組織架構及管理層緊密監察可為本集團提供足夠之內部監控及風險管理。審核委員會及董事局定期檢討本集團內部監控系統及風險管理之成效。董事局將每年檢討是否需要設立獨立內部審核功能。

當董事局及審核委員會對本集團之風險管理及內部監控事宜提出疑慮時，本集團之財務部門及中國大陸內部審計部門將進行調查，並將於與高級管理團隊磋商後就內部審計結果及改進建議進行匯報。在中期審閱及年終審計期間，本公司之財務部門及中國大陸內部審計部門亦會就本集團之內部監控系統與本公司外聘核數師維持有效溝通。

本集團設有處理及發放內幕消息之政策，當中包括相關監控流程及保障措施。參與處理及發放內幕消息之相關部門主管及管理層會於有需要時實施有關流程及保障措施。



# Corporate Governance Report 企業管治報告

## ACCOUNTABILITY AND AUDIT (continued)

### External Auditor

The Directors are responsible for preparing the financial statements for the financial year ended 31 December 2018 to reflect a true and fair view of the Company's and the Group's financial position and financial performance and cash flows for the year.

In preparing the financial statements for the year ended 31 December 2018, the generally accepted accounting principles in Hong Kong, Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards are adopted, with consistent use of appropriate accounting policies, for making reasonable and prudent judgments and estimates. The financial statements for the year ended 31 December 2018 were prepared on a going concern basis.

The reporting responsibilities of the auditor are set out in the Independent Auditor's Report in this annual report.

For the year ended 31 December 2018 and up to the date of this report, the external auditor of the Group is PricewaterhouseCoopers. Fees of auditing services and non-auditing services provided by PricewaterhouseCoopers and its member firms of the same international network for the year ended 31 December 2018 were approximately RMB 4.54 million and RMB 2.28 million respectively.

For the year ended 31 December 2018 and up to the date of this report, PricewaterhouseCoopers and its member firms of the same international network provided non-audit services mainly on interim review, taxation services and financial due diligence. These non-audit services are engaged only as they are more effective or economical than those available from other service providers and will not constitute adverse impact on the independence of the external auditor. The nature and ratio of annual fees to external auditor for non-audit services and for audit services in 2018 have been scrutinised by the Audit Committee.

## 問責和核數(續)

### 外聘核數師

董事負責編製截至2018年12月31日止財政年度的財務報表，以真實公平反映本公司和本集團的財務狀況及該年度的財務表現與現金流。

編製截至2018年12月31日止年度的財務報表時，已採納香港一般公認的會計準則，香港財務報告準則及香港會計準則，並貫徹運用合適的會計政策，做出合理審慎的判斷及估計。截至2018年12月31日止年度的財務報表乃按持續經營基準編製。

核數師之報告職責已載於本年報之獨立核數師報告。

截至2018年12月31日止年度及截至本報告日期，本集團外聘核數師為羅兵咸永道會計師事務所。截至2018年12月31日止年度，羅兵咸永道會計師事務所及其同一國際網絡下的成員機構提供審核與非審核服務之費用分別為約人民幣454萬元及人民幣228萬元。

截至2018年12月31日止年度及截至本報告日期，羅兵咸永道會計師事務所及其同一國際網絡下的成員機構提供非審核服務主要涉及中期審閱、稅務服務及財務盡職調查。該等非審核服務只可在較其他服務供應商所提供的服務更為有效或更合乎經濟原則，且不會對外聘核數師的獨立性構成不利影響的情況下，方可使用。外聘核數師於2018年全年就非審核服務及審核服務所收費用的性質及比率已由審核委員會詳細審閱。

## SHAREHOLDERS' RIGHTS

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 sent to the Company's registered office and its principal office in Hong Kong (Suites 901-2 & 10, 9<sup>th</sup> floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong) for the attention of the Board or the Company Secretary, to require a special general meeting (the "SGM") to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. The written requisition must state the purposes of the SGM, signed by the Shareholder(s) concerned and may consist of several documents in like form, each signed by one or more of those Shareholders. If the requisition is in order, the Company Secretary will ask the Board to convene a SGM by serving sufficient notice in accordance with the statutory requirements to all the registered Shareholders. On the contrary, if the requisition is invalid, the Shareholders concerned will be advised of this outcome and accordingly, a SGM will not be convened as requested. Shareholder(s) of the Company holding (i) not less than one-twentieth of the total voting rights of all Shareholders having the right to vote at the general meeting; or (ii) not less than 100 Shareholders, can submit a written request stating the resolution intended to be moved at the annual general meeting or a statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at a particular general meeting. The written request/statements must be signed by the Shareholder(s) concerned and deposited at the Company's registered office and its principal office in Hong Kong (Suites 901-2 & 10, 9<sup>th</sup> floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong) for the attention of the Company Secretary, not less than six (6) weeks before the annual general meeting in the case of a requisition requiring notice of a resolution and not less than one week before the general meeting in the case of any other requisition. If the written request is in order, the Company Secretary will ask the Board (i) to include the resolution in the agenda for the annual general meeting; or (ii) to circulate the statement for the general meeting, provided that the Shareholder(s) concerned have deposited a sum of money reasonably determined by the Board sufficient to meet the Company's expenses in serving the notice of the resolution and/or circulating the statement submitted by the Shareholder(s) concerned in accordance with the statutory requirements to all the registered Shareholders. On the contrary, if the requisition is invalid or the Shareholder(s) concerned have failed to deposit sufficient money to meet the Company's expenses for the said purposes, the Shareholder(s) concerned will be advised of this outcome and accordingly, the proposed resolution will not be included in the agenda for the annual general meeting or the statement will not be circulated for the general meeting.

## 股東權利

於遞呈要求日期時持有不少於本公司繳足股本(附有於本公司股東大會上投票權)十分之一的股東,於任何時候均有權向本公司註冊辦事處及其香港主要辦事處(香港灣仔港灣道23號鷹君中心9樓901-2及10室)發出書面要求(收件人為董事局或公司秘書),要求董事局就該要求指明的任何業務交易召開股東特別大會(「股東特別大會」);且該大會須於遞呈要求後兩(2)個月內舉行。書面要求必須列明股東特別大會的目的,由相關股東簽署且可包括具有類似格式的數份文件(均由一名或多名該等股東簽署)。倘要求屬適宜,公司秘書將要求董事局根據法定要求給予全體註冊股東足夠通知期,以召開股東特別大會。相反,倘要求無效,相關股東將獲通知此結果,因此,股東特別大會不會按要求召開。本公司股東持有(i)有權於股東大會上投票之全體股東總投票權不少於二十分之一;或(ii)不少於一百名股東,可向本公司提呈於股東週年大會上動議決議案的書面要求,或就於特定股東大會提呈之任何決議案所述事項或處理的事務作出不超過1,000字的書面陳述。書面請求/陳述須由相關股東簽署,並於股東週年大會舉行前六(6)週(倘要求需要以決議案通知)及股東大會舉行前一週(倘為任何其他要求)呈遞至本公司註冊辦事處及其香港主要辦事處(香港灣仔港灣道23號鷹君中心9樓901-2及10室),收件人為公司秘書。倘書面要求適當,公司秘書將要求董事局(i)將決議案載入股東週年大會議程;或(ii)傳閱股東大會陳述,惟相關股東須支付董事局釐定的合理金額的費用,以便本公司根據法定要求向全體登記股東寄發決議案通知及/或向彼等傳閱相關股東提呈的陳述。相反,倘要求無效,或相關股東未有支付足夠費用供本公司作出上述行動,相關股東將獲通知此結果,因此,建議的決議案將不會載入股東週年大會議程,或股東大會陳述亦不會傳閱。

# Corporate Governance Report 企業管治報告

## SHAREHOLDERS' RIGHTS (continued)

Shareholders and other stakeholders may at any time send their enquiries and concerns to the Board by addressing them to the Company Secretary by post to the Hong Kong principal office at Suites 901-2 & 10, 9<sup>th</sup> floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong.

## IMPACT ON NEW LEGISLATION, POLICY AND PROCEDURES

As mentioned before, over 90% of the operations of the Group are carried in the Mainland China. Any change in the policy and procedure in the Mainland China may have adverse effects on the Group's operation and results.

Also, the introduction of new legislation and rules by the Stock Exchange, Securities and Futures Commission and other regulatory bodies in Hong Kong and overseas may induce changes in market conditions that in turn adversely affect the operating results of the Company.

## COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of good communication with the Shareholders of the Company. A Shareholders Communication Policy was adopted on 23 March 2012 to ensure that Shareholders are provided with ready, equal and timely access to balanced and understandable information about the Company. The policy is posed on the Company's website. The Company has established various channels of communications with its Shareholders such as publication of interim and annual reports, press release and announcement of the latest development of the Company in a timely manner. To promote effective communications, the Company also maintains a website at [www.chinaorientalgroup.com](http://www.chinaorientalgroup.com), where updated information on the Company's business developments and operations and other information are posted, including all the regulatory announcements relating to the Company and the poll results on the business day following the general meeting (if any).

The general meeting of the Company provides a forum for exchange of views between the Shareholders of the Company and the Board. The Chairman of the Board, the Directors (including Independent Non-executive Directors), chairman or members of the Board committees and senior management of the Group and where applicable are available to answer questions at the general meeting of the Company.

## 股東權利(續)

股東及其他權益相關人士可隨時將其查詢及關注意見以郵遞方法發送至香港主要辦事處(香港灣仔港灣道23號鷹君中心9樓901-2及10室)予董事局, 收件人為公司秘書。

## 新法例、政策及程序之影響

正如上文所述, 本集團的運作超過90%在中國內地進行。任何於中國內地的政策和程序變動均可能對本集團營運和業績產生不利影響。

此外, 聯交所、證券及期貨事務監察委員會和香港及海外其他監管機構引入之新法例及規則可能導致市場狀況變動, 並可能對本公司經營業績帶來不利影響。

## 與股東之溝通

董事局深明與本公司股東保持良好溝通之重要性。本公司已於2012年3月23日採納股東通訊政策以確保股東可快速、平等及適時獲得有關本公司全面而易於理解的資料。該政策刊登於本公司網站。本公司已設立多個渠道與股東溝通, 如刊發中期報告及年報, 適時地就本公司之最新發展發出新聞稿及公告。為促進有效溝通, 本公司亦已設立網站, 網址為[www.chinaorientalgroup.com](http://www.chinaorientalgroup.com), 載有本公司業務發展及經營最新資訊以及其他資料, 其中包括有關本公司之所有監管公告及於股東大會後之營業日刊登之投票結果(如有)。

本公司股東大會為本公司股東與董事局之間提供交流意見之平台。董事局主席、董事(包括獨立非執行董事)、董事局委員會主席或成員及本集團的高級管理層(如適用), 可於本公司股東大會上回應問題。

## COMMUNICATION WITH SHAREHOLDERS (continued)

The rights of the Shareholders of the Company and the procedures for demanding a poll on resolution at general meeting are contained in the Company's Bye-laws. Details of such right to demand a poll and the poll procedure are included in all circulars to the Shareholders of the Company which will call for a general meeting and will be explained during the proceedings of the meeting.

Upon the implementation of the amendments of the Listing Rules with effect from 1 January 2009, all resolutions proposed at general meeting will be voted by poll. The poll voting results will be posted on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.chinaorientalgroup.com](http://www.chinaorientalgroup.com)) immediately after the relevant general meetings.

Under the Code Provision E.1.2 of the CG Code, the Chairman of the Board should attend the annual general meeting of the Company.

Separate resolutions are proposed at the general meetings for substantial separate issues, including re-election of retiring Directors. The Company's notice to Shareholders for the 2018 AGM was sent to Shareholders at least 20 clear business days before the meeting and notices of other general meetings were sent to Shareholders at least 10 clear business days before the meetings. The Chairman, the chairman of the Board Committees and the external auditor were available at the 2018 AGM to answer questions from the Shareholders.

The forthcoming AGM will be held on 3 June 2019.

The Company will continue to enhance communication and relationship with its Shareholders. Enquiries from the Shareholders of the Company are dealt with in an informative and timely manner.

## 與股東之溝通(續)

本公司股東之權利及在股東大會上要求就決議案投票表決之程序載於本公司章程細則。要求投票表決權利之詳情及投票表決程序載於所有召開股東大會之本公司股東通函，並會於大會議事程序內解釋。

上市規則修訂於2009年1月1日生效後，所有在股東大會提呈的決議案均以投票方式表決。投票表決結果將於有關股東大會召開後立即於聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))及本公司網站([www.chinaorientalgroup.com](http://www.chinaorientalgroup.com))刊登。

根據企業管治守則之守則條文第E.1.2條，董事局主席須出席本公司股東週年大會。

獨立事宜(包括重選退任董事)均會於股東大會上提呈個別決議案。本公司就2018股東週年大會致股東之通告已於大會舉行前最少足20個營業日向股東發送，而就其他股東大會而言，則在該大會舉行前最少足10個營業日向股東發送有關通知。主席及董事局委員會主席以及外聘核數師均有出席2018股東週年大會，以解答股東所提出之疑問。

應屆股東週年大會將於2019年6月3日舉行。

本公司將繼續增進與股東之間的溝通及關係。本公司股東之查詢將會適時並詳盡處理。

# Environmental, Social and Governance Report 環境、社會及管治報告

## ABOUT THIS REPORT

China Oriental Group Company Limited and its subsidiaries (collectively, the “**Group**”) are always committed to performing its corporate social responsibilities. Apart from strictly abiding by national laws and regulations, the Group has reduced emissions and energy consumption in the steel production process by continuously investing resources into production facilities, so as to minimise the environmental impact of the production process and strive for being an environmentally friendly enterprise.

The Group issues this Environmental, Social and Governance Report (“**ESG Report**”) in accordance with the “Environmental, Social and Governance Reporting Guide” (the “**ESG Reporting Guide**”) in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (“**HKEX**”) (“**Listing Rules**”) to demonstrate the Group’s performance and practice for social responsibility to all the stakeholders from both environmental and social areas.

### Reporting scope

This report covers the period from 1 January 2018 to 31 December 2018.

Currently, the Group’s revenue is mainly generated from the steel business which is dominated by sales of self-manufactured steel products. Production of such steel products is mainly conducted by its subsidiaries such as Hebei Jinxi Iron and Steel Group Company Limited (“**Jinxi Limited**”), Hebei Jinxi Iron and Steel Group Special Steel Company Limited (“**Jinxi Special Steel**”), Tianjin Oriental Jiangtian Section Steel Sales Company Limited (“**Oriental Jiangtian**”) and Foshan Jin Xi Jin Lan Cold Rolled Sheet Company Limited. The content and disclosure of environmental key performance indicators in this report below are mainly about the two major subsidiaries, Jinxi Limited and Jinxi Special Steel.

Compared with the ESG Report released in the 2017 Annual Report, there is no significant adjustment to the scope for this report.

## 關於本報告

中國東方集團控股有限公司及其附屬公司(統稱「**本集團**」)一直堅持發揮企業的社會責任，除緊守國家法規外，本集團一直透過持續投入資源於生產設備以減少鋼鐵生產過程中的排放及能源消耗，從而盡力降低生產過程對環境的影響及努力建設環境友好型企業。

本集團依照香港聯合交易所有限公司(「**香港聯交所**」)證券上市規則(「**上市規則**」)附錄27的《環境、社會及管治報告指引》(「**《環境、社會及管治報告指引》**」)，編製了本環境、社會及管治報告(「**環境、社會及管治報告**」)，從環境和社會兩個範疇，向各利益相關方介紹本集團在企業社會責任方面的績效和實踐。

### 報告範圍

本報告的涵蓋期間為2018年1月1日至2018年12月31日。

本集團目前的主要收入來自鋼鐵業務，當中以銷售自行生產的鋼鐵產品為主，有關鋼鐵產品的生產主要由河北津西鋼鐵集團股份有限公司(「**津西鋼鐵**」)、河北津西鋼鐵集團特鋼有限公司(「**津西特鋼**」)、天津市東方江天型鋼銷售有限公司(「**東方江天**」)及佛山津西金蘭冷軋板有限公司等附屬公司進行，以下報告內容及披露的環境類關鍵績效指標主要針對津西鋼鐵和津西特鋼兩家主要的附屬公司。

與整合在2017年報內發佈的環境、社會及管治報告相比，本報告的披露範圍無重大範圍調整。

# Environmental, Social and Governance Report 環境、社會及管治報告

## ABOUT THIS REPORT *(continued)*

### Reporting standards and principles

The Group issues this ESG Report in accordance with the “ESG Reporting Guide” in Appendix 27 to the Listing Rules of HKEX to demonstrate the Group’s performance and practice for social responsibility to all the stakeholders from both environmental and social areas.

- “Materiality”: The Group identifies key Environmental, Social and Governance themes through stakeholder engagement and materiality assessment;
- “Quantitative”: This ESG Report discloses the major key performance indicators in terms regarding the environmental aspects of the Group quantitatively;
- “Balance”: This ESG Report presents the environmental and social performance of the Group impartially;
- “Consistency”: The statistical methods remain unchanged for relevant disclosures in this ESG Report, with certain adjustments to some statistical calibres. The statistical calibre of subsequent years will be consistent with this year.

## 關於本報告(續)

### 報告準則和原則

本集團依照香港聯交所上市規則附錄27的《環境、社會及管治報告指引》編製了本環境、社會及管治報告，從環境和社會兩個範疇，向各利益相關方介紹本集團在企業社會責任方面的績效和實踐。

- 「重要性」：本集團通過利益相關方參與及重要性評估，確定主要環境、社會及管治議題；
- 「量化」：本環境、社會及管治報告定量彙報了本集團環境方面的主要關鍵績效指標；
- 「平衡」：本環境、社會及管治報告不偏不倚的呈報了本集團環境和社會方面的表現；
- 「一致性」：本環境、社會及管治報告相關披露統計方法維持不變，若干數據統計口徑有所改變，後續年度的統計口徑將與本年保持一致。

# Environmental, Social and Governance Report 環境、社會及管治報告

## ABOUT THIS REPORT *(continued)*

### Environmental, Social and Governance

The Group understands the importance of enhancing its environmental and social commitments to sustainable operations, and has incorporated Environmental, Social and Governance-related risks and opportunities into our business strategies to guide our day-to-day business operations. The Board of Directors (the “**Board**”) supports the Group’s commitment towards fulfilling its corporate social responsibility and assumes all responsibilities for the Group’s environmental, social and governance strategies and reporting. The Board is responsible for assessing and determining the Group’s Environmental, Social and Governance risks and ensuring appropriate and effective Environmental, Social and Governance risk management and internal control systems are in place. The Board regularly reviews the Group’s Environmental, Social and Governance performance and approves the annual ESG Report of the Group. The management of the Group is responsible for implementing the Environmental, Social and Governance risk management and internal control systems, reporting to the Board on Environmental, Social and Governance-related risks and opportunities, and providing confirmation to whether the relevant Environmental, Social and Governance systems are effective.

## 關於本報告(續)

### 環境、社會及管治

本集團深知提升自身的環境及社會效益對可持續營運的重要性，已將與環境、社會及管治相關的風險與機遇納入本集團的業務策略中，以指導日常業務營運。董事局(「**董事局**」)支持本集團對於履行企業社會責任所作的承諾，並對本集團的環境、社會及管治策略及彙報承擔全部責任。董事局負責評估及釐定本集團有關環境、社會及管治的風險，並確保本集團設立合適及有效的環境、社會及管治風險管理及內部控制系統。董事局定期審閱本集團的環境、社會及管治表現並審批本集團的年度環境、社會及管治報告。本集團管理層負責執行環境、社會及管治風險管理及內部控制系統，向董事局彙報環境、社會及管治相關的風險與機遇，並提供有關環境、社會及管治系統是否有效的確認。

# Environmental, Social and Governance Report 環境、社會及管治報告

## ABOUT THIS REPORT *(continued)*

### Environmental, Social and Governance *(continued)*

To fully engage the work on Environmental, Social and Governance, the Group has established an Environmental, Social and Governance working group, which engaged the head of departments with designated persons to be responsible, to ensure the smooth progression of Environmental, Social and Governance work and report to the management of the Group.

Acting seriously on national industry policies, the Group relentlessly promotes the transformation and upgrading of industry structure and adjustment of product mix, in an effort to build the world's largest section steel production base. The Group's Environmental, Social and Governance strategies are based on the core principles and goals of green development, to provide guidelines for daily operations. The Group regularly reviews Environmental, Social and Governance policies and strategies to ensure that they are relevant and applicable to the business.

### Stakeholder Engagement

The Group's major stakeholders include government, shareholders, clients, employees, suppliers, communities etc.. The Group attaches great importance to stakeholder engagement, and therefore has established effective communication channels to understand the aspirations and expectations of stakeholders and to discuss and respond with their concerned Environmental, Social and Governance matters, thereby promoting the mutual growth of the Group and stakeholders.

## 關於本報告 *(續)*

### 環境、社會及管治 *(續)*

為全面開展環境、社會及管治工作，本集團成立了環境、社會及管治工作小組，由各部門負責人直接參與，並指定專人負責，以確保環境、社會及管治工作進度順利開展，並向本集團管理層彙報。

本集團認真落實國家產業政策，大力推進產業結構轉型升級和產品結構調整，致力打造世界最大型鋼生產基地。本集團的環境、社會及管治策略是基於綠色發展為核心原則及目標，為日常營運提供指導。本集團定期檢討環境、社會及管治政策及策略，以確保其內容相關及適用於自身業務。

### 利益相關方的參與

本集團的主要利益相關方包括政府、股東、客戶、員工、供應商、社區等。本集團高度重視利益相關方的參與，及因此建立了有效的溝通渠道，以瞭解利益相關方的訴求和期望，並就其關心的環境、社會及管治議題進行商討和回應，從而促進本集團與利益相關方的共同成長。



# Environmental, Social and Governance Report 環境、社會及管治報告

## ABOUT THIS REPORT (continued)

## 關於本報告(續)

### Stakeholder Engagement (continued)

### 利益相關方的參與(續)

Stakeholder 利益相關方	Expectation 期望	Communication mechanism 溝通機制
<b>Government</b> 政府	<ul style="list-style-type: none"> <li>Law and regulation compliance 遵紀守法</li> <li>Paying tax legitimately 依法納稅</li> <li>Support local development 支持地方發展</li> </ul>	<ul style="list-style-type: none"> <li>Daily management and exchanges in meeting 日常管理及會議交流</li> <li>Supervision, inspection and reporting 監督、檢查及彙報</li> <li>Policy consultation 政策諮詢</li> </ul>
<b>Shareholder</b> 股東	<ul style="list-style-type: none"> <li>Sustainable development and returns to shareholders 可持續發展及回報股東</li> <li>Information disclosure and investors relations 信息披露及投資者關係</li> <li>Corporate governance and risk control 企業管治及風險控制</li> </ul>	<ul style="list-style-type: none"> <li>General meetings of shareholders 股東大會</li> <li>Timely information disclosure 及時信息披露</li> <li>Investors relationship activities 投資者關係活動</li> </ul>
<b>Client</b> 客戶	<ul style="list-style-type: none"> <li>High-quality products 優質產品</li> <li>Superior service 優質服務</li> <li>Technical innovation 技術創新</li> </ul>	<ul style="list-style-type: none"> <li>Contract signing and business dealings 合同簽訂及經營往來</li> <li>Product quality assurance 產品質量保障</li> </ul>
<b>Employee</b> 員工	<ul style="list-style-type: none"> <li>Salaries and benefits 工資及福利</li> <li>Safe and healthy working environment 安全與健康的工作環境</li> <li>Fair promotion and career development opportunities 公平的晉升和事業發展機會</li> </ul>	<ul style="list-style-type: none"> <li>Compensation system 薪酬體制</li> <li>Employee training 員工培訓</li> <li>Employee activities 員工活動</li> <li>Performance appraisal management 績效考核管理</li> </ul>
<b>Supplier</b> 供應商	<ul style="list-style-type: none"> <li>Commitment fulfilment 信守承諾</li> <li>Fair, open and righteous purchasing 公平、公開及公正的採購</li> <li>Win-win development 共贏發展</li> </ul>	<ul style="list-style-type: none"> <li>Supplier inspection and evaluation 供應商考察和評估</li> <li>Open tender 公開招標</li> <li>Communications and visits 交流及訪問</li> </ul>
<b>Community</b> 社區	<ul style="list-style-type: none"> <li>Contribution to local employment 促進當地就業</li> <li>Contribution to community harmony 促進社區和諧</li> </ul>	<ul style="list-style-type: none"> <li>Support for local education 當地教育的支持</li> </ul>

# Environmental, Social and Governance Report 環境、社會及管治報告

## ABOUT THIS REPORT (continued)

### Materiality assessment

According to the ESG Reporting Guide, the Group established an Environmental, Social and Governance materiality assessment model. Through identifying, evaluating and screening of Environmental, Social and Governance aspects, the Group identified the following aspects as material and thus would be given priority in disclosures and responses in this ESG Report.

## 關於本報告(續)

### 重要性評估

根據《環境、社會及管治報告指引》，本集團構建了環境、社會及管治重要性分析模型。通過對環境、社會及管治議題的識別、評估和篩選，本集團確定了以下議題為重要的，因此，在本環境、社會及管治報告中給予優先的披露和回應。

#### Material subjects:

##### 重要議題：

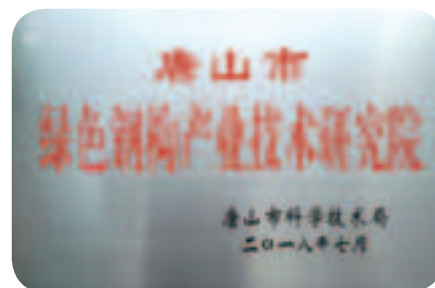
- Exhaust emissions  
廢氣排放
- Greenhouse gas emissions  
溫室氣體排放
- Energy saving  
節約能源
- Water saving  
節約用水
- Employment  
僱傭
- Health and safety  
健康與安全
- Development and training  
發展與培訓
- Supply chain management  
供應鏈管理
- Product quality  
產品質量
- Product innovation  
產品創新
- Customer relations  
客戶關係
- Anti-corruption  
反貪污

#### Relevant subjects:

##### 相關議題：

- Sewage discharge  
廢水排放
- Solid waste discharge  
廢棄物排放
- Packaging materials  
包裝材料
- Environment and natural resources  
環境及天然資源
- Labour standards  
勞工準則
- Standard formulation and revision  
標準制修
- Advertising and trademarks  
廣告和商標
- Community investment  
社區投資

## 1. ENVIRONMENTAL



The Group is committed to reducing pollution discharge and resource consumption resulting from production and operation and strictly complying the “Environmental Protection Law of the People’s Republic of China” and other laws and regulations. The Group implemented the “Environmental Protection Responsibility System”, the “Management Measures of Environmental Supervision and Management Personnel” and the “Management Measures of Environmental Protection Training” as well as other management policies. The Group has established an environmental management system that meets the ISO 14001 standard, which has been certified by a third party, thereby reducing the impact to the environment.

In 2018, the Group stuck to green development:

- On 3 June, Jinxi Limited was awarded the “2018 Green Development Model Enterprise”;
- In the first “Green Steel Enterprise Expedition” event organised by China Metallurgical News Agency, Jinxi Limited won the “Green Development Benchmark Enterprise” award;
- In July, Jinxi Limited, Northeastern University and Beijing Real Estate jointly established the “Tangshan Green Steel Structure Industry Technology Research Institute”.

## 1. 環境

本集團致力於減少生產經營活動帶來的污染排放和資源消耗及嚴格遵守《中華人民共和國環境保護法》及其他法律法規，本集團執行《環境保護責任制》、《環境監督管理人員管理辦法》和《環保培訓管理辦法》等管理制度。本集團建立了滿足ISO 14001標準的環境管理體系，並獲得了第三方認證，因而不斷降低對環境的影響。

於2018年，本集團緊貼綠色發展之路：

- 於6月3日，津西鋼鐵榮獲「2018年度綠色發展典範企業」；
- 在中國冶金報社組織的首次「綠色鋼企萬里行」評選活動中，津西鋼鐵喜獲「綠色發展標桿企業」殊榮；
- 於7月，津西鋼鐵、東北大學及北京置業共同建立了「唐山市綠色鋼構產業技術研究院」。

# Environmental, Social and Governance Report 環境、社會及管治報告

## 1. ENVIRONMENTAL (continued)

### 1.1 Emissions

#### 1.1.1 Sewage discharge



Waste water treatment plant 污水處理廠

Sewage generated by the Group consists of sewage from production process and household sewage from factory areas. Regarding the sewage, the Group complied with relevant laws and regulations as well as relevant standards including the “Law of the People’s Republic of China on Prevention and Control of Water Pollution” and the “Discharge Standard of Water Pollutants for Iron and Steel Industry”, and formulated management policies such as the “Procedures for Prevention and Control of Water Pollution” to ensure effective control and management of sewage. The Group built two sewage treatment plants with maximum daily treatment capacity of 50,000 tons and one sewage treatment plant with maximum daily treatment capacity of 10,000 tons in Jinxi Limited and Jinxi Special Steel respectively for the centralised treatment of sewage. All the post-treatment water which meets the standard is reused in the production.

In 2018, the Group continued to carry out comprehensive treatment and usage of sewage with no external discharge of sewage.

## 1. 環境(續)

### 1.1 排放物

#### 1.1.1 廢水排放

本集團的廢水主要為生產過程中產生的廢水和廠區的生活廢水。針對這些廢水，本集團遵守《中華人民共和國水污染防治法》及《鋼鐵工業水污染物排放標準》等相關法律法規和標準，制定了《水污染防治控制程序》等管理制度，以確保對廢水進行有效控制和管理。本集團於津西鋼鐵及津西特鋼分別建設了兩座日處理能力最高達50,000噸的污水處理廠以及一座日處理能力最高達10,000噸的污水處理廠，對污水進行集中處理，將處理後達標的水全部回用於生產。

於2018年，本集團繼續對廢水進行綜合處理及利用，並無廢水外排。

# Environmental, Social and Governance Report 環境、社會及管治報告

## 1. ENVIRONMENTAL (continued)

### 1.1 Emissions (continued)

#### 1.1.2 Exhaust emissions

The exhaust emissions of the Group mainly comprise particulate matters, nitrogen oxides and sulphur dioxide generated from production. For strict compliance with laws and regulations as well as relevant standards including the “Law of the People’s Republic of China on Prevention and Control of Atmospheric Pollution”, the “Emission Standard of Air Pollutants for Iron and Steel Industry in Hebei”, the “Emission Standard of Air Pollutants for Ironmaking Industry”, the “Emission Standard of Air Pollutants for Steelmaking Industry”, the “Emission Standard of Air Pollutants for Sintering and Pelletizing for Iron and Steel Industry” and the “Emission Standard of Air Pollutants for Steel Rolling Industry”, etc., the Group invested in resources to improve its production environment and facilities, and equipped various operating production facilities with environmental protection equipment, to ensure strict control on environmental pollution caused by exhaust.

During the reporting period, the Group’s exhaust emissions are showed as below:

A1.1.2 Exhaust emission 廢氣排放		2018	2017
Particulate matters (tons)	顆粒物(噸)	2,968	814
Nitrogen oxides (tons)	氮氧化物(噸)	3,318	5,493
Sulphur dioxide (tons)	二氧化硫(噸)	3,876	2,613

Note: Because pollutant discharge fee was changed to environmental protection tax in 2018, more exhaust outlets were included in the statistical calibre. The statistics of exhaust outlets in subsequent years will be consistent with this year.

## 1. 環境(續)

### 1.1 排放物(續)

#### 1.1.2 廢氣排放

本集團的廢氣排放主要包括生產過程中產生的顆粒物、氮氧化物及二氧化硫。本集團嚴格遵守《中華人民共和國大氣污染防治法》、《河北省鋼鐵工業大氣污染物排放標準》、《煉鐵工業大氣污染物排放標準》、《煉鋼工業大氣污染物排放標準》、《鋼鐵燒結、球團工業大氣污染物排放標準》和《軋鋼工業大氣污染物排放標準》等法律法規和相關標準，投入資源改善生產環境及設備，為各類運行的生產設備配備環保治理設施，確保嚴格控制廢氣對環境造成的污染。

於報告期內，本集團的廢氣排放情況詳見下表：

註：由於2018年排污費改為環保稅，納入統計口徑的排污口有所增加，後續年度統計的排污口範圍將與今年保持一致。

## 1. ENVIRONMENTAL (continued)

### 1.1 Emissions (continued)

#### 1.1.2 Exhaust emissions (continued)

## 1. 環境(續)

### 1.1 排放物(續)

#### 1.1.2 廢氣排放(續)

### Topic: Desulfurisation and denitrification overhaul of sintering machine of Jinxi Limited

#### 專題：津西鋼鐵燒結機脫硫脫硝改造

In 2018, the four sintering machines of Jinxi Limited finished the desulfurisation and denitrification project, and all passed the hot test and were officially put into use. By virtue of selective catalytic reduction (“SCR”) denitrification + wet desulfurisation + wet electrostatic + “de-plume” treatment process, ozone-assisted oxidation circulating fluidised bed desulfurisation, denitration and dedusting integrated treatment process, and circulating fluidised bed desulfurisation + bag precipitators + SCR denitrification treatment process, the original limestone-gypsum wet desulfurisation + wet electrostatic precipitator flue gas treatment facilities were all eliminated. After the overhauled facilities were put into use, ultra-low emission standards were achieved with particulate matters  $\leq 10\text{mg/m}^3$ , sulphur dioxide  $\leq 35\text{mg/m}^3$ , nitrogen oxides  $\leq 50\text{mg/m}^3$  at outlets.

於2018年，津西鋼鐵的四台燒結機已完成脫硫脫硝項目並已經全部通過熱試，正式投入使用。此次改造使用選擇性催化還原法(SCR)脫硝+濕法脫硫+濕法靜電+「煙氣脫白」的治理工藝、臭氧輔助氧化循環流化床脫硫脫硝除塵一體化治理工藝、以及循環流化床脫硫+布袋除塵器+SCR脫硝的治理工藝，將原石灰石-石膏濕法脫硫+濕法靜電除塵器煙氣治理設施全部淘汰。改造設備投入使用後，排放口顆粒物 $\leq 10\text{mg/m}^3$ 、二氧化硫 $\leq 35\text{mg/m}^3$ 、氮氧化物 $\leq 50\text{mg/m}^3$ ，達到超低排放標準。



## 1. ENVIRONMENTAL (continued)

### 1.1 Emissions (continued)

#### 1.1.2 Exhaust emissions (continued)

## 1. 環境(續)

### 1.1 排放物(續)

#### 1.1.2 廢氣排放(續)

#### Topic: Dust prevention and control in the material field of Jinxi Limited

##### 專題：津西鋼鐵料場揚塵防治

In 2018, Jinxi Limited built one 100,000 m<sup>2</sup> sintering and pelletized material closed shed, two 75,000 m<sup>2</sup> ironmaking coke sheds, and two 50,000 m<sup>2</sup> sintering, pellet, lump, and return ore sheds. All of the closed sheds equipped with fog guns and sprinklers inside to suppress dust, and vehicle washers at exits. In addition, the roads inside were all hardened, effectively reducing dust pollution from the material fields.

於2018年，津西鋼鐵建成一個100,000 m<sup>2</sup>燒結及球團原料封閉料棚；兩座75,000 m<sup>2</sup>煉鐵焦炭料棚；及兩座50,000 m<sup>2</sup>燒結礦、球團礦、塊礦、返礦料棚。封閉料棚內均配置霧炮及噴淋裝置抑塵及出口設置洗車器，此外，料棚內道路全部硬化，有效減少料場揚塵污染。



#### 1.1.3 Greenhouse gas emissions

Greenhouse gas emissions of the Group are mainly from:

- Scope 1: direct emissions, including fuel and raw materials used in production process, such as cleaned coal, anthracite, soft coal, coke, limestone, dolomite and silicon manganese alloy, etc.; as well as fuel used by vehicles, such as gasoline and diesel;
- Scope 2: indirect emissions of energy, mainly including use of purchased electricity.

#### 1.1.3 溫室氣體排放

本集團的溫室氣體排放主要來自於：

- 範疇一：直接排放，包括生產過程中使用的燃料及原材料，包括洗精煤、無煙煤、煙煤、焦炭、石灰石、白雲石和矽錳合金等；以及車輛使用的燃料，包括汽油、柴油；
- 範疇二：能源間接排放，主要包括使用的外購電力。

# Environmental, Social and Governance Report 環境、社會及管治報告

## 1. ENVIRONMENTAL (continued)

### 1.1 Emissions (continued)

#### 1.1.3 Greenhouse gas emissions (continued)

The Group actively conducted energy conservation management by recycling energy such as thermal energy and gas generated in blast furnace during production to reduce consumption of fuel and purchased electricity, which resulted in effective reduction of greenhouse gas emissions.

During the reporting period, the amount and the intensity of greenhouse gas emissions of the Group are disclosed as below:

A1.1.3 Greenhouse gas emissions 溫室氣體排放		2018	2017
Scope 1: Direct emissions (tCO <sub>2</sub> e)	範疇一：直接排放 (噸二氧化碳當量)	<b>13,687,449</b>	14,817,061
Scope 2: Indirect emissions of energy (tCO <sub>2</sub> e)	範疇二：能源間接排放 (噸二氧化碳當量)	<b>1,538,136</b>	1,363,847
Total emissions (tCO <sub>2</sub> e)	總排放量(噸二氧化碳當量)	<b>15,225,585</b>	16,180,909
Emission intensity (tCO <sub>2</sub> e/ton of steel)	排放密度 (噸二氧化碳當量／噸鋼)	<b>1.58</b>	1.70

Notes:

- Greenhouse gas emissions appraisals are presented in terms of carbon dioxide equivalent and calculated in accordance with the "Guidelines for the Accounting and Reporting of Greenhouse Gas Emissions for Chinese Steel Producers" issued by the National Development and Reform Commission.
- Jinxi Special Steel's purchased electricity data in 2017 was re-stated according to the statistical calibre of 2018. Therefore, the amount of greenhouse gas emissions of 2017 was recalculated according to the statistical calibre of 2018. The statistical calibre of subsequent years will be consistent with this year.

## 1. 環境(續)

### 1.1 排放物(續)

#### 1.1.3 溫室氣體排放(續)

本集團積極推進節能管理，積極回收生產過程中產生的熱能和高爐煤氣等，以降低燃料和外購電力消耗，從而有效降低溫室氣體排放。

於報告期內，本集團溫室氣體排放量及排放密度披露如下：

註：

- 溫室氣體排放核算以二氧化碳當量呈列，並依據國家發展和改革委員會發佈的《中國鋼鐵生產企業溫室氣體排放核算方法與報告指南》進行核算。
- 津西特鋼於2017年的外購電力數據，根據2018年的統計口徑重新統計，故2017年溫室氣體排放量根據2018年統計口徑重新計算，後續年度統計口徑將與本年度保持一致。



## 1. ENVIRONMENTAL (continued)

### 1.1 Emissions (continued)

#### 1.1.4 Solid waste discharge

In accordance with the “Law of the People’s Republic of China on the Prevention and Control of Environment Pollution by Solid Wastes”, the Group formulated internal policies such as the “Procedures for Prevention and Control of Solid Waste Pollution” and the “Management Measures of Waste Solids”, to perform proper management of non-hazardous and hazardous wastes. The Group has effectively reduced solid waste discharge through increasing recycling of recyclable wastes.

Non-hazardous wastes mainly include wastes containing iron, water slag, steel slag, desulfurised gypsum, refractory materials arising from production and household garbage in factory area etc.. The Group conducted separate collection and disposal of non-hazardous wastes, whereby wastes containing iron are recycled, water slag and steel slag are sold to cement plants for recycling, and household garbage is disposed of properly according to local regulations.

Hazardous wastes include used batteries, waste oil drums and waste oil, etc.. The Group properly identified, collected, stored, transported and disposed of them in accordance with the “National Catalogue of Hazardous Wastes” and other relevant laws and regulations, by storing them in separate storage rooms and entrusting qualified entity to properly dispose of them.

## 1. 環境(續)

### 1.1 排放物(續)

#### 1.1.4 廢棄物排放

根據《中華人民共和國固體廢物污染環境防治法》的要求，本集團制定了《固體廢棄物污染防治控制程序》、《固體廢物管理辦法》等內部管理制度，對無害廢物 and 有害廢物進行妥善管理，本集團通過增加對可回收廢棄物的回收利用，有效的減少廢棄物排放。

無害廢棄物主要包括生產過程中產生的含鐵廢棄物、水渣、鋼渣、脫硫石膏、耐火材料以及廠區生活垃圾等。本集團對這些無害廢棄物進行分類收集及處置，將含鐵的廢棄物回收再用，將水渣及鋼渣等廢棄物出售給水泥廠回收利用，並按照當地的法規妥善處置生活垃圾。

有害廢棄物包括廢舊電瓶、廢油桶和廢油等，本集團按照《國家危險廢物名錄》及其他相關法律法規，對其進行鑒別、收集、貯存、運輸和處置，設置單獨的儲存間進行儲存，並委託合資格的單位進行妥善處置。

# Environmental, Social and Governance Report 環境、社會及管治報告

## 1. ENVIRONMENTAL (continued)

### 1.1 Emissions (continued)

#### 1.1.4 Solid waste discharge (continued)

During the reporting period, solid waste discharge in quantity and intensity of the Group are disclosed as below:

A1.1.4 Solid waste discharge 廢棄物排放		2018	2017
Hazardous wastes (tons)	有害廢棄物(噸)	179.81	9.82
Hazardous wastes emission intensity (tons/ton of steel)	有害廢棄物排放密度(噸/噸鋼)	1.867*10 <sup>-5</sup>	1.029*10 <sup>-6</sup>
Non-hazardous wastes (tons)	無害廢棄物(噸)	3,122,608	3,453,554
Non-hazardous wastes emission intensity (tons/ton of steel)	無害廢棄物排放密度(噸/噸鋼)	0.324	0.362

Note: In 2018, the Group carried out many overhauls, which produced a relatively large amount of hazardous waste such as waste oil and waste oil drums.

## 1.2 Use of Resources

### 1.2.1 Energy saving

Energy used by the Group mainly comprises cleaned coal, anthracite, soft coal and coke used in production, as well as gasoline and diesel used by vehicles. Besides, the Group provided heating for residents of Qianxi County in winter. In compliance with laws and regulations such as the “Law of the People’s Republic of China on Conserving Energy”, the Group established internal management systems including the “Regulations on Enhancing Management of Energy Use”, the “Procedures for Control of Energy Evaluation”, the “Procedures for Control of Energy Operation” and the “Regulations on Enhancing Management of Energy Measurement”, to implement, control and manage the use of all kinds of energy. It sought to save energy through carrying out regular energy statistics and analysis, and increased the efficiency of energy use by constant optimisation of production equipment and energy saving transformation.

## 1. 環境(續)

### 1.1 排放物(續)

#### 1.1.4 廢棄物排放(續)

於報告期內，本集團廢棄物排放量及排放密度披露如下：

註：於2018年，本集團開展了許多檢修工作，產生了較多的廢油、廢油桶等有害廢棄物。

## 1.2 資源使用

### 1.2.1 節約能源

本集團使用的能源主要包括生產所用的洗精煤、無煙煤、煙煤、焦炭以及車輛使用的汽油和柴油等。此外，本集團在冬季為遷西縣的全縣市民提供供暖。本集團遵守《中華人民共和國節約能源法》等法律法規以及設立《關於加強能源使用管理的規定》、《能源評審控制程序》、《能源運行控制程序》、《關於加強能源計量管理的規定》等內部管理制度，以實施、控制和管理各類能源的使用，定期開展能源統計和分析，尋找節能機會，不斷優化各生產設備，開展節能改造，提高能源利用效率。

## 1. ENVIRONMENTAL (continued)

### 1.2 Use of Resources (continued)

#### 1.2.1 Energy saving (continued)

## 1. 環境(續)

### 1.2 資源使用(續)

#### 1.2.1 節約能源(續)



Control room of energy management center 能源管控中心主控室

The Group included energy-saving management in the scope of management appraisal, directly linking the performance of person-in-charge with the energy-saving objectives as well as through monitoring the economic indicators, consumption indicators, etc. to improve the production standard. The Group closely followed cutting-edge technology for energy saving and consumption reducing in iron and steel industry, and stuck to the path of continuous improvement by combining technology energy saving in whole-process with energy management optimisation. The Group adopted quite a number of advanced technologies such as waste heat recovery, coal gas recovery as well as systematic energy-saving optimisation. The Group has established an energy management and control centre to manage the energy consumption of the entire plant, which has effectively cut down energy consumption.

本集團將節能管理納入管理考核範圍，將主管績效跟節能目標直接掛鉤，通過對經濟指標、消耗指標等的監察提升生產水平。本集團密切追蹤鋼鐵行業節能降耗的前沿技術，堅持全工序技術節能與能源管理優化相結合的持續改善路徑。本集團採用了大批餘熱回收利用、煤氣回收利用以及系統節能優化先進技術。本集團建立了能源管控中心，全面管控整個廠區的耗能情況，有效降低了能源消耗。

# Environmental, Social and Governance Report 環境、社會及管治報告

## 1. ENVIRONMENTAL (continued)

### 1.2 Use of Resources (continued)

#### 1.2.1 Energy saving (continued)

During the reporting period, energy consumption in total and intensity of the Group are disclosed as below:

## 1. 環境(續)

### 1.2 資源使用(續)

#### 1.2.1 節約能源(續)

於報告期內，本集團能源消耗總量及密度披露如下：

A1.2.1 Energy A1.2.1 能源		2018			2017		
		Consumption 消耗量	Unit 單位	Power consumption 能耗 (GWh) GWh	Consumption 消耗量	Unit 單位	Power consumption 能耗 (GWh) GWh
Diesel	柴油	4	10 <sup>3</sup> tons 千噸	52	5	10 <sup>3</sup> tons 千噸	62
Gasoline	汽油	155	tons 噸	2	250	tons 噸	3
Cleaned coal	洗精煤	275	10 <sup>3</sup> tons 千噸	2,009	322	10 <sup>3</sup> tons 千噸	2,354
Anthracite	無煙煤	858	10 <sup>3</sup> tons 千噸	4,840	787	10 <sup>3</sup> tons 千噸	4,440
Soft coal	煙煤	292	10 <sup>3</sup> tons 千噸	1,586	525	10 <sup>3</sup> tons 千噸	2,857
Coke	焦炭	3,758	10 <sup>3</sup> tons 千噸	29,693	3,968	10 <sup>3</sup> tons 千噸	31,351
Purchased electricity	外購電力	1,739	GWh	1,739	1,542*	GWh	1,542*
Total energy consumption	總能耗量	39,922,141 MWh			42,608,828 MWh		
Energy consumption intensity	能耗密度	4.15 MWh/ton of steel 4.15 MWh/噸鋼			4.46 MWh/ton of steel 4.46 MWh/噸鋼		

Note: In 2017, Jinxi Special Steel's purchased electricity data are recalculated according to the statistical calibre of 2018. The statistical calibre of subsequent years will be consistent with this year.

註：津西特鋼於2017年的外購電力數據，根據2018年的統計口徑重新計算，後續年度統計口徑將與本年度保持一致。

# Environmental, Social and Governance Report 環境、社會及管治報告

## 1. ENVIRONMENTAL (continued)

### 1.2 Use of Resources (continued)

#### 1.2.2 Water saving

In strict compliance with laws and regulations including the “Water Law of the People’s Republic of China”, the Group formulated the “Provisions and Assessment Measures for Water Management”, and strengthened management of water control devices including water supply pipe and valve, faucet, bath and water tank, to prevent overflow and water running for a long time. With reasonable use of primary water and secondary water in strict compliance with production water standards, it effectively reduced water consumption.

Jinxi Limited adopted a reverse osmosis treatment system for concentrated brine with a capacity of 150m<sup>3</sup>/h, which used nanofiltration (“NF”) device to re-treat the concentrated brine after reverse osmosis treatment at sewage treatment station, and then imported the plain water treated to water-consuming system or other water-consuming units for reuse, significantly reducing the consumption of fresh water. Jinxi Special Steel adopted 3-level water usage management. It reasonably controlled replenishment of fresh water based on indicators and carried out hierarchic management of water usage of various units, reduced fresh water consumption per ton of steel.

During the reporting period, water consumption in total and intensity of the Group are disclosed as below:

## 1. 環境(續)

### 1.2 資源使用(續)

#### 1.2.2 節約用水

本集團嚴格執行《中華人民共和國水法》等法律法規，制定《用水管理規定及考核辦法》及加強對供水管路和閥門、水龍頭以及浴池、水箱等用水控制裝置的管理，防止溢流和長流水現象；嚴格按生產用水標準合理使用一、二次水，有效減少水源的消耗。

津西鋼鐵採用150m<sup>3</sup>/h的反滲透濃鹽水回用處理系統工程，使用納濾裝置(“NF”)將污水處理站反滲透處理後的濃鹽水再次處理，再將處理後的淡水導入至回用水系統或其他用水單元再利用，大大減少了對新鮮用水的消耗。津西特鋼則採用3級用水管理，按指標合理控制新水補水量，對各單位用水進行分級管理等，減少了噸鋼耗新水量。

於報告期內，本集團總用水量 and 密度披露如下：

A1.2.2 Water 水		2018	2017
Total water consumption (tons)	總用水量(噸)	19,539,413	18,937,789
Water consumption intensity (tons/ton of steel)	總用水密度(噸/噸鋼)	2.029	1.985

# Environmental, Social and Governance Report 環境、社會及管治報告

## 1. ENVIRONMENTAL (continued)

### 1.2 Use of Resources (continued)

#### 1.2.3 Packaging materials

The Group's products mainly are steel products such as section steel, strips, billet, rebar and sheet piling, which use relatively small amount of packaging materials during sales, primarily includes packing strap used by Jinxi Limited to sell products.

During the reporting period, the Group's consumption of packaging materials is disclosed as below:

A1.2.3 Packaging materials 包裝材料		2018	2017
Packing strap (tons)	打包帶(噸)	6,219	4,820

### 1.3 Environment and natural resources

With a strong sense of social responsibility, the Group adhered to green development all the way. With a goal of achieving "production cleanliness, artistic architecture, factory gardening", we invested in enhancing environmental protection, energy saving and noise control and environmental greening.

#### 1.3.1 Noise control

On top of the aforesaid generated emissions and resources utilisation, the Group actively reduced other impact on the environment, including the noises during the production operation. In order to strengthen the control and reduce the impact brought by noises, and to meet the requirements of the relevant standards such as "Emission Standard for Ambient Noise" and the "Emission Standard for Noise at Boundary of Industrial Enterprises", the Group has taken various measures to strictly control ambient noise level at boundary. The specific measures include:

- To set up factories for all types of large facilities and workshops;
- To install noise reduction facilities for production facilities and devices with loud noises, such as oxygen production module and electricity generation module, etc.;

## 1. 環境(續)

### 1.2 資源使用(續)

#### 1.2.3 包裝材料

本集團的產品主要包括型鋼、帶鋼、鋼坯、螺紋鋼及鋼板樁等鋼鐵類產品，出售產品時所使用的包裝材料較少，主要為津西鋼鐵出售產品時所使用的打包帶。

於報告期內，本集團包裝材料使用量披露如下：

### 1.3 環境及天然資源

本集團以高度的社會責任感堅持綠色發展，以「生產潔淨化、建築藝術化、廠區園林化」為目標，本集團投資於強化環保治理、節能降噪及綠化環境。

#### 1.3.1 噪聲控制

除上述產生的排放物及資源使用外，本集團積極減低其他對環境的影響，包括生產運行時的噪聲。為加強控制及減少噪聲帶來的影響，及達到《環境噪聲排放標準》和《工業企業廠界環境噪聲排放標準》等相關標準的要求，本集團採取各項措施嚴格控制廠界環境噪聲水平，具體措施包括：

- 為各類大型設備及車間建設廠房；
- 對噪聲大的生產設備裝置如制氧機組和發電機組等設置消聲設施；

# Environmental, Social and Governance Report 環境、社會及管治報告

## 1. ENVIRONMENTAL (continued)

### 1.3 Environment and natural resources (continued)

#### 1.3.1 Noise control (continued)



- To install sound-proof doors for electricity generation modules, hot air stove blowers, and oxygen production workshops which generate relatively loud noises, etc.;
- To install shock reduction and shock insulation equipment for blowers and water pumps, etc. which generate relatively loud noises;
- To use totally closed settings for the transfer of raw materials using closed transfer corridor and feeder, etc.;
- To add sound-proof shield for saw machine;
- To hire professional environmental inspection company to carry out on-site noise detection.

#### 1.3.2 Greening and green protection

The Group valued greening development and widely launched works on tree planting and afforestation, speeded up the implementation of comprehensive management projects on environmental improvement, as well as promoted the beautification, greening, lighting of plant area, so as to improve the production and living environment. In April 2018, Jinxi Limited organised voluntary tree planting activity “Green Steel City-Beautiful Jinxi”, where 100-odd participants planted more than 360 seedlings, adding further new greenness to Jinxi Limited’s plant area.

## 1. 環境(續)

### 1.3 環境及天然資源(續)

#### 1.3.1 噪聲控制(續)

- 對各發電機組、熱風爐鼓風機及制氧車間等產生噪音較大的車間設置了隔聲門；
- 為產生噪音較大的風機、水泵等安裝減震隔震設施；
- 將原料輸送所用的封閉輸送廊道及落料等環節設置為全封閉；
- 增設鋸機隔音罩；
- 通過聘請專業環境檢測公司對噪音進行現場檢測。

#### 1.3.2 植綠及護綠

本集團重視綠化發展及廣泛開展植樹造林工作，加快實施環境提升綜合治理項目，以及推進廠區美化、綠化、亮化，以改善生產及生活工作環境。於2018年4月，津西鋼鐵組織百餘人開展「綠色鋼城美麗津西」義務植樹活動，栽種苗木360多株，為津西鋼鐵廠區再添一片新綠。

## 2. SOCIAL

### 2.1 Employment

The Group strictly abided by the labour laws and regulations such as the “Labour Law of the People’s Republic of China”, the “Labour Contract Law of the People’s Republic of China”, the “Regulation on Work-Related Injury Insurance” to protect employees’ rights and dignity, maintain harmonious employee-employer relations, provide development opportunities, create a healthy working environment, and enhance employees’ sense of well-being and belonging.

#### 2.1.1 Recruitment and termination

The Group attracted talents under the principles of fairness and objectiveness as well as employment on the basis of competitive selection, by using internet recruitment, campus recruitment, recruitment in the labour market and specialist recruitment firms, etc.. The Group entered into, updated and terminated labour contracts with formal employees in accordance with laws and regulations, which clearly specified contractual rights and obligations as well as the conditions and procedures for terminating labour contracts.

#### 2.1.2 Remuneration and benefits

The Group established a remuneration system which reflects the value and contribution of individuals. According to management system such as the “Interim Measures for Remuneration Management”, employee remuneration is composed of basic salary, annual allowance, performance bonus and company prizes. Furthermore, the Group paid all kinds of social insurances (including medical insurance scheme, pension scheme, unemployment insurance scheme, maternity insurance scheme, etc.) in a full and timely manner in accordance with the national requirements. Since July 2008, the Group introduced the work injury insurance and has been paying 1.5% of the wages paid to the staff to the social insurance department.

## 2. 社會

### 2.1 僱傭

本集團嚴格遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《工傷保險條例》等勞動法律法規、保障員工權益和尊嚴、維護和諧勞資關係、提供發展機會、營造健康工作環境及增進員工幸福感和歸屬感。

#### 2.1.1 招聘及解聘

本集團以公平客觀、擇優錄取為原則，採用網絡招聘、校園招聘、人才市場招聘及獵頭公司等多種招聘方式吸納人才。本集團與正式員工依法訂立、更新及終止勞動合約，清楚規定了合同的權利與義務以及解除勞動合同的條件及程序。

#### 2.1.2 薪酬及福利

本集團建立了體現個人價值和貢獻的薪酬體系。根據《薪酬管理暫行辦法》等管理制度，員工的薪酬由基本工資、年功補貼、績效獎金和單位獎勵構成。此外，本集團依照國家規定，按時足額為員工繳納各項社會保險費（包含醫療保險計劃、養老金計劃、失業保險計劃、生育保險計劃等）。自2008年7月起，本集團推行工傷保險並按員工發放工資的1.5%上繳社保部門。



## 2. SOCIAL (continued)

### 2.1 Employment (continued)

#### 2.1.3 Position and promotion

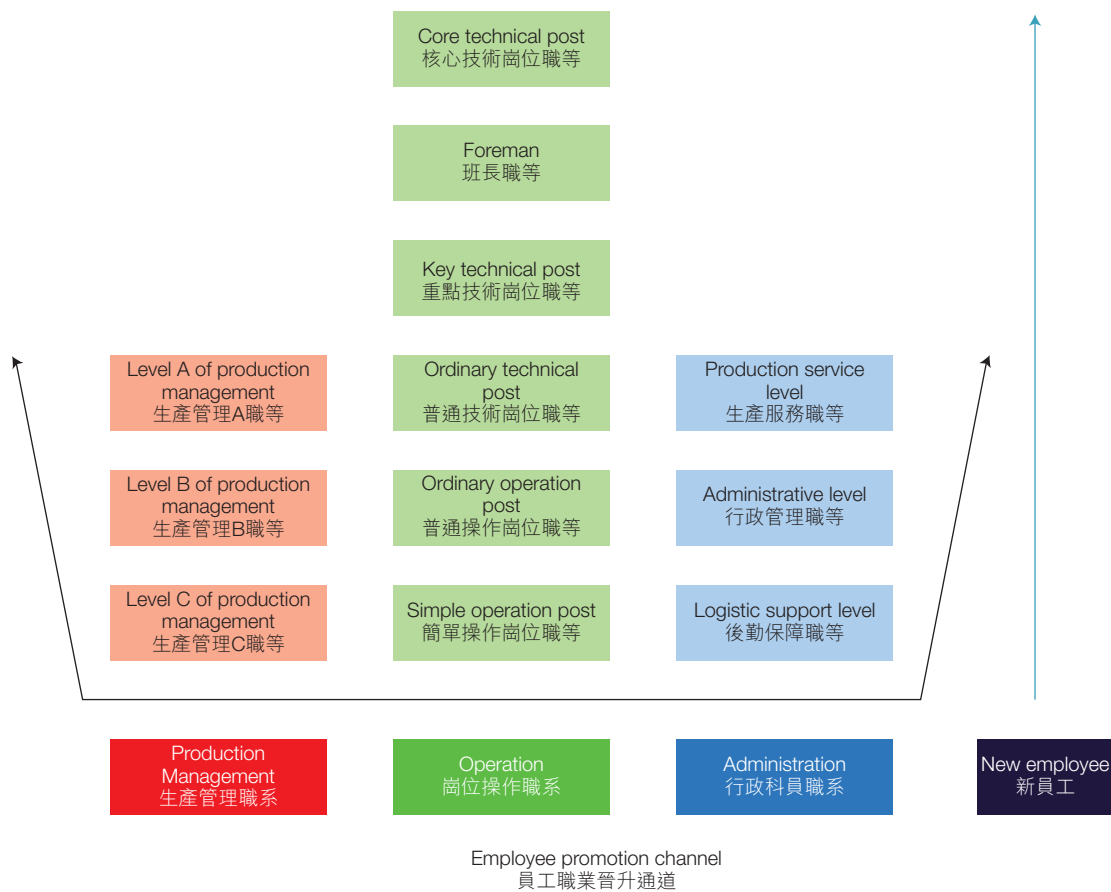
The Group has developed a position framework including system, classification, title and level, and continuously improved and updated it to provide a clear promotion path for employees.

## 2. 社會(續)

### 2.1 僱傭(續)

#### 2.1.3 崗位與晉升

本集團建立了包括崗位職系、崗位等別、崗位名稱和崗位職級等在內的崗位架構，並不斷對其完善更新，為員工晉升提供明確的晉升路徑。



## 2. SOCIAL (continued)

### 2.1 Employment (continued)

#### 2.1.3 Position and promotion (continued)

## 2. 社會(續)

### 2.1 僱傭(續)

#### 2.1.3 崗位與晉升(續)



In 2018, hiring through competition at the Quality Inspection Centre of Jinxi Limited  
2018年·津西鋼鐵質檢中心競聘

With increasingly strengthened performance appraisal and improved selection through competition, the Group enhanced the human resources management principle of selecting the superior and eliminating the inferior as well as preparing for both promotion and demotion, and established the incentive and assessment mechanism which linked the performance of employees with their remuneration. In the event of any vacancy of cadre post or engineer, according to the policies of the “Administrative Measures for Cadres below Middle Level (Provisional)” and the “Administrative Measures for Professional and Technical Talents (Provisional)”, the Group had leadership team of cadre administration and management team of professional and technical talents to organise open competitions respectively based on actual demands, offering an equal, fair and open competition platform for qualified staff.

本集團不斷加大績效考評力度，完善競聘選拔工作，強化優勝劣汰、能上能下的人力資源管理原則，建立員工業績及薪酬掛鈎的市場化激勵考核機制。在幹部崗位或工程師出現空缺時，本集團按照《中層以下幹部管理辦法(試行)》和《專業技術人才管理辦法(試行)》等制度，分別由幹部管理工作領導小組和專業技術人才管理小組基於實際需求組織公開競聘，為符合條件的員工提供公平公正公開的競爭平台。

## 2. SOCIAL (continued)

### 2.1 Employment (continued)

#### 2.1.4 Working hours and holidays

The Group strictly controlled the working hours in accordance with the legal requirements. It guaranteed that all overtime work by the employees was on a voluntary basis. The overtime remuneration was paid in full according to the local applicable labour laws. The rest days of the employees of the Group are the public holidays in accordance with national laws and regulations and other holidays in accordance with the local laws and regulations.

#### 2.1.5 Equality and anti-discrimination

The Group provided equal, fair and reasonable employment opportunities for employees. The recruitment, wages, benefits and promotion depended on the work capabilities of the employees concerned. It treated all the employees equally, regardless their genders, ages, races, bloodlines, colours, nationalities, political status, religious beliefs, marital status, number of children, disabilities or not or any other factors not related to the work. If a discriminatory behaviour was found, we would investigate the nature of the problem, and would take disciplinary action to the person(s) with such discriminatory behaviour.

## 2. 社會(續)

### 2.1 僱傭(續)

#### 2.1.4 工作時間及假期

本集團按照法律的要求嚴格管控工作時間，保證所有加班都為員工自願，加班報酬按照當地適用勞動法足額支付。本集團的員工依法享有依照國家法律規定的公休假日，以及當地法律法規規定的其他假期。

#### 2.1.5 平等與反歧視

本集團為員工提供公平、公正及合理的工作機會，在聘用、工資、福利及晉升時完全基於員工的工作能力，對所有員工一視同仁，不論其性別、年齡、種族、血統、膚色、國籍、政治面貌、宗教信仰、婚姻狀況、生育狀況、殘疾或其他任何與工作無關的因素。如發現有歧視行為，本集團根據問題的性質調查，並對有歧視行為者作紀律處分。

# Environmental, Social and Governance Report 環境、社會及管治報告

## 2. SOCIAL (continued)

### 2.1 Employment (continued)

#### 2.1.6 Staff care

By organising a series of recreational and sports activities to boost the cultural development and enrich the spare time life of employees, the Group created harmonious atmosphere for the team to enhance satisfaction and sense of belonging of our employees. Meanwhile, the Group provides assistance and support to employees in straitened circumstances and gives them necessary cares.

## 2. 社會(續)

### 2.1 僱傭(續)

#### 2.1.6 員工關愛

本集團組織了一系列文體活動大力推進企業文化建設及豐富員工工餘生活，營造和諧融洽的團隊氣氛，以此提高員工的滿意度和歸屬感。同時，本集團為困難員工提供幫助和支持，給予員工必要的關懷。



Granting relief fund to staff troubled with critical serious illness or extreme poverty on 23 January  
1月23日為困難員工發放特病大病特困救助金



Spring Festival Cultural Evening—Celebrating Lunar New Year on 25 February  
2月25日春節文藝晚會喜迎新年



Physical examination for female employees on Women's Day (8 March)  
慶「三八」為女工提供體檢



“Jinxi Impression—Charming Iron City” photography, calligraphy, painting and sculpture activities  
「印象津西魅力鋼城」攝影書畫雕塑活動



Distribution of summer cooling supplies to employees working in hot environment  
給高溫環境作業員工發放防暑降溫用品



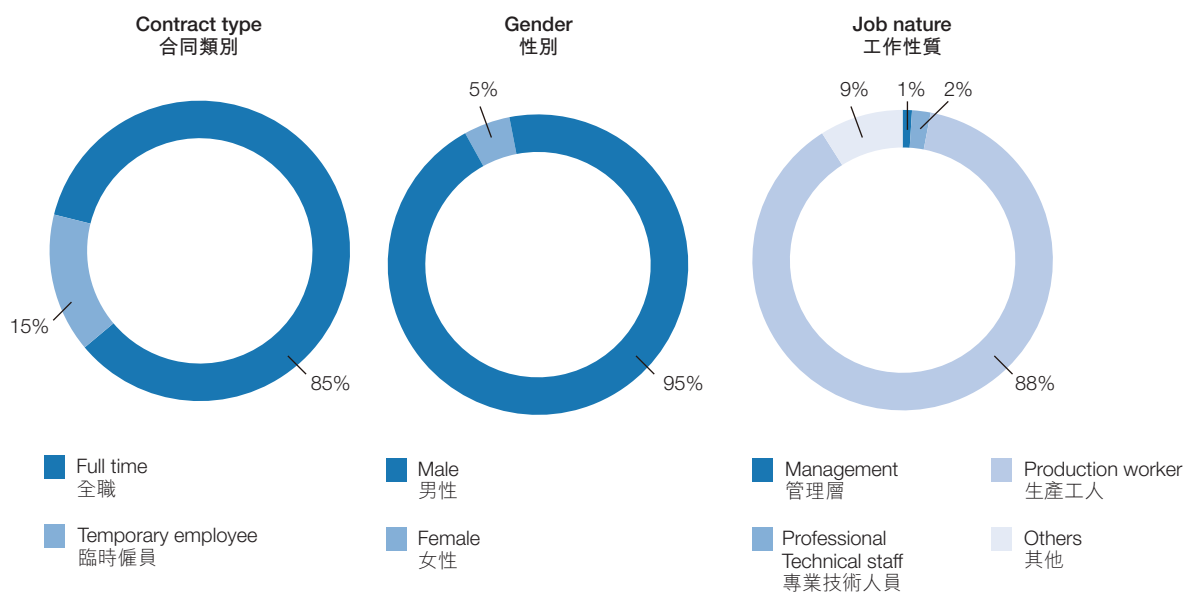
Speech competition of “Boosting Development via Quality Enhancement and Efficiency Improvement” on 28 September  
9月28日「提質增效促發展」演講賽

## 2. SOCIAL (continued)

### 2.1 Employment (continued)

#### 2.1.7 Staff Situation

The ratios of employees of the Group in 2018 by contract type, gender and job nature are shown as below:



## 2.2 Health and safety

Upholding the safe production principles featured by “people oriented, safe development and safety first, prevention as priority and comprehensive governance”, the Group strictly followed laws and regulations such as the “Labour Law of the People’s Republic of China”, the “Law of the People’s Republic of China on Safe Production”, the “Law of the People’s Republic of China on Prevention and Control of Occupational Diseases” and the “Interim Regulations on Investigation and Control of Hidden Peril of Production Accident”, providing a safe and healthy working environment for employees.

## 2. 社會(續)

### 2.1 僱傭(續)

#### 2.1.7 員工概況

於2018年，本集團按合同類別、性別及工作性質劃分的員工比例如下：

## 2.2 健康與安全

本集團堅持「以人為本、安全發展和安全第一、預防為主及綜合治理」的安全生產方針，嚴格遵守《中華人民共和國勞動法》、《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》、《安全生產事故隱患排查治理暫行規定》等法律法規，為員工提供安全及健康的工作環境。

## 2. SOCIAL (continued)

### 2.2 Health and safety (continued)

#### 2.2.1 Safe production

The Group has established a sound safety production system including the “Responsibility System for Safe Production”, the “General Rules for Assessment on Implementation of Safe Production Responsibilities”, the “Management System for Emergency Plan of Safety Incidents”, the “Management System for Education and Training on Safe Production” and the “Fire Prevention Management Policy”. Meanwhile, subsidiaries of the Group proactively enhanced standardisation of safe production, for instance, Jinxi Limited has obtained a series of certificates for safe production standardisation, including metallurgical coal gas, ironmaking, oxygen production, and sintering and pelletizing etc..

In 2018, the Group continuously carried out safety risk investigation, regularly conducted safety training, irregularly implemented spot checks, identified hazard sources by grade and checked periodically, so as to realise pre-identification, pre-control and proper management of vulnerabilities.

## 2. 社會(續)

### 2.2 健康與安全(續)

#### 2.2.1 安全生產

本集團建立了健全的安全生產制度體系，包含《安全生產責任制度》、《關於落實安全生產主體責任的考核通則》、《安全事故應急預案管理制度》、《安全生產教育培訓管理制度》、《消防管理制度》等，同時，本集團各附屬公司積極加強安全生產標準化建設，如津西鋼鐵獲得了包括冶金煤汽、冶金煉鐵、制氧及燒結球團等一系列安全生產標準化證書。

於2018年，本集團繼續開展安全隱患排查，定期進行員工安全培訓，開展突擊檢查，分等級識別危險源並定期排查，做到對不安全因素的預知預控和妥善管理。

#### Topic: Safety drill and training

##### 專題：安全演練及培訓

In 2018, subsidiaries of the Group actively implemented various measures for safe production as well as occupational health, which achieved good results:

於2018年，本集團的子公司積極落實安全生產和職業健康的各項措施，並取得了良好成效：

- Emergency drills for gas firing and poisoning at material source of danger at Jinxi Special Steel  
津西特鋼重大危險源煤氣著火、中毒應急演練

In order to test the emergency rescue organisation’s capabilities for quick response and handling as well as employees’ capabilities for self and mutual rescue under emergency situation, Jinxi Special Steel carried out “emergency rescue drill for gas firing and poisoning accidents occurred at material source of danger” within the gas chamber zone of the power plant on 27 June. More than 150 people participated the drill.

為檢驗應急救援組織的快速反應能力和處理能力及員工在緊急狀態下自救互救能力，津西特鋼於6月27日在動力廠煤氣櫃區域內開展了「重大危險源煤氣著火、中毒事故應急救援演練」，共150多人參與了此次演練。



## 2. SOCIAL (continued)

### 2.2 Health and safety (continued)

#### 2.2.1 Safe production (continued)

## 2. 社會(續)

### 2.2 健康與安全(續)

#### 2.2.1 安全生產(續)

#### Topic: Safety drill and training

#### 專題：安全演練及培訓



#### ➤ Flood control drill of Jinxi Special Steel 津西特鋼特防汛演練

In order to enhance entire employees' emergency handling capabilities against accidents during the flood season and make them familiar with the use of flood control equipment, so as to improve their flexibility of handling emergencies, Jinxi Special Steel carried out simulated flood control accident rescue drill on 16 June. Jointly, the flood control personnel of rolling mill and the members of the contingency plan teams participated the drill.

為提高全體員工汛期事故應急處理能力，熟悉掌握防汛器材使用，提高員工處理突發事故的應變能力，津西特鋼於6月16日開展模擬防汛事故救援演練，軋鋼廠防汛人員及應急預案各小組成員共同參與此次演練。

#### ➤ Training for firefighting at Jinxi Limited 津西鋼鐵消防知識培訓

The General Department and the guard team of Jinxi Limited conducted training and education for use of fire extinguisher and popularised fire safety knowledge on 7 October.

於10月7日，津西鋼鐵綜合部門及門衛大隊開展了滅火器使用培訓教育，普及消防知識。



## 2. SOCIAL (continued)

### 2.2 Health and safety (continued)

#### 2.2.2 Occupational health

The Group implemented a series of rules including the “Responsibility System for Prevention and Control of Occupational Hazards”, the “Warning and Notification System for Occupational Hazards”, the “Management System for Routine Monitoring and Evaluation of Occupational Hazards”, the “Occupational Hygiene Management System” and the “Code of Practice for Dust, Noise, Gas, High Temperature, Assay and Radiation”, and passed the occupational health and safety management system certification. In addition, the Group actively carried out prevention, control and elimination of occupational hazards, to protect employees’ safety and health.

## 2. 社會(續)

### 2.2 健康與安全(續)

#### 2.2.2 職業健康

本集團執行《職業病危害防治責任制度》、《職業病危害警示與告知制度》、《職業病危害日常監測及評價管理制度》、《職業衛生管理制度》、《粉塵、噪音、煤氣、高溫、化驗、放射類操作規程》等一系列制度規程，通過了職業健康安全管理体系認證。此外，本集團積極開展預防、控制和消除職業病危害的工作，保護員工健康安全。

#### ● Occupational hazard detection

##### 職業危害檢測

To organise occupational hazard detection regularly, so as to identify and control occupational hazard factors in workplace.  
定期組織職業危害檢測，以識別和控制工作場所職業病危害因素。

#### ● Occupational health monitoring

##### 職業健康監護

To establish occupational health archive for every staff;  
為每一個員工建立職業健康檔案；  
To organise occupational health examination annually for posts exposed to dust, noise and high temperature.  
每年組織接塵、噪音、高溫崗位職業衛生體檢。

#### ● Training and promotion

##### 培訓及宣導

To develop safety training system and plan; to establish safety training and appraisal mechanism;  
制定安全培訓制度和計劃；建立安全培訓和考核機制；  
To publicize laws and regulations, operation rules and knowledge about occupational disease prevention and control, via pre-shift meeting, bulletin board and training, etc.  
利用班前會、公開欄、培訓學習等形式宣傳法律法規、操作規程、職業病防治知識。

#### ● Personnel protection equipment (“PPE”)

##### 勞保用品(「勞保用品」)

To implement the “Regulations on Enhancing Management of PPE” and provide earplugs;  
執行《關於加強勞保用品管理的有關規定》，提供防噪音耳塞；  
To guide staff to properly wear and use occupational health protection product.  
指導員工合理佩戴和使用職業衛生防護用品。

#### ● Hazard Warning

##### 危害警示

To standardise warning and notification of occupational hazard;  
對職業病危害警示與告知進行規範；  
To identify warning signs regularly.  
定期識別警示標識。



## 2. SOCIAL (continued)

### 2.3 Development and training

With focus on personal and professional development of staff, the Group developed management systems such as the “Administrative Measures for Staff Training” to carry out staff training. All subsidiaries have established three-level training management system composed of training management committee, training organisation committee and training work group, set up training centre and established full-time and part-time teaching team dominated by engineers, technicians and senior technicians, so as to practically improve overall quality of staff members.

The Group developed annual staff training plan at the beginning of each year, and all subsidiaries conducted training activities according to such plan. The Group adopted a variety of training modes. It provided training on management knowledge for cadres at all levels via systematic training, expert lecture and web-based instruction. Training on technical expertise was conducted in a way that combined theory with practice. In addition, the Group created training and development opportunities for staff through various training forms such as centralised training, on-the-job training, on-site teaching, case-studies, daily question, anti-accident drill, “master-prentice mentoring”, “one helps one” and training via WeChat platform etc..

## 2. 社會(續)

### 2.3 發展與培訓

本集團注重員工的個人及專業發展，通過《員工培訓工作管理辦法》等制度開展員工培訓工作。各子公司成立了由培訓工作管理委員會、培訓工作組織委員會和培訓工作小組構成的三級培訓管理體系，設立培訓中心，建立以工程師、技師、高級技師為主體的全、兼職教師隊伍，著實提高員工隊伍的整體素質。

本集團每年年初制定年度員工培訓計劃，各子公司按照培訓計劃開展培訓活動。本集團採用多樣的培訓模式，通過系統培訓、專家講座、網絡教學等形式為各級幹部提供管理知識培訓，採用理論與實踐相結合的方式進行專業技術培訓。此外，本集團採用集中培訓、在職培訓、現場教學、案例教學、每日一題、反事故演練、「師帶徒」、「一幫一」、微信平台等培訓形式，為員工創造培訓和發展的機會。

## 2. SOCIAL (continued)

## 2. 社會(續)

### 2.3 Development and training (continued)

### 2.3 發展與培訓(續)

#### Staff vocational skills competition

#### 員工職業技能大賽

The seventh staff vocational skills competition took place from March to September. After 4 months of theory learning, practical drills and internal preliminary selection, 496 employees involving 10 professionals reached at the stage of finals. Finally, 10 best technicians and 100 skillful technicians won the competition. After the competition of skills, 4 best technicians out of 10 were selected to take challenges in the “Shougang Cup”, the Ninth National Vocational Skills Competition of Steel Industry, after which, two of them were awarded the “Technical Experts in the National Vocational Skills Competition of Steel Industry”.

3月至9月，第七屆員工職業技能大賽全面進行，經過4個月理論學習、實踐演練和內部預賽選拔，包含10個工種的496名員工進入決賽，最後選出10名技術狀元、100名技術能手。技能大賽結束後，我們從該10名技術狀元中選拔出4名參加「首鋼杯」第九屆全國鋼鐵行業職業技能競賽，其中兩名員工榮獲「全國鋼鐵行業職業技能競賽技術能手」稱號。



## 2. SOCIAL (continued)

## 2. 社會(續)

### 2.3 Development and training (continued)

### 2.3 發展與培訓(續)

#### Topic: The “Sailing” – fresh college students training program

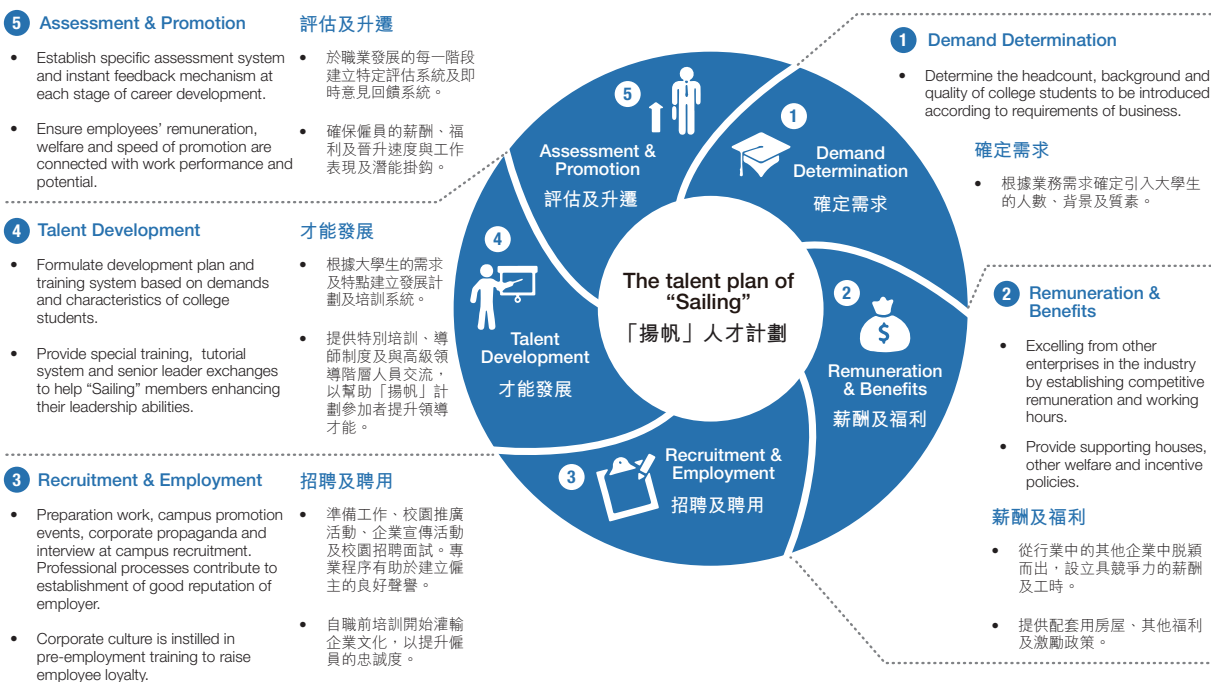
#### 專題：「揚帆」計劃–應屆大學生培養方案

Based on the five factors of talent training system, the Group designed the talent plan “Sailing” to attract and train excellent college students as the core force of company management in the future, so as to improve our talents’ competitiveness.

為提升人才競爭力，本集團圍繞人才培養體系的五大元素，設計「揚帆」人才計劃，吸引並培養優秀大學生，成為未來企業管理的中堅力量。



The first group of “Sailing” college students moved into the sintering plant in 2018.  
2018年，揚帆計劃首批大學生進駐燒結廠。



# Environmental, Social and Governance Report 環境、社會及管治報告

## 2. SOCIAL (continued)

### 2.3 Development and training (continued)

## 2. 社會(續)

### 2.3 發展與培訓(續)

#### Topic: Senior management training – “Implementation of ‘four points’ to ensure the excellence management of ‘three capabilities’”

#### 專題：「落地四句話確保三會精益管理」高管培訓

In the afternoon of 15 November, the Group carried out the senior management training of “Implementation of ‘four points’ to ensure the excellence management of ‘three capabilities’”. There were more than 40 cadres at senior and middle levels participated at the training. 1 McKinsey expert and 3 internal management consultants of the Group conducted the training. There was group discussion and sharing sessions to promote the thorough implementation of the “four points” (extreme thinking, data analysis, display board pushing forward and continuous improvement) to ensure all the employees are capable of speaking, writing and application (“three capabilities”), so as to drive enhancement of production and operation work and further uplifted the management standards of senior management.

於11月15日下午，本集團舉辦了「落地四句話確保三會精益管理」高管培訓，高中層幹部共40多人參加。此次培訓以1位麥肯錫專家、3位本集團內部管理諮詢師內外結合的方式進行授課，並設有分組討論與分享環節，促進深入落地極限思維、數據分析、看板推進、持續改善「四句話」，確保全員會說、會寫及會應用，有助推進生產和經營工作全面提升，進一步提高高管管理水平。



### 2.4 Labour standards

The Group abided by the laws and regulations such as “Labour Law of the People’s Republic of China” and the “Labour Contract Law of the People’s Republic of China”, which prohibited the recruitment of child labour and forced labour. The “Administrative Regulations on Standardising Labour Employment System (Revised)” of Jinxi Limited stipulated that, newly recruited employees must be at least 18 years old, seasonal workers for common jobs must be at least 18 years old, and seasonal workers for technical jobs must be at least 22 years old.

In 2018, the Group employed no child labour or forced labour.

### 2.4 勞工準則

本集團依照《中華人民共和國勞動法》、《中華人民共和國勞動合同法》等法律法規，杜絕聘用童工及強制勞工。津西鋼鐵《關於規範勞動用工制度的管理規定（修訂）》規定，新錄用的員工必須年滿18歲，普通工種季節工必須年滿18歲，而技術工種季節工必須年滿22歲。

2018年內，本集團不存在使用童工和強制勞工的現象。

## 2. SOCIAL (continued)

### 2.5 Supply chain management

The Group cooperated with suppliers who strived for higher and higher quality, endeavoured environmental protection and stuck to business ethics, and also delivered the Group's ideas in environmental and social responsibilities to the suppliers. In compliance with laws and regulations such as the "Bidding and Tendering Law of the People's Republic of China" and the "Regulations on the Implementation of the Bidding Law of the People's Republic of China", the Group set up workflow documents such as "Regulations on Standardising Procurement Processes", to strictly control internal procurement processes, enhancing its management abilities and improving its level of integrity continuously.

## 2. 社會(續)

### 2.5 供應鏈管理

本集團注重與精益求精、致力於環保、具商業道德的供貨商合作，並向供應商傳遞本集團在環境及社會責任方面的理念。本集團遵守國家《招標投標法》、《招標投標法實施條例》等法律法規，制定了《關於對規範採購工作流程標準的規定》等流程文件，嚴格控制內部採購流程，不斷提升其管理能力和改善其誠信水平。



## 2. SOCIAL (continued)

### 2.6 Product responsibility

Aiming to build the world's largest section steel production base as well as an international first-class enterprise, the Group made constant efforts in industrial structure transformation & upgrades and product mix adjustment while continuously committing to technology innovation and high-quality development, so as to meet the requirements of market and customers. Jinxi Limited was rated as the "AAAA Enterprises with Good Standardising Practice in Hebei Province" while the Quality Inspection Centre of Jinxi Limited was certificated with the "National Laboratories", and the Science & Technology Centre of Jinxi Limited was rated as a "Technology Centre at Provincial Level". In 2018, Jinxi Limited was honoured as "Excellent Enterprise of Quality Management in Metallurgical Industry in Hebei Province" and was rewarded with the "Nomination Award for Hebei Government Quality Award".

#### 2.6.1 Product quality

With years of efforts in implementation of high-quality development strategy and promotion of application of advanced measures for quality management, the Group managed to enhance employees' quality awareness, push technology breakthrough and on-site management, improving product quality and capability of value creation. The Group's H-section steel products were rated as the "National No. 1 Brand of H-section Steel", the "No. 1 China H-section Steel Customer Satisfaction Brand" and the "No. 1 Brand with the Strongest Market Competitiveness in China", as well as honoured as "Nationwide Customer Satisfaction Product" for 8 consecutive years.

## 2. 社會(續)

### 2.6. 產品責任

本集團以打造世界最大型鋼生產基地和國際一流企業集團為目標，不斷推進產業結構轉型升級和產品結構調整，繼續堅持科技創新與高質量發展，滿足市場和客戶需求。津西鋼鐵被評為「河北省標準化良好行為AAAA級企業」，津西鋼鐵的質檢中心通過「國家實驗室」認可，津西鋼鐵的科技中心被評為「省級技術中心」。於2018年，津西鋼鐵榮獲「河北省冶金行業質量管理活動優秀企業」稱號，被授予「河北省政府質量獎提名獎」。



#### 2.6.1 產品質量

本集團多年來堅持實施高質量發展戰略及推廣應用先進質量管理方法，提高員工的質量意識，推動技術突破及現場管理、提升品種質量水平和創效能力。本集團的H型鋼產品被評為「全國H型鋼第一品牌」、「中國H型鋼用戶滿意首選品牌」和「中國最具市場競爭力第一品牌」，並連續8年榮膺「全國用戶滿意產品」稱號。

## 2. SOCIAL (continued)

### 2.6 Product responsibility (continued)

#### 2.6.1 Product quality (continued)

The Group firmly complied with relevant laws and regulations such as the “Product Quality Law of the People’s Republic of China” and the national and industrial standards. The Group’s subsidiaries have set up quality management system meeting requirements of ISO 9001:2008 and measurement management system meeting requirements of ISO 10022:2003 respectively, which have obtained third-party certification. With multiple international certifications on its products including KS certification (South Korea) and KAN certification (Indonesia), the Group’s product quality have been widely recognised internationally. In 2018, with a series of its advantages including excellent quality, brilliant anti-seismic performance, high construction efficiency, environmentally friendly nature and satisfaction of customers’ customised needs, H-section steel products of the Group have been successfully applied on Quanzhou Bay Bridge, the first high-speed railway bridge in China stretching across the sea.

The Group prepared quality manual, developed relating quality inspection system and control procedures such as the “Procedures for Monitoring and Measurement Control of Products”, and according to a series of internal control standards on raw materials, semi-finished products and finished products, took multi measures for all processes to verify quality characteristic parameters of products for compliance with regulations, so as to ensure product quality in the entire production process. The Group required its employees to pay attention to the quality of work of the production process, and encouraged them to identify and address problems to realise continuous improvement of product quality. In accordance with management policy such as the “Regulations on Implementing Special Rewards for Continuous Quality Improvement of Steel Products”, the Group awarded those cadres and employees who have contributed to improvement of product quality or elimination of potential quality hazards.

## 2. 社會(續)

### 2.6 產品責任(續)

#### 2.6.1 產品質量(續)

本集團嚴格遵守《中華人民共和國產品質量法》等相關法律法規以及國家和行業標準。本集團各附屬公司分別建立了符合ISO 9001:2008要求的質量管理體系，以及符合ISO 10022:2003要求的測量管理體系，並獲得了第三方認證；各項產品獲得了包括韓國KS認證和印度尼西亞KAN認證在內的多項國際產品認證，本集團的產品質量獲得國際普遍認可。於2018年，本集團的H型鋼憑藉質量優良、抗震性能好、施工效率高、綠色環保以及滿足客戶個性化需求等優勢，成功應用於國內首座高速鐵路跨海大橋—泉州灣跨海大橋。

本集團編製了質量手冊，制定了《產品的監視和測量控制程序》等相關質量檢驗制度和控制程序，根據關於原材料、半製成產品和成品的一系列內控標準，在各工序上採取多種措施，驗證產品各類質量特性值是否符合規定，保證各個生產環節中的產品質量。本集團要求全員重視生產工序工作質量，鼓勵發現並解決問題，實現對產品質量的持續改進，並根據《關於實施鋼後產品質量持續改進專項獎勵的規定》等管理制度，對提升產品質量或消除質量隱患做出貢獻的幹部及員工進行獎勵。

## 2. SOCIAL (continued)

### 2.6 Product responsibility (continued)

#### 2.6.1 Product quality (continued)

## 2. 社會(續)

### 2.6 產品責任(續)

#### 2.6.1 產品質量(續)

### Quality control for production processes in 2018

#### 2018年各工序質量控制

<b>Sintering process</b> 燒結工序	<b>Ironmaking process</b> 煉鐵工序	<b>Steelmaking and steel rolling processes</b> 煉鋼及軋鋼工序
<ul style="list-style-type: none"> <li>To ensure sintering ore approaching set value, and keep stable moisture of mixture; 保證燒結礦成分趨近於設定值及保持混合料水分的穩定；</li> <li>To enhance quality tracking of fuel and flux, and intensify particle size to ensure stability of components and production; 加強對燃料和熔劑質量的跟蹤，及粒度的強化，確保成分及生產的穩定；</li> <li>To evaluate on an irregular basis, stability of dispensing equipment, granulation effect of granulator and operating condition of ventilation system, as well as air leakage of sintering machine, condition of single-roll breaker and circular cooler; 不定期評估配料設備的穩定性、制粒機制粒效果、抽風系統的運行狀態以及燒結機漏風、單輥破碎和環冷等設備的情況；</li> <li>To stabilise parameters before furnace with reference to operation procedures. 參照操作程序，穩定控制爐前參數。</li> </ul>	<ul style="list-style-type: none"> <li>To strengthen blast furnace operation and tapping, and reduce fluctuation of furnace condition; 加強高爐操作和出鐵組織，減少爐況波動；</li> <li>To focus on sintering ore quality, coke feeding management and changes of pulverized coal composition, to remove adverse factors affecting the blast furnace; 關注燒結礦質量、焦炭上料管理及煤粉配比變化等，以消除影響高爐不利因素；</li> <li>To focus on on-site inspection before of blast furnace and usage of equipment, correctness of reports, water spraying of furnace feed and quality of molten iron. 重點檢查高爐爐前現場及設備的使用，各類報表的準確性，入爐料打水和鐵水質量；</li> <li>To strengthen the process investigation. 強化工藝排查。</li> </ul>	<ul style="list-style-type: none"> <li>To monitor and measure the quality of raw fuel such as sintering ore, pellet and coke as well as blast furnace molten iron through sampling analysis; 通過取樣分析、監視和測量燒結礦、球團礦、焦炭等原燃料及高爐鐵水的質量；</li> <li>To check exterior dimensions and surface quality of billet, and conduct various performance tests; 檢查鋼坯外形尺寸和表面質量，進行各項性能試驗；</li> <li>To inspect the rolled finished steel strip according to the “Operation Procedures for Inspection of Steel Strip”; 按照《鋼帶檢驗操作規程》檢驗卷好的成品鋼帶；</li> <li>To control and monitor the production process of Factory 1 of H-section steel according to the “Administrative Measures for Quality Control of H-section Steel”. H型鋼一廠依據《H型鋼質量控制管理辦法》對生產過程進行控制和監測。</li> </ul>



## 2. SOCIAL (continued)

### 2.6 Product responsibility (continued)

#### 2.6.2 Formulation and revision of standards

The Group highly valued the standardisation of work and regarded standards as a key to improve enterprise's core competitiveness, sparing standards no effort to boost the research and development of section steel and actively participate in the formulation and revision of national (industrial) and local standards. As of 2018, the Group have led some of and participated in the formulation and revision of 65 standards, mainly including GB/T11263-2010 "Hot rolled H and Certain T Section Steel", GB/T20933-2014 "Hot Rolled Sheet Pile" and GB/T 34199-2017 "Hot-rolled H-section Steel for Electrified Railway Pillars", etc.. Therefore, products of the Group were supported by corresponding technical standards, and achieved positive effects.

**Accumulatively participated in drafting 65 national (industrial) and provincial standards, in some of which it took a leading role**  
累計參與起草並部分主導國家(行業)及省級標準 65項

## 2. 社會(續)

### 2.6 產品責任(續)

#### 2.6.2 標準制修

本集團高度重視標準化工作，視標準為提升企業核心競爭力的關鍵，全力推進型鋼標準研發，積極參與國家(行業)及地方標準的制修工作。截至2018年，本集團已累計參與並部分主導65項標準的制修訂，主要包括GB/T11263-2010《熱軋H型鋼和剖分T型鋼》、GB/T20933-2014《熱軋鋼板樁》、GB/T34199-2017《電氣化鐵路接觸網支柱用熱軋H型鋼》等，使本集團的產品具有相應的技術標準做支撐，取得了較好的效果。

Jinxi Limited made constant efforts in the innovation of metallurgical standardisation to effectively improve its core competitiveness. The GB/T 34199-2017 "Hot-rolled H-section Steel for Electrified Railway Pillars", which was drafted with the participation of Jinxi Limited, was officially published in 2018 and enforced from 1 June 2018. It indicated that Jinxi Limited's power of discourse and impact in section steel were further enhanced, and it stepped up to a new stage in standard management.

津西鋼鐵不斷創新冶金標準化工作，有效提升企業核心競爭力。於2018年，津西鋼鐵參與起草的GB/T 341 99-2017《電氣化鐵路接觸網支柱用熱軋H型鋼》正式發佈，並於2018年6月1日起實施，標誌著津西鋼鐵在型鋼領域的話語權和影響力得以進一步提升，標準化管理水平再邁新台階。

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## 2. SOCIAL (continued)

### 2.6 Product responsibility (continued)

#### 2.6.3 Product innovation

Devoted to “building world-class section steel production base”, the Group highly valued Research and Development technological innovation. The Group continued to enhance Research and Development team building and increased expenses to improve our capabilities for innovation.

Along with University of Science and Technology Beijing, Northeastern University, National Steel Standardisation Technology Committee, Jinxi Limited has successively established “Section Steel R&D Centre”, “Standard R&D Base for Section Steel”, “Jinxi Academician Workstation” and “Green Steel Structure Industry Technology Institute” and other industry-university-research platforms. It has also executed multiple key scientific research projects, such as key technology of hot rolled sheet pile production process and ultra-fast cooling technology for H-section steel obtained 20 practical patents, 2 appearance patents and 1 invention patent. In 2018, the Group was granted authorisation in a number of patents, including “A turning alignment device with bearing vertical roller for medium and small H-section steel”, “A gap bridge device for H-section steel finishing mill”, “A device for stabilising the positioning of length shear gauge”, “A device for sweeping oxidized iron sheets in the front, back, up and down of a finishing mill”, “An auxiliary tool for hoisting roller” and “An alarming system for the slipping of feeding belt of blast furnace” etc.. Meanwhile, Jinxi Limited devoted itself in the development of new products and the optimisation of product mix, and formed 123 series and 356 specifications of major section-steel products, which created advantages for competition in domestic and international markets.

## 2. 社會(續)

### 2.6 產品責任(續)

#### 2.6.3 產品創新

本集團致力於「打造世界一流的型鋼生產基地」，始終高度重視科技創新。本集團持續加大研發團隊建設及費用投入，不斷提升自主創新能力。



An alarming system for the slipping of feeding belt of blast furnace  
一種高爐上料皮帶打滑報警系統

津西鋼鐵先後與北京科技大學、東北大學、國家鋼標委聯合建立「型鋼研發中心」、「型鋼標準研發基地」、「津西院士工作站」和「綠色鋼構產業技術研究院」等產學研發平台，實施了熱軋鋼板樁生產工藝關鍵技術、H型鋼超快冷技術等多項重點科研項目，獲得20項實用性專利和1項發明專利。於2018年，本集團獲得授權的專利包括一種中小

H型鋼帶軸承立軋的車削找正裝置、一種型鋼精軋機過橋裝置、一種穩定尺機定位的裝置、一種精軋機前後上下腹板吹掃氧化鐵皮裝置、一種軋輥吊裝輔助工具、一種高爐上料皮帶打滑報警系統等。同時，津西鋼鐵著力開發新品種，優化產品結構，主導型鋼產品形成123個系列及356種規格，為參與國內國際市場競爭創造了優越條件。

## 2. SOCIAL (continued)

### 2.6 Product responsibility (continued)

#### 2.6.4 Customer relationship

The Group has established management policies such as the “Administrative Measures for Monitoring Customer Satisfaction of Sales Company”, the “Administrative Measures for Customer Relationship of Sales Company” and the “Administrative Measures for Handling Objections about Product Quality”, to regulate customer relationship management, handling of disputes of product quality and monitoring of customer satisfaction, so as to improve service quality, and promote brand reputation and customer loyalty.

In strict compliance with the “Law of the People’s Republic of China on the Protection of Consumer Rights and Interests”, the Group highly emphasised on protection of consumers’ information and privacy, guaranteeing the private information of customers confidential.

#### 2.6.5 Advertising and trademark management

The Group strictly complied with the laws and regulations such as “Advertising Law of the People’s Republic of China” and the “Price Law of the People’s Republic of China” as well as the regulations on prohibited use of extreme words and sensitive words, and formulated the “Administrative Regulations on Advertising Management System Design”. All the released advertisements were complied with the requirements of the relevant laws and regulations and internal system.

In accordance with the “Trademark Law of the People’s Republic of China” and its detailed rules, the Group established standardised trademark management system, to ensure proper use of trademark and protect exclusive right of trademark.

## 2. 社會(續)

### 2.6 產品責任(續)

#### 2.6.4 客戶關係

本集團通過《銷售公司顧客滿意程度監測管理辦法》、《銷售公司客戶關係管理辦法》、《關於處理產品質量異議的管理辦法》等管理制度，規範了客戶關係管理、產品質量異議處理及顧客滿意監測工作，從而提高服務質量，提升品牌的知名度和客戶忠誠度。

本集團高度重視消費者資料和隱私保障，嚴格遵守《中華人民共和國消費者權益保護法》，保證客戶隱私信息不外洩。

#### 2.6.5 廣告和商標管理

本集團嚴格遵守《中華人民共和國廣告法》、《中華人民共和國價格法》等法律法規及其對極限用詞、敏感詞的禁用規定，制定《廣告管理制度設計的管理規定》，發佈的廣告均遵守法律法規和內部制度的的相關要求。

本集團按照《中華人民共和國商標法》及其實施條例，建立了規範的商標管理制度，確保商標的正確使用，保護商標專用權。

## 2. SOCIAL (continued)

### 2.7 Anti-corruption

While strictly following the laws and regulations such as “Company Law of the People’s Republic of China”, the “Bidding and Tendering Law of the People’s Republic of China”, the “Law of the People’s Republic of China against Unfair Competition” and the “Interim Provisions on Banning Commercial Bribery”, the Group set up a supervision committee and built a three-level supervision and monitoring network. The Group improved the “Certain Regulation on Honest and Clean Conduct of Senior Executives”, the “Suggestions on Implementing Integrity Assessment of Middle-level Cadres (Including Assistant)” and the “Regulations on Punishment of Cadres and Employees Violating Rules and Disciplines” as well as supporting supervision system covering one post with dual duties, inspection tour, admonishment meeting and accountability and provided sound and smooth reporting channels. The Group strengthened anti-corruption and self-discipline education and training of cadres and employees. In addition, through regular and ad hoc inspections, business approval at all levels and publicity of anti-corruption, the Group enhanced punishment of internal violations of rules and disciplines, and created an upright and clean corporate development environment.

In 2018, the Group issued the “Provisions on the Related Business Engagement of the Middle-level Cadres, Important Department Personnel and Their Relatives of the Group and Subsidiaries”. This strict provisions not only enhanced the Group’s audit and supervision, but also created an upright, clean and honest business environment.

## 2. 社會(續)

### 2.7 反貪污

本集團嚴格遵守《中華人民共和國公司法》、《中華人民共和國招標投標法》、《中華人民共和國反不正當競爭法》和《關於禁止商業賄賂行為的暫行規定》等法律法規，成立監事委員會，組建三級監事監察網絡。本集團完善了《關於高管人員廉潔從業的若干規定》、《關於對中層幹部(含助理級)廉潔考核的實施意見》、《關於違規違紀幹部員工的處分規定》以及廉潔一崗雙責、巡視、約談、問責等配套監察制度，健全暢通舉報渠道。本集團強化幹部及員工廉潔自律教育和培訓。此外，通過定期及不定期檢查、業務層層審批、反腐倡廉宣導，本集團加大對違法違規內部人員的懲戒力度，及營造風清氣正的企業發展環境。

於2018年，本集團制定《關於集團及各附屬公司中層幹部與重要部門人員和親屬從事關聯業務活動的若干規定》，這嚴格規定不單強化本集團審計監察工作，亦營造風清氣正、廉政廉潔的經營環境。

## 2. SOCIAL (continued)

### 2.7 Anti-corruption (continued)

## 2. 社會(續)

### 2.7 反貪污(續)

#### Topic: The Supervisory Board makes inspection tour to Jinxi Special Steel

#### 專題：監事會巡視津西特鋼

In order to promote and facilitate the standard management of subsidiaries, the Supervisory Board formed a supervision team to carry out inspection tour to Jinxi Special Steel in accordance with the "Administrative Measures for Inspection Tour" from March to June in 2018. The inspection mainly covered the business activities including daily management, operation performance, execution of authorisation of the Board, supply and marketing and project implementation, the formulation and implementation of policies of "one post with dual duties" and "economic responsibilities", integrity construction, selection and appointment of cadres and formulation of policies for elimination and training.

2018年3月至6月，監事會組成巡視組依照《關於巡視工作的管理辦法》對津西特鋼進行巡視，主要內容包括日常管理、經營效果、董事局授權執行、供銷及項目實施等業務活動、一崗雙責制以及經濟責任制的制定和落實，廉潔建設，幹部選拔任用，淘汰及培訓制度建立等方面的情況，以推動並促進附屬公司規範管理。



### 2.8 Community investment

The Group has been actively engaged in social welfare and charity by caring vulnerable groups, advocating a healthy lifestyle and sponsoring recreational and sports activities, contributing to the well-being of society. The Group formulated the "System for Public Benefit Activities", carried out social welfare activities in an orderly manner, and managed the public benefit foundation set up by it.

### 2.8 社區投資

本集團積極投身社會公益和慈善事業，關愛弱勢群體，倡導健康生活，贊助文體活動，力求為社會帶來福祉。本集團制定了《公益活動制度》，有序開展社會公益活動，並對其設立的公益基金進行管理。



On 27 April 2018, the Group jointly initiated reading & education activities with the Education Office of Santunying Town in Qianxi County.

於2018年4月27日，本集團與遷西縣三屯營鎮教育辦聯合舉辦讀書教育活動。

The Board presents their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2018.

### INCORPORATION AND LISTING OF THE COMPANY

The Company was incorporated in Bermuda as an exempted company with limited liability on 3 November 2003 under the Companies Act 1981 of Bermuda and the shares of the Company (the "Shares") were listed on the Main Board of the Stock Exchange on 2 March 2004.

### PRINCIPAL ACTIVITIES

For the year ended 31 December 2018, the Company's principal activities are investment holding and trading of steel products and iron ore. The principal activities of the Group are manufacture and sales of iron and steel products, trading of steel products and iron ore and real estate business.

### SEGMENT INFORMATION

Approximately 90% of the Group's consolidated sales and contribution to results are derived from the PRC and mainly from the production and sales of iron and steel products and real estate business for the year ended 31 December 2018 and are set out in Note 5 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The Group's consolidated statement of profit or loss for the year ended 31 December 2018 and its consolidated balance sheet as at that date are set out in the financial statements on pages 166 to 169. The balance sheet of the Company as at 31 December 2018 is set out in Note 49 to the consolidated the financial statements.

At a Board meeting held on 28 March 2019, The Board proposed a final dividend of HK\$ 405.2 million (approximately RMB 344.7 million), representing HK\$ 0.11 per ordinary share and a special dividend of HK\$ 262.5 million (approximately RMB 223.4 million), representing HK\$ 0.07 per ordinary share in respect of the year ended 31 December 2018 to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on Friday, 19 July 2019. The final dividend and special dividend, payable on or around Tuesday, 6 August 2019 are subject to approval of the shareholders of the Company at the forthcoming AGM to be held on Monday, 3 June 2019.

董事局謹此提呈其年報及本集團截至2018年12月31日止年度的經審核合併財務報表。

### 本公司之註冊成立和上市

本公司於2003年11月3日根據百慕達1981年公司法在百慕達註冊成立為獲豁免有限責任公司。於2004年3月2日，本公司的股份(「股份」)在聯交所主板上市。

### 主要業務

截至2018年12月31日止年度，本公司的主要業務為投資控股及鋼鐵產品及鐵礦石貿易。本集團的主要業務為製造及銷售鋼鐵產品、鋼鐵產品及鐵礦石貿易以及房地產業務。

### 分部資料

截至2018年12月31日止年度，本集團的合併銷售額及業績貢獻有約90%源自中國，且主要來自製造及銷售鋼鐵產品及房地產業務，並載於合併財務報表附註5。

### 業績及股息

本集團截至2018年12月31日止年度的合併損益表及其於該日的合併資產負債表載於第166至第169頁的財務報表。本公司於2018年12月31日的資產負債表載於合併財務報表的附註49。

於2019年3月28日舉行的董事局會議上，就有關截至2018年12月31日止年度，董事局建議向在2019年7月19日(星期五)辦公時間結束時名列於本公司股東名冊上之本公司股東派發末期股息4.052億港元(約人民幣3.447億元)(即每股普通股0.11港元)及特別股息2.625億港元(約人民幣2.234億元)(即每股普通股0.07港元)。末期股息及特別股息須待將於2019年6月3日(星期一)舉行應屆的本公司之股東週年大會上獲股東批准後方可作實，並將於2019年8月6日(星期二)或前後支付。

## Directors' Report 董事局報告

### DIVIDEND POLICY

The Company has approved and adopted a dividend policy (the “**Dividend Policy**”), pursuant to which the Company may declare and distribute dividends to the shareholders of the Company (the “**Shareholder(s)**”) to allow Shareholders to share the Company’s profits and for the Company to retain adequate reserves for future growth.

The declaration, distribution and amount of dividend is subject to the absolute discretion of the Board, after taking into account, inter alia, the Group’s operations, business and future development plans, liquidity position, earnings, capital requirement, financial results, losses and distributable reserves, debt ratios, contractual restrictions and other factors that the Board deem relevant. The distribution of final dividend of a financial year will be subject to the approval of the Shareholders, but the amount of dividend shall not exceed the recommendation of the Board.

Subject to the aforesaid factors, the Board plan to maintain distributing not less than 20% of the distributable profit of the relevant financial year of the Group as dividend.

Declaration, recommendation or distribution of any dividend is subject to all relevant applicable laws and regulation of Bermuda and the memorandum and Articles of Association of the Company. The Board will continually review the Dividend Policy and reserve the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

### 股息政策

本公司已批准及採納股息政策(「**股息政策**」)，據此，本公司可向本公司股東(「**股東(們)**」)宣派及派付股息，使股東能分享本公司之溢利，同時使本公司能為未來增長保留充足儲備。

股息的宣派、派付及金額由本公司的董事局酌情釐定，並須考慮本集團之營運、業務和未來的發展計劃、流動資金狀況、盈利、資本需求、財務業績、虧損及可分派儲備、債務比率、合約限制及董事局認為有關的其他因素。各財政年度之末期股息的派付均應獲得股東的批准，惟派息金額不得超過董事局的建議。

受上文所述的因素所規限，董事局計劃維持分派不少於本集團於相關財政年度可分派溢利的20%作為股息。

宣派、建議或派付任何股息亦須遵守百慕達所有相關適用之法律和規則及本公司之組織章程細則。董事局將持續檢討股息政策，並保留其唯一及絕對酌情權利隨時更新、修訂及／或修改股息政策。股息政策絕不會構成本公司須派付任何特定金額的股息之具法律約束力承諾，並／或令本公司有義務須隨時或不時宣派股息。

## BUSINESS REVIEW

A review of the business of the Group during the year, an analysis of the Group's performance during the year using financial key performance indicators, a discussion on the Group's future business development and description of possible risks and uncertainties that the Group may be facing are provided in the Chairman's Statement and Management Discussion and Analysis on pages 8 to 12 and pages 13 to 63 of this annual report respectively. The financial risk management objectives and policies of the Group can be found in note 3 to the consolidated financial statements. In addition, discussions on the Group's environment, society and governance, relationship with employees, customers and suppliers and compliance with laws and regulations which have a significant impact on the Group are contained on pages 156 to 157 of the Directors' Report of this annual report.

## CLOSURE OF REGISTER OF MEMBERS

- (a) For determining the entitlement to attend and vote at the forthcoming AGM

The register of members of the Company will be closed from Wednesday, 29 May 2019 to Monday, 3 June 2019 (both days inclusive), during which period no transfer of shares of the Company may be registered, for the purposes of ascertaining shareholders' entitlement to attend and vote at the forthcoming AGM. In order to be eligible to attend and vote at the forthcoming AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 28 May 2019.

## 業務審視

有關本集團年內業務的審視、以財務關鍵表現指標分析本集團年內的表現、對集團未來業務發展的論述及有關本集團可能面對的風險及不明朗因素的描述均載於本年報第8頁至第12頁的主席報告及第13頁至第63頁的管理層討論及分析。本集團財務風險管理的目標及政策刊載於合併財務報表附註3。此外，本集團的環境、社會及管治、與僱員、客戶及供應商之關係及對本集團有重大影響的法律及規例之遵守，刊載於本年報第156頁至第157頁的董事局報告中。

## 暫停辦理股份過戶登記

- (a) 釐定有權出席應屆股東週年大會及投票

本公司將由2019年5月29日(星期三)至2019年6月3日(星期一)止期間(首尾兩天包括在內)暫停辦理股份過戶登記手續，以釐定有權出席應屆股東週年大會及於會上投票之股東身份。為確保符合資格出席應屆的股東週年大會並於會上投票，所有股份過戶文件連同有關股票須於2019年5月28日(星期二)下午4時30分前，送達本公司的香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)辦理股份過戶登記手續。



# Directors' Report 董事局報告

## CLOSURE OF REGISTER OF MEMBERS (continued)

- (b) For determining the entitlement to the final dividend and special dividend

The register of members of the Company will be closed from Wednesday, 17 July 2019 to Friday, 19 July 2019 (both days inclusive), during which period no transfer of shares of the Company may be registered, for the purposes of ascertaining shareholders' entitlement for the proposed final dividend and special dividend. The record date for the proposed final dividend and special dividend shall be Friday, 19 July 2019. In order to qualify for the proposed final dividend and special dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 16 July 2019.

## SUMMARY OF FINANCIAL INFORMATION

A summary of the consolidated financial results and assets, liabilities and non-controlling interests of the Group for the last five financial years, is set out on page 364.

## PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment and investment properties of the Group and the Company during the year are set out in Notes 7 and 8 to the consolidated financial statements respectively.

## SHARE CAPITAL

Details of the movements in the Company's issued share capital during the year are set out in Note 25 to the consolidated financial statements.

## RESERVES

Details of the movements in the reserves of the Group during the year are set out in Consolidated Statement of Changes in Equity and Note 26 to the consolidated financial statements.

## 暫停辦理股份過戶登記(續)

- (b) 釐定有權享有末期股息及特別股息

本公司將由2019年7月17日(星期三)至2019年7月19日(星期五)止期間(首尾兩天包括在內)暫停辦理股份過戶登記手續,以釐定有權享有建議的末期股息及特別股息之股東身份。享有建議的末期股息及特別股息之記錄日期為2019年7月19日(星期五)。為確保有權收取建議的末期股息及特別股息,所有股份過戶文件連同有關股票須於2019年7月16日(星期二)下午4時30分前,送達本公司的香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)辦理股份過戶登記手續。

## 財務資料概要

本集團截至前五個財政年度的合併財務業績及資產、負債與非控制性權益概要載於第364頁。

## 物業、廠房及設備以及投資物業

本集團及本公司於年內的物業、廠房及設備以及投資物業的變動詳情分別載於合併財務報表附註7及8。

## 股本

本公司已發行股本於年內的變動詳情載於合併財務報表附註25。

## 儲備

本集團於年內的儲備變動詳情載於合併權益變動表及合併財務報表附註26。

### DISTRIBUTABLE RESERVES

At 31 December 2018, the Company's retained earnings amounted to RMB 224 million (2017: RMB 56 million) and the Company has total distributable reserves amounted to RMB 220 million (2017: RMB 462 million). The Company will utilise the subsidiaries' retained earnings to distribute the proposed final dividend and special dividend (subject to the approval of the shareholders at the forthcoming AGM).

At 31 December 2018, the Group's retained earnings amounted to RMB 12,021 million (2017: RMB 8,983 million).

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the Companies Act 1981 of Bermuda, which would oblige the Company to offer new Shares on a pro rata basis to existing shareholders of the Company.

### MAJOR CUSTOMERS AND SUPPLIERS

The sales attributable to the five largest customers of the Group accounted for less than 30% of the Group's consolidated total revenue for the year.

The purchases attributable to the five largest suppliers of the Group accounted for less than 30% of the Group's consolidated total purchases for the year.

None of the Directors nor any of their close associates (as defined in the Listing Rules) nor any Shareholders (which, to the best knowledge of the Directors, owns more than 5% of the number of issued Shares) had any beneficial interest in the Group's five largest customers and/or five largest suppliers during the year.

### 可分派儲備

於2018年12月31日，本公司的留存收益為人民幣2.24億元(2017年：人民幣5,600萬元)及本公司可分派儲備總額為人民幣2.20億元(2017年：人民幣4.62億元)。本公司將利用附屬公司之留存收益以分派建議的末期股息及特別股息(需待應屆股東週年大會上獲股東批准後方可作實)。

於2018年12月31日，本集團的留存收益為人民幣120.21億元(2017年：人民幣89.83億元)。

### 優先認購權

本公司的章程細則或百慕達1981年公司法均無有關優先購買權的規定，致使本公司須向本公司現有股東按比例發售新股份。

### 主要客戶及供應商

本集團年內五大客戶所佔銷售額佔本集團的本年度合併總銷售額少於30%。

本集團年內五大供應商所佔採購額佔本集團的本年度合併採購總額少於30%。

年內，董事或彼等的任何緊密聯繫人(如上市規則所列)或任何股東(就董事所深知擁有已發行股份數目5%以上)概無於本集團五大客戶及／或五大供應商中擁有任何實益權益。

# Directors' Report 董事局報告

## DIRECTORS

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

### Executive Directors

Mr. Han Jingyuan  
Mr. Zhu Jun  
Mr. Shen Xiaoling  
Mr. Zhu Hao  
Mr. Han Li

### Non-executive Director

Mr. Ondra Otradovec

### Independent Non-executive Directors

Mr. Wong Man Chung, Francis  
Mr. Wang Tianyi  
Mr. Wang Bing

In accordance to the Bye-laws 87 of the Company and the Code Provision A.4.2 of the CG Code, Mr. Zhu Jun, Mr. Han Li and Mr. Wang Tianyi will retire from office by rotation and, being eligible, will offer themselves for re-election at the forthcoming AGM.

The Directors' fee specified in each of the existing service contracts of Mr. Zhu Jun, Mr. Han Li and Mr. Wang Tianyi is HK\$400,000, HK\$400,000 and HK\$400,000 respectively. The basis of determining the Directors' fee was based on the mutual negotiation between level of the Directors with reference to the range of prevailing directors' fee for directors of listed companies in Hong Kong. Other than Mr. Han Li is the son of Mr. Han Jingyuan, the Chairman and Chief Executive Officer, and Mr. Zhu Jun is a director and minority shareholder of Wellbeing Holdings Limited, the controlling shareholder of the Company, Mr. Wang Tianyi does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the Independent Non-executive Directors are independent.

## 董事

於截至2018年12月31日止年度內及直至本報告日期止的董事如下：

### 執行董事

韓敬遠先生  
朱軍先生  
沈曉玲先生  
朱浩先生  
韓力先生

### 非執行董事

Ondra Otradovec 先生

### 獨立非執行董事

黃文宗先生  
王天義先生  
王冰先生

根據本公司的章程細則第87條及企業管治守則第A.4.2條守則條文，朱軍先生、韓力先生及王天義先生將於應屆股東週年大會上輪席退任，彼等並符合資格和願意於應屆股東週年大會上重選。

朱軍先生、韓力先生及王天義先生各自的現有服務合約的董事袍金分別為40萬港元、40萬港元及40萬港元。董事袍金的基準乃按與各董事共同磋商並且參考香港上市公司董事目前之董事袍金水平而釐定。除了韓力先生為本公司主席兼首席執行官韓敬遠先生的兒子及朱軍先生為本公司控股股東Wellbeing Holdings Limited的一位董事及少數股東外，王天義先生概無與本公司其他董事、高級管理人員、主要股東或控股股東有任何關係。

根據上市規則第3.13條，本公司已接獲每位獨立非執行董事的年度確認函確認其獨立性。本公司認為所有獨立非執行董事均為獨立。

### DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in this annual report, no Director had a material interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

### DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHICAL INFORMATION

Biographical details of the Directors and senior management of the Company are set out on pages 64 to 69 in this annual report.

### DIRECTORS' SERVICE CONTRACTS

The Executive Directors have service contracts with the Company for a fixed term of three years. The Non-executive Director has service contract with the Company for a fixed term of two years. The Independent Non-executive Directors have service contracts with the Company for a fixed term of one year. All the service contracts with the Executive Directors and the Non-executive Director may be terminated by either party giving not less than three months' notice in writing.

Apart from the Director service contracts, Mr. Han Jingyuan, Mr. Zhu Jun, Mr. Shen Xiaoling and Mr. Han Li also have other service contracts with the Company and its subsidiaries. The emoluments specified in other service contracts with them are determined by the remuneration committee of the Company with reference to their respective qualification and experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

Save as disclosed above, no Director has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

Pursuant to Rule 8.10 of the Listing Rules, the interests of Directors in businesses which might compete with the Group for the year ended 31 December 2018 and as at 31 December 2018 were as follows:

### 董事的合約權益

除本年報所披露外，董事於年內概無與本公司或其任何附屬公司訂立而對本集團業務屬重大的任何合約中擁有重大權益。

### 董事及高級管理人員的履歷

本公司董事及高級管理人員的履歷詳情載於本年報第64至69頁。

### 董事的服務合約

執行董事與本公司訂立服務合約固定任期為期三年。非執行董事與本公司訂立服務合約固定任期為期兩年。獨立非執行董事與本公司訂立之服務合約均有固定任期為期一年。與執行董事及非執行董事訂立的所有服務合約均可由任何一方發出不少於三個月的書面通知予以終止。

除董事服務合約外，韓敬遠先生、朱軍先生、沈曉玲先生及韓力先生亦與本公司及其附屬公司訂立其他服務合約。在與彼等訂立的其他服務合約中訂明的薪酬乃由本公司薪酬委員會經參考彼等各自的資格及經驗、即將承擔的責任以及類似職位薪酬的現行市場水平而釐定。

除上文所披露外，概無董事與本公司訂立於一年內不可免付賠償(法定賠償除外)而終止的服務合約。

### 董事於競爭業務上之權益

根據上市規則第8.10條，董事在截至2018年12月31日止年度及於2018年12月31日當天擁有與集團之業務可能構成競爭之業務權益如下：

## Directors' Report 董事局報告

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

(continued)

Mr. Han Jingyuan, Chairman and Chief Executive Officer of the Company, is a sole director and sole beneficial shareholder of King Mark International Limited and Avatar Integrated Systems, Inc. (both companies were incorporated during 2017), which engaged in provision of physical design software tools for the semiconductor chip design industry in United States, Japan and Taiwan. It is an upstream business of the Group's subsidiary, Dongfang Jingyuan Electron Limited ("Dongfang Jingyuan").

As the Board is independent of the boards of the abovementioned entities and none of the above directors of the abovementioned entities can control the Board, the Group is therefore capable of carrying on its businesses independently of, and at arm's length from the businesses of these entities.

Save as disclosed above, none of the Directors is interested in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business.

### PERMITTED INDEMNITY

Pursuant to the Company's Bye-laws, subject to the Companies Act 1981 of Bermuda, every Director shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he/she may sustain or incur in the execution of his/her office or otherwise in relation thereto. The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against directors of the Group.

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 December 2018, the interest and short positions of the Directors, chief executives and their associates of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (i) were 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 were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 of the Listing Rules and adopted by the Company were as follows:

### 董事於競爭業務上之權益(續)

本公司主席及首席執行官韓敬遠先生為萬至國際有限公司及Avatar Integrated Systems, Inc. (兩間公司均於2017年成立)之唯一董事及唯一實益股東，其於美國、日本及台灣從事為半導體晶片設計行業提供物理設計軟件工具，為本集團之附屬公司東方晶源微電子科技(北京)有限公司(「東方晶源」)之上游業務。

由於董事局乃獨立於上述實體的董事局，且上述董事概無對董事局擁有控制權，故本集團能獨立於該等實體的業務及按公平基準經營其業務。

除上述披露外，除本集團業務以外，並無任何董事在與本集團直接或間接構成或可能構成競爭的業務中持有任何權益。

### 獲准許之彌償條文

根據本公司之章程細則，在百慕達1981年公司法的條文規限下，每名董事應有權獲得保障，從本公司於其資產中補償因執行職務或與此有關的其他方面可能蒙受或招致之所有成本、費用、開支、損失及責任。本公司已就本集團之董事可能面對任何訴訟時產生的責任及相關的費用購買保險。

### 董事於證券的權益及淡倉

於2018年12月31日，各董事、本公司主要行政人員及其聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例「證券及期貨條例」第XV部)的股份、相關股份或債券中擁有(i)根據證券及期貨條例第XV部的第7及第8分部須知會本公司及聯交所(包括根據證券及期貨條例彼等被當作或視為擁有之權益或淡倉)；或(ii)根據證券及期貨條例第352條須列入該條所指登記冊內；或(iii)根據本公司已採納的上市規則附錄十所載的標準守則知會本公司及聯交所的權益及淡倉載列如下：

## Directors' Report 董事局報告

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES (continued)

### 董事於證券的權益及淡倉(續)

Interest in the Shares and underlying Shares of the Company:

於本公司股份和相關股份的權益：

	Interests in Shares 股份權益		Interests in underlying shares pursuant to share options 根據購股權 在相關股份 的權益	Percentage of the Company's issued share capital 佔本公司 已發行股本 的百分比	Long/Short position 好/淡倉
	Corporate Interest 公司權益	Personal Interest 個人權益			
Mr. Han Jingyuan (Note 1) 韓敬遠先生(備註1)	1,253,188,849	-	-	33.66%	Long(好)
	-	25,300,000	-	0.68%	Long(好)
Mr. Zhu Jun 朱軍先生	-	10,200,000	-	0.27%	Long(好)
Mr. Shen Xiaoling 沈曉玲先生	-	10,200,000	-	0.27%	Long(好)
Mr. Zhu Hao 朱浩先生	-	-	-	-	-
Mr. Han Li 韓力先生	-	5,400,000	-	0.15%	Long(好)
Mr. Ondra Otradovec Ondra Otradovec 先生	-	-	-	-	-
Mr. Wong Man Chung, Francis 黃文宗先生	-	-	-	-	-
Mr. Wang Tianyi 王天義先生	-	-	-	-	-
Mr. Wang Bing 王冰先生	-	-	-	-	-

## Directors' Report 董事局報告

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES (continued)

Interest in the Shares and underlying Shares of the Company: (continued)

Note:

1. At 31 December 2018, Mr. Han Jingyuan beneficially owned 63.15% of the issued share capital of Wellbeing Holdings Limited (“**Wellbeing Holdings**”) and held 16.09% of the issued share capital of Wellbeing Holdings on trust for the benefit of certain employees of the subsidiary of the Company. Wellbeing Holdings beneficially owned 1,191,535,124 Shares, representing approximately 32.01% of the issued share capital of the Company. Mr. Han also beneficially owns 100% of the issued share capital of Chingford Holdings Limited which beneficially owned 61,653,725 Shares, representing approximately 1.66% of the issued share capital of the Company.

At 31 December 2018, Mr. Han Jingyuan beneficially owns 25,300,000 Shares, representing approximately 0.68% of the issued share capital of the Company.

Save as disclosed above and in the section of “Equity-settled Share Option Scheme” below, at 31 December 2018, none of the Directors, chief executives and their associates of the Company had any interest and short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### 董事於證券的權益及淡倉(續)

於本公司股份和相關股份的權益：(續)

備註：

1. 於2018年12月31日，韓敬遠先生實益擁有Wellbeing Holdings Limited (「**Wellbeing Holdings**」) 已發行股本63.15%的權益，並以信託方式就本公司附屬公司若干僱員的利益持有Wellbeing Holdings已發行股本的16.09%權益。Wellbeing Holdings實益擁有1,191,535,124股股份，約佔本公司已發行股本的32.01%權益。韓先生亦實益擁有Chingford Holdings Limited的全部已發行股本，彼實益擁有61,653,725股股份，約佔本公司已發行股本的1.66%。

於2018年12月31日，韓敬遠先生實益擁有25,300,000股股份，約佔本公司已發行股本的0.68%。

除上文和下述的「以股權結算的購股權計劃」一節所披露外，於2018年12月31日，概無董事、本公司主要行政人員及其聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中擁有需根據證券及期貨條例第352條所存置的股東名冊所記錄，或根據標準守則須知會本公司及聯交所的任何權益及淡倉。

### EQUITY-SETTLED SHARE OPTION SCHEME

The Company adopted three share option schemes approved by the Shareholders at the annual general meeting held on 17 May 2006 (“**2006 Share Option Scheme**”), approved by the Shareholders at the special general meeting held on 20 December 2010 (“**2010 Share Option Scheme**”) and approved by the Shareholders at the special general meeting held on 15 May 2013 (“**2013 Share Option Scheme**”) respectively (collectively referred to as “**Share Option Schemes**”) for the purpose of providing incentives and rewards to eligible participants who are regarded as valuable human resources of the Group or who have contributed to the growth and success of the Group with their performance and other factors (e.g. their years of service with the Company and/or work experience and/or knowledge in the industry etc.) to contribute further to the Company. The 2006 Share Option Scheme was expired on 16 May 2016.

The Share Option Schemes do not specify any minimum holding period and/or performance targets as a condition for the exercise of an option but subject to the rules of the Share Options Schemes. The Board is empowered with the authority to determine granting of an option on a case by case basis taking into account of the relevant factors as the Board in its sole discretion considers appropriate.

### 以股權結算的購股權計劃

本公司已採納的三個購股權計劃分別為於2006年5月17日舉行的股東週年大會上由股東批准的購股權計劃(「**2006年購股權計劃**」)、在2010年12月20日舉行的股東特別大會上由股東批准的購股權計劃(「**2010年購股權計劃**」)及在2013年5月15日舉行的股東特別大會上由股東批准的購股權計劃(「**2013年購股權計劃**」)(統稱為「**購股權計劃**」)已向合資格參與者授予購股權，目的旨在激勵及獎勵合資格參與者，彼等被視為本集團的寶貴人力資源或以彼等之表現及其他因素對本集團的發展和成功作出貢獻(例如彼等在本公司的服務年期及／或行內的工作經驗及／或知識等)，並對本公司作出更多貢獻。2006年購股權計劃已於2016年5月16日到期。

購股權計劃並沒有特定須持有的最短期間及／或行使購股權須達致的表現目標，惟根據購股權計劃的條款，授予董事局有權利釐定每個個別情況的授出購股權條款作出其全權酌情認為適當的有關因素。



## Directors' Report 董事局報告

### EQUITY-SETTLED SHARE OPTION SCHEME (continued)

The maximum number of Shares issuable under the Share Option Schemes to each eligible participant within any 12-month period is limited to 1% of the Shares in issue at any time. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Schemes shall be valid and effective for a period of ten years from their respective dates of adoption.

The subscription price shall be such price determined by the Board at its absolute discretion and shall be no less than the highest of: (a) the closing price of Shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant; (b) the average closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange for the 5 business days immediately preceding the date of grant; and (c) the nominal value of a Share on the date of grant.

The consideration payable on acceptance of the options granted to an grantee under the respective Share Option Schemes is HK\$1.00.

As at 31 December 2018, there was no share option outstanding under the Share Options Schemes.

Pursuant to the 2006 Share Option Scheme, the Company can issue options so that the total number of Shares that may be issued upon exercise of all options to be granted under the 2006 Share Option Scheme are 290,500,000 Shares, representing approximately 7.80% of the issued share capital of the Company as at 31 December 2018. Eligible participants of the 2006 Share Option Scheme includes all Directors (whether Executive or Non-executive and whether independent or not) and any employees (whether full-time or part-time) of any company in the Group or any entity in which any member of the Group holds an equity interest (whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid). Details of the share options outstanding under 2006 Share Option Scheme were as follows:

### 以股權結算的購股權計劃(續)

根據購股權計劃下向每名合資格參與者授予的最高可發行的股份數目在該授出日期止任何十二個月期間內上限為當時已發行股份的1%，任何超出限制的進一步授予購股權需於股東大會上由股東批准。

在不抵觸本公司於股東大會上或透過董事局提早終止下，購股權計劃將自其採納日期起計為期十年有效及生效。

認購價乃由董事局全權酌情釐定，並不會低於以下最高者：(a) 股份於授出日期在聯交所每日報價表所報的收市價；(b) 股份於緊接授出日期前五個營業日在聯交所每日報價表所報的平均收市價；及(c) 股份於授出日期的面值。

在各購股權計劃下，接納授予承授人的購股權須支付代價為1.00港元。

於2018年12月31日，概無根據購股權計劃授出之尚未行使購股權。

根據2006年購股權計劃，本公司可授出購股權，以使根據2006年購股權計劃將予授出的所有購股權獲行使時可予發行的股份總數為290,500,000股股份，佔本公司於2018年12月31日的已發行股本約7.80%。2006年購股權計劃的合資格參與者包括本公司全體董事（無論執行董事或非執行董事及無論是否獨立）及本集團任何成員公司或本集團任何成員公司持有股本權益的任何實體的任何僱員（無論全職或兼職）（不論其基於聘用、合約、榮譽或其他性質及是否受薪）。2006年購股權計劃下尚未行使的購股權詳情如下：

# Directors' Report 董事局報告

## EQUITY-SETTLED SHARE OPTION SCHEME (continued)

## 以股權結算的購股權計劃(續)

Date of grant	Exercisable period	Exercise price	Closing price per Share immediately before the date of grant	No. of options outstanding at 1 January 2018	No. of options granted during the year ended 31 December 2018	No. of options exercised/ cancelled/ lapsed during the year ended 31 December 2018	No. of options outstanding at 31 December 2018	Approximate shareholding percentage of the underlying Shares for the options in the share capital of the Company	
								購股權數目	購股權數目
Mr. Han Jingyuan 韓敬遠先生	2009/2/24 to 至 2019/2/23	1.39	1.24	2,900,000	-	(2,900,000) (Note 1) (備註 1)	-	-	-
Mr. Zhu Jun 朱軍先生	2009/2/24 to 至 2019/2/23	1.39	1.24	2,600,000	-	(2,600,000) (Note 1) (備註 1)	-	-	-
Mr. Shen Xiaoling 沈曉玲先生	2009/2/24 to 至 2019/2/23	1.39	1.24	2,600,000	-	(2,600,000) (Note 1) (備註 1)	-	-	-
Mr. Han Li 韓力先生	2009/12/29 to 至 2019/12/28	2.84	2.77	1,600,000	-	(1,600,000) (Note 1) (備註 1)	-	-	-

# Directors' Report 董事局報告

## EQUITY-SETTLED SHARE OPTION SCHEME (continued)

## 以股權結算的購股權計劃(續)

	Date of grant	Exercisable period	Exercise price	Closing price per Share immediately before the date of grant	No. of options outstanding at 1 January 2018	No. of options granted during the year ended 31 December 2018	No. of options exercised/cancelled/lapsed during the year ended 31 December 2018	No. of options outstanding at 31 December 2018	Approximate shareholding percentage of the underlying Shares for the options in the share capital of the Company
	授予日	可行使期間	行使價 HK\$ 港元	緊接 授予日前的 每股收市價 HK\$ 港元	於 2018年 1月1日 未行使的 購股權數目	於截至 2018年 12月31日止 年度內授予 的購股權數目	於截至 2018年 12月31日止 年度內已行使/ 註銷/失效的 購股權數目	於 2018年 12月31日 未行使的 購股權數目	購股權相關 股份佔本公司 股本的股權 概約百分比
Mr. Wong Man Chung, Francis 黃文宗先生	2009/2/24	2009/2/24 to 2019/2/23	1.39	1.24	200,000	-	(200,000) (Note 1) (備註1)	-	-
Employees 僱員	2009/12/29	2010/3/29 to 2019/12/28	2.84	2.77	93,930,000	-	(93,930,000) (Note 1) (備註1)	-	-
Total 合計					103,830,000	-	(103,830,000)	-	-

Note 1: During the year ended 31 December 2018, 103,830,000 options were exercised.

備註1：於截至2018年12月31日止年度內，103,830,000份購股權已行使。

## EQUITY-SETTLED SHARE OPTION SCHEME (continued)

Pursuant to the 2010 Share Option Scheme, the Company can issue options so that the total number of Shares that may be issued upon exercise of all options to be granted under the 2010 Share Option Scheme are 146,486,250 Shares, representing approximately 3.94% of the issued share capital of the Company as at 31 December 2018. Eligible participants of the 2010 Share Option Scheme includes all Directors (whether Executive or Non-executive and whether independent or not) and any employees (whether full-time or part-time) of any company in the Group or any entity in which any member of the Group holds an equity interest (whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid) and any person considered by the Directors to have contributions to any company in the Group or any entity in which any member of the Group holds an equity interest. Details of the share options outstanding under 2010 Share Option Scheme were as follows:

## 以股權結算的購股權計劃(續)

根據2010年購股權計劃，本公司可發行購股權，以使根據2010年購股權計劃將予授出的所有購股權獲行使時可予發行的股份總數為146,486,250股股份，佔本公司於2018年12月31日的已發行股本約3.94%。2010年購股權計劃的合資格參與者包括本公司全體董事(無論執行董事或非執行董事及無論是否獨立)、本集團任何成員公司或本集團任何成員公司持有股本權益的任何實體的任何僱員(無論全職或兼職)(不論其基於聘用、合約、榮譽或其他性質及是否受薪)及董事認為對本集團任何成員公司或本集團任何成員公司持有股本權益的任何實體作出貢獻的任何人士。2010年購股權計劃下尚未行使的購股權詳情如下：

Date of grant	Exercisable period	Exercise price	Closing price per Share immediately before the date of grant	No. of options outstanding at 1 January 2018	No. of options granted during the year ended 31 December 2018	No. of options exercised/cancelled/lapsed during the year ended 31 December 2018	No. of options outstanding at 31 December 2018	Approximate shareholding percentage of the underlying Shares for the options in the share capital of the Company
授予日	可行使期間	行使價 HK\$ 港元	緊接 授予日前的 每股收市價 HK\$ 港元	於2018年 1月1日 未行使的 購股權數目	於截至 2018年 12月31日 年度內授予 的購股權數目	於截至 2018年 12月31日 年度內已行使/ 註銷/失效的 購股權數目	於2018年 12月31日 未行使的 購股權數目	購股權相關 股份佔本公司 股本的股權 概約百分比
Mr. Han Jingyuan 韓敬遠先生	2011/03/28 to 2021/03/27	3.08	3.08	9,800,000	-	(9,800,000) (Note 2) (備註2)	-	-
	2012/03/30 to 2020/12/19	2.03	2.01	9,800,000	-	(9,800,000) (Note 2) (備註2)	-	-

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## EQUITY-SETTLED SHARE OPTION SCHEME (continued)

## 以股權結算的購股權計劃(續)

	Date of grant	Exercisable period	Exercise price	Closing price per Share immediately before the date of grant	No. of options outstanding at 1 January 2018	No. of options granted during the year ended 31 December 2018	No. of options exercised/ cancelled/ lapsed during the year ended 31 December 2018	No. of options outstanding at 31 December 2018	Approximate shareholding percentage of the underlying Shares for the options in the share capital of the Company
	授予日	可行使期間	行使價 HK\$ 港元	緊接 授予日前的 每股收市價 HK\$ 港元	於2018年 1月1日 未行使的 購股權數目	於截至 2018年 12月31日止 年度內授予 的購股權數目	於截至 2018年 12月31日止 年度內已行使/ 註銷/失效的 購股權數目	於2018年 12月31日 未行使的 購股權數目	購股權相關 股份佔本公司 股本的股權 概約百分比
Mr. Zhu Jun 朱軍先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,600,000	-	(2,600,000) (Note 2) (備註2)	-	-
	2012/03/30	2012/03/30 to 至 2020/12/19	2.03	2.01	2,600,000	-	(2,600,000) (Note 2) (備註2)	-	-
Mr. Shen Xiaoling 沈曉玲先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	2,600,000	-	(2,600,000) (Note 2) (備註2)	-	-
	2012/03/30	2012/03/30 to 至 2020/12/19	2.03	2.01	2,600,000	-	(2,600,000) (Note 2) (備註2)	-	-
Mr. Han Li 韓力先生	2010/12/24	2010/12/24 to 至 2020/12/19	3.182	3.17	1,200,000	-	(1,200,000) (Note 2) (備註2)	-	-
	2012/03/30	2012/03/30 to 至 2020/12/19	2.03	2.01	2,600,000	-	(2,600,000) (Note 2) (備註2)	-	-

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### EQUITY-SETTLED SHARE OPTION SCHEME (continued)

### 以股權結算的購股權計劃(續)

Date of grant	Exercisable period	Exercise price	Closing price per Share immediately before the date of grant	No. of options outstanding at 1 January 2018	No. of options granted during the year ended 31 December 2018	No. of options exercised/cancelled/lapsed during the year ended 31 December 2018	No. of options outstanding at 31 December 2018	Approximate shareholding percentage of the underlying Shares for the options in the share capital of the Company
授予日	可行使期間	行使價 HK\$ 港元	緊接 授予日前的 每股收市價 HK\$ 港元	於2018年 1月1日 未行使的 購股權數目	於截至 2018年 12月31日止 年度內授予 的購股權數目	於截至 2018年 12月31日止 年度內已行使/ 註銷/失效的 購股權數目	於2018年 12月31日 未行使的 購股權數目	購股權相關 股份佔本公司 股本的股權 概約百分比
Mr. Wong Man Chung, Francis 黃文宗先生	2010/12/24 to 2020/12/19	3.182	3.17	2,300,000	-	(2,300,000) (Note 2) (備註2)	-	-
	2012/03/30 to 2020/12/19	2.03	2.01	2,300,000	-	(2,300,000) (Note 2) (備註2)	-	-
Mr. Wang Tianyi 王天義先生	2012/03/30 to 2020/12/19	2.03	2.01	2,000,000	-	(2,000,000) (Note 2) (備註2)	-	-
Employees 僱員	2010/12/24 to 2020/12/19	3.182	3.17	14,800,000	-	(14,800,000) (Note 2) (備註2)	-	-
Employees 僱員	2012/03/30 to 2020/12/19	2.03	2.01	33,330,000	-	(33,330,000) (Note 2) (備註2)	-	-
Total 合計				88,530,000	-	(88,530,000)	-	-

Note 2: During the year ended 31 December 2018, 88,530,000 options were exercised.

備註2：於截至2018年12月31日止年度內，88,530,000份購股權已行使。

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## EQUITY-SETTLED SHARE OPTION SCHEME (continued)

Pursuant to the 2013 Share Option Scheme, the Company can issue options so that the total number of Shares that may be issued upon exercise of all options to be granted under the 2013 Share Option Scheme are 146,571,250 Shares, representing 3.94% of the issued share capital of the Company as at 31 December 2018. Eligible participants of the 2013 Share Option Scheme includes all Directors (whether Executive or Non-executive and whether independent or not) and any employees (whether full-time or part-time) of any company in the Group or any entity in which any member of the Group holds an equity interest (whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid) and any person considered by the Directors to have contributions to any company in the Group or any entity in which any member of the Group holds an equity interest. As at 31 December 2018, no options were granted under the 2013 Share Option Scheme.

The accounting policy for equity-settled share option is stated in the Note 2 to the consolidated financial statements.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year were rights to acquire benefits by means of the acquisition of Shares or debentures of the Company or any other body corporate granted to any Director or their respective spouses or children under 18 years of age, or were any such rights exercised by them; or were the Company or any of its holding companies, fellow subsidiaries and subsidiaries a party to any arrangement to enable the Company's Directors, their respective spouses or children under 18 years of age to acquire such rights in any other body corporate.

## CONTRACTS OF SIGNIFICANCE

Save as disclosed above and the transactions as disclosed in Note 47 to the consolidated financial statements, no controlling shareholder or any of its subsidiaries have any contract of significance with the Company or its subsidiaries during the year.

## 以股權結算的購股權計劃(續)

根據2013年購股權計劃，本公司可發行購股權，以使根據2013年購股權計劃將予授出的所有購股權獲行使時可予發行的股份總數為146,571,250股股份，相當於本公司於2018年12月31日已發行股本的3.94%。2013年購股權計劃的合資格參與者包括本公司全體董事（無論執行或非執行及無論是否獨立）、本集團任何成員公司或本集團任何成員公司持有股本權益的任何實體的任何僱員（無論全職或兼職）（不論按聘用或合約或榮譽或以其他方式及是否受薪）以及董事認為對本集團任何成員公司或本集團任何成員公司持有股本權益的任何實體作出貢獻的任何人士。於2018年12月31日，概無根據2013年購股權計劃授出購股權。

以股權結算的購股權的會計政策於合併財務報表附註2中呈列。

## 董事認購股份或債券的權利

除上文所披露外，於年內任何時間，概無任何董事或彼等各自的配偶或未滿十八歲的子女獲授可透過購買本公司或任何其他法人團體股份或債券而獲益的權利，或行使任何該等權利；而本公司或其任何控股公司、同系附屬公司及附屬公司概無訂立任何安排，致使本公司董事、彼等各自的配偶或未滿十八歲的子女可自任何其他法人團體購入該等權利。

## 重大合約

除上文所披露外及於合併財務報表附註47所披露的交易外，控股股東或其任何附屬公司於年內並無與本公司或其附屬公司訂立任何重大合約。

## SUBSTANTIAL SHAREHOLDERS

At 31 December 2018, the interests or short positions of every person, other than a Director or Chief Executive of the Company, in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO are as follows:

Name	Capacity and nature of interest	Number of shares held	Percentage of the Company's issued share capital 佔本公司已發行股本百分比	Long/Short Position
名稱	身份及權益性質	所持股份數目		好/淡倉
ArcelorMittal (Note 1) (備註1)	Beneficial interest and interest of controlled corporation 實益權益及受控制法團權益	1,377,491,891	37.00%	Long (好)
ArcelorMittal Holdings AG ("AM Holdings AG") ("AM Holdings AG")	Beneficial interest 實益權益	867,711,151	23.31%	Long (好)
Wellbeing Holdings	Beneficial interest 實益權益	1,191,535,124	32.01%	Long (好)

Note:

- (1) At 31 December 2018, Mr. Lakshmi Niwas Mittal and Mrs. Usha Mittal beneficially own 37.38% of the issued share capital of ArcelorMittal which beneficially owns 509,780,740 Shares, representing approximately 13.69% of the Company's issued share capital. As ArcelorMittal indirectly holds the entire equity interest in AM Holdings AG, ArcelorMittal is deemed to be interested in 867,711,151 Shares held by AM Holdings AG under Part XV of the SFO, and therefore owns in aggregate 1,377,491,891 Shares, representing approximately 37.00% of the issued share capital of the Company.

Saved as disclosed above and in Directors' Interests and Short Positions in Securities sections, at 31 December 2018, no person, other than a Director or Chief Executive of the Company, had interests or short positions in the Shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

## 主要股東

於2018年12月31日，根據本公司按照證券及期貨條例第336條所存置的股東名冊所記錄，每名人士(本公司董事或主要行政人員除外)於本公司股份及相關股份擁有的權益或淡倉如下：

Name	Capacity and nature of interest	Number of shares held	Percentage of the Company's issued share capital 佔本公司已發行股本百分比	Long/Short Position
名稱	身份及權益性質	所持股份數目		好/淡倉
ArcelorMittal (Note 1) (備註1)	Beneficial interest and interest of controlled corporation 實益權益及受控制法團權益	1,377,491,891	37.00%	Long (好)
ArcelorMittal Holdings AG ("AM Holdings AG") ("AM Holdings AG")	Beneficial interest 實益權益	867,711,151	23.31%	Long (好)
Wellbeing Holdings	Beneficial interest 實益權益	1,191,535,124	32.01%	Long (好)

備註：

- (1) 於2018年12月31日，Lakshmi Niwas Mittal先生和Usha Mittal太太實益擁有ArcelorMittal(實益持有509,780,740股股份，代表約佔13.69%本公司已發行股本)已發行股本37.38%。因ArcelorMittal間接擁有AM Holdings AG全部股本權益，根據證券及期貨條例第XV部，ArcelorMittal被視為在AM Holdings AG持有的867,711,151股股份擁有權益，及實益總共擁有1,377,491,891股股份，約佔本公司已發行股本約37.00%權益。

除上文及董事於證券的權益和淡倉一節所披露外，於2018年12月31日，根據本公司按照證券及期貨條例第336條所存置的股東名冊，概無人士(本公司董事或主要行政人員除外)於本公司股份及相關股份擁有權益或淡倉。



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## RELATED PARTY TRANSACTIONS

Details of the related party transactions were set out in Note 47 to the consolidated financial statements. Details of the related party transactions which constitute continuing connected transaction not exempted under Chapter 14A of the Listing Rules are disclosed in the section "Connected Transactions and Continuing Connected Transactions".

## CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year, the Company had conducted a review of the related party transactions of the Group and is satisfied that all those related party transaction constituting non-exempt connected transactions and continuing connected transactions have been properly reported and complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules. The following transactions between certain connected parties (as defined in the Listing Rules) and the Group have been entered into and/or are ongoing for which relevant announcements and independent shareholders' approval, if necessary, had been made and obtained by the Company in accordance with Chapter 14A of the Listing Rules and disclosed in the Note 47 to the consolidated financial statements of the Company where applicable.

### Continuing connected transactions

On 29 January 2016, Hebei Iron and Steel Group Company Limited ("**Jinxi Limited**") entered into a renewal framework agreement with Qianxi County Longba Charging Company Limited ("**Longba Charging**"), an associate of a substantial shareholder of a former subsidiary of the Company, Pingquan County Jinyin Charging Company Limited ("**Pingquan County Jinyin**"), for the purchase of lime products from Longba Charging by Jinxi Limited and/or its subsidiaries for further three years ending 31 December 2018. The annual cap for this transaction for the year ended 31 December 2018 was RMB 130 million. The total amount of the aforesaid transaction for the year ended 31 December 2018 was RMB 100.5 million (excluding VAT). Following the expiry of the renewal framework agreement on 31 December 2018, the renewal framework agreement was not required to comply with the requirements under Chapter 14A of the Listing Rules as Pingquan County Jinyin has ceased to be an indirect non-wholly owned subsidiary of the Company and Longba Charging was no longer a connected person of the Company.

## 關聯方交易

有關關聯方交易的詳情載於合併財務報表附註47。根據上市規則第十四A章構成不獲豁免持續關連交易的關聯方交易詳情披露於「關連交易及持續關連交易」一節內。

## 關連交易及持續關連交易

於年內，本公司已進行檢討本集團之關聯方交易，且信納所有構成不獲豁免關連交易及持續關連交易之關聯方交易均已妥為呈報及遵守上市規則第14A章之披露規定。按上市規則第14A章的規定，若干關連方(按上市規則定義)與本集團進行的下列交易經已訂立及/或持續進行，而本公司已作出相關公佈及獲得獨立股東批准(如需要)及於本公司合併財務報表附註47中已披露(如適用)。

### 持續關連交易

於2016年1月29日，河北津西鋼鐵集團股份有限公司(「**津西鋼鐵**」)與遷西縣龍霸爐料有限責任公司(「**龍霸爐料**」，本公司的前附屬公司，平泉縣津銀爐料有限公司(「**平泉縣津銀**」)，的主要股東的聯繫人)，就津西鋼鐵及/或其附屬公司自龍霸爐料購買石灰產品訂立一份續訂框架協議至2018年12月31日止三年。該交易於截至2018年12月31日止年度的年度上限為人民幣1.30億元。上述交易於截至2018年12月31日止年度的總額(不含增值稅)為人民幣1.005億元。在該續訂框架協議於2018年12月31日到期後，由於平泉縣津銀已不再為本公司的間接非全資附屬公司，及龍霸爐料不再為本公司之關連人士，因此該續訂框架協議已不須遵循上市規則第14A章的規定。

## CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS (continued)

### Continuing connected transactions (continued)

On 29 January 2016, Jinxi Limited entered into a renewal framework agreement with Pingquan County Jinyin, a company established in the PRC and an indirect non-wholly owned subsidiary of the Company, an associate of a substantial shareholder of a subsidiary of the Company, for the purchase of lime products from Pingquan County Jinyin by Jinxi Limited and/or its subsidiaries for the further three years ending 31 December 2018. The annual cap for this transaction for the year ended 31 December 2018 was RMB 7.5 million. The total amount of the aforesaid transaction for the year ended 31 December 2018 was nil. Following the expiry of the renewal framework agreement on 31 December 2018, the renewal framework agreement was not required to comply with the requirements under Chapter 14A of the Listing Rules as Pingquan County Jinyin has ceased to be an indirect non-wholly owned subsidiary of the Company and was no longer a connected person of the Group.

On 6 January 2017, the Company entered into a renewal framework agreement with Oriental Sheet Piling Sdn. Bhd. (“**Oriental Sheet Piling**”), a subsidiary of ArcelorMittal, a substantial shareholder of the Company, in which the Company and/or its subsidiaries would sell steel products to Oriental Sheet Piling and/or its subsidiaries at prevailing market prices, for a term of three years commencing from 1 January 2017 and expiring on 31 December 2019. The annual cap for the continuing connected transactions contemplated under the renewal framework agreement for each of the three years ending 31 December 2017, 2018 and 2019 will not exceed RMB 150 million, RMB 150 million and RMB 150 million respectively. The total amount of the aforesaid transaction for the year ended 31 December 2018 was RMB 42.7 million (excluding VAT) (Note 47(b)).

## 關連交易及持續關連交易(續)

### 持續關連交易(續)

於2016年1月29日，津西鋼鐵與平泉縣津銀，一間於中國成立的公司，為本公司的間接非全資附屬公司及本公司附屬公司主要股東的聯繫人，就津西鋼鐵及／或其附屬公司自平泉縣津銀購買石灰產品已訂立一份續訂框架協議至2018年12月31日止三年。該交易於截至2018年12月31日止年度的年度上限為人民幣750萬元。上述交易於截至2018年12月31日止年度的總額為零。在該續訂框架協議於2018年12月31日到期後，由於平泉縣津銀已不再為本公司的間接非全資附屬公司及不再為本集團之關連人士，因此該續訂框架協議已不須遵循上市規則第14A章的規定。

於2017年1月6日，本公司與Oriental Sheet Piling Sdn. Bhd. (「**Oriental Sheet Piling**」)，本公司主要股東ArcelorMittal的附屬公司)就本公司及／或其附屬公司按一般市場價向Oriental Sheet Piling及／或其附屬公司銷售鋼鐵產品已訂立一份續訂框架協議，由2017年1月1日開始至2019年12月31日屆滿，為期三年。續訂框架協議下擬進行的持續關連交易截至2017年、2018年及2019年12月31日止三年的年度上限分別為人民幣1.50億元、人民幣1.50億元及人民幣1.50億元。上述交易於截至2018年12月31日止年度的總額(不含增值稅)為人民幣4,270萬元(附註47(b))。

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### CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS (continued)

#### Continuing connected transactions (continued)

On 6 January 2017, Jinxi Limited entered into a renewal framework agreement with Qianxi Jin Zhao Lai Iron Ore Mine (“**Jin Zhao Lai**”) for the purchase of iron powder and related products from Jin Zhao Lai and/or its subsidiaries by Jinxi Limited and/or its subsidiaries for a term of three years commencing from 1 January 2017 and expiring on 31 December 2019. The annual cap for the continuing connected transactions contemplated under the renewal framework agreement for each of the three years ending 31 December 2017, 2018 and 2019 will not exceed RMB 30 million, RMB 30 million and RMB 30 million respectively. Jin Zhao Lai is currently wholly owned by Ms. Liu Cuihong. Ms. Liu Cuihong is the wife of Mr. Zhang Yugui and Mr. Zhang Yugui is a deemed connected person of the Company as he is the brother of Mr. Zhang Yuhai who is connected person of the Company by virtue of being a director of certain subsidiaries of the Company. The total amount of the aforesaid transaction for the year ended 31 December 2018 was nil.

On 30 September 2016, Jinxi Limited entered into a framework agreement with Qianxi County Xinxuan Coal Company Limited (“**Xinxuan Coal**”), a company established in the PRC with limited liability and wholly owned by Mr. Zhang Xin who is the nephew of Mr. Zhang Yuhai who is a connected person of the Company by virtue of being a director of certain subsidiaries of the Company, for the purchase of dolomite, iron powder, coke, lime and related products from Xinxuan Coal and/or its subsidiaries by Jinxi Limited and/or its subsidiaries for the three years commencing on 30 September 2016 and expiring on 31 December 2018. The annual cap for this transaction for the year ended 31 December 2018 was RMB 108 million. The total amount of the aforesaid transaction incurred by Jinxi Limited and its subsidiaries for the year ended 31 December 2018 was RMB 72.4 million. Following the expiry of the framework agreement on 31 December 2018, the renewal framework agreement was fully exempt from the requirements under Chapter 14A of the Listing Rules as all the applicable percentage ratios thereof were less than 1% and the transaction was a connected transaction only because it involved connected person(s) at the subsidiary level.

### 關連交易及持續關連交易 (續)

#### 持續關連交易 (續)

於2017年1月6日，津西鋼鐵與遷西縣金兆來精選廠(「**金兆來**」)就津西鋼鐵及／或其附屬公司自金兆來及／或其附屬公司購買鐵粉及相關產品已訂立一份續訂框架協議，由2017年1月1日開始至2019年12月31日屆滿，為期三年。續訂框架協議下擬進行的持續關連交易截至2017年、2018年及2019年12月31日止三年的年度上限分別為人民幣3,000萬元、人民幣3,000萬元及人民幣3,000萬元。金兆來現時由劉翠紅女士全資擁有，劉翠紅女士為張玉貴先生的妻子而張玉貴先生屬於本公司之被視為關連人士是由於其為張玉海先生的哥哥(因張玉海先生為本公司若干附屬公司之董事)。上述交易於截至2018年12月31日止年度的總額為零。

於2016年9月30日，津西鋼鐵與遷西縣鑫軒型煤有限公司(「**鑫軒型煤**」)，一間在中國註冊成立的有限公司，為張新先生全資擁有，張新先生為張玉海先生的姪兒(因張玉海先生是本公司若干附屬公司的董事而屬於本公司的關連人士)，就津西鋼鐵及／或其附屬公司自鑫軒型煤及／或其附屬公司購買輕燒白雲石、鐵粉、焦炭、石灰和相關產品訂立一份框架協議由2016年9月30日開始並於2018年12月31日屆滿，為期三年。該交易截至2018年12月31日止年度上限為人民幣1.08億元。由津西鋼鐵及其附屬公司產生的上述交易於截至2018年12月31日止年度的總額為人民幣7,240萬元。在框架協議於2018年12月31日到期後，由於續訂框架協議之所有適用百分比率均低於1%而有關交易之所以屬一項關連交易，純粹因為涉及附屬公司層面的關連人士，因此該續訂框架協議獲全面豁免於上市規則第14A章的規定。

### CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS *(continued)*

#### Continuing connected transactions *(continued)*

On 6 January 2017, Jinxi Limited entered into a framework agreement with Qianxi County Baojun Mining Company Limited ("**Baojun Mining**") for which Jinxi Limited and/or its subsidiaries has agreed to purchase iron powder and related products from Baojun Mining and/or its subsidiaries, for a term of three years commencing on 1 January 2017 and expiring on 31 December 2019. Baojun Mining is currently 91% owned by Mr. Zhang Yugui. Mr. Zhang Yugui is a deemed connected person of the Company as he is the brother of Mr. Zhang Yuhai who is a connected person of the Company by virtue of being a director of certain subsidiaries of the Company. Therefore, Mr. Zhang Yugui and accordingly Baojun Mining are connected persons of the Company. The annual cap for this continuing connected transactions contemplated under the framework agreement for each of the three years ending 31 December 2017, 2018 and 2019 will not exceed RMB 30 million, RMB 30 million and RMB 30 million respectively. The total amount of the aforesaid transaction incurred by Jinxi Limited and its subsidiaries for the year ended 31 December 2018 was nil.

### 關連交易及持續關連交易 *(續)*

#### 持續關連交易 *(續)*

於2017年1月6日，津西鋼鐵與遷西縣寶軍礦業有限公司(「寶軍礦業」)，就津西鋼鐵及／或其附屬公司同意向寶軍礦業及／或其附屬公司採購鐵粉及相關產品，已訂立一份框架協議，由2017年1月1日開始至2019年12月31日屆滿，為期三年。張玉貴先生現時擁有寶軍礦業的91%權益，張玉貴先生屬於本公司之被視為關連人士是由於其為張玉海先生的哥哥(因張玉海先生為本公司若干附屬公司之董事)，因此，張玉貴先生及因此寶軍礦業屬於本公司的關連人士。框架協議下擬進行的持續關連交易截至2017年、2018年及2019年12月31日止三年的年度上限分別為不超過人民幣3,000萬元、人民幣3,000萬元及人民幣3,000萬元。由津西鋼鐵及其附屬公司產生的上述交易於截至2018年12月31日止年度的總額為零。

# Directors' Report 董事局報告

## CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS (continued)

### Continuing connected transactions (continued)

The aforesaid continuing connected transactions have been reviewed by Independent Non-executive Directors of the Company. The Independent Non-executive Directors confirmed that the aforesaid continuing connected transactions were entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better; and (c) according to the agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its letter pursuant to Rule 14A.56 of the Listing Rules confirming nothing has come to their attention that causes them to believe that the continuing connected transactions disclosed by the Group on pages 152 to 156 of this annual report were not in compliance with the relevant requirements as set out in Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

## ENVIRONMENT, SOCIETY AND GOVERNANCE

The Group has committed to perform its corporate responsibility for environmental protection and strictly comply with the national regulations by continuous investment in its production facilities to reduce emissions and energy consumption during the steel production process so as to minimise the impact of the production process on the environment. The Group has also recognised the local laws and regulations which are applicable to the Group's business to ensure the operation of the Group complies with all the relevant local laws, regulations and standards.

## 關連交易及持續關連交易 (續)

### 持續關連交易 (續)

上述持續關連交易已由本公司獨立非執行董事審閱。獨立非執行董事確認上述持續關連交易是(a)在本集團的日常業務中訂立；(b)按照一般商務條款或更佳條款進行；及(c)根據有關交易的協議進行，條款公平合理，並且符合本公司股東的整體利益。

根據香港會計師公會發佈的香港核證業務準則第3000號「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」，本公司核數師已受聘對本集團持續關連交易作出報告。核數師已就本年報第152至156頁所載本集團披露的持續關連交易，根據上市規則第14A.56條發出函件，確認其並無注意到任何事情，可使他們認為有關持續關連交易並不符合上市規則第14A.56條所述之相關規定。本公司已將核數師函件副本向聯交所提供。

## 環境、社會及管治

本集團致力盡其對環境保護的企業責任及緊守國家法規，一直透過持續投入資源於其生產設備以減少鋼鐵生產過程中的排放及能源消耗，從而盡力降低生產過程對環境的影響。本集團亦已確定適用於本集團業務的當地法律及法規以確保集團的運作符合所有有關的當地法律、法規及標準。

### ENVIRONMENT, SOCIETY AND GOVERNANCE (continued)

In particular, all the operating production facilities are equipped with environmental control facilities in order to reduce exhaust emission and meet the relevant national standard. Production and domestic wastewater of the Company will be recycled and subsequently used in the closed water loop. In addition, measures for filtration and reuse are adopted to reduce the production of waste mineral oil. For the waste mineral oil which cannot be reused, we engage the experts with relevant qualification and processing capacity to carry out the harmless treatment of waste mineral oil for us as required by the state environmental regulations. Smelting slag and solid waste produced during other smelting process of iron making will be sold to other cement factories or used as raw material in other production process. After the above comprehensive treatment measures, the impact on the environment shall be reduced.

The Environmental, Social and Governance report are set out on pages 92 to 132 in this annual report.

### RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group believes that the employees of the Group are valuable assets. The Group offered competitive remuneration to attract and retain the talented employees. Regular review on remuneration of employees is made in order to retain outstanding employees and attract human resources that are valuable to the Group.

Our relationships with major customers are contract-based. The Group cherished the mutually beneficial relationships with our customers. We will provide the best value to our clients to establish and consolidate the Group's reputation in the industry. Also, we believe that maintaining long term relationship with the suppliers is essential to the Group's success. The Group will keep strengthening the partnership with clients and suppliers, aiming to realise a triple-win result.

### COMPLIANCE WITH LAWS AND REGULATIONS

During the reporting period, the Group has implemented policies and procedures which related to our industry designed to ensure compliance with the most relevant laws and regulations, but there can be no assurance that the Group's employees or agents will not violate such laws and regulations or the Group's policies and procedures.

### 環境、社會及管治(續)

特別是，投入運行的各類生產設備均配備了環保治理設施，致力降低廢氣排放及達到有關國家標準。而本公司的生產及生活廢水全部作回收處理，處理後於水閉路迴圈使用。此外，採取過濾及重複使用的措施以降低廢礦物油產生量，對於無法重用的廢礦物油，我們則按照國家環保法規的要求委托給有相關資格及處理能力的專業廠家進行無害化處置。其他煉鐵工序冶煉過程中產生的冶煉渣及固體廢物等則銷售給其他水泥廠或作為其他生產工序的原料使用。經過上述綜合處理措施，減省對環境帶來的影響。

環境、社會及管治報告載於本年報第92至132頁。

### 與僱員、客戶及供應商之關係

本集團相信，僱員是我們的寶貴資產，本集團提供競爭力之薪酬待遇吸引及挽留人才。本集團會定期檢討僱員之待遇，以保留優秀員工及吸納外來人才。

基於我們與主要客戶之間的關係建立在合約之上，本集團十分珍惜與客戶之互惠關係。我們會提供最優秀之價值予客戶，以建立及鞏固本集團在行業的優良信譽。同樣，我們相信，與供應商保持長遠關係是本集團成功的重要因素。本集團會不斷與客戶及供應商加強彼此間的合作關係，我們冀望與客戶及供應商共創三贏局面。

### 遵守法律法規

於報告期間，本集團已實行旨在與我們行業相關的相關法律法規的政策和程序，惟無法保證本集團的僱員或代理將不會違反有關法律法規或本集團的政策和程序。

## Directors' Report 董事局報告

### SUFFICIENCY OF PUBLIC FLOAT

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

### MANAGEMENT CONTRACTS

There was no contracts concerning the management or administration of the whole or any substantial part of the business of the Company which was entered into or existed during the year under review.

### PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

### AUDITOR

PricewaterhouseCoopers retired and a resolution for their reappointment as auditor of the Company will be proposed at the forthcoming AGM.

On behalf of the Board

**China Oriental Group Company Limited**

**HAN Jingyuan**

*Chairman and Chief Executive Officer*

Hong Kong, 28 March 2019

\* *For identification purposes only*

### 足夠公眾持股量

根據本公司所得到之公開資料，並就董事們所知，本公司於本報告日維持佔本公司已發行股份至少25%的足夠公眾持股量。

### 管理合約

於回顧年度內，本公司並無簽訂或存有任何與本集團全部或任何重要業務之管理及行政有關之合約。

### 購買、出售或贖回本公司上市證券

截至2018年12月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 核數師

羅兵咸永道會計師事務所退任，而應屆股東週年大會上將提呈決議案，續聘彼等為本公司的核數師。

謹代表董事局

**中國東方集團控股有限公司\***

**韓敬遠**

*董事局主席兼首席執行官*

香港，2019年3月28日

\* *僅供識別*



## 羅兵咸永道

**To the Shareholders of China Oriental Group Company Limited**  
(incorporated in Bermuda with limited liability)

致中國東方集團控股有限公司股東  
(於百慕達註冊成立的有限公司)

### OPINION

### 意見

#### What we have audited

#### 我們已審計的內容

The consolidated financial statements of China Oriental Group Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 166 to 363, which comprise:

中國東方集團控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第166至363頁的合併財務報表，包括：

- the consolidated balance sheet as at 31 December 2018;
  - the consolidated statement of profit or loss for the year then ended;
  - the consolidated statement of comprehensive income for the year then ended;
  - the consolidated statement of changes in equity for the year then ended;
  - the consolidated statement of cash flows for the year then ended; and
  - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 於2018年12月31日的合併資產負債表；
  - 截至該日止年度的合併損益表；
  - 截至該日止年度的合併綜合收益表；
  - 截至該日止年度的合併權益變動表；
  - 截至該日止年度的合併現金流量表；及
  - 合併財務報表附註，包括主要會計政策概要。

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong

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

## Our opinion

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 (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

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.

## 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 identified in our audit is related to the impairment of loans and other receivables.

## 我們的意見

我們認為，該等合併財務報表已根據香港會計師公會頒佈的《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日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

## 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》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」部份中作進一步闡述。

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。

## 獨立性

根據香港會計師公會頒佈的《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。

## 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併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合併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。

我們在審計中識別的關鍵審計事項為關於應收貸款及其他應收賬款之減值。

## Key Audit Matter

### 關鍵審計事項

#### **Impairment of loans and other receivables**

#### 應收貸款及其他應收賬款之減值

Refer to Note 2.12 "Accounting policy – Financial assets", Note 4 (a) "Critical accounting estimates and judgements – Impairment of loans and other receivables", Note 20 "Prepayments, deposits and other receivables" and Note 21 "Loan receivables" to the consolidated financial statements.

As at 31 December 2018, the Group had loans and other receivables of approximately RMB 805 million and RMB 380 million. A provision of approximately RMB 45 million and RMB 204 million was set aside by management against these loans and other receivables, respectively.

請參閱合併財務報表附註2.12「會計政策－金融資產」、附註4(a)「關鍵會計估計及判斷－應收貸款及其他應收賬款之減值」、附註20「預付款項、按金及其他應收賬款」及附註21「應收貸款」。

於2018年12月31日，貴集團擁有應收貸款及其他應收賬款約人民幣8.05億元及人民幣3.80億元。管理層就該等應收貸款及其他應收賬款分別作出人民幣4,500萬元及人民幣2.04億元的撥備。

## How our audit addressed the Key Audit Matter

### 我們的審計如何處理關鍵審計事項

Our audit procedures on the impairment of loans and other receivables included:

- We evaluated management's accounting policy relating to impairment of loans and other receivables, mainly including default definition, significant increase in credit risk, expected credit losses ("ECL") risk parameter estimation, lifetime of financial instruments, and forward looking information. We assessed the implementation of methodology in ECL recognition. For significant loans and other receivables, we conducted, on a sample basis, audit procedures include:
  - checked the relevant contract terms, and conducted background search to evaluate the financial position of the borrowers or debtors;
  - checked settlements of these receivables after the reporting date;
  - gathered information on collaterals, if any, and assessed their values by comparing with the available evidences, including market prices of the collaterals;

我們對應收貸款及其他應收賬款之減值的審核程序包括：

- 我們評估管理層有關應收貸款及其他應收賬款之減值的會計政策，主要包括違約的定義、信貸風險大幅增加、預期信貸損失（「預期信貸損失」）風險參數估計、金融工具年限及前瞻性資料。我們評估預期信貸損失確認方法的實施。對於重大的應收貸款及其他應收賬款，我們按抽樣基準進行審核程序，包括：
  - 檢查相關合約條款及進行背景調查以評估借款人或債務人的財務狀況；
  - 檢查於報告日期後該等應收賬款的結算情況；
  - 搜集抵押品的資料（如有），並與可取得的證據比較，包括抵押品的市價，以評估其價值；

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

## Key Audit Matter

### 關鍵審計事項

Management assessed the impairment of loans and other receivables based on ECL methodology. The impairment of individually significant loans and other receivables were assessed on an individual basis based on management's estimates of discounted future cash flows. Individual insignificant loans and other receivable balances were grouped based on their credit risk characteristics for evaluation. The collective impairment provision was determined by management based on historical loss experience, taking into considerations of forward looking macroeconomic data, industry risk and other circumstances.

We focused on this area due to the magnitude of loans and other receivables and the significance of management's judgements applied in assessing the impairment of such balances.

管理層按預期信貸損失方法評估應收貸款及其他應收賬款之減值。個別重大的應收貸款及其他應收賬款乃根據管理層對折現未來現金流量的估計按個別基準評估。個別非重大的應收貸款及其他應收賬款結餘依據其信貸風險特性組合以作評估。管理層根據歷史虧損經驗，並考慮前瞻性的宏觀經濟數據、行業風險及其他情況釐定集體減值撥備。

我們專注於此領域，是因為應收貸款及其他應收賬款的規模以及管理層於評估該等結餘之減值時採納的重大判斷。

## How our audit addressed the Key Audit Matter

### 我們的審計如何處理關鍵審計事項

- gathered information on collaterals, if any, and assessed their values by comparing with the available evidences, including market prices of the collaterals;
  - assessed the appropriateness of forward looking macroeconomic data used by management; and
  - recalculated the management's computation of ECL.
- For individual insignificant loans and other receivables:
- We assessed the appropriateness of management's grouping of balances based on risk characteristics, and tested the collective provision estimation by considering the historical bad debts amounts and pattern, available reasonable and supportive forward-looking information, taking into consideration of factors such as borrowers or debtors' credit and market conditions.
  - 搜集抵押品的資料(如有)，並與可取得的證據比較，包括抵押品的市價，以評估其價值；
  - 評估管理層使用的前瞻性的宏觀經濟數據的合適性；及
  - 重新計算管理層對預期信貸損失的計量。
- 就個別非重大的應收貸款及其他應收賬款而言：
- 我們根據風險特性評估管理層組合結餘的合適性，並透過歷史壞賬金額及模式，所取得的合理性和支持的前瞻性資料，經考慮借款人或債務人的信貸及市場狀況等因素，測試集體撥備估計。

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

## OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF 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.

## 其他信息

貴公司董事須對其他信息負責。其他信息包括年報內除合併財務報表及我們的核數師報告的所有信息。

我們對合併財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與合併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，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## 董事及治理層就合併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規定編製真實而中肯的合併財務報表，並對其認為為使合併財務報表的編製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監控負責。

在編製合併財務報表時，董事須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。

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda 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 HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

## 核數師就審計合併財務報表承擔的責任

我們的目標，是對合併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，並出具包括我們意見的核數師報告。我們僅按照百慕達1981年公司法第90條僅向閣下(作為整體)報告我們的意見，及別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，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滙總起來可影響使用者依賴這些合併財務報表而作出經濟決定，則有關的錯誤陳述可被視作重大。

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及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合併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，及獲取充足和適當的審計憑證，以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，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險是高於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監控，以設計適當的審計程序，但目的並非對貴集團內部監控的有效性發表意見。
- 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，並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，我們有必要在核數師報告中提醒使用者注意合併財務報表中的相關披露，或假若有關的披露不足，則我們應當修改意見。我們的結論是根據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。

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

- 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.
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否達到中肯陳述反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為我們的審計意見承擔全部責任。

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 this independent auditor's report is Mang Kwong Fung, Frederick.

除其他事項外，我們與專責的治理層溝通了審計的計劃範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部監控的任何重大缺陷。

我們還向專責的治理層提交聲明，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。

從與專責的治理層溝通的事項中，我們確定那些事項對本期合併財務報表的審計最為重要，及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，除非法律或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項目合夥人是孟江峰。

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 28 March 2019

**羅兵咸永道會計師事務所**  
執業會計師

香港，2019年3月28日

# Consolidated Balance Sheet 合併資產負債表

(All amounts in RMB thousands unless otherwise stated) As at 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 於2018年12月31日

		As at 31 December	
		於12月31日	
	Note	2018	2017
	附註	2018年	2017年
<b>ASSETS</b>			
			<b>資產</b>
<b>Non-current assets</b>			<b>非流動資產</b>
Leasehold land and land use rights	6	181,499	187,311
Property, plant and equipment	7	7,559,747	8,160,582
Investment properties	8	187,184	238,920
Intangible assets	9	129,647	94,132
Investment in associates and a joint venture			
	11	121,858	157,921
Available-for-sale financial assets	15	-	432,111
Financial assets at fair value through other comprehensive income	16	487,376	-
Financial assets at fair value through profit or loss	17	243,120	-
Prepayments, deposits and other receivables	20	729,364	-
Loan receivables	21	720,000	-
Deferred income tax assets	32	270,989	179,339
		<b>10,630,784</b>	<b>9,450,316</b>
<b>Current assets</b>			<b>流動資產</b>
Properties under development and held for sale	14	168,790	282,019
Inventories	18	3,107,511	3,069,897
Trade receivables	19	661,951	693,932
Prepayments, deposits and other receivables	20	1,439,935	1,422,590
Amounts due from related parties	47(c)	185,906	173,951
Prepaid current income tax		29,176	80,101
Loan receivables	21	40,328	-
Notes receivable – bank acceptance notes	22	1,364,128	3,282,570
Derivative financial instruments		2,157	209
Financial assets at fair value through profit or loss	17	6,567,243	2,766,237
Restricted bank balances	23	527,542	417,151
Cash and cash equivalents	23	2,845,229	2,766,396
Structured bank deposits	24	2,037,900	-
		<b>18,977,796</b>	<b>14,955,053</b>
<b>Total assets</b>		<b>29,608,580</b>	<b>24,405,369</b>
<b>EQUITY</b>			<b>權益</b>
<b>Equity attributable to owners of the Company</b>			<b>歸屬於本公司權益持有者的權益</b>
Share capital	25	380,628	364,762
Share premium	25	3,532,234	2,820,785
Other reserves	26	1,473,735	1,744,091
Retained earnings		12,020,989	8,982,541
		<b>17,407,586</b>	<b>13,912,179</b>
<b>Non-controlling interests</b>		<b>273,962</b>	<b>192,589</b>
<b>Total equity</b>		<b>17,681,548</b>	<b>14,104,768</b>

## Consolidated Balance Sheet (continued) 合併資產負債表(續)

(All amounts in RMB thousands unless otherwise stated) As at 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 於2018年12月31日

		As at 31 December	
		於12月31日	
	Note	2018	2017
	附註	2018年	2017年
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	29	162,000	235,500
Deferred revenue	31	120,136	111,664
Deferred income tax liabilities	32	21,283	38,805
		<b>303,419</b>	385,969
<b>Current liabilities</b>			
Trade payables	27	4,157,453	3,517,538
Accruals, advances and other current liabilities	28	2,087,437	3,301,480
Contract liabilities		1,629,944	-
Amounts due to related parties	47(c)	59,118	73,251
Current income tax liabilities		1,070,382	916,449
Derivative financial instruments		15,778	9,036
Other long-term payables – current portion			
	30	-	206,540
Borrowings	29	2,603,357	1,890,206
Dividends payable		144	132
		<b>11,623,613</b>	9,914,632
<b>Total liabilities</b>		<b>11,927,032</b>	10,300,601
<b>Total equity and liabilities</b>		<b>29,608,580</b>	24,405,369

The notes on pages 174 to 363 are an integral part of these financial statements.

第174至363頁的附註為該等財務報表的整體一部份。

The financial statements on pages 166 to 363 were approved by the Board of Directors on 28 March 2019 and were signed on its behalf.

第166至363頁的財務報表已於2019年3月28日經董事局批准並由以下董事代為簽署。

**Han Jingyuan**  
韓敬遠  
Chairman  
主席

**Han Li**  
韓力  
Director  
董事



# Consolidated Statement of Profit or Loss 合併損益表

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

		<b>Year ended 31 December</b>		
		<b>截至12月31日止年度</b>		
		<b>2018</b>	2017	
		<b>2018年</b>	2017年	
	Note 附註			
Revenue	收入	5	40,782,302	41,352,596
Cost of sales	銷售成本	35	<b>(33,991,503)</b>	(34,060,715)
<b>Gross profit</b>	<b>毛利</b>		<b>6,790,799</b>	7,291,881
Other income	其他收入	34	<b>35,394</b>	37,661
Distribution costs	分銷成本	35	<b>(85,817)</b>	(103,641)
Administrative expenses	行政費用	35	<b>(735,705)</b>	(751,310)
Reversal of/(provision for) impairment on financial assets, net	金融資產減值撥回/(撥備)·淨額	35	<b>218,371</b>	(135,231)
Other expenses	其他費用	35	<b>(23,148)</b>	(22,009)
Gains/(losses) from derivative financial instruments	衍生金融工具之收益/(虧損)	40	<b>29,872</b>	(75,196)
Other gains – net	其他收益 – 淨額	33	<b>231,311</b>	163,040
<b>Operating profit</b>	<b>經營溢利</b>		<b>6,461,077</b>	6,405,195
Finance income	財務收入	37	<b>35,721</b>	81,001
Finance costs	財務成本	37	<b>(161,315)</b>	(78,855)
Finance (costs)/income – net	財務(成本)/收入 – 淨額		<b>(125,594)</b>	2,146
Impairment loss on investment in an associate	於一間聯營公司之投資減值損失		<b>(34,122)</b>	–
Share of results of associates and a joint venture	應佔聯營公司及一間合營企業業績		<b>(1,941)</b>	389
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>6,299,420</b>	6,407,730
Income tax expense	所得稅費用	38	<b>(1,438,899)</b>	(1,524,566)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>4,860,521</b>	4,883,164
<b>Profit attributable to:</b>	<b>溢利歸屬於：</b>			
Owners of the Company	本公司權益持有者		<b>4,781,678</b>	4,839,080
Non-controlling interests	非控制性權益		<b>78,843</b>	44,084
			<b>4,860,521</b>	4,883,164
<b>Earnings per share for profit attributable to owners of the Company</b>	<b>本公司權益持有者應佔溢利的每股收益</b>			
(expressed in RMB per share)	(每股人民幣元)			
– Basic earnings per share	– 每股基本收益	41	<b>RMB 1.31</b>	RMB 1.39
– Diluted earnings per share	– 每股稀釋收益	41	<b>RMB 1.31</b>	RMB 1.37

The notes on pages 174 to 363 are an integral part of these financial statements.

第174至363頁的附註為該等財務報表的整體一部份。

# Consolidated Statement of Comprehensive Income 合併綜合收益表

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

		<b>Year ended 31 December</b>	
		<b>截至12月31日止年度</b>	
		Note	2017
		附註	2017年
		<b>2018</b>	2017
		<b>2018年</b>	2017年
<b>Profit for the year</b>	年度溢利	<b>4,860,521</b>	4,883,164
<b>Other comprehensive income:</b>	其他綜合收益：		
<i>Items that may be reclassified subsequently to profit or loss</i>	其後或重分類至損益表的項目		
Fair value gains on financial assets at fair value through other comprehensive income	按公允價值計量且其變動計入其他綜合收益之金融資產的公允價值收益	16 <b>5,735</b>	-
Fair value losses on available-for-sale financial assets	可供出售金融資產的公允價值虧損	15 -	(7,317)
<i>Items reclassified to profit or loss</i>	重分類至損益表的項目		
Transfer of fair value gains previously credited to reserve to statement of profit or loss upon disposal of financial assets at fair value through other comprehensive income	於出售按公允價值計量且其變動計入其他綜合收益之金融資產時將先前計入儲備的公允價值收益轉至損益表		-
Transfer of fair value gains previously credited to reserve to statement of profit or loss upon disposal of available-for-sale financial assets	於出售可供出售金融資產時將先前計入儲備的公允價值收益轉至損益表		(1,259)
		<b>3,100</b>	(8,576)
<b>Total comprehensive income for the year</b>	年度綜合收益合計	<b>4,863,621</b>	4,874,588
<b>Attributable to:</b>	歸屬於：		
Owners of the Company	本公司權益持有者	<b>4,784,778</b>	4,830,504
Non-controlling interests	非控制性權益	<b>78,843</b>	44,084
		<b>4,863,621</b>	4,874,588

The notes on pages 174 to 363 are an integral part of these financial statements.

第174至363頁的附註為該等財務報表的整體一部份。

# Consolidated Statement of Changes in Equity 合併權益變動表

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

		Attributable to owners of the Company 歸屬於本公司權益持有者					Non- controlling interests 非控制性 權益	Total equity 權益合計	
		Share capital	Share premium	Other reserves	Retained earnings	Total			
		附註	股本	股份溢價	其他儲備	留存收益			合計
<b>Balance at 1 January 2017</b>	於2017年1月1日的結餘	311,853	2,192,131	1,703,308	5,048,806	9,256,098	108,443	9,364,541	
<b>Comprehensive income</b>	綜合收益								
Profit for the year	年度溢利	-	-	-	4,839,080	4,839,080	44,084	4,883,164	
<b>Other comprehensive income</b>	其他綜合收益								
Fair value losses on available-for-sale financial assets	可供出售金融資產的公允價值虧損	15	-	-	(7,317)	-	(7,317)	(7,317)	
Transfer of fair value gains previously credited to reserve to statement of profit or loss upon disposal of available-for-sale financial assets	於出售可供出售金融資產時將先前計入儲備的公允價值收益轉至損益表		-	-	(1,259)	-	(1,259)	(1,259)	
<b>Total comprehensive income</b>	綜合收益合計		-	-	(8,576)	4,839,080	4,830,504	44,084	4,874,588
<b>Transactions with owners</b>	與權益持有者的交易								
Profit appropriation to statutory reserves	向法定儲備作出的溢利分配	26	-	-	56,298	(56,298)	-	-	
Capital injection by non-controlling interests	非控制性權益注資		-	-	-	-	59,000	59,000	
Establishment of a subsidiary	設立一間附屬公司		-	-	-	-	9,000	9,000	
Proceeds from shares issued	發行股份所得款項	25	51,839	600,773	-	652,612	-	652,612	
Exercise of employees share option scheme – issuance of shares	行使僱員購股權計劃 – 發行股份	25 & 26	1,070	27,881	(6,939)	-	22,012	22,012	
Dividend paid	已付股息		-	-	-	(849,047)	(849,047)	(876,985)	
<b>Total transactions with owners</b>	與權益持有者的交易合計		52,909	628,654	49,359	(905,345)	(174,423)	40,062	(134,361)
<b>Balance at 31 December 2017</b>	於2017年12月31日的結餘		364,762	2,820,785	1,744,091	8,982,541	13,912,179	192,589	14,104,768

## Consolidated Statement of Changes in Equity (continued) 合併權益變動表(續)

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

		Attributable to owners of the Company							
		歸屬於本公司權益持有者						Non-controlling interests 非控制性權益	Total equity 權益合計
		Share capital 股本	Share premium 股份溢價	Other reserves 其他儲備	Retained earnings 留存收益	Total 合計			
Note 附註									
<b>Balance at 1 January 2018</b>	於2018年1月1日的結餘	<b>364,762</b>	<b>2,820,785</b>	<b>1,744,091</b>	<b>8,982,541</b>	<b>13,912,179</b>	<b>192,589</b>	<b>14,104,768</b>	
<b>Comprehensive income</b>	綜合收益								
Profit for the year	年度溢利	-	-	-	4,781,678	4,781,678	78,843	4,860,521	
<b>Other comprehensive income</b>	其他綜合收益								
Fair value gains on financial assets at fair value through other comprehensive income	按公允價值計量且其變動計入其他綜合收益之金融資產的公允價值收益	16	-	-	5,735	-	5,735	5,735	
Transfer of fair value gains previously credited to reserve to statement of profit or loss upon disposal of financial assets at fair value through other comprehensive income	於出售按公允價值計量且其變動計入其他綜合收益之金融資產時將先前計入儲備的公允價值收益轉至損益表		-	-	(2,635)	-	(2,635)	(2,635)	
<b>Total comprehensive income</b>	綜合收益合計		-	-	3,100	4,781,678	4,784,778	78,843	4,863,621
<b>Transactions with owners</b>	與權益持有者的交易								
Profit appropriation to statutory reserves	向法定儲備作出的溢利分配	26	-	-	244,671	(244,671)	-	-	
Capital injection by non-controlling interests	非控制性權益注資		-	-	-	-	120,000	120,000	
Changes in ownership interests in subsidiaries without change of control	在不改變控制權的情況下變更於附屬公司的所有權權益	10(i)(ii)	-	-	(105,318)	-	(105,318)	(184,115)	
Acquisition of a subsidiary	收購一間附屬公司	45	-	-	-	-	2,236	2,236	
Employee share options scheme	僱員購股權計劃								
- issuance of shares	- 發行股份	25 & 26	15,866	711,449	(314,981)	-	412,334	412,334	
- lapse of share options	- 購股權失效	26	-	-	(97,828)	97,828	-	-	
Dividend paid	已付股息		-	-	-	(1,596,387)	(1,596,387)	(40,909)	(1,637,296)
<b>Total transactions with owners</b>	與權益持有者的交易合計		15,866	711,449	(273,456)	(1,743,230)	(1,289,371)	2,530	(1,286,841)
<b>Balance at 31 December 2018</b>	於2018年12月31日的結餘		<b>380,628</b>	<b>3,532,234</b>	<b>1,473,735</b>	<b>12,020,989</b>	<b>17,407,586</b>	<b>273,962</b>	<b>17,681,548</b>

The notes on pages 174 to 363 are an integral part of these financial statements.

第174至363頁的附註為該等財務報表的整體一部份。

## Consolidated Statement of Cash Flow 合併現金流量表

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

		Year ended 31 December	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
	Note 附註		
<b>Cash flows from operating activities</b>	<b>來自經營活動的現金流量</b>		
Cash generated from operations	產生自經營的現金	43 <b>9,599,918</b>	5,389,785
Interest received	已收利息	<b>29,552</b>	25,662
Interest paid	已付利息	<b>(141,604)</b>	(115,078)
Income tax paid	已付所得稅	<b>(1,387,606)</b>	(809,180)
Net cash generated from operating activities	產生自經營活動的現金淨額	<b>8,100,260</b>	4,491,189
<b>Cash flows from investing activities</b>	<b>來自投資活動的現金流量</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	<b>(336,413)</b>	(518,054)
Investment in associates and a joint venture	於聯營公司及一間合營企業之投資	-	(101,900)
Proceeds from sales of property, plant and equipment	出售物業、廠房及設備的所得款項	43 <b>349</b>	194
Interest income from loan receivables	來自應收貸款的利息收入	-	45,157
Proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產之所得款項	-	46,987
Decrease in deposits of procurement of derivative financial instruments	購買衍生金融工具按金減少	<b>35,763</b>	6,181
Net outflows of financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表之金融資產流出淨值	<b>(3,866,119)</b>	(2,326,761)
Loans granted to related parties	向關聯方授出之貸款	<b>(41,778)</b>	(152,810)
Loan receivables granted to third parties	向第三方提供的應收貸款	<b>(760,328)</b>	-
Loan receivables repaid by third parties	第三方償還的應收貸款	<b>2,209</b>	401,000
Loans repaid by related parties	自關聯方償還之貸款	<b>21,763</b>	-
Purchases of financial assets at fair value through other comprehensive income	購買按公允價值計量且其變動計入其他綜合收益之金融資產	<b>(115,226)</b>	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	出售按公允價值計量且其變動計入其他綜合收益之金融資產的所得款項	<b>51,091</b>	-
Net outflows of structured bank deposits	結構性銀行存款流出淨值	<b>(2,037,900)</b>	-
Disposal of a subsidiary, net of cash received	出售一間附屬公司(扣除已收現金淨額)	44 <b>(54,322)</b>	-
Acquisition of a subsidiary, net of cash acquired	收購一間附屬公司(扣除所獲現金淨額)	45 <b>1,518</b>	-
Other investing cash flow – net	其他投資現金流量 – 淨額	<b>5,556</b>	(44,467)
Net cash used in investing activities	用於投資活動的現金淨額	<b>(7,093,837)</b>	(2,644,473)

## Consolidated Statement of Cash Flow (continued) 合併現金流量表(續)

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

	Note 附註	Year ended 31 December 截至12月31日止年度	
		2018 2018年	2017 2017年
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	借款所得款項	<b>6,188,990</b>	4,580,802
Repayment of borrowings	償還借款	<b>(5,566,782)</b>	(3,819,055)
Dividends paid to shareholders	已付股東之股息	<b>(1,637,296)</b>	(881,425)
Proceeds from issuance of ordinary shares	發行普通股所得款項	-	652,612
Employee share option scheme – issuance of share	僱員購股權計劃 – 發行股份	<b>412,334</b>	22,012
Capital injection by non-controlling interests	非控制性權益注資	<b>120,000</b>	58,000
Acquisition of non-controlling interests of subsidiaries	附屬公司的非控制性權益的收購	<b>(184,115)</b>	-
Cash paid for sales and leaseback transaction	售後及回租交易已付現金	<b>(198,000)</b>	(950,000)
Repayment of borrowings from related parties	償還關聯方提供的借款	<b>(36,480)</b>	-
Repayment of other long-term payables	償還其他長期應付賬款	<b>(8,043)</b>	-
Increase in restricted bank balances pledged as security for current bank borrowings	作為流動銀行借款的抵押的受限制銀行結餘增加	<b>(47,730)</b>	-
Net cash used in financing activities	用於融資活動的現金淨額	<b>(957,122)</b>	(337,054)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	<b>49,301</b>	1,509,662
Effect of foreign exchange rate changes	外幣匯率變動的影響	<b>29,532</b>	(33,465)
Cash and cash equivalents, beginning of year	年初現金及現金等價物	<b>2,766,396</b>	1,290,199
Cash and cash equivalents, end of year	年末現金及現金等價物	<b>2,845,229</b>	2,766,396

The notes on pages 174 to 363 are an integral part of these financial statements.

第174至363頁的附註為該等財務報表的整體一部份。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 1. GENERAL INFORMATION

China Oriental Group Company Limited (the “**Company**”) was incorporated in Bermuda on 3 November 2003 as an exempted company with limited liability under the Companies Act 1981 of Bermuda as a result of a group reorganisation (“**Reorganisation**”).

The address of the Company’s registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited since 2 March 2004.

The Company together with its subsidiaries are hereinafter collectively referred to as the Group. The Group is principally engaged in the manufacture and sale of iron and steel products, trading of steel products and iron ore and real estate business. The Group has manufacturing plants in Hebei Province and Guangdong Province of the People’s Republic of China (the “**PRC**”) and sells mainly to customers located in the PRC. The Group also carries out property development business which is mainly in the PRC.

These consolidated financial statements are presented in thousands of units of RMB, unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors (the “**Board**”) on 28 March 2019.

## 1. 一般資料

中國東方集團控股有限公司(「**本公司**」)於2003年11月3日經完成一項集團重組(「**重組**」)後根據百慕達1981年公司法在百慕達註冊成立為獲豁免有限責任公司。

本公司的註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司股份自2004年3月2日已在香港聯合交易所有限公司上市。

本公司及其附屬公司以下統稱為本集團。本集團主要從事製造及銷售鋼鐵產品、鋼鐵產品及鐵礦石貿易以及房地產業務。本集團在中華人民共和國(「**中國**」)河北省及廣東省設有生產廠房，並主要針對位於中國的客戶進行銷售。本集團亦從事主要在中國的物業發展業務。

除另有指明外，本合併財務報表以人民幣千元呈列。本合併財務報表於2019年3月28日已獲董事局(「**董事局**」)批准刊發。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRS**”) issued by Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Company Ordinance Cap 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets at fair value through other comprehensive income, available-for-sale financial assets, financial assets at fair value through profit or loss and derivative financial instruments, which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

## 2. 重要會計政策摘要

編製本合併財務報表採用的主要會計政策載於下文。除另有指明外，此等政策在所呈列的所有年度內貫徹應用。

### 2.1 編製基準

本集團的合併財務報表乃按照香港會計師公會(「**香港會計師公會**」)頒佈的所有適用香港財務報告準則(「**香港財務報告準則**」)及香港公司條例第622章的披露規定編製。合併財務報表已依據歷史成本法編製，並就若干按公允價值列賬的按公允價值計量且其變動計入其他綜合收益之金融資產、可供出售金融資產、按公允價值列賬且其變動計入損益表之金融資產及衍生金融工具的重估作出修訂。

編製符合香港財務報告準則的合併財務報表需要使用若干關鍵會計估計。這亦需要管理層在應用本集團會計政策過程中行使其判斷。涉及高度的判斷或高度複雜性的範疇，或涉及對合併財務報表作出重大假設和估算的範疇，在附註4中披露。



# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures

##### (a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2018:

- HKFRS 9 Financial instruments
- HKFRS 15 Revenue from contracts with customers
- Amendments to HKFRS 2 Classification and measurement of share-based payment transactions
- Amendments to HKFRS Annual improvements to HKFRS 2014-2016 cycle
- Amendments to HKAS 40 Transfers of investment property
- HK(IFRIC) 22 Foreign currency transactions and advance consideration

The Group had to change its accounting policies following the adoption of HKFRS 9 and HKFRS 15. The other amendments listed above did not have any significant impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化

##### (a) 本集團已採納的新訂及已修訂準則

本集團已於2018年1月1日開始的年度報告期間首次應用下列準則及修訂：

- 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號與客戶的合約產生的收入
- 香港財務報告準則第2號(修訂)以股份為基礎支付的交易的分類及計量
- 香港財務報告準則(修訂)香港財務報告準則2014年-2016年週期的年度改進
- 香港會計準則第40號(修訂)轉換投資物業
- 香港(國際財務報告詮釋委員會)第22號外幣交易及預付代價

於採納香港財務報告準則第9號及香港財務報告準則第15號後，本集團須更改其會計政策。上述所列的其他修訂對過往期間已確認的金額並無重大影響，且預期不會對本期或未來期間造成重大影響。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (b) New standards and interpretations not yet adopted by the Group

A number of new standards and amendments to standards and interpretations that are relevant to the Group but not yet effective for the financial year beginning at 1 January 2018 and have not been early adopted by the Group are as follows:

		<b>Effective for annual periods beginning on or after</b>
		<b>於下列日期起或之後開始的年度期間生效</b>
Amendments to HKFRS 9 香港財務報告準則第9號(修訂)	Prepayment features with negative compensation 具有負補償的提前預付款功能	1 January 2019 2019年1月1日
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 2019年1月1日
HK (IFRIC) 23 香港(國際財務報告詮釋委員會) 第23號	Uncertainty over income tax treatments 所得稅處理的不確定性	1 January 2019 2019年1月1日
HKFRS 17 香港財務報告準則第17號	Insurance contracts 保險合約	1 January 2021 2021年1月1日
HKAS 19 香港會計準則第19號	"Employee benefits" on plan amendment, curtailment or settlement 「僱員福利」的計劃修改、削減或結算	1 January 2019 2019年1月1日
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及 香港會計準則第28號(修訂)	Sale or contribution of assets between an investor and its associate or joint venture 投資者與其聯營公司或合營企業之間的出售或注入資產	To be determined 待定
Amendments to HKFRS 香港財務報告準則(修訂)	Annual improvements to HKFRS 2015-2017 cycle 香港財務報告準則2015年-2017年週期的年度改進	1 January 2019 2019年1月1日
Amendments to HKAS 28 香港會計準則第28號(修訂)	Long-term interests in associates and joint ventures 於聯營公司及合營企業之長期權益	1 January 2019 2019年1月1日

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (b) 本集團未採納的新訂準則及詮釋

於2018年1月1日起開始的財政年度尚未生效，且與本集團有關，但未獲本集團提前採納的新準則及準則和詮釋的修訂如下：

**Effective for annual periods beginning on or after**  
於下列日期起或之後開始的年度期間生效

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (b) New standards and interpretations not yet adopted by the Group (continued)

The Group has already commenced an assessment of the impact of these new or revised standards which are relevant to the Group's operation.

##### HKFRS 16 "Leases"

##### Nature of change

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the lessee's balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (b) 本集團未採納的新訂準則及詮釋(續)

本集團已開始對本集團經營有關之新訂或修訂準則的影響作出評估。

##### 香港財務報告準則第16號「租賃」

##### 改變性質

香港財務報告準則第16號於2016年1月頒佈。其將導致差不多所有租賃在承租人的資產負債表內被確認，因經營與融資租賃的劃分已被刪除。根據該新準則，資產(該租賃項目的使用權)與支付租金的金融負債被確認。例外者僅為短期和低價值租賃。對出租人的會計處理將不會有重大改變。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (b) New standards and interpretations not yet adopted by the Group (continued)

###### HKFRS 16 “Leases” (continued)

###### Impact

The standard will affect primarily the accounting for the Group's operating leases. As at 31 December 2018, the Group's future aggregate minimum lease payments under non-cancellable operating leases is approximately RMB 132 million, among which less than one year is RMB 10 million, more than one year and less than five years is RMB 32 million and more than five years is RMB 90 million. HKFRS 16 provides new provisions for the accounting treatment of leases and all non-current leases, including future operating lease commitments, must be recognised in the form of an asset (for the right-of-use) and a financial liability (for the payment obligation). Short-term leases of less than twelve months and leases of low-value assets are exempt from the reporting obligation. The new standard will therefore result in an increase in assets and financial liabilities in the consolidated balance sheet. Operating expenses under otherwise identical circumstances will decrease, and depreciation, amortisation and interest expense will increase. It is expected that certain portion of these lease commitments will be required to be recognised in the consolidated balance sheet as right-of-use assets and lease liabilities.

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (b) 本集團未採納的新訂準則及詮釋(續)

###### 香港財務報告準則第16號「租賃」(續)

###### 影響

準則將主要影響本集團的經營租賃的會計政策。於2018年12月31日，本集團有關不可撤銷經營租賃項下的應付未來最低租賃租金總額約人民幣1.32億元，其中1年內為人民幣1,000萬元，1年以上、5年以內為人民幣3,200萬元及5年以上為人民幣9,000萬元。香港財務報告準則第16號對於租賃及所有非流動租賃的會計處理提供新條文，包括未來經營租賃承擔，必須以資產（使用權）及金融負債（支付責任）的形式確認。少於12個月的短期租賃及低價值資產的租賃獲豁免報告責任。新準則將因此導致合併資產負債表內的資產及金融負債增加。經營支出在相同情況下將減少，而折舊、攤銷及利息支出將增加。預期此等租賃承擔的若干部份將需於合併資產負債表中確認為使用權資產及租賃負債。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (b) New standards and interpretations not yet adopted by the Group (continued)

###### HKFRS 16 “Leases” (continued)

###### Impact (continued)

The Group expects to recognise right-of-use assets and lease liabilities for the non-cancellable operating lease commitments which are more than one year. The Group expects no material impact to the consolidated statements of profit or loss.

###### Date of adoption by the Group

Mandatory for financial years commencing on or after 1 January 2019.

There are no other standards that are not yet effective and that are expected to have a material impact on the Group in the current or future reporting periods and on any foreseeable future transactions.

## 2. 重要會計政策摘要 (續)

### 2.1 編製基準 (續)

#### 2.1.1 會計政策及披露的變化 (續)

##### (b) 本集團未採納的新訂準則及詮釋 (續)

###### 香港財務報告準則第16號「租賃」(續)

###### 影響 (續)

本集團預期對1年以上的不可撤銷經營租賃承擔確認為使用權資產及租賃負債。本集團預期對合併損益表沒有重大影響。

###### 本集團之採納日期

強制於2019年1月1日或之後開始的財政年度採納。

沒有其他尚未生效的準則預期在現在或將來的報告期間及任何可預見的將來交易對本集團有重大影響。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy

This note explains the impact of the adoption of HKFRS 9 “Financial instruments” (“**HKFRS 9**”) and HKFRS 15 “Revenue from contracts with customers” (“**HKFRS 15**”) on the Group’s financial information and the new accounting policies as disclosed in Note 2.12 and Note 2.28 that have been applied from 1 January 2018, where they are different to those applied in prior periods.

HKFRS 9 was generally adopted without restating comparative information with the exception of certain aspects of hedge accounting. The Group used modified retrospective approach while adopting HKFRS 9. The reclassification and adjustments arising from the new impairment rules are therefore not reflected in the balance sheet as at 31 December 2017, but are recognised in the opening balance sheet on 1 January 2018.

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (c) 會計政策的改變

本附註解釋了採納香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)和香港財務報告準則第15號「與客戶的合約產生的收入」(「香港財務報告準則第15號」)對本集團財務資料以及自2018年1月1日起已應用的新會計政策(誠如附註2.12及附註2.28所披露)的影響，而此等與以前期間已應用的均為不同。

除對沖會計的若干方面外，採納香港財務報告準則第9號一般沒有重列比較資料。本集團在採納香港財務報告準則第9號時採用修正追溯法。因此，因新減值規則引起的重分類及調整並沒有於2017年12月31日之資產負債表中反映，但於2018年1月1日之期初資產負債表中確認。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

The Group adopted HKFRS 15 using the modified retrospective approach which means that the cumulative impact of the adoption (if any) will be recognised in retained earnings as of 1 January 2018 and that comparative information will not be restated.

The following tables show the adjustments recognised for each individual line item. The adjustments are explained in more details below.

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (c) 會計政策的改變(續)

本集團在採納香港財務報告準則第15號時採用修正追溯法，即採納的累計影響(如有)將於2018年1月1日之留存收益中確認，而比較資料將不予重列。

下表列載各單獨項目已確認的調整。調整詳述如下。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

		31 December		1 January	
		2017	HKFRS 9	HKFRS 15	2018
		2017年	香港財務報告	香港財務報告	2018年
		12月31日	準則第9號	準則第15號	1月1日
<b>Consolidated balance sheet (extracts)</b>	<b>合併資產負債表(節錄)</b>				
<b>Non-current assets</b>	<b>非流動資產</b>				
Available-for-sale financial assets	可供出售金融資產	432,111	(432,111)	-	-
Financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表之金融資產	-	14,605	-	14,605
Financial assets at fair value through other comprehensive income	按公允價值計量且其變動計入其他綜合收益之金融資產	-	417,506	-	417,506
<b>Current liabilities</b>	<b>流動負債</b>				
Accruals, advances and other current liabilities	預提費用、預收款項及其他流動負債	3,301,480	-	(1,496,839)	1,804,641
Contract liabilities	合約負債	-	-	1,496,839	1,496,839

There is no impact on the consolidated statement of comprehensive income for the year ended 31 December 2018 by adopting HKFRS 9 and HKFRS 15.

採納香港財務報告準則第9號及香港財務報告準則第15號對截至2018年12月31日止年度的合併綜合收益表沒有影響。

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (c) 會計政策的改變(續)



# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

###### (i) HKFRS 9 “Financial instruments”

###### *Impact of adoption*

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of HKFRS 9 “Financial instruments” from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transitional provisions in HKFRS 9 (7.2.15) and (7.2.26), comparative figures have not been restated as the Group does not have any hedge instrument. As a result, the reclassification and adjustments arising from the new impairment rules are not reflected in the balance sheet as at 31 December 2017, but are recognised in the opening balance sheet as at 1 January 2018.

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (c) 會計政策的改變(續)

###### (i) 香港財務報告準則第9號「金融工具」

###### *採納之影響*

香港財務報告準則第9號取代香港會計準則第39號有關金融資產及金融負債的確認、分類及計量、終止確認金融工具、金融資產減值及對沖會計處理的條文。

自2018年1月1日開始採納香港財務報告準則第9號「金融工具」導致會計政策有所變動及於財務報表內已確認之金額的調整。由於本集團並無任何對沖工具，根據香港財務報告準則第9號所載的過渡條文(7.2.15)及(7.2.26)，並無重列比較數字。因此，新減值規則產生的重分類及調整並沒有於2017年12月31日的資產負債表中反映，但於2018年1月1日的期初資產負債表中確認。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

##### (i) HKFRS 9 “Financial instruments” (continued)

##### Impact of adoption (continued)

##### (a) Classification and measurement

On 1 January 2018 (the date of initial application of HKFRS 9), the Group’s management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories. The main effects resulting from this reclassification are as follows:

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (c) 會計政策的改變(續)

##### (i) 香港財務報告準則第9號「金融工具」(續)

##### 採納之影響(續)

##### (a) 分類及計量

於2018年1月1日(首次應用香港財務報告準則第9號之日期)，本集團的管理層已評估應就本集團持有之金融資產採用何種業務模式，並將其金融工具分類為香港財務報告準則第9號適用類別。該重分類所致的主要影響如下：

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

##### (i) HKFRS 9 “Financial instruments” (continued)

##### Impact of adoption (continued)

##### (a) Classification and measurement (continued)

Financial assets - 1 January 2018

金融資產 - 2018年1月1日

Closing balance at 31 December 2017 - HKAS 39

Reclassify non-trading equity securities from available-for-sale financial assets to financial assets at fair value through other comprehensive income

Reclassify non-trading equity securities from available-for-sale financial assets to financial assets at fair value through profit or loss

Reclassify listed and unlisted debt securities from available-for-sale financial assets to financial assets at fair value through other comprehensive income

Opening balance at 1 January 2018 - HKFRS 9

於2017年12月31日的  
期末結餘 - 香港會計  
準則第39號

將非買賣權益證券由  
可供出售金融資產  
重分類至按公允價值  
計量且其變動計入  
其他綜合收益  
之金融資產

將非買賣權益證券由  
可供出售金融資產  
重分類至按公允價值  
計量且其變動計入  
損益表之金融資產

將上市及非上市債務證券  
由可供出售金融資產  
重分類至按公允價值  
計量且其變動計入  
其他綜合收益  
之金融資產

於2018年1月1日的期  
初結餘 - 香港財務  
報告準則第9號

## 2. 重要會計政策摘要 (續)

### 2.1 編製基準 (續)

#### 2.1.1 會計政策及披露的變化 (續)

##### (c) 會計政策的改變 (續)

##### (i) 香港財務報告 準則第9號「金 融工具」(續)

##### 採納之影響 (續)

##### (a) 分類及計量 (續)

	Note	Available-for-sale financial assets	Financial assets at fair value through other comprehensive income 按公允價值計量且其變動計入其他綜合收益之金融資產	Financial assets at fair value through profit or loss 按公允價值計量且其變動計入損益表之金融資產
Financial assets - 1 January 2018				
金融資產 - 2018年1月1日	附註			
Closing balance at 31 December 2017 - HKAS 39		432,111	-	-
Reclassify non-trading equity securities from available-for-sale financial assets to financial assets at fair value through other comprehensive income	(1)	(325,000)	325,000	-
Reclassify non-trading equity securities from available-for-sale financial assets to financial assets at fair value through profit or loss		(14,605)	-	14,605
Reclassify listed and unlisted debt securities from available-for-sale financial assets to financial assets at fair value through other comprehensive income	(2)	(92,506)	92,506	-
Opening balance at 1 January 2018 - HKFRS 9		-	417,506	14,605

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

##### (i) HKFRS 9 “Financial instruments” (continued)

##### Impact of adoption (continued)

##### (a) Classification and measurement (continued)

- (1) The Group elected to present in other comprehensive income the changes in the fair value of its equity investments previously classified as available-for-sale financial assets, because these investments are held for long-term strategic investments that are not expected to be sold in the short to medium term.

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (c) 會計政策的改變(續)

##### (i) 香港財務報告準則第9號「金融工具」(續)

##### 採納之影響(續)

##### (a) 分類及計量(續)

- (1) 本集團選擇於其他綜合收益呈列之前分類為可供出售金融資產的權益投資之公允價值變動，因為該等投資為持作長期策略投資並預期不會於中短期出售。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

##### (i) HKFRS 9 “Financial instruments” (continued)

##### Impact of adoption (continued)

##### (a) Classification and measurement (continued)

- (2) Listed and unlisted bonds preliminarily classified as available-for-sale financial assets were reclassified to financial assets at fair value through other comprehensive income, as the Group’s business model is achieved both by collecting contractual cash flows and selling of these assets. The contractual cash flows of these investments are solely principal and interest.

## 2. 重要會計政策摘要 (續)

### 2.1 編製基準 (續)

#### 2.1.1 會計政策及披露的變化 (續)

##### (c) 會計政策的改變 (續)

##### (i) 香港財務報告準則第9號「金融工具」(續)

##### 採納之影響 (續)

##### (a) 分類及計量 (續)

- (2) 由於本集團的業務模式由收取合約現金流量及銷售該等資產達至，故初步分類為可供出售金融資產之上市及非上市債券已重新分類至按公允價值計量且其變動計入其他綜合收益之金融資產。該等投資的合約現金流量僅為本金及利息。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

##### (i) HKFRS 9 “Financial instruments” (continued)

##### Impact of adoption (continued)

##### (a) Classification and measurement (continued)

On 1 January 2018 (the date of initial application of HKFRS 9), the Group’s notes receivable – bank acceptance notes were reclassified from financial assets at amortised cost to financial assets at fair value through other comprehensive income with respect to the category.

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (c) 會計政策的改變(續)

##### (i) 香港財務報告準則第9號「金融工具」(續)

##### 採納之影響(續)

##### (a) 分類及計量(續)

於2018年1月1日(首次採納香港財務報告準則第9號的日期)，本集團之應收票據－銀行承兌匯票由按攤銷成本計量之金融資產重分類至與該類別有關的按公允價值計量且其變動計入其他綜合收益之金融資產。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

###### (i) HKFRS 9 “Financial instruments” (continued)

###### Impact of adoption (continued)

###### (b) Impairment of financial assets

The new impairment model requires the recognition of impairment provisions based on expected credit losses rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at financial assets at fair value through other comprehensive income, contract assets under HKFRS 15 “Revenue from contracts with customers”, lease receivables, loan commitments and certain financial guarantee contracts. The Group has applied HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from initial recognition. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

## 2. 重要會計政策摘要 (續)

### 2.1 編製基準 (續)

#### 2.1.1 會計政策及披露的變化 (續)

##### (c) 會計政策的改變 (續)

###### (i) 香港財務報告準則第9號「金融工具」(續)

###### 採納之影響 (續)

###### (b) 金融資產減值

新減值模型要求按預期信貸損失確認減值撥備，而非僅已發生的信貸損失（根據香港會計準則第39號）。其適用於按攤銷成本分類的金融資產、按公允價值計量且其變動計入其他綜合收益的債務工具、香港財務報告準則第15號「與客戶的合約產生的收入」下的合約資產、應收租賃款、貸款承擔和若干財務擔保合約。本集團已應用香港財務報告準則第9號簡化模式計量預期信貸損失，該模式就所有應收貿易賬款自初始確認起採用整個存續期內預期虧損撥備。為計量預期信貸損失，應收貿易賬款已根據共同信貸風險特徵及逾期天數分組。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

##### (i) HKFRS 9 “Financial instruments” (continued)

##### Impact of adoption (continued)

##### (b) Impairment of financial assets (continued)

No further provision has been recognised in retained earnings as at 1 January 2018 for these trade receivables (excluding non-financial assets) whose credit risk has been assessed as low and the adoption of new impairment methodology only results in an insignificant incremental amount of provision to be made.

While cash and cash equivalents, restricted bank balances and notes receivable – bank acceptance notes are also subject to the impairment requirements of HKFRS 9, no material impairment loss was identified.

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (c) 會計政策的改變(續)

##### (i) 香港財務報告準則第9號「金融工具」(續)

##### 採納之影響(續)

##### (b) 金融資產減值(續)

於2018年1月1日，就信貸風險評估為低的該等應收貿易賬款(不包括非金融資產)於留存收益內並無確認進一步撥備，且採納新減值方法僅會導致不重大的額外金額上作出撥備。

儘管現金及現金等價物、受限制銀行結餘及應收票據－銀行承兌匯票亦須遵守香港財務報告準則第9號的減值規定，惟並無重大減值虧損被識別。



# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

##### (ii) HKFRS 15 “Revenue from contracts with customers”

##### Impact of adoption

The Group has adopted HKFRS 15 “Revenue from contracts with customers” from 1 January 2018 which resulted in changes in accounting policies. The Group adopted HKFRS 15 using the modified retrospective approach which means that the cumulative impact of the adoption (if any) will be recognised in retained earnings as of 1 January 2018 and that comparative information will not be restated. Following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 January 2018):

## 2. 重要會計政策摘要 (續)

### 2.1 編製基準 (續)

#### 2.1.1 會計政策及披露的變化 (續)

##### (c) 會計政策的改變 (續)

##### (ii) 香港財務報告準則第15號「與客戶的合約產生的收入」

##### 採納的影響

本集團自2018年1月1日起採納香港財務報告準則第15號「與客戶的合約產生的收入」，此舉導致會計政策產生改變。本集團使用經修訂追溯法採納香港財務報告準則第15號，此舉意味著採納的累計影響(如有)將於2018年1月1日的留存收益內確認，且並無重列比較資料。於首次應用日期(2018年1月1日)就於資產負債表內確認的金額作出以下調整：

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

##### (ii) HKFRS 15 “Revenue from contracts with customers” (continued)

Impact of adoption (continued)

Accruals, advances and other current liabilities – advances	預提費用、預收款項及其他流動負債－預收款項
Contract liabilities	合約負債

## 2. 重要會計政策摘要(續)

### 2.1 編製基準(續)

#### 2.1.1 會計政策及披露的變化(續)

##### (c) 會計政策的改變(續)

##### (ii) 香港財務報告準則第15號「與客戶的合約產生的收入」(續)

採納的影響(續)

HKAS 18	Reclassification	HKFRS 15
Carrying amount		Carrying amount
香港會計準則		香港財務報告準則
第18號賬面值	重分類	第15號賬面值
31 December		1 January
2017		2018
2017年		2018年
12月31日		1月1日
1,496,839	(1,496,839)	-
-	1,496,839	1,496,839

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Changes in accounting policy and disclosures (continued)

##### (c) Changes in accounting policy (continued)

##### (ii) HKFRS 15 “Revenue from contracts with customers” (continued)

##### Impact of adoption (continued)

HKFRS 15 requires that revenue from contracts with customers be recognised upon the transfer of control over goods or services to the customer. As such, upon adoption, this requirement under HKFRS 15 resulted in immaterial impact to the financial statements as the timing of revenue recognition on sale of goods is unchanged and the amount of other categories of revenue is insignificant. Thus, other than certain reclassification of contract liabilities in respect of advances from customers, there was no impact on the Group’s consolidated balance sheet as of 1 January 2018.

## 2. 重要會計政策摘要 (續)

### 2.1 編製基準 (續)

#### 2.1.1 會計政策及披露的變化 (續)

##### (c) 會計政策的改變 (續)

##### (ii) 香港財務報告準則第15號「與客戶的合約產生的收入」(續)

##### 採納的影響 (續)

香港財務報告準則第15號規定與客戶之間的合約產生的收入須於貨物或服務的控制權轉移至客戶時確認。因此，香港財務報告準則第15號獲採納後，其項下的該規定對財務報表造成之影響並不重大，因為就銷售貨品確認收入的時間不變及其他類別之收入金額並不重大。因此，除有關預收客戶款項之合約負債的若干重分類外，對本集團於2018年1月1日的合併資產負債表並無影響。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Subsidiaries

#### 2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

## 2. 重要會計政策摘要(續)

### 2.2 附屬公司

#### 2.2.1 合併賬目

附屬公司是本集團有控制權的實體(包括結構性實體)。若本集團因參與有關實體而對可變回報承擔風險或享有權利，並能透過其在該實體的權力影響該等回報，本集團即對該實體具有控制權。附屬公司在控制權轉移至本集團之日起合併入賬，並在控制權終止之日起停止合併入賬。

集團內的交易、結餘及集團公司間交易的未確認收益予以對銷。未確認虧損亦予以對銷，除非交易提供所轉讓資產減值的證據。在需要時，附屬公司的呈報金額已調整，以確保與本集團的會計政策一致。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Subsidiaries (continued)

#### 2.2.1 Consolidation (continued)

##### (a) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

## 2. 重要會計政策摘要(續)

### 2.2 附屬公司(續)

#### 2.2.1 合併賬目(續)

##### (a) 業務合併

本集團應用收購法將業務合併入賬。收購一間附屬公司所轉讓的代價為所轉讓資產、對被收購方的前所有人產生的負債，及本集團發行的股本權益的公允價值。所轉讓的代價包括或然代價安排所產生的任何資產或負債的公允價值。在業務合併中所購買的可識別資產以及所承擔的負債及或然負債，首先以彼等於購買日期的公允價值計量。

本集團按個別收購基準，確認在被收購方的任何非控制性權益。被收購方的非控制性權益為現時的擁有權權益，並賦予持有人一旦清盤時按比例應佔實體的淨資產，可按公允價值或按現時的擁有權權益應佔被收購方的可識別淨資產的確認金額比例計量。非控制性權益的所有其他組成部份按收購日期的公允價值計量，除非香港財務報告準則規定必須以其他計量基準計算。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Subsidiaries (continued)

#### 2.2.1 Consolidation (continued)

##### (a) Business combinations (continued)

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

## 2. 重要會計政策摘要(續)

### 2.2 附屬公司(續)

#### 2.2.1 合併賬目(續)

##### (a) 業務合併(續)

收購的相關成本乃於產生時支銷。

倘業務合併分階段進行，收購方先前持有的被收購方股權的收購當日賬面值於收購當日重新計量為公允價值；由此產生的任何收益或虧損於損益中確認。

如果現金代價的任何部份遞延結算，則未來應付金額將折現為交換日的現值。所使用的貼現率是實體的增量借貸利率，即在可比條款和條件下，可以從獨立融資人處獲得類似借貸的利率。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Subsidiaries (continued)

#### 2.2.1 Consolidation (continued)

##### (a) Business combinations (continued)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill (Note 2.10). If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of profit or loss.

## 2. 重要會計政策摘要(續)

### 2.2 附屬公司(續)

#### 2.2.1 合併賬目(續)

##### (a) 業務合併(續)

本集團所轉讓的任何或然代價將在收購當日按公允價值確認。被視為一項資產或負債的或然代價的公允價值隨後變動，將按照香港會計準則第39號於損益中確認。分類為權益的或然代價毋須重新計量，而其隨後結算於權益中入賬。

所轉讓代價、被收購方的任何非控制性權益金額及任何先前於被收購方的股本權益於收購日期的公允價值超出所收購的可識別資產淨值的公允價值的部份以商譽列賬(附註2.10)。如在議價購入的情況下，所轉讓代價、已確認非控制性權益及先前所持權益計量的總和低於所收購附屬公司資產淨值的公允價值，其差額則直接在損益表中確認。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Subsidiaries (continued)

#### 2.2.1 Consolidation (continued)

##### (b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

## 2. 重要會計政策摘要(續)

### 2.2 附屬公司(續)

#### 2.2.1 合併賬目(續)

##### (b) 所有權權益變動

本集團將不導致喪失控制權的非控制性權益交易視作與本集團權益持有者的交易。擁有權權益變動導致控制性與非控制性權益賬面值的調整，以反映其於附屬公司的相關權益。非控制性權益調整金額與任何已付或已收代價之間的任何差額於歸屬於本公司權益持有者應佔權益中的獨立儲備內確認。



# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Subsidiaries (continued)

#### 2.2.1 Consolidation (continued)

##### (b) Changes in ownership interests (continued)

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

## 2. 重要會計政策摘要 (續)

### 2.2 附屬公司(續)

#### 2.2.1 合併賬目(續)

##### (b) 所有權權益變動 (續)

當本集團因喪失控制權、共同控制權或重大影響力而停止合併入賬或按權益入賬一項投資時，於實體的任何保留權益重新按公允價值計量，而賬面值變動於損益中確認。就其後入賬列作聯營公司、合營企業或金融資產之保留權益，其公允價值為初始賬面值。此外，先前於其他綜合收益中確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。此可能意味先前在其他綜合收益確認之金額重分類至損益或根據適用香港財務報告準則之規定／許可轉撥至另一類權益。

倘於一間合營企業或聯營公司的擁有權權益減少但保留共同控制權或重大影響力，則先前於其他綜合收益中確認的金額僅有一定比例份額重分類至損益(如適用)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Subsidiaries (continued)

#### 2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs received of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

### 2.3 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill, if any, identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

## 2. 重要會計政策摘要(續)

### 2.2 附屬公司(續)

#### 2.2.2 獨立財務報表

於附屬公司之投資按成本扣除減值入賬。成本亦包括投資直接應佔成本。本公司根據已收取及應收股息為基準，計算附屬公司的業績。

在收取該等投資的股息時，倘若所得股息高於股息宣派期內附屬公司的綜合收益總額，或者在獨立財務報表中的投資賬面值高於合併財務報表中的被投資方淨資產(包括商譽)之賬面值時，則須對附屬公司的投資進行減值測試。

### 2.3 聯營公司

聯營公司指本集團對其有重大影響力但無控制權的實體，通常附帶有20%至50%投票權的股權。投資在聯營公司是採用權益會計法入賬。根據該權益會計法，有關投資最初按成本確認，並會增減賬面值以確認收購日後投資者於被投資方的損益份額。本集團於聯營公司之投資包括於收購時識別的商譽(如有)。

倘於聯營公司的擁有權權益減少但仍保留重大影響，只有按比例將之前於其他綜合收益中確認的金額重分類至損益(如適當)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.3 Associates (continued)

The Group's share of post-acquisition profit or loss is recognised in the statement of profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in 'impairment loss on investment in an associate' in the consolidated statement of profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gains or losses on dilution of equity interest in associates are recognised in the consolidated statement of profit or loss.

## 2. 重要會計政策摘要(續)

### 2.3 聯營公司(續)

本集團應佔收購後的溢利或虧損於損益表中確認，而應佔收購後其他綜合收益的變動(連同對投資賬面值作出的相應調整)則於其他綜合收益內確認。如本集團應佔聯營公司的虧損等於或超過其在該聯營公司的權益，包括任何其他無抵押應收賬款，本集團不會確認進一步虧損，除非本集團對聯營公司已產生法律或推定債務或已代聯營公司作出付款。

本集團於各報告日期釐定是否有任何客觀證據顯示於聯營公司之投資出現減值。如屬此情況，本集團會將減值金額作為聯營公司之可收回金額與其賬面值之差額計算，並將該金額在合併損益表「於一間聯營公司之投資減值損失」中確認。

本集團與其聯營公司之間的上游及下游交易產生的溢利及虧損，只限於無相關投資者佔聯營公司權益範圍在本集團的合併財務報表內確認。除非交易提供所轉讓資產減值的證據，否則未變現虧損會予以抵銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採納的政策符合一致。

於聯營公司的股權攤薄所產生的收益或虧損於合併損益表內確認。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.4 Joint arrangement

The Group has assessed the nature of its joint arrangement and determined it to be joint venture. A joint venture is accounted for using the equity method.

Under the equity method of accounting, interests in a joint venture are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investment in a joint venture include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture (including any other unsecured receivables), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealised gains on transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint venture have been changed where necessary to ensure consistency with the policies adopted by the Group.

## 2. 重要會計政策摘要(續)

### 2.4 共同安排

本集團已評估其共同安排之性質，並將其定為合營企業。合營企業採用權益法入賬。

根據權益會計法，於合營企業的權益乃按成本初步確認，其後予以調整以確認本集團應佔收購後的損益及於其他綜合收益的變動。本集團於合營企業的投資包括就收購識別的商譽。收購於一間合營企業的擁有權權益後，合營企業成本與本集團應佔合營企業的可識別資產及負債之公允價值淨值之間的差額入賬列作商譽。當本集團應佔合營企業虧損等於或超過其佔合營企業之權益時(包括任何其他無抵押應收賬款)，本集團不會確認進一步虧損，除非本集團代合營企業承擔負債或支付款項。

本集團與其合營企業之間的交易未變現收益與本集團於合營企業的權益抵銷。未變現虧損亦予以抵銷，除非交易時有證據表明所轉讓資產出現減值。合營企業的會計政策已按需要作出改變，以確保與本集團所採納政策符合一致。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the management committee (Note 5(b)) that makes strategic decisions.

### 2.6 Foreign currency translation

#### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB"), which is the Company's functional and the Group's presentation currency.

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss.

## 2. 重要會計政策摘要(續)

### 2.5 分部報告

營運分部之報告方式須與首席營運決策人獲提供的內部報告之方式一致。作出決策的管理委員會(附註5(b))是首席營運決策人，其負責分配資源並且評核營運分部的表現。

### 2.6 外幣換算

#### (a) 功能及呈列貨幣

本集團各實體計入財務報表的項目乃採用實體營運的主要經濟環境的貨幣(「功能貨幣」)計算。合併財務報表則以人民幣(「人民幣」)(本公司的功能貨幣及本集團的呈列貨幣)呈列。

#### (b) 交易及結餘

外幣交易按交易日之通行的匯率或重新計量該等項目時之價值換算為功能貨幣。結算此等交易以及將以外幣為單位的貨幣性資產與負債按年終的匯率換算而產生的匯兌收益及虧損於合併損益表中確認。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.6 Foreign currency translation (continued)

#### (b) Transactions and balances (continued)

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss within 'Finance costs'. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss within 'Other gains – net'.

Changes in the fair value of debt securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as fair value through other comprehensive income, are included in other comprehensive income.

## 2. 重要會計政策摘要(續)

### 2.6 外幣換算(續)

#### (b) 交易及結餘(續)

與借款相關之匯兌收益及虧損於合併損益表「財務成本」中列賬。所有其他匯兌收益及虧損均於合併損益表「其他收益－淨額」內列賬。

以外幣為單位及被分類為可供出售證券之債務證券之公允價值轉變將在其證券攤銷成本轉變衍生之匯兌差額及其他證券賬面值轉變之間予以分析。有關攤銷成本變動之匯兌差額會在損益內確認，而其他賬面值之轉變則在其他綜合收益中確認。

非貨幣金融資產及負債(例如按公允價值計量且其變動計入損益表之權益)之匯兌差額在損益內確認為公允價值盈虧的一部份。非貨幣金融資產(例如分類為按公允價值計量且其變動計入其他綜合收益的權益)之匯兌差額於其他綜合收益內列賬。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.6 Foreign currency translation (continued)

#### (c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

## 2. 重要會計政策摘要(續)

### 2.6 外幣換算(續)

#### (c) 集團公司

本集團旗下所有公司(當中沒有高通脹經濟體系之貨幣)之功能貨幣倘有別於呈列貨幣，其業績及財務狀況須按如下方式兌換為呈列貨幣：

- (i) 每份資產負債表所列的資產及負債按其結算日之收市匯率換算；
- (ii) 每份損益表所列的收入及開支按平均匯率換算，但若此平均匯率未能合理地反映各交易日之通行的匯率所帶來的累積影響，則按照交易日之匯率折算此等收入和支出；及
- (iii) 所有由此而產生之貨幣匯兌差額均於其他綜合收益中確認。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.7 Property, plant and equipment

Property, plant and equipment, comprising buildings, machinery, furniture and fixtures, vehicles, leasehold improvements and finance leased machinery are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	Estimated useful life
Buildings	10-20 years
Machinery	5-10 years
Furniture and fixtures	3-10 years
Vehicles	4-10 years
Leasehold improvements	2-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

## 2. 重要會計政策摘要(續)

### 2.7 物業、廠房及設備

物業、廠房及設備，包括樓宇、機器設備、辦公設備、汽車、租賃物業裝修及融資租賃機器設備，乃按歷史成本減折舊及減值列賬。歷史成本包括收購該項目直接應佔的開支。

其後成本僅於當與該項目有關的未來經濟利益很有可能會流入本集團，而項目的成本能夠可靠地計量，方會包括在資產的賬面值或確認為獨立資產(如適用)。作為獨立資產入賬的任何組件的賬面值於被更換時終止確認。所有其他維修及保養成本於產生時的財務期間自合併損益表扣除。

物業、廠房及設備的折舊乃採用以下估計可使用年期將其成本按直線法分攤至剩餘價值計算，如下：

	估計可使用年期
樓宇	10-20年
機器設備	5-10年
辦公設備	3-10年
汽車	4-10年
租賃物業裝修	2-5年

資產的剩餘價值及可使用年期於每個報告期末獲審閱及調整(如適用)。



# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.7 Property, plant and equipment (continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.11).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gains – net' in the consolidated statement of profit or loss.

Construction-in-progress ("CIP") represents buildings, plant and machinery under construction or pending installation and is stated at historical cost less accumulated impairment losses, if any. Historical cost includes the costs of construction, acquisition and borrowing. No provision for depreciation is made on CIP until such time as the relevant assets are completed and available for intended use. When the assets concerned are ready for their intended use, the costs are transferred to property, plant and equipment and depreciated in accordance with the policy as stated above.

### 2.8 Leasehold land and land use rights

All land in the PRC is state-owned or collectively-owned. There is no individual land ownership right. The Group acquired the right to use certain land. The premiums paid for such right and the improvements related to the land are treated as prepayment for operating lease and recorded as leasehold land and land use rights, which are amortised over the lease periods using the straight-line method. The leasehold land and land use rights are stated at historical cost less accumulated amortisation and impairment losses.

## 2. 重要會計政策摘要(續)

### 2.7 物業、廠房及設備(續)

倘資產的賬面值高於其估計可收回金額，則其賬面值即時撇減至可收回金額(附註2.11)。

出售盈虧乃對比所得款項與賬面值後釐定，並於合併損益表「其他收益－淨額」中確認。

在建工程(「在建工程」)指正在興建或有待安裝的樓宇、廠房及機器設備，並按歷史成本減累計減值虧損(如有)列賬。歷史成本包括興建、收購及借款成本。概無就在建工程的折舊計提撥備，直至有關資產竣工及可用作擬定用途為止。當有關資產按其既定用途使用，成本會轉撥至物業、廠房及設備，並根據上述政策予以折舊。

### 2.8 租賃土地及土地使用權

中國的所有土地均為國有或集體擁有，個人並無獨立的土地所有權。本集團取得使用若干土地的權利。就該權利支付的價款及有關該土地的裝修視作預付經營租賃並以「租賃土地及土地使用權」列賬，按租期以直線法攤銷。租賃土地及土地使用權按歷史成本減去累計攤銷及減值虧損列賬。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.9 Investment property

The property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the entities in the Group, is classified as “Investment property”.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at depreciated cost less accumulated impairment.

Depreciation of investment properties is calculated using the straight-line method to allocate cost to their residual value over their estimated useful lives of 20 years.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated statement of profit or loss during the financial period in which they are incurred.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its carrying amount at the date of reclassification becomes its cost for accounting purposes.

If an item of property, plant and equipment becomes an investment property because its use has changed, the transfer does not change the carrying amount of the property transferred, nor does it change the cost of that property for measurement or disclosure purposes.

## 2. 重要會計政策摘要(續)

### 2.9 投資物業

持作長期租金收益或資本增值或此兩種用途，而並非由本集團的各實體佔用的物業分類為「投資物業」。

投資物業按成本(包括相關交易成本)初始計量。初始確認後，投資物業按已折舊成本減累計減值列賬。

投資物業的折舊乃採用其估計可使用年期(20年)將成本按直線法分攤至其剩餘價值計算。

其後開支僅於當與該項目有關的未來經濟利益很有可能會流入本集團，而項目的成本能夠可靠地計量，方會在資產的賬面值扣除。所有其他維修及保養成本於產生的財務期間於合併損益表中列支。

倘投資物業成為業主自用，則重分類為物業、廠房及設備，而就會計目的而言，於重分類當日的賬面值為其成本。

倘物業、廠房及設備的某個項目因其用途改變而成為投資物業，則該轉撥並無改變所轉撥物業的賬面值，亦無改變該物業的成本作計量或披露用途。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.10 Intangible assets

#### (a) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The cash-generating units or groups of cash-generating units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

#### (b) Computer software

Computer software costs recognised as assets are amortised using the straight-line method over their estimated useful lives of 3-5 years.

## 2. 重要會計政策摘要(續)

### 2.10 無形資產

#### (a) 商譽

收購附屬公司的商譽列入無形資產。商譽不予攤銷，惟每年進行減值測試，或當有事件出現或情況變動顯示其可能出現減值時，進行更頻密減值測試，並按成本減去累計減值損失列示。出售實體的收益及虧損包括與出售實體有關的商譽賬面值。

商譽會被分配至現金產生單位以進行減值測試。有關分配乃對預期將從商譽產生的業務合併中獲益的現金產生單位或現金產生單位組別作出。現金產生單位或現金產生單位組別乃就內部管理目的而於監察商譽的最低層次(即營運分部)識別。

#### (b) 計算機軟件

計算機軟件成本確認為資產，以3至5年估計使用年期使用直線法作出攤銷。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.10 Intangible assets (continued)

#### (c) Unpatented and patented technology

Acquired unpatented and patented technology costs recognised as assets are amortised using the straight-line method over their estimated useful life of 8 years.

### 2.11 Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill – are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

## 2. 重要會計政策摘要(續)

### 2.10 無形資產(續)

#### (c) 非專利及專利技術

已收購非專利及專利技術成本確認為資產，以8年估計使用年期使用直線法作出攤銷。

### 2.11 非金融資產減值

沒有確定可使用年期的資產(例如商譽)毋須攤銷，惟會每年進行減值測試，或當有事件出現或情況變動顯示其可能出現減值時，或會進行更頻密的減值測試。無論在任何情況下當有事件或變動顯示賬面值可能無法收回時，則須進行攤銷的資產作減值檢討。減值虧損乃按資產賬面值高出其可收回金額的金額確認。可收回金額為資產公允價值減出售成本及使用價值兩者的較高者。就評估減值而言，資產乃按可獨立識別現金流量(現金產生單位)的最低層次組合。出現減值的非金融資產(商譽除外)會於每個報告日期作出可能撥回減值的檢討。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets

#### (i) Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (“**OCI**”) or through profit or loss), and
- those to be measured at amortised cost. The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (“**FVOCI**”).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產

#### (i) 分類

由2018年1月1日起，本集團將其金融資產分為以下類別：

- 隨後按公允價值計量者（不論是計入其他綜合收益（「其他綜合收益」）或是計入損益表），及
- 按攤銷成本計量者。分類視乎實體管理金融資產的業務模式以及現金流量的合約條款而定。

就按公允價值計量的資產而言，收益及虧損將計入損益或其他綜合收益。非持作買賣的權益工具之投資，將視乎本集團是否有在首次確認時作出不可撤銷的選擇，以按公允價值計量且其變動計入其他綜合收益（「按公允價值計量且其變動計入其他綜合收益」）列賬權益投資。

當且僅當管理該等資產的業務模式改變時，本集團方會對債務投資進行重分類。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“**FVPL**”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (ii) 確認及終止確認

金融資產之一般買賣於交易日(即本集團承諾購買或出售資產當日)確認。金融資產乃從收取現金流量的權利屆滿或轉讓，而本集團實質上轉移所有權的一切風險及回報時，金融資產即終止確認。

#### (iii) 計量

於初始確認時，本集團按其公允價值加上(倘金融資產並非按公允價值計量且其變動計入損益表(「按公允價值計量且其變動計入損益表」)收購金融資產直接應佔的交易成本計量金融資產。以按公允價值計量且其變動計入損益表列賬的金融資產的交易成本於損益中支銷。

附帶嵌入式衍生工具的金融資產於釐定其現金流量是否僅支付本金及利息時會以整體作考慮。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (iii) Measurement (continued)

##### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income or other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'Other gains – net' together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (iii) 計量(續)

##### 債務工具

債務工具的后續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：倘為收取合約現金流量而持有的資產的現金流量僅為本金及利息的償付，及按攤銷成本計量。該等金融資產的利息收入採用實際利率法計入財務收入或其他收入。終止確認產生的任何收益或虧損直接於損益中確認，並與匯兌收益及虧損於「其他收益－淨額」列示。減值虧損於合併損益表內作為單獨項目列示。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (iii) Measurement (continued)

##### Debt instruments (continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other gains – net'. Interest income from these financial assets is included in finance income or other income using the effective interest rate method. Foreign exchange gains and losses are presented in 'Other gains – net' and impairment expenses are presented as separate line item in the consolidated statement of profit or loss.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (iii) 計量(續)

##### 債務工具(續)

- 按公允價值計量且其變動計入其他綜合收益：倘持有資產為收取合約現金流量及出售金融資產而其現金流量僅為本金及利息的償付，則按公允價值計量且其變動計入其他綜合收益計量。賬面值變動乃透過其他綜合收益確認，惟確認減值收益或虧損、利息收入及匯兌收益及虧損是於損益中確認。終止確認金融資產時，先前於其他綜合收益確認的累計收益或虧損將自權益重分類至損益並於「其他收益－淨額」中確認。來自該等金融資產的利息收入採用實際利率法計入財務收入或其他收入。匯兌收益及虧損於「其他收益－淨額」呈列，而減值開支於合併損益表內作為單獨項目列示。



# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (iii) Measurement (continued)

##### Debt instruments (continued)

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within 'Other gains – net' in the period in which it arises.

##### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in 'Other gains – net' in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (iii) 計量(續)

##### 債務工具(續)

- 按公允價值計量且其變動計入損益表：不符合攤銷成本或按公允價值計量且其變動計入其他綜合收益標準的資產按公允價值計量且其變動計入損益表計量。其後按公允價值計量且其變動計入損益表的債務投資產生的收益或虧損於損益內確認並於其產生期間的「其他收益－淨額」以淨值列示。

##### 權益工具

本集團其後按公允價值計量所有權益投資。倘本集團管理層已選擇於其他綜合收益呈列權益投資的公允價值收益及虧損，則於終止確認此類投資後，公允價值收益及虧損隨後不再重分類至損益表。當本集團收取付款的權利確立時，此類投資的股息繼續於損益中確認為其他收入。

按公允價值計量且其變動計入損益表之金融資產的公允價值變動於損益表(如適用)「其他收益－淨額」中確認。按公允價值計量且其變動計入其他綜合收益的權益投資的減值虧損(及減值虧損撥回)不會與公允價值的其他變動分開呈報。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (iv) Impairment

From 1 January 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, Note 19 for further details.

#### (v) Accounting policies applied until 31 December 2017

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Until 31 December 2017, the Group classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss,
- loans and receivables, and
- available-for-sale financial assets.

The classification determined on the purpose for which the investments were acquired. Management determined the classification of its investments at initial recognition.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (iv) 減值

自2018年1月1日起，本集團按前瞻性基準評估與其以攤銷成本及按公允價值計量且其變動計入其他綜合收益的債務工具相關的預期信貸損失。所應用的減值方法取決於信貸風險是否顯著增加。

就應收貿易賬款而言，本集團採用香港財務報告準則第9號所允許的簡化方法，該方法規定預期整個存續期虧損將自初始確認為應收款項起確認，進一步詳情見附註19。

#### (v) 直至2017年12月31日應用的會計政策

本集團已追溯應用香港財務報告準則第9號，但選擇不重列比較資料。因此，提供的比較資料仍然根據本集團先前的會計政策作會計處理。

直至2017年12月31日，本集團將其金融資產分為以下類別：

- 按公允價值計量且其變動計入損益表之金融資產，
- 貸款及應收賬款，及
- 可供出售金融資產。

分類視乎所收購的投資的目的而定。管理層會於初始確認時決定其投資分類。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (v) Accounting policies applied until 31 December 2017 (continued)

##### (a) Reclassification

The Group could choose to reclassify a non-derivative trading financial asset out of the held for trading category if the financial asset was no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables were permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that was unusual and highly unlikely to recur in the near term. In addition, the Group could choose to reclassify financial assets that would meet the definition of loans and receivables out of the held for trading or available-for-sale categories if the Group had the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (v) 直至2017年12月31日應用的會計政策(續)

##### (a) 重分類

倘非衍生買賣金融資產不再持作近期出售，則本集團可選擇將有關金融資產自持作買賣類別中重分類出來。貸款及應收賬款以外的金融資產僅可於出現非尋常且非常不可能於近期內重覆出現的單一事件造成的罕見情況下，方可自持作買賣類別中重分類出來。此外，倘本集團有意及有能力於可見未來或直至重分類日期屆滿時持有該等金融資產，則本集團可選擇將符合貸款及應收賬款定義的金融資產自持作買賣或可供出售類別中重分類出來。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (v) Accounting policies applied until 31 December 2017 (continued)

##### (a) Reclassification (continued)

Reclassifications were made at fair value as of the reclassification date. Fair value became the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date were subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories were determined at the reclassification date. Further increases in estimates of cash flows adjusted effective interest rates prospectively.

##### (b) Subsequent measurement

The measurement at initial recognition did not change an adoption of HKFRS 9, see description above.

Subsequent to the initial recognition, loans and receivables were subsequently carried at amortised cost using the effective interest method.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (v) 直至2017年12月31日應用的會計政策(續)

##### (a) 重分類(續)

重分類乃按重分類日期的公允價值作出。公允價值成為新成本或攤銷成本(如適用)，且於重分類日期前錄得的公允價值收益或虧損不會於其後撥回。重分類至貸款及應收賬款以及持至到期類別的金融資產的實際利率在重分類日期釐定。估計現金流量的進一步增加會導致須對實際利率作出前瞻性調整。

##### (b) 隨後計量

初始確認的計量在採納香港財務報告準則第9號未有改變，見上述描述。

隨初始確認後，貸款及應收賬款隨後以實際利率法按攤銷成本入賬。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (v) Accounting policies applied until 31 December 2017 (continued)

##### (b) Subsequent measurement (continued)

Available-for-sale financial assets and financial assets at FVPL were subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:

- for 'financial assets at FVPL' – in profit or loss within 'Other gains – net'.
- for available-for-sale financial assets that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortised cost of the security were recognised in profit or loss and other changes in the carrying amount were recognised in other comprehensive income.
- for other monetary and non-monetary securities classified as available-for-sale – in other comprehensive income.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (v) 直至2017年12月31日應用的會計政策(續)

##### (b) 隨後計量(續)

可供出售金融資產及按公允價值計量且其變動計入損益表之金融資產隨後按公允價值列賬。公允價值變動產生的收益或虧損確認如下：

- 就「按公允價值計量且其變動計入損益表之金融資產」而言－於損益作為「其他收益－淨額」。
- 就以外幣計值之貨幣證券之可供出售金融資產而言－有關攤銷成本變動之匯兌差額會在損益內確認，而其他賬面值之轉變則在其他綜合收益中確認。
- 就其他分類為可供出售的貨幣及非貨幣證券而言－在其他綜合收益。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (v) Accounting policies applied until 31 December 2017 (continued)

##### (b) Subsequent measurement (continued)

Details on how the fair value of financial instruments is determined are disclosed in Note 3.3.

When securities classified as available-for-sale were sold, the accumulated fair value adjustments recognised in other comprehensive income were reclassified to profit or loss as “Other gains – net”.

##### (c) Impairment

The Group assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses were incurred only if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost was considered an indicator that the assets are impaired.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (v) 直至2017年12月31日應用的會計政策(續)

##### (b) 隨後計量(續)

釐定金融工具公允價值之詳情披露於附註3.3。

當已分類為可供出售證券售出，則於其他綜合收益確認的累計公允價值調整重分類至損益中的「其他收益－淨額」。

##### (c) 減值

本集團在每個報告期末評估是否有客觀證據證明某項金融資產或某組金融資產經已減值。惟若有客觀證據證明於首次確認資產後發生一宗或多宗事件導致減值情況出現(「虧損事件」)，而該宗或該等虧損事件對該項或該組金融資產之估計未來現金流構成可靠估計的影響，有關金融資產或一組金融資產才算出現減值及產生減值虧損。倘股權投資被分類為可供出售，證券的公允價值出現重大或長期地低於其成本亦為一種表明其發生減值的指標。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (v) Accounting policies applied until 31 December 2017 (continued)

##### (c) Impairment (continued)

Assets carried at amortised cost

For loans and receivables, the amount of the loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that had not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognised in profit or loss. If a loan or held-to-maturity investment had a variable interest rate, the discount rate for measuring any impairment loss was the current effective interest rate determined under the contract. As a practical expedient, the Group could measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreased and the decrease could be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss was recognised in profit or loss.

Impairment testing of trade receivables is described in Note 3.1(b).

## 2. 重要會計政策摘要 (續)

### 2.12 金融資產 (續)

#### (v) 直至2017年12月31日應用的會計政策 (續)

##### (c) 減值 (續)

按攤銷成本列賬之資產

就貸款及應收賬款類別而言，虧損金額乃按資產賬面值與按金融資產原實際利率貼現之估計未來現金流現值(不包括尚未產生之未來信貸損失)間的差額計量。資產賬面值會予以削減，而虧損金額會於損益中確認。倘貸款或持有至到期日之投資按浮動利率計息，則計量任何減值損失之貼現率乃根據合約釐定之現行實際利率。在實際運作上，本集團於計量減值時可能基於可觀察之市場價格來釐定工具的公允價值。

若在隨後期間，減值損失的金額減少，而該減少是可客觀地與確認減值後發生的事件有關連(例如債務人信貸評級改善)，則以往確認的減值損失的撥回會於損益中確認。

應收貿易賬款之減值測試描述見附註3.1(b)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 Financial assets (continued)

#### (v) Accounting policies applied until 31 December 2017 (continued)

##### (c) Impairment (continued)

Assets classified as available-for-sale

If there was objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – was removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss were not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increased in a subsequent period and the increase could be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss was reversed through profit or loss.

## 2. 重要會計政策摘要(續)

### 2.12 金融資產(續)

#### (v) 直至2017年12月31日應用的會計政策(續)

##### (c) 金融資產減值(續)

分類為可供出售資產

若可供出售金融資產存在減值之客觀證據，累計虧損按收購成本與當時公允價值的差額，減該金融資產之前在損益中確認的任何減值損失計算，自權益中移除並在損益中確認。

在損益中確認的權益工具減值損失在隨後期間不會透過損益撥回。

倘分類為可供出售的債務工具的公允價值於隨後期間增加而該增加可客觀地與確認減值損失後發生的事件有關連，則該減值損失透過損益撥回。



# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.13 Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative instrument contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative instrument is designed as a hedging instrument, and if so, the nature of item being hedged.

For derivative financial instruments do not qualify for hedge accounting, changes in fair value are recognised immediately in the consolidated statement of profit or loss as a separate item.

### 2.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

### 2.15 Inventories

Inventories are stated at the lower of cost and the net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

## 2. 重要會計政策摘要(續)

### 2.13 衍生金融工具及對沖活動

衍生工具於訂立衍生工具合約當日按公允價值初始確認，並按其後公允價值重新計量。確認所得盈虧的方法，取決於衍生工具是否界定為對沖工具，如是，則取決於被對沖項目的性質。

就不符合資格進行對沖會計處理的衍生金融工具而言，公允價值的變動即時於合併損益表內確認為單獨項目。

### 2.14 抵銷金融工具

當有法定可執行權利可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在資產負債表報告其淨額。法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對方一旦出現違約、無償債能力或破產時，這也必須具有約束力。

### 2.15 存貨

存貨按成本及可變現淨值兩者的較低者入賬。成本乃按加權平均法釐定。製成品及在製品的成本包括原材料、直接人工、其他直接成本及相關生產間接開支(依據正常營運能力)，不包括借款成本。可變現淨值為日常業務過程中的估計售價，減去適用的可變銷售支出。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.16 Properties under development and held for sale

Properties under development and held for sale are stated at the lower of cost and net realisable value. Development cost of properties comprises cost of land use rights, construction costs and borrowing costs incurred during the construction period. Upon completion, the properties are transferred to completed properties held for sale.

Net realisable value takes into account the price ultimately expected to be realised, less applicable variable selling expenses and the anticipated costs to completion.

Properties under development and held for sale are classified as current assets unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle.

### 2.17 Trade, notes and other receivables

Trade and notes receivables are amounts due from customers for merchandise sold in the ordinary course of business. If collection of trade, notes and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade, notes and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. On 1 January 2018 (the date of initial application of HKFRS 9), notes receivables were reclassified from receivables to financial assets at fair value through other comprehensive income. See Note 2.12(ii) (iii) for further information about the Group's accounting for trade, notes and other receivables and Note 2.12(iv) for a description of the Group's impairment policies.

## 2. 重要會計政策摘要(續)

### 2.16 發展中及持作出售物業

發展中及持作出售物業以成本及可變現淨值兩者的較低者入賬。物業發展成本包括土地使用權費用、建築成本及在建築期間產生的借款成本。竣工後，物業轉為已完成的持作出售物業。

可變現淨值考慮最終預計可變現價格，減去適用可變動銷售支出及預期竣工成本。

發展中及持作出售物業分類為流動資產，惟相關物業發展項目的建築工期預計超出正常經營周期者除外。

### 2.17 應收貿易賬款、票據及其他應收賬款

應收貿易賬款及票據為在日常業務過程中就已銷售商品之應收客戶的款項。倘應收貿易賬款、票據及其他應收賬款預期可於一年或之內收款(或時間更長，則在業務的正常營運週期)，則分類為流動資產。如未能於一年或之內收款，則分類為非流動資產。

應收貿易賬款、票據及其他應收賬款初始按公允價值確認，而其後則採用實際利率法按已攤銷成本減去減值撥備計量。於2018年1月1日(首次應用香港財務報告準則第9號之日期)，應收票據由應收賬款重分類至按公允價值計量且其變動計入其他綜合收益之金融資產。有關本集團應收貿易賬款、票據及其他應收賬款列賬之進一步資料請參閱附註2.12(ii)(iii)及有關本集團之減值政策之說明請參閱附註2.12(iv)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.18 Cash and cash equivalents

In the consolidated statement of cash flow, cash and cash equivalents includes cash in hand, deposits held at call with banks with original maturities if three months or less.

### 2.19 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.20 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## 2. 重要會計政策摘要(續)

### 2.18 現金及現金等價物

合併現金流量表中，現金及現金等價物包括現金、銀行活期存款(三個月或更短內到期)。

### 2.19 股本

普通股分類為權益。與發行新股或購股權直接相關的新增成本於權益中列為所得款項的減少(扣除稅項)。

### 2.20 應付貿易賬款及其他應付賬款

應付貿易賬款為在日常業務過程中就自供應商採購商品或服務的付款責任。倘應付貿易賬款及其他應付賬款預期於一年或之內到期支付(或時間更長，則在業務的正常營運週期)，則分類為流動負債。如並非於一年或之內到期，則分類為非流動負債。

應付貿易賬款及其他應付賬款初始按公允價值確認，而其後則採用實際利率法按已攤銷成本計量。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.21 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 2.22 Borrowing costs

General and specific 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.

## 2. 重要會計政策摘要(續)

### 2.21 借款

借款初始按公允價值(扣除已產生的交易成本)確認。借款其後按已攤銷成本列賬；所得款項(扣除交易成本)與贖回價值之間的任何差額於借款期使用實際利率法於合併損益表中確認。

借款於合約列明的責任獲解除、註銷或屆滿時自資產負債表中剔除。已失效或轉移至另一方之財務負債之賬面值與已付代價之差額(包括已轉讓的任何非現金資產或已承擔負債)於損益內確認為其他收入或財務成本。

除非本集團有無條件的權利延遲償還負債直至報告期末後最少12個月，否則借款分類為流動負債。

### 2.22 借款成本

任何直接用於收購、建設或生產需較長時間方可用於其擬定用途或出售的合資格資產的一般及特定借款成本，乃加入該等資產的成本當中，直至資產已大致可作其擬定用途或銷售時為止。

所有其他借款成本則於其產生時之期間於損益中確認。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.22 Borrowing costs (continued)

Borrowing costs include interest expense, finance charges in respect of finance lease and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. The exchange gains and losses that are an adjustment to interest costs include the interest rate differential between borrowing costs that would be incurred if the entity had borrowed funds in its functional currency, and the borrowing costs actually incurred on foreign currency borrowings. Such amounts are estimated based on interest rates on similar borrowings in the entity's functional currency/forward currency rates at the inception of the borrowings.

When the construction of the qualifying assets takes more than one accounting period, the amount of foreign exchange differences eligible for capitalisation is determined on a cumulative basis based on the cumulative amounts of interest expenses that would have been incurred had the entity borrowed in its functional currency. The total amount of foreign exchange differences capitalised cannot exceed the amount of total net foreign exchange differences incurred on a cumulative basis at the end of the reporting period.

## 2. 重要會計政策摘要(續)

### 2.22 借款成本(續)

借款成本包括利息開支、有關融資租賃之融資費用及外幣借貸產生且被視為屬於利息成本調整範圍內之匯兌差異。匯兌收益及虧損為利息成本之調整，包括倘實體按其功能貨幣借入資金將產生借款成本之利率差異，及外幣借款實際產生之借款成本。該款項按實體的功能貨幣／借款成立時的遠期匯率基於類似借款之利率估計。

當建立合資格資產需花費一個以上會計期間，合資格資本化的匯兌差異金額基於利息開支的累計金額(該實體以其功能貨幣借款所產生)按累計方式釐定。匯兌差異資本化總額不得超過報告期末按累計基準產生的匯兌差異淨值總額。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.23 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## 2. 重要會計政策摘要(續)

### 2.23 當期及遞延所得稅

期內稅項開支指當期及遞延稅項。稅項於合併損益表確認，惟倘與該等在其他綜合收益確認或直接在權益確認的項目有關者除外。在該情況下，稅項亦會分別於其他綜合收益確認或直接於權益確認。

#### (a) 當期所得稅

當期所得稅費用按本公司及其附屬公司及聯營公司從事業務經營並產生應課稅收入的所在國家在結算日已頒佈或實質上已頒佈的稅務法律計算。在適用的稅務法規有待解釋的情況下，管理層會定期評估申報的稅務狀況，必要時按預期向稅務機關繳納的稅額計提撥備。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.23 Current and deferred income tax (continued)

#### (b) Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

## 2. 重要會計政策摘要(續)

### 2.23 當期及遞延所得稅(續)

#### (b) 遞延所得稅

遞延所得稅採用負債法按資產和負債的稅基與其在合併財務報表的賬面值兩者產生的暫時性差異確認。然而，倘遞延所得稅負債於首次確認商譽產生時並無確認，遞延所得稅來自在交易(不包括業務合併)中對資產或負債的初始確認，而在交易時不影響會計或應課稅盈虧，則不作記賬。遞延所得稅採用在結算日前生效或實質生效，並在有關遞延所得稅資產變現或遞延所得稅負債結算時預期將會適用的稅率(及法律)而釐定。

有關按公允價值計量的投資物業的遞延稅項負債乃假設該物業將透過出售完全收回釐定。

遞延所得稅資產僅就有可能在未來應課稅溢利而就此可動用暫時性差異相抵而確認。

倘本公司能控制撥回暫時性差異的時間及該等差異很可能不會於可見將來撥回，則不會就外國業務投資賬面值與稅基之間的暫時性差異確認遞延稅項負債及資產。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.23 Current and deferred income tax (continued)

#### (b) Deferred income tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### (c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## 2. 重要會計政策摘要(續)

### 2.23 當期及遞延所得稅(續)

#### (b) 遞延所得稅(續)

當有法定可執行權利將當期稅項資產與負債抵銷，及倘遞延稅項結餘與同一稅務機構相關，則可將遞延稅項資產與負債抵銷。倘實體有法定可執行抵銷權利且有意按淨值基準清償或同時變現資產及清償負債時，則當期稅項資產與稅項負債抵銷。

當期及遞延稅項於損益中確認，惟有關於其他綜合收益或直接於權益確認的項目除外。在此情況下，稅項亦分別於其他綜合收益或直接於權益中確認。

#### (c) 抵銷

當有法定可執行權利將當期稅項資產與當期稅務負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅實體或不同應課稅實體但有意以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。



# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.24 Employee benefits

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the “**MPF Scheme**”). Under the MPF Scheme, the Group and its Hong Kong employees make monthly contributions to the MPF Scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation, subject to a cap per person per month and any excess contributions are voluntary (if any).

In accordance with the rules and regulations in the PRC, the Group has arranged for its PRC employees to join the defined contribution retirement benefit plans organised by PRC government. The PRC government undertakes to assume the retirement benefit obligations of all existing and future retired employees payable under the plan as set out in Note 36. The assets of this plan are held separately from those of the Group in an independent fund managed by the PRC government.

The Group's contributions to the defined contribution retirement benefit plan are charged to the consolidated statement of profit or loss as incurred. The Group has no further payment obligations once the contributions have been paid.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

## 2. 重要會計政策摘要 (續)

### 2.24 僱員福利

本集團已為其香港僱員安排參與強制性公積金計劃(「**強積金計劃**」)。根據強積金計劃，本集團及其香港僱員須各自根據強制性公積金條例按僱員收入5%每月向強積金計劃供款，按每人每月的供款上限及自願作出額外供款(如有)。

根據中國的規定及條例，本集團已安排於中國的僱員參與中國政府組織的定額供款統籌退休金計劃。中國政府承諾負擔按附註36所述的計劃向所有現時及未來退休的僱員支付退休金的責任。本計劃的資產撥入獨立於本集團，並由中國政府管理的獨立基金。

本集團向定額供款統籌退休金計劃繳交的供款於產生時在合併損益表列賬。本集團於供款付清後再無其他付款責任。

僱員享有之年假於彼等享有年假時確認。因僱員提供服務至結算日而須給予之估計年假均須計提撥備。

僱員享有之病假及產假須待正式休假時予以確認。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.25 Share-based payments

#### (a) Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

## 2. 重要會計政策摘要(續)

### 2.25 購股權支出

#### (a) 以股權結算之購股權支出交易

本集團設有一項以股權結算、股份支付的薪酬計劃，據此實體以本集團的權益工具(購股權)作為代價取得僱員的服務。就僱員提供服務而授予的購股權的公允價值確認為支出。將列作支出的總金額乃參考所授購股權的公允價值釐定：

- 包括任何市場表現狀況(例如，實體的股份價格)；
- 不包括任何服務及非市場表現可行權條件(例如，盈利能力、銷售增長目標和該實體僱員在指定時期留任)之影響；及
- 包括任何非可行權條件(例如，僱員留任之要求)之影響。

在假定預期將授予的購股權數目時，非市場性表現及服務條件亦加入一併考慮。支出的開支總額於可行權期間內確認，該期間為所有特定可行權條件將獲達成的期間。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.25 Share-based payments (continued)

#### (a) Equity-settled share-based payment transactions (continued)

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value).

#### (b) Share-based payment transactions among group entities

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

## 2. 重要會計政策摘要(續)

### 2.25 購股權支出(續)

#### (a) 以股權結算之購股權支出交易(續)

此外，在某些情況下，僱員可能在授出日期之前提供服務，因此授出日期的公允價值會予以估計，以確認服務開始期至授出日期之期間內的開支。

於各個報告期末，實體根據非市場性質的可行權條件調整對預期將授予的購股權數目所作出的估計，如有對原來估計產生影響，在合併損益表中對權益作出相應調整。

在購股權行使時，本公司發行新股。收取的所得款扣除任何直接歸屬交易成本撥入股本(面值)。

#### (b) 集團實體間購股權支出交易

本公司授出之購股權超過本集團附屬公司業務僱員的權益工具，作為注資處理。已收取僱員服務的公允價值乃參考授出當日公允價值計量，於歸屬期確認為於附屬公司業務投資的增加，並計入相關母實體賬目之權益內。

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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.26 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### 2.27 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

## 2. 重要會計政策摘要(續)

### 2.26 撥備

環境整修、重建成本及法律索償的撥備乃於：本集團因已發生的事件而承擔現時的法定或推定責任；可能須以資源流出清償該項責任；及責任的金額能可靠估計時須予以確認。概不就未來經營虧損確認撥備。

如有多項類似責任，則履行該等責任時將需要流出資源的可能性乃在整體考慮有關責任的類別後予以釐定。即使有關同一類別責任內任何一項責任出現流出的可能性很低，惟仍須確認撥備。

撥備採用稅前率以預期清償該項責任的所需開支的現值計量，並反映市場目前對金錢的時間價值及責任特定的風險的評估。撥備因時間流逝的增加乃確認為利息費用。

### 2.27 政府補貼

當本集團可合理確保將會收到補貼，且本集團將符合所有附帶條件時，政府補貼可按公允價值予以確認。

有關成本的政府補貼遞延入賬，並按擬補償的成本配合所需期間於合併損益表中確認。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.27 Government grants (continued)

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated statement of profit or loss on a straight-line basis over the expected lives of the related assets.

### 2.28 Revenue recognition

#### Accounting policies applied from 1 January 2018

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied or service performed, stated net of value added taxes, returns, rebates and discounts and after eliminating sales with the Group. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

## 2. 重要會計政策摘要(續)

### 2.27 政府補貼(續)

有關物業、廠房及設備的政府補貼按遞延政府補貼列入非流動負債，並按有關資產的預期可使用年期以直線法計入合併損益表。

### 2.28 收入確認

#### 自2018年1月1日起採納的會計政策

收入乃按已收或應收代價之公允價值計量，並代表有關所供應貨物或所提供服務之應收賬款，在扣除增值稅、退貨、回扣和折扣，以及對銷本集團內銷售額後列示。於如下文所述當收入之金額能可靠計量時；當未來經濟利益可能流入該實體時；及當已符合本集團各項活動的特定條款時，本集團確認收入。本集團基於過往業績並計及客戶類型、交易類型及各安排的特性的考慮，作出回報估計。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.28 Revenue recognition (continued)

#### (a) Sales of goods

Revenue from the sale of goods directly to the customers is recognised at the point that the control of the inventory have passed to the customers, which is primarily upon the acceptance of the products by the customers. The customers have full discretion over the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. The Group collects cash or bank acceptance notes from the customers before or upon deliveries of products. Cash or bank acceptance notes collected from the customers before product delivery is recognised as contract liabilities.

#### (b) Sales of properties

The Group develops and sells properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment depends on the specific terms and conditions of the contract. For the contract with an enforceable right to payment, revenue is recognised over period, otherwise, revenue is recognised at a point.

## 2. 重要會計政策摘要(續)

### 2.28 收入確認(續)

#### (a) 貨物的銷售

向客戶直接銷售貨物產生的收入於存貨之控制權已轉移至客戶時(即主要於客戶接納產品時)確認。客戶對產品有全權酌情決定權，且概無可影響客戶接納產品的未履責責任。本集團於交付產品前或交付產品時自客戶收取現金或銀行承兌匯票。於產品交付前自客戶收取的現金或銀行承兌匯票確認為合約負債。

#### (b) 物業的銷售

本集團發展及銷售物業。當物業之控制權已轉移至客戶時確認收入。由於合約限制，對本集團而言，物業一般並無替代用途。然而，強制付款的權利視乎合約的特定條款及條件而定。就具有強制付款的權利的合約而言，收入於期內確認，否則，收入於某一時間點確認。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.28 Revenue recognition (continued)

#### (c) Sales of services

The Group sells logistics transportation and customs declaration services. For sales of services, revenue is recognised when the related services are provided.

#### Accounting policies applied until 31 December 2017

#### (a) Sales of goods

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

## 2. 重要會計政策摘要(續)

### 2.28 收入確認(續)

#### (c) 服務的銷售

本集團銷售物流運輸及報關服務。有關服務的銷售，收入於相關服務提供時確認。

#### 直至2017年12月31日應用的會計政策

#### (a) 貨品的銷售

收入包括在本集團的日常業務過程中銷售貨品的已收或應收代價的公允價值。收入在扣除增值稅、退貨、回扣和折扣，以及對銷本集團內銷售額後列示。

就以下所述的本集團各項活動而言，在收入金額能可靠計量，而未來經濟利益將有可能流入實體以及符合特殊標準時，本集團將會確認收入。在所有與銷售有關的或然事件獲解決前，收入金額概不會被視作可予可靠計量。本集團基於過往業績的並計及客戶類別、交易類型以及各項安排的細節情況的考慮。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.28 Revenue recognition (continued)

#### (b) Sales of properties

Revenue from sales of properties is recognised when the risks and rewards of the properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers pursuant to the sales agreement and collectability of related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the consolidated balance sheet under current liabilities.

#### (c) Sales of services

The Group sells logistics transportation and customs declaration services. For sales of services, revenue is recognised when the related services are provided.

## 2. 重要會計政策摘要(續)

### 2.28 收入確認(續)

#### (b) 物業的銷售

出售物業的收入於物業的風險及回報已轉移至買方，即有關物業竣工後並根據銷售協議將物業交付買家，且能合理確保收取有關應收款時，方予確認。收入確認日之前已售物業收取之按金及分期付款將列賬於合併資產負債表流動負債項下。

#### (c) 服務的銷售

本集團銷售物流運輸及報關服務。有關服務的銷售，收入於相關服務提供時確認。



# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.29 Interest income

Interest income from financial assets at fair value through profit or loss is included in the 'Other gains – net' on these assets, see Note 33 below. Interest income on financial assets at amortised cost and financial assets at FVOCI (2017 – available-for-sale securities and loans and receivables) calculated using the effective interest method is recognised in the consolidated statement of profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 37 below. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### 2.30 Dividend income

Dividends are received from financial assets measured at FVPL and FVOCI (2017 – from financial assets at FVPL and available-for-sale financial assets). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

## 2. 重要會計政策摘要 (續)

### 2.29 利息收入

按公允價值計量且其變動計入損益表之金融資產之利息收入計入該等資產的「其他收益－淨額」，見下文附註33。使用實際利率法計算的按攤銷成本計量之金融資產及按公允價值計量且其變動計入其他綜合收益之金融資產之利息收入(2017年－可供出售證券以及貸款及應收賬款)於合併損益表中確認為其他收入的一部份。

賺取自持作現金管理用途之金融資產的利息收入呈列作財務收入，見下文附註37。任何其他利息收入乃計入其他收入。

利息收入乃對金融資產賬面總值應用實際利率法計算，惟其後出現信貸減值的金融資產除外。就信貸減值金融資產而言，實際利率應用於金融資產賬面淨值(扣除虧損撥備後)。

### 2.30 股息收入

自按公允價值計量且其變動計入損益表之金融資產以及按公允價值計量且其變動計入其他綜合收益的金融資產收取(2017年－自按公允價值計量且其變動計入損益表的金融資產以及可供出售金融資產)收取之股息。在收取股息的權利確立時，股息於損益中確認為其他收入。即使以收購前溢利支付仍適用，除非股息明顯代表對部份投資成本的收回。在這種情況下，倘股息與按公允價值計量且其變動計入其他綜合收益的投資有關，則於其他綜合收益確認。然而，該投資可能因此需要進行減值測試。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.31 Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of profit or loss on a straight-line basis over the period of the lease. If a sale and leaseback transaction results in a finance lease, any excess or deficit of sales proceeds over the carrying amount is deferred and amortised over the lease term.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

## 2. 重要會計政策摘要(續)

### 2.31 租賃

本集團(作為承租人)實質上擁有所有權之全部風險及回報之物業、廠房及設備的租賃歸類為融資租賃。融資租賃按已租賃物業的公允價值或最低租賃付款的現值(以較低者為準)予以資本化。相應之租金責任(扣除融資費用)乃計入其他短期及長期應付賬款中。每期租賃付款分配為負債及融資成本。財務成本在租賃期內計入損益，以使各個期間就負債之餘額達致一個固定週期的利率。如無合理確定，本集團將於租賃期限完結時取得資產擁有權，根據融資租賃所購入之物業、廠房及設備於資產可使用年期或於資產可使用年期及租賃期兩者中之較短者予以折舊。

擁有資產之風險及回報絕大部份由出租人保留之租賃，乃分類為經營租賃。根據經營租賃作出之付款(在扣除自出租人收取之任何獎勵金後)，於租賃期內以直線法在合併損益表扣除。倘一項出售及回租交易導致產生一項融資租賃，則出售所得款項超過賬面值的任何過剩或赤字按租賃期予以遞延及攤銷。

倘本集團為出租人，經營租賃產生的租金收入按直線基準於租賃期間確認為收入。已出租資產按其性質計入資產負債表。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.32 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

### 2.33 Dividends distribution

Dividends distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

### 2.34 Earnings per share

#### (a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company, by weighted average number of ordinary shares outstanding during the financial year.

## 2. 重要會計政策摘要(續)

### 2.32 或然負債

或然負債指因已發生的事件而可能引起的責任，此等責任需就某一宗或多宗本集團不能完全控制會否實現的事件會否發生才能確認。或然負債亦可能是因已發生的事件引致的現有責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地計量而未有入賬。或然負債不會予以確認，但會在合併財務報表附註中披露。假若消耗資源的可能性改變導致可能出現資源消耗，則其將被列作撥備入賬。

### 2.33 股息分派

向本公司股東分派的股息在股息獲本公司股東批准的期間內於本集團的財務報表內確認為負債。

### 2.34 每股收益

#### (a) 每股基本收益

每股基本收益按本公司權益持有者應佔溢利除以該財政年度發行在外的普通股加權平均數計算。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.34 Earnings per share (continued)

#### (b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

### 2.35 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

- the amount determined in accordance with the expected credit loss model under HKFRS 9 “Financial instruments” and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 “Revenue from contracts with customers”.

## 2. 重要會計政策摘要(續)

### 2.34 每股收益(續)

#### (b) 每股稀釋收益

每股稀釋收益調整了用於釐定每股基本收益的數字，當中計及利息所得稅的稅後效應及其他與具攤薄性潛在普通股有關的財務成本，以及假設就具攤薄性潛在普通股作無代價發行的股份的加權平均數。

### 2.35 財務擔保合約

財務擔保合約於出具擔保時確認為金融負債。負債初始按公允價值計量，其後則以下文較高者計量：

- 按香港財務報告準則第9號「金融工具」項下的預期信貸損失模式釐定的金額及
- 初始確認的金額(如適用)減按香港財務報告準則第15號「與客戶的合約產生的收入」所確認的累計收入金額。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.35 Financial guarantee contracts (continued)

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

## 3. FINANCIAL RISK MANAGEMENT

### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

## 2. 重要會計政策摘要(續)

### 2.35 財務擔保合約(續)

財務擔保的公允價值基於債務工具所需合約付款與無擔保情況下須付款項的現金流量差額現值，或假設責任而應付一名第三方的估計金額釐定。

倘有關聯營公司的貸款或其他應付賬款之擔保為無償提供，該等公允價值作為貢獻入賬並確認為投資成本的一部份。

## 3. 財務風險管理

### 3.1 財務風險因素

本集團的活動承受多種財務風險：市場風險(包括公允價值利率風險、現金流量利率風險及外匯風險)、信貸風險及流動資金風險。本集團的整體風險管理計劃專注於財務市場的難預測性，並尋求盡量減低對本集團財務表現的潛在不利影響。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (a) Market risk

##### (i) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant floating interest-bearing assets. The Group's interest rate risk mainly arises from bank borrowings. Borrowings issued at variable rates expose the Group to cash flow interest risk which is partially offset by cash held at variable rates. Loan receivables, other receivables and amounts due from related parties issued at fixed rates exposed the Group to fair value interest rate risk. The maximum exposures to the interest rate risk have been disclosed in Notes 20, 21, 29 and 47 respectively.

The Group has entered into some derivatives to hedge its exposure to interest rate risk for the years ended 31 December 2018 (2017: nil).

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (a) 市場風險

##### (i) 現金流量及公允價值利率風險

由於本集團並無任何重大浮動計息資產，故本集團的收入及經營現金流量基本上不受市場利率變動所影響。本集團的利率風險主要來自銀行借貸。按浮動利率發行的借款令本集團面臨現金流量利率風險，而該風險由按浮動利率持有的現金部份抵銷。按固定利率發行的應收貸款、其他應收賬款及應收關聯方款項令本集團面臨公允價值利率風險。最大利率風險分別於附註20、21、29及47中披露。

截至2018年12月31日止年度，本集團已訂立若干衍生工具以對沖其利率風險(2017年：無)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (a) Market risk (continued)

##### (ii) Foreign exchange risk

The major foreign exchange risk exposure arises from the Group's importing and exporting activities and the Group's borrowings, which are mostly denominated in United States Dollars (the "US\$"). The Group also has certain bank deposits, financial assets and financial liabilities that are denominated in foreign currencies, mainly US\$, HK\$ and AU\$, which are exposed to foreign currency translation risk. The foreign exchange risk is reduced where the Group is in a position of receiving and paying the same currency. The Group also used foreign currency forward contract to hedge its exposure to foreign exchange risk for the year ended 31 December 2018. The maximum exposures to the foreign exchange risks are disclosed in Notes 19, 23, 27, 29 and 47 respectively.

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (a) 市場風險(續)

##### (ii) 外匯風險

外匯風險主要來自本集團進口及出口業務及本集團的借款，其中大部份均以美元(「美元」)計值。本集團亦有若干以外幣計值的銀行存款、金融資產及金融負債，主要計值貨幣是美元、港元及澳元，其面臨外幣匯兌風險。外匯風險降低因本集團收取及支付相同貨幣。截至2018年12月31日止年度，本集團亦使用外幣遠期合約對沖其外匯風險。最高外匯風險的金額分別於附註19、23、27、29及47中披露。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (a) Market risk (continued)

##### (iii) Summarised sensitivity analysis

The following table summarised the impact of increases/decreases of cash flow interest rate and foreign exchange rate on the Group's consolidated financial statements.

The sensitivity analysis for the cash flow interest rate risk and foreign exchange risk is based on the assumption that:

- (a) Interest rate had been 15% lower/higher from the year end rates with all other variables held constant (for example, 11.5% or 8.5% instead of 10%);
- (b) RMB had weakened/strengthened by 10% against US\$ and HK\$ (pegged with US\$) with all other variables held constant.

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (a) 市場風險(續)

##### (iii) 敏感度分析摘要

下表概述現金流量利率及外匯上升/下跌對本集團合併財務報表的影響。

現金流量利率風險及外匯風險的敏感度分析是基於以下假設：

- (a) 利率較年末下降/上升15%，而所有其他變量均保持不變(如：11.5%或8.5%，而非10%)；
- (b) 人民幣兌美元及港元(與美元掛鈎)貶值/升值10%，而所有其他變量均保持不變。



# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (a) Market risk (continued)

##### (iii) Summarised sensitivity analysis (continued)

31 December 2018 2018年12月31日

#### Financial assets at floating interest rates 按浮動利率計息的金融資產

Cash and cash equivalents 現金及現金等價物  
Restricted bank balances 受限制銀行結餘  
Structured bank deposits 結構性銀行存款

#### Financial liabilities at floating interest rates 按浮動利率計息的金融負債

Bank and other borrowings 銀行及其他借款

Total (decrease)/increase 合計(減少)/增加

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (a) 市場風險(續)

##### (iii) 敏感度分析摘要(續)

#### Cash flow interest rate risk 現金流量利率風險

Carrying amount 賬面值	-15%		+15%	
	Profit 溢利	Equity 權益	Profit 溢利	Equity 權益
2,845,229	(3,132)	(3,132)	3,132	3,132
527,542	(581)	(581)	581	581
1,037,900	(512)	(512)	512	512
(1,280,500)	2,802	2,802	(2,802)	(2,802)
	(1,423)	(1,423)	1,423	1,423

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (a) Market risk (continued)

##### (iii) Summarised sensitivity analysis (continued)

		Foreign exchange risk 外匯風險			
		-10%		+10%	
	Carrying amount 賬面值	Profit 溢利	Equity 權益	Profit 溢利	Equity 權益
<b>31 December 2018</b>	<b>2018年12月31日</b>				
<b>Monetary assets</b>	<b>貨幣資產</b>				
Cash and cash equivalents	現金及現金等價物	665,606	64,793	64,793	(64,793)
Restricted bank balances	受限制銀行結餘	47,730	4,773	4,773	(4,773)
Trade receivables	應收貿易賬款	117,411	10,569	10,569	(10,569)
Other receivables	其他應收賬款	2,787	276	276	(276)
Amounts due from related Parties	應收關聯方款項	112,684	7,888	7,888	(7,888)
<b>Monetary liabilities</b>	<b>貨幣負債</b>				
Trade payables	應付貿易賬款	(400,245)	(38,612)	(38,612)	38,612
Other payables	其他應付賬款	(1,013)	(101)	(101)	101
Borrowings	借款	(1,100,357)	(99,140)	(99,140)	99,140
Amount due to a related party	應付一名關聯方款項	(4,668)	(350)	(350)	350
<b>Total (decrease)/increase</b>	<b>合計(減少)/增加</b>		(49,904)	(49,904)	49,904

## 3. 財務風險管理 (續)

### 3.1 財務風險因素 (續)

#### (a) 市場風險 (續)

##### (iii) 敏感度分析摘要 (續)

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (a) Market risk (continued)

##### (iii) Summarised sensitivity analysis (continued)

		Cash flow interest rate risk 現金流量利率風險			
		-15%		+15%	
	Carrying amount 賬面值	Profit 溢利	Equity 權益	Profit 溢利	Equity 權益
<b>31 December 2017</b>	<b>2017年12月31日</b>				
<b>Financial assets at floating interest rates</b>	<b>按浮動利率計息的金融資產</b>				
Cash and cash equivalents	現金及現金等價物	2,766,396	(3,057)	(3,057)	3,057
Restricted bank balances	受限制銀行結餘	417,151	(461)	(461)	461
<b>Financial liabilities at floating interest rates</b>	<b>按浮動利率計息的金融負債</b>				
Bank and other borrowings	銀行及其他借款	(243,500)	1,752	1,752	(1,752)
<b>Total (decrease)/increase</b>	<b>合計(減少)/增加</b>		(1,766)	(1,766)	1,766

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (a) 市場風險(續)

##### (iii) 敏感度分析摘要(續)

		Cash flow interest rate risk 現金流量利率風險			
		-15%		+15%	
	Carrying amount 賬面值	Profit 溢利	Equity 權益	Profit 溢利	Equity 權益
<b>31 December 2017</b>	<b>2017年12月31日</b>				
<b>Financial assets at floating interest rates</b>	<b>按浮動利率計息的金融資產</b>				
Cash and cash equivalents	現金及現金等價物	2,766,396	(3,057)	(3,057)	3,057
Restricted bank balances	受限制銀行結餘	417,151	(461)	(461)	461
<b>Financial liabilities at floating interest rates</b>	<b>按浮動利率計息的金融負債</b>				
Bank and other borrowings	銀行及其他借款	(243,500)	1,752	1,752	(1,752)
<b>Total (decrease)/increase</b>	<b>合計(減少)/增加</b>		(1,766)	(1,766)	1,766

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (a) Market risk (continued)

##### (iii) Summarised sensitivity analysis (continued)

		Foreign exchange risk 外匯風險			
		-10%		+10%	
	Carrying amount 賬面值	Profit 溢利	Equity 權益	Profit 溢利	Equity 權益
<b>31 December 2017</b>	<b>2017年12月31日</b>				
<b>Monetary assets</b>	<b>貨幣資產</b>				
Cash and cash equivalents	現金及現金等價物	628,354	62,835	62,835	(62,835)
Trade receivables	應收貿易賬款	116,429	11,643	11,643	(11,643)
Other receivables	其他應收賬款	1,644	164	164	(164)
Amounts due from related Parties	應收關聯方款項	121,751	12,175	12,175	(12,175)
<b>Monetary liabilities</b>	<b>貨幣負債</b>				
Trade payables	應付貿易賬款	(170,557)	(17,056)	(17,056)	17,056
Other payables	其他應付賬款	(10,309)	(1,031)	(1,031)	1,031
Borrowings	借款	(897,606)	(89,761)	(89,761)	89,761
Amount due to a related party	應付一名關聯方款項	(11,178)	(1,118)	(1,118)	1,118
<b>Total (decrease)/increase</b>	<b>合計(減少)/增加</b>		(22,149)	(22,149)	22,149

Profit represents consolidated profit post tax; equity represents total equity, including non-controlling interests.

Other payables include payables for purchase of property, plant and equipment, customer deposits and employee deposits as stated in Note 28.

溢利指除稅後合併溢利；權益指權益合計，包括非控制性權益。

其他應付賬款包括購買物業、廠房及設備之應付賬款、客戶按金及僱員按金(載於附註28)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (b) Credit risk

The carrying amounts of trade and other receivables, loan receivables, notes receivable – bank acceptance notes, cash and cash equivalents, restricted bank balances, structured bank deposits, debt instruments measured at FVOCI and amounts due from related parties represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash deposits at banks and notes receivable – bank acceptance notes since they are substantially deposited at or issued by state-owned banks and other medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

The Group has large number of customers and there was no concentration of credit risk. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (b) 信貸風險

應收貿易及其他應收賬款、應收貸款、應收票據－銀行承兌匯票、現金及現金等價物、受限制銀行結餘、結構性銀行存款、按公允價值計量且其變動計入其他綜合收益之債務工具及應收關聯方款項的賬面值為本集團的金融資產在信貸風險方面的最高風險水平。

本集團預期並無與銀行現金存款及應收票據－銀行承兌匯票有關的重大信貸風險，乃由於彼等大部份存放於國有銀行或其他中大型上市銀行或由該等銀行發出。管理層預期不會因為該等交易對手的不履約而產生任何重大虧損。

本集團有大量客戶，且並無信貸風險集中的問題。本集團有監控程序以確保採取跟進行動以收回逾期債務。此外，本集團於各報告期末審閱該等應收賬款的可回收性，以確保就不可收回款項作出充足減值虧損。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating;
- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower.

#### (i) Trade receivables

The Group applies HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (b) 信貸風險(續)

本集團考慮於資產初始確認後發生違約的機率，並於各報告期整個期間持續評估信貸風險有否顯著增加。為評估信貸風險有否顯著增加，本集團將於報告日期的資產發生的違約風險與初始確認日期的違約風險進行比較。其考慮可用的合理及支持性前瞻性資料。尤其是結合了以下指標：

- 內部信貸評級；
- 外部信貸評級；
- 營商、財務或經濟環境中實際或預期發生重大不利變化而預期導致借款人償還債務的能力產生重大變化；
- 借款人的經營業績實際或預期發生重大變化。

#### (i) 應收貿易賬款

本集團應用香港財務報告準則第9號簡化模式計量預期信貸損失，該模式就所有應收貿易賬款採用整個存續期內預期虧損撥備。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

##### (i) Trade receivables (continued)

On that basis, the loss allowance as at 31 December 2018 and 1 January 2018 was determined as follows for trade receivables:

		Less than 1 year past due 逾期少於1年	More than 1 year past due 逾期超過1年	More than 2 years past due 逾期超過2年	More than 3 years past due 逾期超過3年	Total 合計
<b>31 December 2018</b>	<b>2018年12月31日</b>					
Gross carrying amount	總賬面值	655,984	23,205	14,359	26,242	719,790
Expected loss rate	預期損失率	1.58%	42.74%	78.66%	100.00%	8.04%
Loss allowance	虧損撥備	10,385	9,917	11,295	26,242	57,839
		Less than 1 year past due 逾期少於1年	More than 1 year past due 逾期超過1年	More than 2 years past due 逾期超過2年	More than 3 years past due 逾期超過3年	Total 合計
<b>1 January 2018</b>	<b>2018年1月1日</b>					
Gross carrying amount	總賬面值	674,957	22,878	12,796	23,653	734,284
Expected loss rate	預期損失率	0.12%	26.27%	77.28%	100.00%	5.50%
Loss allowance	虧損撥備	801	6,010	9,888	23,653	40,352

## 3. 財務風險管理 (續)

### 3.1 財務風險因素 (續)

#### (b) 信貸風險 (續)

##### (i) 應收貿易賬款 (續)

根據上述基準，於2018年12月31日及2018年1月1日的虧損撥備如下釐定：

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

The closing loss allowances for trade receivables as at 31 December 2018 reconcile to the opening loss allowances as follows:

As at 31 December 2017 – calculated under HKAS 39	於2017年12月31日—根據香港會計準則第39號計算	40,352
Amounts restated through opening retained earnings	透過年初留存收益重列之金額	—
Opening loss allowance as at 1 January 2018 – calculated under HKFRS 9	於2018年1月1日的年初虧損撥備—根據香港財務報告準則第9號計算	40,352
Increase in loss allowance recognised in profit or loss during the year	年內於損益表中確認的虧損撥備增加	17,873
Trade receivables written off during the year as uncollectable	年內撇銷為不可收回的應收貿易賬款	(386)
As at 31 December 2018	於2018年12月31日	57,839

#### (ii) Other financial assets (excluding trade receivables)

Other financial assets include other receivables, loan receivables, debt instruments measured at FVOCI and amounts due from related parties.

The Group uses three categories for other receivables which reflect their credit risk and how the expected credit loss provision is determined for each of those categories. The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers both historical loss rates and forward looking macroeconomic data. A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

## 3. 財務風險管理 (續)

### 3.1 財務風險因素 (續)

#### (b) 信貸風險 (續)

於2018年12月31日的年末應收貿易賬款與年初虧損撥備對賬如下：

As at 31 December 2017 – calculated under HKAS 39	於2017年12月31日—根據香港會計準則第39號計算	40,352
Amounts restated through opening retained earnings	透過年初留存收益重列之金額	—
Opening loss allowance as at 1 January 2018 – calculated under HKFRS 9	於2018年1月1日的年初虧損撥備—根據香港財務報告準則第9號計算	40,352
Increase in loss allowance recognised in profit or loss during the year	年內於損益表中確認的虧損撥備增加	17,873
Trade receivables written off during the year as uncollectable	年內撇銷為不可收回的應收貿易賬款	(386)
As at 31 December 2018	於2018年12月31日	57,839

#### (ii) 其他金融資產 (不包括應收貿易賬款)

其他金融資產包括其他應收賬款、應收貸款、按公允價值計量且其變動計入其他綜合收益之債務工具及應收關聯方款項。

本集團對其他應收賬款使用三個類別反映其信貸風險及釐定各類別的預期信貸損失撥備的方式。本集團按其信貸風險及時地就預期信貸損失適當計提撥備。在計算預期信貸損失率時，本集團會考慮歷史虧損率以及前瞻性的宏觀經濟數據。本集團的預期信貸損失模型基於的假設總結如下：



# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

- (ii) Other financial assets (excluding trade receivables) (continued)

Category 類別	Group definition of category 集團針對各類別的定義	Basis for recognition of expected credit loss provision 確認預期信貸損失撥備的基準	Expected credit loss rate 預期信貸損失率
Stage one	Customers have a low risk of default and a strong capacity to meet contractual cash flows	12 months expected credit losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime	0%-5%
第一階段	客戶違約風險很低且有很強的能力履行合約現金流	未來12個月的預期信貸損失。對於預期整個存續期少於12個月的資產，預期損失按整個存續期計量	0%-5%
Stage two	Receivables for which there is a significant increase in credit risk since initial recognition	Lifetime expected credit losses	5%-30%
第二階段	自首次確認起信貸風險顯著增加的應收賬款	整個存續期內的預期信貸損失	5%-30%
Stage three	Receivables for which there is credit loss since initial recognition	Lifetime expected credit losses	30%-100%
第三階段	自首次確認起產生信貸損失的應收賬款	整個存續期內的預期信貸損失	30%-100%

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (b) 信貸風險(續)

- (ii) 其他金融資產(不包括應收貿易賬款)(續)

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

- (ii) Other financial assets (excluding trade receivables) (continued)

As at 31 December 2018, the Group provided for expected credit loss provision against other financial assets as follows:

		Expected loss rate	Gross carrying amount	Expected credit loss provision	Carrying amount (net of impairment provision)
		預期損失率	總賬面值 RMB'000 人民幣千元	預期信貸 損失撥備 RMB'000 人民幣千元	賬面值(扣除 減值撥備) RMB'000 人民幣千元
<b>31 December 2018</b>					
	Other receivables	53.60%	379,729	(203,516)	176,213
	Loan receivables	5.56%	805,119	(44,791)	760,328
	Debt instruments measured at FVOCI				
		0.00%	66,376	-	66,376
	Amounts due from related parties	0.00%	185,906	-	185,906
			<b>1,437,130</b>	<b>(248,307)</b>	<b>1,188,823</b>

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (b) 信貸風險(續)

- (ii) 其他金融資產(不包括應收貿易賬款)(續)

於2018年12月31日，本集團的其他金融資產的預期信貸損失撥備如下：

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

- (ii) Other financial assets (excluding trade receivables) (continued)

As at 1 January 2018, the Group provided for expected credit loss provision against other financial assets as follows:

		Expected loss rate	Gross carrying amount	Expected credit loss provision	Carrying amount (net of impairment provision)
			RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
1 January 2018					
2018年1月1日		預期損失率	總賬面值	損失撥備	賬面值(扣除減值撥備)
Other receivables	其他應收賬款	67.99%	643,591	(437,551)	206,040
Loan receivables	應收貸款	100.00%	47,000	(47,000)	-
Debt instruments measured at FVOCI	按公允價值計量且其變動的債務工具	0.00%	92,506	-	92,506
Amounts due from related parties	應收關聯方款項	0.00%	173,951	-	173,951
			957,048	(484,551)	472,497

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (b) 信貸風險(續)

- (ii) 其他金融資產(不包括應收貿易賬款)(續)

於2018年1月1日，本集團的其他金融資產的預期信貸損失撥備如下：

		Expected loss rate	Gross carrying amount	Expected credit loss provision	Carrying amount (net of impairment provision)
			RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
1 January 2018					
2018年1月1日		預期損失率	總賬面值	損失撥備	賬面值(扣除減值撥備)
Other receivables	其他應收賬款	67.99%	643,591	(437,551)	206,040
Loan receivables	應收貸款	100.00%	47,000	(47,000)	-
Debt instruments measured at FVOCI	按公允價值計量且其變動的債務工具	0.00%	92,506	-	92,506
Amounts due from related parties	應收關聯方款項	0.00%	173,951	-	173,951
			957,048	(484,551)	472,497

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

- (ii) Other financial assets (excluding trade receivables) (continued)

The closing loss allowances for other financial assets as at 31 December 2018 reconcile to the opening loss allowances as follows:

As at 31 December 2017 於2017年12月31日  
– calculated under 根據香港會計準則  
HKAS 39 第39號計算

Amounts restated through 透過年初留存收益重列  
opening retained earnings 之金額

Opening loss allowance 於2018年1月1日的  
as at 1 January 2018 年初虧損撥備  
– calculated under 根據香港財務報告  
HKFRS 9 準則第9號計算

Decrease in loss allowance 年內於損益中確認  
recognised in profit or 的虧損撥備減少  
loss during the year

As at 31 December 2018 於2018年12月31日

## 3. 財務風險管理 (續)

### 3.1 財務風險因素 (續)

#### (b) 信貸風險 (續)

- (ii) 其他金融資產(不包括應收貿易賬款)(續)

於2018年12月31日的其他金融資產的年末虧損撥備與年初虧損撥備對賬如下：

	Other receivables	Loan receivables	Debt instruments measured at FVOCI 按公允價值計量且其變動計入其他綜合收益的債務工具	Amounts due from related parties 應收關聯方款項
As at 31 December 2017	437,551	47,000	-	-
Amounts restated through opening retained earnings	-	-	-	-
Opening loss allowance as at 1 January 2018	437,551	47,000	-	-
Decrease in loss allowance recognised in profit or loss during the year	(234,035)	(2,209)	-	-
As at 31 December 2018	203,516	44,791	-	-

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (c) Liquidity risk

The liquidity risk of the Group is controlled by maintaining sufficient cash and cash equivalents, together with adequate banking facilities.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (c) 流動資金風險

本集團的流動資金風險透過維持充足現金及現金等價物，以及足夠銀行信貸額度控制。

下表是本集團金融負債的分析。按結算日至合約到期日的剩餘期限，將金融負債分到相關的期限組別。表中披露的金額是約定的未折現現金流量。對於12個月內到期的餘額，因折現影響不大，該等餘額等於其賬面餘額。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

## 3. 財務風險管理 (續)

### 3.1 Financial risk factors (continued)

### 3.1 財務風險因素 (續)

#### (c) Liquidity risk (continued)

#### (c) 流動資金風險 (續)

		Less than 1 year 1年內	Between 1 and 2 years 1至2年	Between 2 and 5 years 2至5年	Over 5 years 5年以上	Total 合計
<b>At 31 December 2018</b>	<b>2018年12月31日</b>					
Borrowings	借款	2,603,357	162,000	-	-	2,765,357
Interests payable on borrowings (i)	借款應付利息 (i)	68,425	6,434	-	-	74,859
Trade payables	應付貿易賬款	4,157,453	-	-	-	4,157,453
Other payables	其他應付賬款	821,509	-	-	-	821,509
Amounts due to related parties	應付關聯方款項	59,118	-	-	-	59,118
Derivative financial instruments	衍生金融工具	15,778	-	-	-	15,778
		<b>7,725,640</b>	<b>168,434</b>	-	-	<b>7,894,074</b>
		Less than 1 year 1年內	Between 1 and 2 years 1至2年	Between 2 and 5 years 2至5年	Over 5 years 5年以上	Total 合計
<b>At 31 December 2017</b>	<b>2017年12月31日</b>					
Borrowings	借款	1,890,206	235,500	-	-	2,125,706
Interests payable on borrowings (i)	借款應付利息 (i)	45,390	7,713	-	-	53,103
Trade payables	應付貿易賬款	3,517,538	-	-	-	3,517,538
Other payables	其他應付賬款	692,271	-	-	-	692,271
Amounts due to related parties	應付關聯方款項	73,251	-	-	-	73,251
Finance lease liabilities	融資租賃負債	198,497	-	-	-	198,497
Interest payments on finance lease liabilities (ii)	融資租賃負債之 利息款項 (ii)	11,688	-	-	-	11,688
Derivative financial instruments	衍生金融工具	9,036	-	-	-	9,036
		<b>6,437,877</b>	<b>243,213</b>	-	-	<b>6,681,090</b>

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.1 Financial risk factors (continued)

#### (c) Liquidity risk (continued)

- (i) The interest on borrowings is calculated based on borrowings held as at 31 December 2018 and 2017 without taking into account extension or refinancing of the borrowings in future. Floating-rate interest is estimated using current interest rate as at 31 December 2018 and 2017 respectively.
- (ii) The interest on finance lease is calculated based on remaining balance of finance lease liability and the interest rate implicit in the lease as at 31 December 2017.

### 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the debt-to-capital ratio. This ratio is calculated as total debt divided by the total capital. Total debt includes current and non-current borrowings, other long-term payables and loans from related parties. Total capital includes non-current borrowings and equity attributable to owners of the Company.

## 3. 財務風險管理(續)

### 3.1 財務風險因素(續)

#### (c) 流動資金風險(續)

- (i) 借款利息按2018年及2017年12月31日持有的借款計算，不考慮未來延期或重新籌集借款。浮動利率分別按2018年及2017年12月31日的當時利率估算。
- (ii) 於2017年12月31日，融資租賃利息按餘下融資租賃負債結餘及租賃隱含的利率計算。

### 3.2 資金風險管理

本集團的資金管理目標，是保障本集團按持續經營基準繼續營運之能力，以為股東帶來回報，同時兼顧其他權益持有者的利益，並維持最佳的資本結構以減低資金成本。

為維持或調整資本結構，本集團可能會調整支付予股東的股息金額、向股東發還資本、發行新股或出售資產以減低債務。

本集團是根據債項與資本比率監察資本狀況。該比率為債項總額除以總資本。債項總額包括流動及非流動借款、其他長期應付賬款及關聯方貸款。總資本包括非流動借款及歸屬於本公司權益持有者的權益。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.2 Capital risk management (continued)

Total debt	債項總額
Total capital	總資本
Debt-to-capital ratio	債項與資本比率

As at 31 December 2018, the ratio declined due to repayment of other long-term payables and loan from a related party and increase in equity attributable to owners of the Company.

### 3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2018 and 31 December 2017.

## 3. 財務風險管理 (續)

### 3.2 資金風險管理 (續)

	2018 2018年	2017 2017年
Total debt	<b>2,789,288</b>	2,392,657
Total capital	<b>17,569,586</b>	14,147,679
Debt-to-capital ratio	<b>15.88%</b>	16.91%

於2018年12月31日，比率下降因償還其他長期應付賬款、一名關聯方貸款及歸屬於本公司權益持有者的權益增加所致。

### 3.3 公允價值估計

下表透過估值法分析按公允價值計量的金融工具。不同級別界定如下：

- 相同資產或負債的活躍市場報價(未經調整)(第1級)。
- 除包含於第一級的報價外，資產或負債的可觀察直接(即價格)或間接(即源自價格者)輸入資料(第2級)。
- 並非根據可觀察市場資料而釐定的資產或負債的輸入資料(即不可觀察的輸入資料)(第3級)。

下表呈列本集團於2018年12月31日及2017年12月31日按公允價值計量的資產及負債。



# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

## 3. 財務風險管理(續)

### 3.3 Fair value estimation (continued)

### 3.3 公允價值估計(續)

		Level 1 第1級	Level 2 第2級	Level 3 第3級	Total 合計
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>				
<b>Assets</b>	<b>資產</b>				
Financial assets at fair value through profit or loss (Note 17)	按公允價值計量且其變動計入損益表之金融資產(附註17)				
– Money market funds	– 貨幣市場基金	4,863,936	-	-	4,863,936
– Financial investment products	– 金融投資產品	-	-	1,211,991	1,211,991
– Bond market funds	– 債券市場基金	30,725	-	199,826	230,551
– Investment funds	– 投資基金	-	-	208,028	208,028
– Equity investments	– 股權投資	-	-	243,120	243,120
– Listed equity interests	– 上市股權權益	52,737	-	-	52,737
Financial assets at fair value through other comprehensive income (Note 16)	按公允價值計量且其變動計入其他綜合收益之金融資產(附註16)				
– Debt securities	– 債務證券	66,376	-	-	66,376
– Equity investments	– 股權投資	-	-	421,000	421,000
Structured bank deposits (Note 24)	結構性銀行存款(附註24)	-	1,000,000	-	1,000,000
Notes receivable – bank acceptance notes (Note 22)	應收票據 – 銀行承兌匯票(附註22)	-	-	1,364,128	1,364,128
Derivative financial instruments	衍生金融工具				
– Trading derivatives	– 買賣衍生工具	2,157	-	-	2,157
		<b>5,015,931</b>	<b>1,000,000</b>	<b>3,648,093</b>	<b>9,664,024</b>
<b>Liabilities</b>	<b>負債</b>				
Derivative financial instruments	衍生金融工具				
– Trading derivatives	– 買賣衍生工具	707	15,071	-	15,778

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

## 3. 財務風險管理(續)

### 3.3 Fair value estimation (continued)

### 3.3 公允價值估計(續)

		Level 1 第1級	Level 2 第2級	Level 3 第3級	Total 合計
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>				
<b>Assets</b>	<b>資產</b>				
Financial assets at fair value through profit or loss (Note 17)	按公允價值計量且其變動計入損益表之金融資產(附註17)				
- Money market funds	- 貨幣市場基金	1,299,193	-	-	1,299,193
- Financial investment products	- 金融投資產品	-	-	1,433,801	1,433,801
- Bond market funds	- 債券市場基金	33,243	-	-	33,243
Available-for-sale financial assets (Note 15)	可供出售金融資產(附註15)				
- Debt securities	- 債務證券	92,506	-	-	92,506
Derivative financial instruments	衍生金融工具				
- Trading derivatives	- 買賣衍生工具	209	-	-	209
		1,425,151	-	1,433,801	2,858,952
<b>Liabilities</b>	<b>負債</b>				
Derivative financial instruments	衍生金融工具				
- Trading derivatives	- 買賣衍生工具	5,706	3,330	-	9,036

For the year ended 31 December 2018 and 2017, there are no transfers among levels of the fair value hierarchy used in measuring the fair value of financial instruments, and also no changes in the classification of financial assets as a result of a change in the purpose or use of those assets.

截至2018年及2017年12月31日止年度，金融工具公允價值計量所使用公允價值層級間未有作出轉撥，且概無因變更該等資產目的或使用而改變金融資產的分類。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.3 Fair value estimation (continued)

#### 3.3.1 Fair value measurements using quoted prices (Level 1)

The Group's trading fund investments, classified as level 1 financial assets, are the money market funds acquired from certain financial institutions whereby the Group is expecting to earn short-term gain from the funds. The fair values of the trading funds are determined based on the quoted market prices at the balance sheet date (Note 17).

The Group's bond market fund investments, classified as level 1 financial assets, mainly invest in debentures with fixed and floating interest rates whereby the Group is expecting to earn interests from the funds. The fair values are determined based on the quoted market prices at the balance sheet date (Note 17).

The Group's debt securities investments, classified as level 1 financial assets, are investments in debentures with fixed interest ranging from 3.25% to 6.25% and maturity date between October 2020 and June 2021. The fair values are determined based on the quoted market prices at the balance sheet date (Note 16).

The Group's derivative financial instruments, classified as level 1 financial assets, are the iron ore future contracts entered into by the Group and certain financial institutions. The fair values are determined based on the prices on the Singapore Futures Exchange at the balance sheet date (Note 40).

## 3. 財務風險管理(續)

### 3.3 公允價值估計(續)

#### 3.3.1 採用報價計量公允價值(第1級)

本集團可交易的基金投資(分類為第1級金融資產)乃向若干金融機構購買的貨幣市場基金，據此，本集團預計自該等基金賺取短期收益。可交易基金的公允價值乃按結算日所報市價釐定(附註17)。

本集團的債券市場基金投資(分類為第1級金融資產)主要投資於固定及浮動利率的債券，據此，本集團預計自該等基金賺取利息。公允價值乃按結算日所報市價釐定(附註17)。

本集團的債務證券投資(分類為第1級金融資產)乃按介乎3.25%至6.25%的固定利率計息及到期日介乎2020年10月至2021年6月的債權證之投資。公允價值乃按結算日所報市價釐定(附註16)。

本集團衍生金融工具(分類為第1級金融資產)為本集團與若干金融機構訂立之鐵礦石期貨合約。公允價值乃按結算日新加坡期貨交易所的價格釐定(附註40)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.3 Fair value estimation (continued)

#### 3.3.1 Fair value measurements using quoted prices (Level 1) (continued)

The Group's derivative financial instruments, classified as level 1 financial liabilities, are the iron ore and rebar future contracts entered into by the Group and certain financial institutions. The fair values of future contracts are determined based on the prices on the Shanghai Futures Exchange at the balance sheet date.

The Group's listed equity interests, classified as level 1 financial assets, are the shares of a company listed on the Main Board of the Shenzhen Stock Exchange. The fair values are determined based on the share price at the balance sheet date (Note 17).

#### 3.3.2 Valuation techniques used to derive fair values (Level 2)

The Group's structured bank deposits, classified as level 2 financial assets, represent financial instruments placed by the Group to bank in Mainland China for a term within one year. The Group entrust the bank to make investment mainly in financial derivatives related to USD 3 month LIBOR. Principles are guaranteed with floating returns. The products cannot be traded until the maturity date but could be early terminated by the issuing bank. The fair values are determined based on LIBOR (Note 24).

## 3. 財務風險管理(續)

### 3.3 公允價值估計(續)

#### 3.3.1 採用報價計量公允價值(第1級)(續)

本集團的衍生金融工具(分類為第1級金融負債)為本集團與若干金融機構訂立之鐵礦石及螺紋鋼期貨合約。遠期合約之公允價值乃按結算日上海期貨交易所的價格釐定。

本集團的上市股權權益(分類為第1級金融資產)為一間於深圳證券交易所主板上市的公司股份。公允價值乃按結算日之股價釐定(附註17)。

#### 3.3.2 用於計算公允價值之估值技巧(第2級)

本集團的結構性銀行存款(分類為第2級金融資產)為本集團在中國大陸銀行所存放的一年期以內之金融工具。本集團委託銀行於有關3個月美元倫敦銀行同業拆借利率的金融衍生工具作出投資。本金以浮動收益作擔保。該等產品直至到期日前不可買賣，但發行銀行可提早終止。公允價值乃基於倫敦銀行同業拆借利率釐定(附註24)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.3 Fair value estimation (continued)

#### 3.3.2 Valuation techniques used to derive fair values (Level 2) (continued)

The Group's derivative financial instruments, classified as level 2 financial liabilities, comprised foreign currency forward contracts and foreign currency and interest rate swap contracts entered into by the Group and certain financial institutions.

The foreign currency forward contracts as at 31 December 2018 comprised contracts with notional principal amounts totalling USD 270.7 million (equivalent to approximately RMB 1,858.2 million). The fair values are determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

The foreign currency and interest rate swap contracts as at 31 December 2018 comprised an exchange of principal amounts dominated in USD of 28.5 million for principal amounts dominated in RMB of 196.2 million and an exchange of interest rates of borrowings dominated in USD and RMB. The fair values are determined based on the difference of above.

## 3. 財務風險管理(續)

### 3.3 公允價值估計(續)

#### 3.3.2 用於計算公允價值之估值技巧(第2級)(續)

本集團的衍生金融工具(分類為第2級金融負債)由本集團與若干金融機構訂立之外幣遠期合約及外幣及利率掉期合約組成。

於2018年12月31日，外幣遠期合約包括名義本金總額2.707億美元(相等於約人民幣18.582億元)之合約。公允價值乃使用結算日之遠期外幣匯率釐定，結果值再折現至現值。

於2018年12月31日的外幣及利率掉期合約包括美元計價的本金2,850萬美元兌換以人民幣計價的本金人民幣1.962億元以及以美元及人民幣計價的借款利率互換組成。公允價值乃基於上述者的差異釐定。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.3 Fair value estimation (continued)

#### 3.3.3 Fair value measurements using significant unobservable inputs (Level 3)

The Group's financial investment products, classified as level 3 financial assets are issued by banks and trusts. Buyers of these products entrust the banks and trusts to make investment. The products issued by banks mainly invest in money market and bond market. The ones issued by trusts mainly invest in bond market and income right market. Principals and returns of such products are not guaranteed. These products cannot be traded but could be early terminated by the issuing parties. The fair values are determined using discounted cash flow model, the main inputs are the expected yield rates which are an unobservable data.

The Group's bond market fund investments, classified as level 3 financial assets, mainly invest in debentures. The fair values are determined using discounted cash flow model, the main inputs are the expected yield rates which are an unobservable data.

## 3. 財務風險管理(續)

### 3.3 公允價值估計(續)

#### 3.3.3 使用重大不可觀察輸入值之公允價值計量(第3級)

本集團的金融投資產品(分類為第3級金融資產)由銀行及信託發行。該等產品之買方委託銀行及信託進行投資。銀行發行之產品主要投資於貨幣市場及債券市場。信託發行之產品主要投資於債券市場及收入權利市場。該等產品的本金及回報並無擔保。該等產品不可買賣，但發行方可提早終止。公允價值乃使用貼現現金流量模式釐定，主要輸入數據為預期回報率(不可觀察數據)。

本集團的債券市場基金投資(分類為第3級金融資產)主要投資於債券。公允價值乃使用貼現現金流量模式釐定，主要輸入數據為預期收益率(不可觀察數據)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.3 Fair value estimation (continued)

#### 3.3.3 Fair value measurements using significant unobservable inputs (Level 3) (continued)

##### Quantitative information about fair value measurements using significant unobservable inputs (Level 3)

Description	Fair value at		Valuation Technique	Unobservable input	Range
	31 December 2018				
描述	於2018年 12月31日 之公允價值	估值技巧	不可觀察輸入數據	範圍	
Financial investment products 金融投資產品	1,211,991	Discounted cash flow 貼現現金流	Expected yield rate 預期收益率	3.15%-7.2%	
Bond market funds 債券市場基金	199,826	Discounted cash flow 貼現現金流	Expected yield rate 預期收益率	1.6%-6.6%	

The Group's other financial assets, including investment funds and equity investment are mainly related to equity assets. These investments do not have any quoted market price in an active market. The fair values are determined using valuation technique, including discounted cash flow model and comparable market value. The main unobservable inputs are the risk-adjusted discount rate, earnings growth factor, price-earnings ratio, price-book ratio, volatility, lack of marketability discount and etc..

## 3. 財務風險管理 (續)

### 3.3 公允價值估計 (續)

#### 3.3.3 使用重大不可觀察輸入值之公允價值計量 (第3級) (續)

##### 公允價值計量採用的主要不可觀察輸入數據 (第3級) 之定量資料

本集團的其他金融資產 (包括投資基金及股權投資) 主要與權益類資產有關。該等投資並無任何活躍市場的市場報價。公允價值乃使用估值技術 (包括貼現現金流量模型及可比較市值) 釐定。主要的不可觀察數據為風險調整後的貼現率、盈利增長因素、市盈率、市帳率、波動性、缺乏市場流通性折讓等。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 3. FINANCIAL RISK MANAGEMENT (continued)

### 3.3 Fair value estimation (continued)

#### 3.3.3 Fair value measurements using significant unobservable inputs (Level 3) (continued)

The fair value of notes receivable—bank acceptance notes as at 31 December 2018, classified as level 3 financial assets, are determined based on present value using discount rates which are an unobservable data.

### 3.4 Fair value of financial assets and liabilities measured at amortised cost

The fair value of the other financial assets and liabilities of the Group are disclosed in the relevant notes of these financial statements.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

## 3. 財務風險管理 (續)

### 3.3 公允價值估計 (續)

#### 3.3.3 使用重大不可觀察輸入值之公允價值計量 (第3級) (續)

於2018年12月31日的應收票據—銀行承兌匯票 (分類為第3級金融資產) 的公允價值乃使用貼現率 (不可觀察數據) 基於現值釐定。

### 3.4 按攤銷成本計量之金融資產及負債之公允價值

本集團的其他金融資產及負債的公允價值披露於該等財務報表相關附註。

## 4. 關鍵會計估計及判斷

估計及判斷會被持續評估，並根據過往經驗和其他因素進行持續評估，包括在有關情況下相信為合理的對未來事件的預期。



# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

The Group makes judgements, estimates and assumptions concerning the future. The resulting accounting judgements and estimates will, by definition, seldom equal to the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### (a) Impairment of loans and other receivables

Management assessed the impairment of loans and other receivables based on expected credit losses (“ECL”) methodology. The impairment of individually significant loans and other receivables were assessed on an individual basis based on management’s estimates of discounted future cash flows. Individual insignificant loans and other receivable balances were grouped based on their credit risk characteristics for evaluation. The collective impairment provision was determined by management based on historical loss experience, taking into considerations of forward looking macroeconomic data, industry risk and other circumstances.

## 4. 關鍵會計估計及判斷(續)

本集團對未來作出判斷、估計及假設。所得的會計判斷及估計如其定義，很少會與其實際結果相同。很大風險導致下個財政年度的資產與負債的賬面值作出重大調整的判斷、估計及假設討論如下。

### (a) 貸款及其他應收賬款之減值

管理層按預期信貸損失(「預期信貸損失」)方法評估貸款及其他應收賬款之減值。個別重大貸款及其他應收賬款的減值乃根據管理層對折現未來現金流量按個別基準評估。個別非重大貸款及其他應收賬款結餘按其信用風險特徵組合進行評估。管理層根據歷史虧損經驗，並考慮前瞻性的宏觀經濟數據、行業風險及其他情況釐定集體減值撥備。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

### (b) Current and deferred income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers it to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation in the periods in which such estimate is changed.

### (c) Impairment of property, plant and equipment

The Group reviews property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with the accounting policy stated in Note 2.11. The recoverable amount of a cash generating unit ("CGU") has been determined based on higher of value-in-use and fair value less costs to sell.

## 4. 關鍵會計估計及判斷(續)

### (b) 當期及遞延所得稅

本集團須繳納眾多司法權區的所得稅。於釐定所得稅準備時需作出重要判斷。有許多交易及計算均難以確定最終稅項的釐定。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜的責任。倘該等事宜的最終稅務結果與最初記錄的金額不同，有關差異會影響到有關釐定期間的當期及遞延所得稅資產及負債。

當管理層認為將來可能有應課稅溢利以抵扣暫時性差額或可使用稅務虧損時，有關若干暫時性差額及稅務虧損之遞延稅項資產予以確認。當預期與原來估計不同時，差額將影響對這些估計出現變動期間的遞延稅項資產及稅項之確認。

### (c) 物業、廠房及設備減值

當在任何情況下有事件或變動顯示賬面值可能不會予以收回時，本集團則會根據附註2.11所述的會計政策檢討物業、廠房及設備的減值。一個現金產生單位(「現金產生單位」)的可收回金額已根據使用價值與公允價值減銷售成本兩者的較高者釐定。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

### (c) Impairment of property, plant and equipment (continued)

In assessing the recoverability of the property, plant and equipment that had impairment indicators, management identified the relevant CGUs to which these property, plant and equipment belong, and estimated the recoverable amounts of these CGUs based on the higher of their fair value less costs of disposal (“**FVLCOD**”) and value in use (“**VIU**”) calculation. Management applied significant judgements in determining the FVLCOD and VIU. The key assumption adopted in the calculations of FVLCOD was the estimated disposal considerations. The key judgements adopted in the VIU calculation included:

- growth rates to extrapolate revenue and cash flows within and beyond the budget period;
- gross margin; and
- discount rate.

### (d) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition as at the balance sheet date and the historical experience of manufacturing and selling products of similar nature.

## 4. 關鍵會計估計及判斷(續)

### (c) 物業、廠房及設備減值(續)

於評估具有減值跡象的物業、廠房及設備的可收回性時，管理層確認該等物業、廠房及設備所屬相關現金產生單位及估計該等現金產生單位的可收回金額，其根據其公允價值減出售成本(「公允價值減出售成本」)與使用價值(「使用價值」)之較高者計算。於釐定公允價值減出售成本及使用價值時，管理層應用重大判斷。計算公允價值減出售成本所採納的重要假設為估計出售代價。計算使用價值時所採納的重要判斷包括：

- 於預算期內及超出預算期的推斷收入及現金流量增長率；
- 毛利；及
- 折現率。

### (d) 存貨可變現淨值

存貨可變現淨值為日常業務過程中的估計售價減估計完成成本及銷售開支。該等估計乃根據於結算日的現時市況及製造和出售類似性質產品之過往經驗而作出。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
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## 5. SALES AND SEGMENT INFORMATION

### (a) Sales

The Group is principally engaged in the manufacture and sale of iron and steel products, trading of steel products and iron ore and real estate business. Sales recognised for the years ended 31 December 2018 and 2017 were as follows:

		2018	2017
Sales	銷售額		
– H-section steel products	– H型鋼產品	12,440,612	10,771,405
– Strips and strip products	– 帶鋼及帶鋼類產品	11,554,034	12,454,251
– Rebar	– 螺紋鋼	7,318,931	6,801,032
– Iron ore	– 鐵礦石	3,345,394	2,458,149
– Sheet piling	– 鋼板樁	2,158,645	1,475,948
– Cold rolled sheets and galvanised sheets	– 冷軋板及鍍鋅板	1,412,960	1,357,813
– Billets	– 鋼坯	1,120,929	4,006,271
– Real estate	– 房地產	194,222	1,138,091
– Others	– 其他	1,236,575	889,636
		<b>40,782,302</b>	41,352,596

## 5. 銷售額及分部資料

### (a) 銷售額

本集團主要從事製造及銷售鋼鐵產品、鋼鐵產品及鐵礦石貿易以及房地產業務。截至2018年及2017年12月31日止年度已確認的銷售額如下：

	2018	2017
– H-section steel products	12,440,612	10,771,405
– Strips and strip products	11,554,034	12,454,251
– Rebar	7,318,931	6,801,032
– Iron ore	3,345,394	2,458,149
– Sheet piling	2,158,645	1,475,948
– Cold rolled sheets and galvanised sheets	1,412,960	1,357,813
– Billets	1,120,929	4,006,271
– Real estate	194,222	1,138,091
– Others	1,236,575	889,636
	<b>40,782,302</b>	41,352,596

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 5. SALES AND SEGMENT INFORMATION (continued)

### (b) Segment information

The chief decision-maker has been identified as the management committee, which comprises all executive directors and top management. The chief decision-maker reviews the Group's internal reporting in order to assess performance and allocate resources.

Based on these reports, the chief decision-maker considers the business from a business perspective. From a business perspective, the chief decision-maker assesses the performance of the iron and steel and the real estate segments.

- (i) Iron and steel – Manufacture and sales of iron and steel products and trading of steel products and iron ore; and
- (ii) Real estate – Development and sales of properties.

The chief decision-maker assesses the performance of the operating segments based on a measure of revenue and operating profit. This measurement is consistent with that in the annual financial statements.

## 5. 銷售額及分部資料(續)

### (b) 分部資料

首席決策人已獲確認為包括所有執行董事及最高管理層的管理委員會。首席決策人審閱本集團的內部報告以作評估業績表現及分配資源。

根據該等報告，首席決策人從商業角度考慮業務。從商業角度，首席決策人評估鋼鐵及房地產分部表現。

- (i) 鋼鐵－製造及銷售鋼鐵產品以及鋼鐵產品及鐵礦石貿易；及
- (ii) 房地產－開發及銷售物業。

首席決策人根據計量收入及經營溢利評估經營分部表現。該計量與年度財務報表一致。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 5. SALES AND SEGMENT INFORMATION (continued)

### (b) Segment information (continued)

The segment information provided to the chief decision-maker for the reportable segments for the year was as follows:

## 5. 銷售額及分部資料(續)

### (b) 分部資料(續)

就年內報告分部提供予首席決策人的分部資料呈列如下：

		Year ended 31 December 2018 截至2018年12月31日止年度		
		Iron and steel 鋼鐵	Real estate 房地產	Total 合計
<b>Revenue</b>	收入	40,588,080	194,222	40,782,302
<b>Segment results:</b>	分部業績：			
<b>Operating profit</b>	經營溢利	6,404,759	56,318	6,461,077
Finance costs – net	財務成本－淨額	(124,617)	(977)	(125,594)
Impairment loss on investment in an associate	於一間聯營公司之 投資減值損失	(34,122)	–	(34,122)
Share of results of associates and a joint venture	應佔聯營公司及 一間合營企業業績	(1,941)	–	(1,941)
Profit before income tax	除所得稅前溢利			6,299,420
Income tax expense	所得稅費用			(1,438,899)
<b>Profit for the year</b>	年度溢利			4,860,521
<b>Other profit or loss items</b>	其他損益項目			
Depreciation and amortisation	折舊及攤銷	1,158,805	1,459	1,160,264
<b>Capital expenditure</b>	資本開支	838,407	6	838,413

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 5. SALES AND SEGMENT INFORMATION (continued)

(b) Segment information (continued)

		Year ended 31 December 2017 截至2017年12月31日止年度		
		Iron and steel 鋼鐵	Real estate 房地產	Total 合計
<b>Revenue</b>	收入	40,214,505	1,138,091	41,352,596
<b>Segment results:</b>	分部業績：			
<b>Operating profit</b>	經營溢利	6,309,884	95,311	6,405,195
Finance income/(costs) – net	財務收入／(成本) —淨額	2,925	(779)	2,146
Share of results of associates and a joint venture	應佔聯營公司及 一間合營企業業績	389	–	389
Profit before income tax	除所得稅前溢利			6,407,730
Income tax expense	所得稅費用			(1,524,566)
<b>Profit for the year</b>	年度溢利			4,883,164
<b>Other profit or loss items</b>	其他損益項目			
Depreciation and amortisation	折舊及攤銷	1,066,562	1,555	1,068,117
<b>Capital expenditure</b>	資本開支	1,173,580	8,028	1,181,608

Segment assets are those operating assets that are employed by a segment in its operating activities. Segment assets are determined after deducting related allowance that is reported as direct offsets in the balance sheet. Segment assets consist primarily of leasehold land and land use rights, property, plant and equipment, investment properties, intangible assets, investment in associates and a joint venture, properties under development and held for sale, prepayments, deposits and other receivables, inventories, trade receivables, amounts due from related parties, notes receivable, restricted bank balances and cash and cash equivalents.

分部資產乃分部用於其經營活動的經營資產。分部資產扣除以資產負債表中直接抵銷呈報的相關津貼後釐定。分部資產主要包括租賃土地及土地使用權、物業、廠房及設備、投資物業、無形資產、於聯營公司及一間合營企業之投資、發展中及持作出售物業、預付款項、按金及其他應收賬款、存貨、應收貿易賬款、應收關聯方款項、應收票據、受限制銀行結餘及現金及現金等價物。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 5. SALES AND SEGMENT INFORMATION (continued)

### (b) Segment information (continued)

Segment liabilities are those operating liabilities that result from the operating activities of a segment. Segment liabilities consist primarily of other long-term payables, deferred revenue, amounts due to related parties, trade payables, contract liabilities and accruals, advances and other current liabilities.

The segment assets and liabilities as at 31 December 2018 were as follows:

## 5. 銷售額及分部資料(續)

### (b) 分部資料(續)

分部負債乃分部的經營活動所導致的經營負債。分部負債主要包括其他長期應付賬款、遞延收入、應付關聯方款項、應付貿易賬款、合約負債以及預提費用、預收款項及其他流動負債。

於2018年12月31日的分部資產及負債如下：

		Iron and steel 鋼鐵	Real estate 房地產	Elimination 抵銷	Total 合計
<b>Segment assets</b>	<b>分部資產</b>	<b>18,543,674</b>	<b>743,796</b>	<b>(77,179)</b>	<b>19,210,291</b>
Segment assets for reportable segments	報告分部的分部資產				19,210,291
<b>Unallocated:</b>	<b>未分配：</b>				
Deferred income tax assets	遞延所得稅資產				270,989
Financial assets at fair value through other comprehensive income	按公允價值計量且其變動計入其他綜合收益之金融資產				487,376
Financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表之金融資產				6,810,363
Loan receivables	應收貸款				760,328
Derivative financial instruments	衍生金融工具				2,157
Structured bank deposits	結構性銀行存款				2,037,900
Prepaid current income tax	預付當期所得稅				29,176
Total assets per balance sheet	資產負債表內的總資產				29,608,580



# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 5. SALES AND SEGMENT INFORMATION (continued)

## 5. 銷售額及分部資料(續)

### (b) Segment information (continued)

### (b) 分部資料(續)

		Iron and steel 鋼鐵	Real estate 房地產	Elimination 抵銷	Total 合計
<b>Segment liabilities</b>	<b>分部負債</b>	<b>7,775,971</b>	<b>355,296</b>	<b>(77,179)</b>	<b>8,054,088</b>
Segment liabilities for reportable segments	報告分部的分部負債				8,054,088
<b>Unallocated:</b>	<b>未分配：</b>				
Current income tax liabilities	當期所得稅負債				1,070,382
Current borrowings	流動借款				2,603,357
Non-current borrowings	非流動借款				162,000
Derivative financial instruments	衍生金融工具				15,778
Dividends payable	應付股息				144
Deferred income tax liabilities	遞延所得稅負債				21,283
Total liabilities per balance sheet	資產負債表內的總負債				<b>11,927,032</b>

The segment assets and liabilities as at 31 December 2017 were as follows:

於2017年12月31日的分部資產及負債如下：

		Iron and steel 鋼鐵	Real estate 房地產	Elimination 抵銷	Total 合計
<b>Segment assets</b>	<b>分部資產</b>	<b>20,261,026</b>	<b>776,629</b>	<b>(90,283)</b>	<b>20,947,372</b>
Segment assets for reportable segments	報告分部的分部資產				20,947,372
<b>Unallocated:</b>	<b>未分配：</b>				
Deferred income tax assets	遞延所得稅資產				179,339
Available-for-sale financial assets	可供出售金融資產				432,111
Derivative financial instruments	衍生金融工具				209
Financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表之金融資產				2,766,237
Prepaid current income tax	預付當期所得稅				80,101
Total assets per balance sheet	資產負債表內的總資產				<b>24,405,369</b>

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 5. SALES AND SEGMENT INFORMATION (continued)

### (b) Segment information (continued)

		Iron and steel 鋼鐵	Real estate 房地產	Elimination 抵銷	Total 合計
<b>Segment liabilities</b>	<b>分部負債</b>	6,936,633	364,123	(90,283)	7,210,473
Segment liabilities for reportable segments	報告分部的分部負債				7,210,473
<b>Unallocated:</b>	<b>未分配：</b>				
Current income tax liabilities	當期所得稅負債				916,449
Current borrowings	流動借款				1,890,206
Non-current borrowings	非流動借款				235,500
Derivative financial instruments	衍生金融工具				9,036
Dividends payable	應付股息				132
Deferred income tax liabilities	遞延所得稅負債				38,805
Total liabilities per balance sheet	資產負債表內的總負債				10,300,601

## 5. 銷售額及分部資料(續)

### (b) 分部資料(續)

## 6. LEASEHOLD LAND AND LAND USE RIGHTS

The Group's interests in leasehold land and land use rights represent the prepayment for the operating lease, the net book value of which is analysed as follows:

		2018	2017
At 1 January	於1月1日	187,311	193,123
Amortisation of leasehold land and land use rights (Note 35)	租賃土地及土地使用權攤銷(附註35)	(5,812)	(5,812)
At 31 December 2018	於2018年12月31日	181,499	187,311

As at 31 December 2018, the net book value of leasehold land and land use rights pledged as security for the Group's borrowings amounted to approximately RMB 53 million (2017: RMB 54 million) (Note 29).

The Group's leasehold land and land use rights are all located in the PRC and the remaining lease period is between 25 years to 49 years.

## 6. 租賃土地及土地使用權

本集團在租賃土地及土地使用權的權益指經營租賃預付款項，按其賬面淨值分析如下：

於2018年12月31日，為本集團之借款作抵押的租賃土地及土地使用權之賬面淨值約人民幣5,300萬元(2017年：人民幣5,400萬元)(附註29)。

本集團的租賃土地及土地使用權均位於中國，餘下租期介乎25年至49年。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 7. PROPERTY, PLANT AND EQUIPMENT

## 7. 物業、廠房及設備

		Buildings	Machinery	Furniture and fixtures	Vehicles	Leasehold improvements	CIP	Total
		樓宇	機器設備	辦公設備	汽車	租賃物業 裝修	在建工程	合計
<b>Year ended 31 December 2018</b>	<b>截至2018年12月31日止年度</b>							
Opening net book amount	年初賬面淨值	2,639,900	4,338,579	28,467	47,046	-	1,106,590	8,160,582
Additions	添置	11,121	78,407	9,319	29,975	-	709,207	838,029
Addition from acquiring a subsidiary (Note 45)	收購一間附屬公司增加(附註45)	-	-	271	-	-	-	271
Transfer from CIP	在建工程轉入	141,886	1,193,297	2,464	1,693	-	(1,339,340)	-
Disposal of a subsidiary (Note 44)	出售一間附屬公司(附註44)	-	(37,587)	-	(1,690)	-	-	(39,277)
Disposals (Note 43)(i)	出售(附註43)(i)	(39,049)	(187,623)	(206)	(41,608)	-	-	(268,486)
Depreciation (Note 35)	折舊(附註35)	(200,082)	(910,022)	(4,301)	(16,967)	-	-	(1,131,372)
Closing net book amount	年末賬面淨值	2,553,776	4,475,051	36,014	18,449	-	476,457	7,559,747
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>							
Cost	成本	4,660,490	13,678,617	146,344	94,650	1,337	488,616	19,070,054
Accumulated depreciation	累計折舊	(1,715,378)	(8,092,529)	(104,886)	(72,735)	(1,337)	-	(9,986,865)
Impairment	減值	(391,336)	(1,111,037)	(5,444)	(3,466)	-	(12,159)	(1,523,442)
Net book amount	賬面淨值	2,553,776	4,475,051	36,014	18,449	-	476,457	7,559,747
				Furniture and fixtures	Vehicles	Leasehold improvements	CIP	Total
		Buildings	Machinery	辦公設備	汽車	租賃物業 裝修	在建工程	合計
		樓宇	機器設備	辦公設備	汽車	租賃物業 裝修	在建工程	合計
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>							
Opening net book amount	年初賬面淨值	2,809,010	4,610,572	31,287	30,092	-	557,445	8,038,406
Additions	添置	1,166	55,771	2,995	32,230	-	1,081,037	1,173,199
Transfer from CIP	在建工程轉入	29,623	502,269	-	-	-	(531,892)	-
Disposals (Note 43)	出售(附註43)	(343)	(3,307)	(36)	(2,595)	-	-	(6,281)
Depreciation (Note 35)	折舊(附註35)	(199,556)	(826,726)	(5,779)	(12,681)	-	-	(1,044,742)
Closing net book amount	年末賬面淨值	2,639,900	4,338,579	28,467	47,046	-	1,106,590	8,160,582
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>							
Cost	成本	4,607,035	12,975,102	135,525	161,023	1,337	1,118,749	18,998,771
Accumulated depreciation	累計折舊	(1,575,799)	(7,518,794)	(101,614)	(110,511)	(1,337)	-	(9,308,055)
Impairment	減值	(391,336)	(1,117,729)	(5,444)	(3,466)	-	(12,159)	(1,530,134)
Net book amount	賬面淨值	2,639,900	4,338,579	28,467	47,046	-	1,106,590	8,160,582

(i) During the year ended 31 December 2018, the disposals of property, plant and equipment mainly comprised scrapping of certain buildings and machinery as a result of the shut-down of certain old production line.

(i) 截至2018年12月31日止年度內，出售物業、廠房及設備主要包括因關閉若干舊生產線而報廢的若干樓宇及機器設備。

## Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

### 7. PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation expenses have been charged to the consolidated statement of profit or loss as follows:

Cost of sales	銷售成本
Administrative expenses	行政費用

As at 31 December 2018, the net book value of property, plant and equipment pledged as security for the Group's borrowings amounted to approximately RMB 645 million (2017: RMB 859 million) (Note 29).

For the year ended 31 December 2018, borrowing costs amounted to approximately RMB 2 million (2017: RMB 2 million) were capitalised in the cost of property, plant and equipment at an annual average capitalisation rate of 3.60% approximately (2017: 3.60%).

Buildings and machinery includes the following amounts where the Group is a lessee under several finance lease arrangements arising from a sale and leaseback:

Cost – capitalised finance leases	成本－資本化融資租賃
Accumulated depreciation	累計攤銷
Net book amount	賬面淨值

### 7. 物業、廠房及設備(續)

已於合併損益表中扣除的折舊開支如下：

	2018	2017
	<b>1,103,900</b>	1,009,310
	<b>27,472</b>	35,432
	<b>1,131,372</b>	1,044,742

於2018年12月31日，為本集團借款作抵押之物業、廠房及設備之賬面淨值約人民幣6.45億元(2017年：人民幣8.59億元)(附註29)。

截至2018年12月31日止年度，借款成本約人民幣200萬元(2017年：人民幣200萬元)已按年度平均資本化比率約3.60%(2017年：3.60%)資本化為物業、廠房及設備的成本。

樓宇及機器設備包括以下款項，本集團為產生售後回租之數個融資租賃安排的承租人：

	2018	2017
	–	200,000
	–	(73,031)
	–	126,969

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 8. INVESTMENT PROPERTIES

The investment properties are located in the PRC and their net book value are analysed as follows:

## 8. 投資物業

投資物業位於中國，按其賬面淨值分析如下：

<b>Year ended 31 December 2018</b>	<b>截至2018年12月31日止年度</b>	
Opening net book amount	年初賬面淨值	<b>238,920</b>
Transfer from completed properties held for sale	已完成的持作出售物業轉入	<b>5,553</b>
Depreciation (Note 35)	折舊(附註35)	<b>(11,530)</b>
Disposal	出售	<b>(45,759)</b>
Closing net book amount	年末賬面淨值	<b>187,184</b>
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	
Cost	成本	<b>208,077</b>
Accumulated depreciation	累計折舊	<b>(20,893)</b>
Net book amount	賬面淨值	<b>187,184</b>
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>	
Opening net book amount	年初賬面淨值	6,549
Additions	添置	8,000
Transfer from completed properties held for sale	已完成的持作出售物業轉入	231,287
Depreciation (Note 35)	折舊(附註35)	(6,916)
Closing net book amount	年末賬面淨值	238,920
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	
Cost	成本	251,329
Accumulated depreciation	累計折舊	(12,409)
Net book amount	賬面淨值	238,920

## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 8. INVESTMENT PROPERTIES (continued)

Amounts recognised in consolidated statement of profit or loss for investment properties included:

Rental income (Note 34)	租金收入(附註34)
Direct operating expenses	直接經營開支
Gains on disposal of investment properties (Note 33)	出售投資物業之收益(附註33)

As at 31 December 2018 and 2017, the Group had no significant contractual obligations for future repairs and maintenance of the investment properties.

As at 31 December 2018, the Directors estimated that the fair value of the investment properties was approximately RMB 416.3 million (2017: RMB 456.5 million) based on the prices in the active market.

### 8. 投資物業(續)

於合併損益表內就投資物業確認的金額包括：

	2018	2017
	<b>15,783</b>	11,059
	<b>(11,530)</b>	(6,916)
	<b>2,529</b>	–
	<b>6,782</b>	4,143

於2018年及2017年12月31日，本集團並無就投資物業的日後維修及保養產生重大合約承擔。

於2018年12月31日，董事們根據在交投活躍市場的價格估計投資物業的公允價值約人民幣4.163億元(2017年：人民幣4.565億元)。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 9. INTANGIBLE ASSETS

## 9. 無形資產

		Unpatented technology 非專利技術	Patented technology 專利技術	Software 軟件	Goodwill 商譽	Total 合計
<b>Year ended</b>	<b>截至2018年</b>					
<b>31 December 2018</b>	<b>12月31日止年度</b>					
Opening net book amount	年初賬面淨值	50,380	8,531	1,571	33,650	94,132
Addition from acquiring a subsidiary (Note 45)	收購一間附屬公司增加 (附註45)	-	-	36	46,645	46,681
Additions	添置	-	-	384	-	384
Amortisation (Note 35)	攤銷(附註35)	(10,076)	(1,125)	(349)	-	(11,550)
Closing net book amount	年末賬面淨值	40,304	7,406	1,642	80,295	129,647
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>					
Cost	成本	80,608	9,000	2,669	87,962	180,239
Accumulated amortisation and impairment	累計攤銷及減值	(40,304)	(1,594)	(1,027)	(7,667)	(50,592)
Net book amount	賬面淨值	40,304	7,406	1,642	80,295	129,647
<b>Year ended</b>	<b>截至2017年</b>					
<b>31 December 2017</b>	<b>12月31日止年度</b>					
Opening net book amount	年初賬面淨值	60,456	-	264	33,650	94,370
Additions	添置	-	9,000	1,409	-	10,409
Amortisation (Note 35)	攤銷(附註35)	(10,076)	(469)	(102)	-	(10,647)
Closing net book amount	年末賬面淨值	50,380	8,531	1,571	33,650	94,132
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>					
Cost	成本	80,608	9,000	2,249	41,317	133,174
Accumulated amortisation and impairment	累計攤銷及減值	(30,228)	(469)	(678)	(7,667)	(39,042)
Net book amount	賬面淨值	50,380	8,531	1,571	33,650	94,132

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
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## 10. SUBSIDIARIES

As at 31 December 2018, the Company had direct and indirect interests in the following subsidiaries:

## 10. 附屬公司

於2018年12月31日，本公司於下列附屬公司擁有直接及間接權益：

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
名稱	註冊成立地點及日期	法定主體類別				
Gold Genesis Development Limited ("Gold Genesis")	British Virgin Islands ("BVI") 21 February 2003	Limited liability company	100% (Directly held)	US\$ 1	US\$ 50,000	Investment holding
Gold Genesis Development Limited ("Gold Genesis")	英屬維爾京群島 (「英屬維爾京群島」) 2003年2月21日	有限責任公司	100% (直接持有)	1美元	50,000美元	投資控股
Good Lucky Enterprises Limited ("Good Lucky")	BVI 21 February 2003	Limited liability company	100% (Directly held)	US\$ 1	US\$ 50,000	Investment holding
Good Lucky Enterprises Limited ("Good Lucky")	英屬維爾京群島 2003年2月21日	有限責任公司	100% (直接持有)	1美元	50,000美元	投資控股
First Glory Services Limited ("First Glory")	BVI 16 October 2003	Limited liability company	100% (Directly held)	US\$ 2	US\$ 50,000	Investment holding
First Glory Services Limited ("First Glory")	英屬維爾京群島 2003年10月16日	有限責任公司	100% (直接持有)	2美元	50,000美元	投資控股
Accordpower Investments Limited ("Accordpower")	BVI 30 November 2004	Limited liability company	100% (Directly held)	US\$ 2	US\$ 50,000	Investment holding
致威投資有限公司 ("致威")	英屬維爾京群島 2004年11月30日	有限責任公司	100% (直接持有)	2美元	50,000美元	投資控股
Fullhero Investments Limited ("Fullhero")	BVI 3 May 2005	Limited liability company	100% (Directly held)	US\$ 2	US\$ 50,000	Investment holding
英豐投資有限公司 ("英豐")	英屬維爾京群島 2005年5月3日	有限責任公司	100% (直接持有)	2美元	50,000美元	投資控股
Hebei Jinxi Iron and Steel Group Company Limited ("Jinxi Limited")	PRC 24 December 1999	Joint stock company with limited liability	97.6% (Indirectly held)	RMB 228,640,000	RMB 228,640,000	Manufacture and sales of steel products
河北西鋼鐵集團股份有限公司 ("津西鋼鐵")	中國 1999年12月24日	股份有限責任公司	97.6% (間接持有)	人民幣 228,640,000元	人民幣 228,640,000元	生產及銷售鋼鐵產品



# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司(續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
名稱	註冊成立地點及日期	法定主體類別				
Foshan Jin Xi Jin Lan Cold Rolled Sheet Company Limited ("Jinxi Jinlan") 佛山津西金蘭冷軋板有限公司 (「津西金蘭」)	PRC 26 December 2003	Limited liability company	80.28% (Indirectly held)	US\$ 55,150,000	US\$ 55,150,000	Manufacture and sales of steel products
Oriental Fullhero Leasing Co., Ltd. ("Fullhero Leasing") 東方英豐租賃有限公司 (「英豐租賃」)	PRC 23 September 2005	Limited liability company	100% (Indirectly held)	US\$ 65,000,000	US\$ 65,000,000	Leasing and financial leasing
Hebei Jinxi Section Steel Company Limited ("Jinxi Section Steel") 河北津西型鋼有限公司 (「津西型鋼」)	PRC 30 May 2008	Limited liability company	97.6% (Indirectly held)	RMB 350,000,000	RMB 350,000,000	Manufacture and sales of steel products
Jinxi Hong Kong Trading Company Limited ("HK Trading") 津西香港進出口有限公司 (「津西香港」)	Hong Kong 27 October 2008	Limited liability company	97.6% (Indirectly held)	HK\$ 38,750,001	HK\$ 80,000,000	Import and export of goods
Suifenhe City Jinyin Trading Co., Ltd. ("Jinyin Trading") 綏芬河市津銀貿易有限公司 (「津銀貿易」)	PRC 24 September 2008	Limited liability company	97.6% (Indirectly held)	RMB 10,000,000	RMB 10,000,000	Import and export of goods and technology
Hebei Jinxi Iron and Steel Group Zhengda Iron and Steel Co., Ltd. ("Zhengda Iron and Steel") 河北津西鋼鐵集團正達鋼鐵有限公司 (「正達鋼鐵」)	PRC 19 December 2008	Limited liability company	69.3% (Indirectly held)	RMB 50,000,000	RMB 50,000,000	Manufacture and sales of steel products

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司 (續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital	Authorised capital	Principal activities
名稱	註冊成立地點及日期	法定主體類別		已發行及繳足股本	法定股本	主要業務
Tangshan Fengrun Qu Tong Yuan Trading Company Limited ("Tong Yuan Trading")	PRC 22 May 2009	Limited liability company	69.3% (Indirectly held)	RMB 5,000,000	RMB 5,000,000	Purchase and sale of ferrous metal and coke
唐山市豐潤區通遠商貿有限公司 ("通遠商貿")	中國 2009年5月22日	有限責任公司	69.3% (間接持有)	人民幣 5,000,000元	人民幣 5,000,000元	買賣黑色金屬及焦炭
Hebei Jinxi Boyuan Real Estate Co., Ltd. ("Boyuan Real Estate")	PRC 17 December 2009	Limited liability company	97.6% (Indirectly held)	RMB 100,000,000	RMB 100,000,000	Development and sales of real estate
河北津西博遠房地產開發有限公司 ("博遠房地產")	中國 2009年12月17日	有限責任公司	97.6% (間接持有)	人民幣 100,000,000元	人民幣 100,000,000元	開發及銷售房地產
Clear Precision Limited ("Clear Precision")	BVI 22 July 2010	Limited liability company	100% (Directly held)	US\$ 2	US\$ 50,000	Investment holding
明達有限公司 ("明達")	英屬維爾京群島 2010年7月22日	有限責任公司	100% (直接持有)	2美元	50,000美元	投資控股
Beijing Jinxi Investment Holding Co., Ltd. ("Beijing Jinxi Investment")	PRC 26 August 2010	Limited liability company	97.6% (Indirectly held)	RMB 130,000,000	RMB 130,000,000	Investment holding
北京津西投資控股有限公司 ("北京津西投資")	中國 2010年8月26日	有限責任公司	97.6% (間接持有)	人民幣 130,000,000元	人民幣 130,000,000元	投資控股
Oriental Evertrust Finance Leasing Co., Ltd. ("Oriental Evertrust")	PRC 27 September 2010	Limited liability company	98.20% (Indirectly held)	US\$ 200,000,000	US\$ 200,000,000	Financial leasing and leasing
東方信遠融資租賃有限公司 ("東方信遠")	中國 2010年9月27日	有限責任公司	98.20% (間接持有)	200,000,000 美元	200,000,000 美元	融資租賃及租賃
Oriental Green Energy-Saving Environmental Protection Engineering Co., Ltd. ("Oriental Green")	PRC 20 October 2010	Limited liability company	97.6% (Indirectly held)	RMB 100,000,000	RMB 100,000,000	Environmental protection engineering
東方綠源節能環保工程有限公司 ("東方綠源")	中國 2010年10月20日	有限責任公司	97.6% (間接持有)	人民幣 100,000,000元	人民幣 100,000,000元	環境保護工程

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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司(續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
Hebei Jinshun Energy-Saving Technology Development Co., Ltd. ("Jinshun Energy-Saving")	PRC 17 November 2010	Limited liability company	97.6% (Indirectly held)	RMB 100,000,000	RMB 100,000,000	Research and development on recycling and energy-saving technology and other recycling business
河北津順節能技術開發有限公司 (「津順節能」)	中國 2010年11月17日	有限責任公司	97.6% (間接持有)	人民幣 100,000,000元	人民幣 100,000,000元	研發循環及節能技術及其他回收再用業務
Beijing Jinxi Boyuan Real Estate Co., Ltd. ("Beijing Real Estate")	PRC 18 November 2010	Limited liability company	97.6% (Indirectly held)	RMB 300,000,000	RMB 300,000,000	Development and sales of real estate
北京津西博遠置業有限公司 (「北京房地產」)	中國 2010年11月18日	有限責任公司	97.6% (間接持有)	人民幣 300,000,000元	人民幣 300,000,000元	開發及銷售房地產
China Oriental Singapore Pte. Ltd. ("China Oriental Singapore")	Singapore 29 November 2010	Limited liability company	100% (Indirectly held)	US\$ 10,000,000	Not applicable	Trading of iron ore and related products
China Oriental Singapore Pte. Ltd. ("China Oriental Singapore")	新加坡 2010年11月29日	有限責任公司	100% (間接持有)	10,000,000美元	不適用	鐵礦石及相關產品貿易
Hebei Jinxi Iron and Steel Group Heavy Industry Science and Technology Co., Limited ("Jinxi Heavy Industry") (Formerly known as "Hebei Jinxi Iron and Steel Group Dafang Heavy Industry Science and Technology Co., Limited") (i)	PRC 27 November 2003	Limited liability company	99.02% (Indirectly held)	RMB 93,098,162	RMB 93,098,162	Manufacture and sales of casting products and equipment maintenance
河北津西鋼鐵集團重工科技 有限公司(「津西重工」) (前稱為河北津西鋼鐵集團大方 重工科技有限公司)(i)	中國 2003年11月27日	有限責任公司	99.02% (間接持有)	人民幣 93,098,162元	人民幣 93,098,162元	生產及銷售鑄造產品及設備 保養

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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司(續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital	Authorised capital	Principal activities
名稱	註冊成立地點及日期	法定主體類別		已發行及繳足股本	法定股本	主要業務
Jinxi International Trade Co., Ltd. ("Jinxi International Trade") 津西國際貿易有限公司 (「津西國際貿易」)	PRC 23 March 2011 中國 2011年3月23日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 100,000,000 人民幣 100,000,000元	RMB 100,000,000 人民幣 100,000,000元	International trading 國際貿易
Hebei Caofeidian Jinxing Resource Development Co., Ltd. ("Caofeidian Jinxing") 河北曹妃甸津興資源開發有限公司 (「曹妃甸津興」)	PRC 1 July 2011 中國 2011年7月1日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 6,000,000 人民幣 6,000,000元	RMB 6,000,000 人民幣 6,000,000元	Motor vehicle scrap and crush demolition solution 機動車輛報廢和壓碎清理方案
Beijing Jinxi Longxiang Culture Development Co., Ltd. ("Longxiang Culture") 北京津西龍翔文化發展有限公司 (「龍翔文化」)	PRC 4 May 2012 中國 2012年5月4日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 10,000,000 人民幣 10,000,000元	RMB 10,000,000 人民幣 10,000,000元	Publication 出版業
Tianjin Oriental Huitong Microcredit Co., Ltd. ("Oriental Huitong") 天津東方匯通小額貸款有限公司 (「東方匯通」)	PRC 29 June 2012 中國 2012年6月29日	Limited liability company 有限責任公司	97.8% (Indirectly held) 97.8% (間接持有)	RMB 100,000,000 人民幣 100,000,000元	RMB 100,000,000 人民幣 100,000,000元	Provision of loans 提供貸款
Tianjin Jinxi Logistics Co., Ltd. ("Jinxi Logistics") 天津津西物流有限公司 (「津西物流」)	PRC 31 July 2012 中國 2012年7月31日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 20,000,000 人民幣 20,000,000元	RMB 20,000,000 人民幣 20,000,000元	Provision of agency services for import/export 提供進出口代理服務
Tianjin Juli Trade Co., Ltd. ("Juli Trade") 天津聚利貿易有限公司 (「聚利貿易」)	PRC 25 October 2012 中國 2012年10月25日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 100,000,000 人民幣 100,000,000元	RMB 100,000,000 人民幣 100,000,000元	International trading 國際貿易

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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司(續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
名稱	註冊成立地點及日期	法定主體類別				
Suzhou Jinxi Boyuan Real Estate Co., Ltd. ("Suzhou Boyuan") (ii)	PRC 23 January 2013	Limited liability company	97.6% (Indirectly held)	RMB 80,000,000	RMB 80,000,000	Development and sales of real estate
蘇州津西博遠房地產開發有限公司(「蘇州博遠」)(ii)	中國 2013年1月23日	有限責任公司	97.6% (間接持有)	人民幣 80,000,000元	人民幣 80,000,000元	房地產開發及銷售
Beijing Jinxi Boyuan Project Management Co., Ltd. ("Beijing Boyuan Project Management")	PRC 12 July 2013	Limited liability company	97.6% (Indirectly held)	RMB 1,000,000	RMB 1,000,000	Construction project management
北京津西博遠項目管理有限公司(「北京博遠項目管理」)	中國 2013年7月12日	有限責任公司	97.6% (間接持有)	人民幣 1,000,000元	人民幣 1,000,000元	工程項目管理
Well Balanced Global Limited ("Well Balance")	BVI 2 January 2014	Limited liability company	100% (Directly held)	US\$ 1	US\$ 50,000	Investment holding
Well Balanced Global Limited ("Well Balance")	英屬維爾京群島 2014年1月2日	有限責任公司	100% (直接持有)	1美元	50,000美元	投資控股
Finest Sino International Limited ("Finest Sino")	BVI 2 January 2014	Limited liability company	100% (Indirectly held)	US\$ 1	US\$ 50,000	Investment holding
Finest Sino International Limited ("Finest Sino")	英屬維爾京群島 2014年1月2日	有限責任公司	100% (間接持有)	1美元	50,000美元	投資控股
Dongfang Jingyuan Electron Limited ("Dongfang Jingyuan")	PRC 18 February 2014	Limited liability company	49.8% (Indirectly held)	RMB 200,000,000	RMB 200,000,000	Technology and import and export of goods
東方晶源微電子科技(北京)有限公司(「東方晶源」)	中國 2014年2月18日	有限責任公司	49.8% (間接持有)	人民幣 200,000,000元	人民幣 200,000,000元	技術及貨物進出口
Tianjin Hainajin International Trade Co., Ltd. ("Tianjin Hainajin")	PRC 20 February 2014	Limited liability company	97.6% (Indirectly held)	RMB 100,000,000	RMB 100,000,000	International trading
天津海納金國際貿易有限公司(「天津海納金」)	中國 2014年2月20日	有限責任公司	97.6% (間接持有)	人民幣 100,000,000元	人民幣 100,000,000元	國際貿易

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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司 (續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
名稱	註冊成立地點及日期	法定主體類別				
Tianjin Hengyuanda Coal Trade Co., Ltd. ("Tianjin Hengyuanda") 天津恒遠達煤炭貿易有限公司 (「天津恒遠達」)	PRC 26 March 2014 中國 2014年3月26日	Limited liability company 有限責任公司	97.6% (Indirectly held) (間接持有)	RMB 0 人民幣 零元	RMB 10,000,000 人民幣 10,000,000元	Wholesale and retail trade 批發及零售貿易
Tianjin Longshunxiang Environmental Protection Engineering Co., Ltd. ("Tianjin Longshunxiang") 天津龍順翔環保工程有限公司 (「天津龍順翔」)	PRC 26 March 2014 中國 2014年3月26日	Limited liability company 有限責任公司	97.6% (Indirectly held) (間接持有)	RMB 0 人民幣 零元	RMB 30,000,000 人民幣 30,000,000元	Environmental protection engineering 環保工程
Suzhou Jinxi Boyun Real Estate Co., Ltd. ("Suzhou Boyun") 蘇州津西博運房地產開發有限公司 (「蘇州博運」)	PRC 25 April 2014 中國 2014年4月25日	Limited liability company 有限責任公司	97.6% (Indirectly held) (間接持有)	RMB 30,000,000 人民幣 30,000,000元	RMB 30,000,000 人民幣 30,000,000元	Development and sales of real estate 房地產開發及銷售
Hebei Jinxi Iron and Steel Group Special Steel Co., Ltd. ("Jinxi Special Steel") 河北津西鋼鐵集團特鋼有限公司 (「津西特鋼」)	PRC 16 October 2014 中國 2014年10月16日	Limited liability company 有限責任公司	97.6% (Indirectly held) (間接持有)	RMB 1,570,000,000 人民幣 1,570,000,000元	RMB 2,150,000,000 人民幣 2,150,000,000元	Manufacture and sales of steel products 生產及銷售鋼鐵產品
Tangshan Jinxi Logistics Co., Ltd. ("Tangshan Logistics") 唐山津西物流有限公司 (「唐山物流」)	PRC 7 April 2015 中國 2015年4月7日	Limited liability company 有限責任公司	97.6% (Indirectly held) (間接持有)	RMB 10,000,000 人民幣 10,000,000元	RMB 10,000,000 人民幣 10,000,000元	Transport agency of import and export Goods 進出口貨物運輸代理

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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司(續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
名稱	註冊成立地點及日期	法定主體類別				
Qianxi Boshun Logistics Co., Ltd. ("Boshun Logistics") 遷西縣博順物流有限公司 (「博順物流」)	PRC 9 April 2015 中國 2015年4月9日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 10,000,000 人民幣 10,000,000元	RMB 10,000,000 人民幣 10,000,000元	Logistics 物流
New Asia Prosperity International Trade Co., Ltd. ("New Asia Prosperity") 天津新亞熙國際貿易有限公司 (「新亞熙貿易」)	PRC 10 June 2015 中國 2015年6月10日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 0 人民幣 零元	RMB 100,000,000 人民幣 100,000,000元	International trading 國際貿易
Dongfang Jingyuan Hong Kong Co., Ltd. ("Dongfang Jingyuan Hong Kong") 東方晶源香港有限公司 (「東方晶源香港」)	Hong Kong 18 September 2015 香港 2015年9月18日	Limited liability company 有限責任公司	49.8% (Indirectly held) 49.8% (間接持有)	HK \$1 1港元	Not applicable 不適用	Investment holding 投資控股
Tianjin Ansai Assets Management Co., Ltd. ("Ansai Asset Management") 天津安塞資產管理有限公司 (「安塞資產管理」)	PRC 30 September 2015 中國 2015年9月30日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 2,000,000 人民幣 2,000,000元	RMB 100,000,000 人民幣 100,000,000元	Assets management 資產管理
Qianxi County Jinxi Wantong Ductile Iron Pipe Co., Ltd. ("Jinxi Wantong") 遷西縣津西萬通球墨鑄管有限公司 (「津西萬通」)	PRC 22 July 2009 中國 2009年7月22日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 680,000,000 人民幣 680,000,000元	RMB 680,000,000 人民幣 680,000,000元	Manufacture and sales of steel products 生產及銷售鋼鐵產品

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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司(續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
名稱	註冊成立地點及日期	法定主體類別				
Tianjin Jinxi Zhengda Hengxin International Trade Co., Ltd. ("Zhengda Hengxin")	PRC 23 March 2016	Limited liability company	69.3% (Indirectly held)	RMB 0	RMB 100,000,000	International trading
天津津西正達恒信國際貿易有限公司(「正達恒信」)	中國 2016年3月23日	有限責任公司	69.3% (間接持有)	人民幣 零元	人民幣 100,000,000元	國際貿易
Tianjin Jinxi Zhiyuan International Trade Co., Ltd. ("Jinxi Zhiyuan")	PRC 23 March 2016	Limited liability company	97.6% (Indirectly held)	RMB 0	RMB 100,000,000	International trading
天津津西致遠國際貿易有限公司(「津西致遠」)	中國 2016年3月23日	有限責任公司	97.6% (間接持有)	人民幣 零元	人民幣 100,000,000元	國際貿易
Tianjin Xinhui Finance Leasing Co., Ltd. ("Tianjin Xinhui")	PRC 13 April 2016	Limited liability company	98.2% (Indirectly held)	RMB 1,000,000,000	RMB 1,000,000,000	Financial leasing and leasing
天津信匯融資租賃有限公司(「天津信匯」)	中國 2016年4月13日	有限責任公司	98.2% (間接持有)	人民幣 1,000,000,000元	人民幣 1,000,000,000元	融資租賃及租賃
Hebei Jinxi International Trade Co., Ltd. ("Hebei Jinxi International Trade")	PRC 27 April 2016	Limited liability company	97.6% (Indirectly held)	RMB 0	RMB 100,000,000	International trading
河北津西國際貿易有限公司(「河北津西國貿」)	中國 2016年4月27日	有限責任公司	97.6% (間接持有)	人民幣 零元	人民幣 100,000,000元	國際貿易
Qianxi County Jinxi Hotel Services Co., Ltd. ("Jinxi Hotel")	PRC 15 July 2016	Limited liability company	97.6% (Indirectly held)	RMB 10,000	RMB 10,000	Hotel and catering services
遷西縣津西賓館服務有限公司(「津西賓館」)	中國 2016年7月15日	有限責任公司	97.6% (間接持有)	人民幣 10,000元	人民幣 10,000元	酒店及餐飲服務
Zhongke Jingyuan Electron Ltd. ("Zhongke Jingyuan")	PRC 25 August 2016	Limited liability company	44.8% (Indirectly held)	RMB 100,000,000	RMB 100,000,000	Technology and import and export of goods
中科晶源微電子技術(北京)有限公司(「中科晶源」)	中國 2016年8月25日	有限責任公司	44.8% (間接持有)	人民幣 100,000,000元	人民幣 100,000,000元	技術及貨物進出口



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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司(續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital	Authorised capital	Principal activities
名稱	註冊成立地點及日期	法定主體類別		已發行及繳足股本	法定股本	主要業務
Shenzhen Jingyuan Information Technology Co., Ltd. ("Shenzhen Jingyuan") 深圳晶源信息技術有限公司 (「深圳晶源」)	PRC 11 November 2016 中國 2016年11月11日	Limited liability company 有限責任公司	49.8% (Indirectly held) 49.8% (間接持有)	RMB 10,000,000 人民幣 10,000,000元	RMB 10,000,000 人民幣 10,000,000元	Technology and import and export of goods 技術及貨物進出口
Zhongjin Finance Leasing Co., Ltd. ("Zhongjin Leasing") 中津融資租賃有限公司 (「中津融資」)	PRC 15 December 2016 中國 2016年12月15日	Limited liability company 有限責任公司	99.1% (Indirectly held) 99.1% (間接持有)	RMB 3,249,000,000 人民幣 3,249,000,000元	RMB 3,500,000,000 人民幣 3,500,000,000元	Financial leasing and leasing 融資租賃及租賃
Hebei Jinxi Sheet Piling Section Steel Technology Co., Ltd. ("Jinxi Sheet Piling") 河北津西鋼板樁型鋼科技 有限公司(「津西鋼板樁」)	PRC 3 January 2017 中國 2017年1月3日	Limited liability company 有限責任公司	85.89% (Indirectly held) 85.89% (間接持有)	RMB 777,000,000 人民幣 777,000,000元	RMB 1,000,000,000 人民幣 1,000,000,000元	Manufacture and sales of steel products 生產及銷售鋼鐵產品
China Oriental Investment Pty. Ltd. ("China Oriental Investment") China Oriental Investment Pty. Ltd. (「China Oriental Investment」)	AUS 25 January 2017 澳洲 2017年1月25日	Limited liability company 有限責任公司	100% (Indirectly held) 100% (間接持有)	AUS\$ 0 澳元 零元	Not applicable 不適用	Investment holding 投資控股
Jinxi Vodar Engineering Co., Ltd. ("Jinxi Vodar") 津西沃達爾工程技術有限公司 (「津西沃達爾」)	PRC 11 August 2017 中國 2017年8月11日	Limited liability company 有限責任公司	53.68% (Indirectly held) 53.68% (間接持有)	RMB 20,000,000 人民幣 20,000,000元	RMB 100,000,000 人民幣 100,000,000元	Engineering technical service 工程技術服務
Suzhou Jinhaili Commercial Management Co., Ltd. ("Suzhou Jinhaili") 蘇州金海利商業管理有限公司 (「蘇州金海利」)	PRC 22 December 2017 中國 2017年12月22日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 0 人民幣 零元	RMB 5,000,000 人民幣 5,000,000元	Commercial management service 商業管理服務

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## 10. SUBSIDIARIES (continued)

## 10. 附屬公司(續)

Name	Place and date of incorporation	Legal status	Percentage of equity interest attributable to the Group 本集團應佔權益百分比	Issued and fully paid capital 已發行及繳足股本	Authorised capital 法定股本	Principal activities 主要業務
名稱	註冊成立地點及日期	法定主體類別				
Hebei Jinxi Cargo Agent Co., Ltd. ("Jinxi Cargo Agent") 河北津西貨運代理有限公司 (「津西貨運代理」)	PRC 8 June 2018 中國 2018年6月8日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 0 人民幣 零元	RMB 10,000,000 人民幣 10,000,000元	International and domestic cargo transit agent 國際及本地貨運代理
Ningbo Ruihe Zhihui Investment Co., Ltd. ("Ningbo Ruihe") 寧波瑞和智慧投資有限公司 (「寧波瑞和」)	PRC 8 November 2018 中國 2018年11月8日	Limited liability company 有限責任公司	97.6% (Indirectly held) 97.6% (間接持有)	RMB 650,500,000 人民幣 650,500,000元	RMB 1,000,000,000 人民幣 1,000,000,000元	Investment and management service 投資及管理服務
Beijing SBS Architectural Design Co., Ltd. ("Beijing SBS") (Note 45) 北京賽博思建築設計有限公司 (「北京賽博思」) (附註45)	PRC 11 January 1999 中國 1999年1月11日	Limited liability company 有限責任公司	59.41% (Indirectly held) 59.41% (間接持有)	RMB 37,500,000 人民幣 37,500,000元	RMB 37,500,000 人民幣 37,500,000元	Architectural designing, sales and installation 建築設計、銷售及安裝

The English name of certain companies referred in this financial statements represent management's best effort at translating the Chinese names of these companies as no English names have been registered.

本財務報表所述若干公司的英文名稱為管理層根據其中文名稱最佳翻譯所得，此乃由於該等公司並無登記任何官方英文名稱。

(i) Pursuant to an equity transfer agreement, the minority shareholders of Jinxi Heavy Industry, agreed to sell their entire equity holdings of this subsidiary to the Group. According to the agreement, the Group paid a cash consideration of RMB 112 million to the minority shareholders of this subsidiary, the difference amounting to RMB 62 million between the consideration and the carrying amount of non-controlling interest of RMB 50 million was recorded in capital surplus.

(i) 根據股權轉讓協議，津西重工的少數股東同意出售彼等於該附屬公司的全部股權予本集團。根據協議，本集團向該附屬公司的少數股東支付現金代價人民幣1.12億元，代價與非控制性權益賬面值人民幣5,000萬元的差額人民幣6,200萬元計入資本盈餘。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 10. SUBSIDIARIES (continued)

- (ii) Pursuant to an equity transfer agreement, the minority shareholders of Suzhou Boyuan, agreed to sell their entire equity holdings of this subsidiary to the Group. According to the agreement, the Group paid a cash consideration of RMB 72 million to the minority shareholders of this subsidiary, the difference amounting to RMB 43 million between the consideration and the carrying amount of non-controlling interest of RMB 29 million was recorded in capital surplus.

As at and for the year ended 31 December 2018, there were no significant non-controlling interests of the subsidiaries in the Group.

## 11. INVESTMENT IN ASSOCIATES AND A JOINT VENTURE

- (a) Investment in associates, unlisted

At 1 January	於1月1日
Capital injection	注資
Impairment loss on investment in an associate	於一間聯營公司之投資 減值損失
Share of results of associates	應佔聯營公司業績
At 31 December	於12月31日

## 10. 附屬公司(續)

- (ii) 根據股權轉讓協議，蘇州博遠的少數股東同意出售彼等於該附屬公司的全部股權予本集團。根據協議，本集團向該附屬公司的少數股東支付現金代價人民幣7,200萬元，代價與非控制性權益賬面值人民幣2,900萬元的差額人民幣4,300萬元計入資本盈餘。

於及截至2018年12月31日止年度，本集團的附屬公司並無重大非控制性權益。

## 11. 於聯營公司及一間合營企業之投資

- (a) 投資非上市聯營公司

	2018	2017
At 1 January	145,487	55,632
Capital injection	-	88,022
Impairment loss on investment in an associate	(34,122)	-
Share of results of associates	(8,316)	1,833
At 31 December	103,049	145,487

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## 11. INVESTMENT IN ASSOCIATES AND A JOINT VENTURE (continued)

### (a) Investment in associates, unlisted (continued)

The information of the unlisted associated companies at 31 December 2018 is as follows:

Name	Place and date of incorporation	Percentage of equity interest attributable to the Group 本集團 應佔股權百分比	Assets 資產	Liabilities 負債	Revenues 收入	Net profit/(loss) 淨收益/ (虧損)
Palma Ceia SemiDesign, Inc. ("PCS")	USA 5 November 2012	30% (indirectly held)	407	17,073	14,603	(21,164)
Palma Ceia SemiDesign, Inc. ("PCS")	美國 2012年11月5日	30% (間接持有)	407	17,073	14,603	(21,164)
XTAL Inc. ("XTAL") (i)	USA 27 January 2014	32.13% (indirectly held)	29,295	12,926	7,209	(4,247)
XTAL Inc. ("XTAL") (i)	美國 2014年1月27日	32.13% (間接持有)	29,295	12,926	7,209	(4,247)
Beijing Wofu Energy Co., Ltd. ("Wofu")	PRC 6 December 2016	20% (indirectly held)	92,249	2,048	66,575	3,549
北京沃富能源有限公司 (「沃富」)	中國 2016年12月6日	20% (間接持有)	92,249	2,048	66,575	3,549
2-14 Elise Street Unit Trust ("Elise Trust")	AUS 27 July 2016	49% (indirectly held)	419,194	175,875	13,155	(5,527)
2-14 Elise Street Unit Trust ("Elise Trust")	澳洲 2016年7月27日	49% (間接持有)	419,194	175,875	13,155	(5,527)

## 11. 於聯營公司及一間合營企業之投資 (續)

### (a) 投資非上市聯營公司 (續)

於2018年12月31日，有關非上市聯營公司的資料載列如下：

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 11. INVESTMENT IN ASSOCIATES AND A JOINT VENTURE (continued)

### (a) Investment in associates, unlisted (continued)

As at 31 December 2018, fully provisions amounting to RMB 34 million were made on investment in XTAL given that there was significant uncertainty on XTAL's ability to continue as a going concern due to a litigation. Save as disclosed in this consolidated financial statements, the Directors are of the view that there are no other contingent liabilities in this regard.

### (b) Investment in a joint venture, unlisted

At 1 January	於1月1日
Establishment of a joint venture	成立合營企業
Share of result of a joint venture	應佔一間合營企業業績
At 31 December	於12月31日

The information of the unlisted joint venture at 31 December 2018 is as follows:

Name	Place and date of incorporation	Percentage of equity interest attributable to the Group 本集團 應佔股權百分比	Assets	Liabilities	Revenues	Net profit
Atlas Hurstville Property Unit Trust ("Hurstville Trust")	AUS 5 June 2017	50% (indirectly held)	286,332	252,238	18,055	12,750
Atlas Hurstville Property Unit Trust (["Hurstville Trust"])	澳洲 2017年6月5日	50% (間接持有)	286,332	252,238	18,055	12,750

## 11. 於聯營公司及一間合營企業之投資 (續)

### (a) 投資非上市聯營公司(續)

於2018年12月31日，鑒於一宗訴訟對XTAL持續經營的能力造成重大不穩定性，已對XTAL的投資作出人民幣3,400萬元的全額撥備。除本合併財務報表披露外，董事們認為於此範疇並無其他或然負債。

### (b) 投資一間非上市合營企業

	2018	2017
At 1 January	12,434	—
Establishment of a joint venture	—	13,878
Share of result of a joint venture	6,375	(1,444)
At 31 December	18,809	12,434

於2018年12月31日，有關非上市合營企業之資料載列如下：

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## 12. FINANCIAL INSTRUMENTS BY CATEGORY

## 12. 金融工具(按類別)

		Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
		按公允價值 計量且其變動 計入其他綜合 收益之金融資產	按公允價值 計量且其變動 計入損益表之 金融資產	按攤銷成本 計量之 金融資產	合計
<b>Assets as per consolidated balance sheet</b>	<b>合併資產負債表所示的資產</b>				
As at 31 December 2018	於2018年12月31日				
Financial assets at fair value through other comprehensive income (Note 16)	按公允價值計量且其變動計入其他 綜合收益之金融資產(附註16)	487,376	-	-	487,376
Trade receivables (Note 19)	應收貿易賬款(附註19)	-	-	661,951	661,951
Notes receivable – bank acceptance notes (Note 22)	應收票據 – 銀行承兌匯票(附註22)	1,364,128	-	-	1,364,128
Deposits, prepaid tax, lease and other receivables (Note 20)	按金、預付稅款、租賃及其他應收 賬款(附註20)	-	-	521,279	521,279
Financial assets at fair value through profit or loss (Note 17)	按公允價值計量且其變動計入損益表 之金融資產(附註17)	-	6,810,363	-	6,810,363
Loan receivables (Note 21)	應收貸款(附註21)	-	-	760,328	760,328
Derivative financial instruments	衍生金融工具	-	2,157	-	2,157
Amounts due from related parties (Note 47(c))	應收關聯方款項(附註47(c))	-	-	185,906	185,906
Restricted bank balances (Note 23)	受限制銀行結餘(附註23)	-	-	527,542	527,542
Cash and cash equivalents (Note 23)	現金及現金等價物(附註23)	-	-	2,845,229	2,845,229
Structured bank deposits (Note 24)	結構性銀行存款(附註24)	-	1,000,000	1,037,900	2,037,900
<b>Total</b>	<b>合計</b>	<b>1,851,504</b>	<b>7,812,520</b>	<b>6,540,135</b>	<b>16,204,159</b>

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 12. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

## 12. 金融工具(按類別)(續)

		Loans and receivables	Financial assets at fair value through profit or loss	Available-for-sale financial assets	Total
		貸款及應收賬款	按公允價值計量且其變動計入損益表之金融資產	可供出售金融資產	合計
<b>Assets as per consolidated balance sheet</b>	<b>合併資產負債表所示的資產</b>				
As at 31 December 2017	於2017年12月31日				
Available-for-sale financial assets (Note 15)	可供出售金融資產(附註15)	-	-	432,111	432,111
Trade receivables (Note 19)	應收貿易賬款(附註19)	693,932	-	-	693,932
Notes receivable – bank acceptance notes (Note 22)	應收票據 – 銀行承兌匯票(附註22)	3,282,570	-	-	3,282,570
Deposits, prepaid tax and other receivables (Note 20)	按金、預付稅款及其他應收賬款(附註20)	884,044	-	-	884,044
Financial assets at fair value through profit or loss (Note 17)	按公允價值計量且其變動計入損益表之金融資產(附註17)	-	2,766,237	-	2,766,237
Derivative financial instruments	衍生金融工具	-	209	-	209
Amounts due from related parties (Note 47(c))	應收關聯方款項(附註47(c))	173,951	-	-	173,951
Restricted bank balances (Note 23)	受限制銀行結餘(附註23)	417,151	-	-	417,151
Cash and cash equivalents (Note 23)	現金及現金等價物(附註23)	2,766,396	-	-	2,766,396
<b>Total</b>	<b>合計</b>	<b>8,218,044</b>	<b>2,766,446</b>	<b>432,111</b>	<b>11,416,601</b>

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 12. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

## 12. 金融工具(按類別)(續)

		Financial liabilities measured at fair value through profit or loss 按公允價值計量且其變動計入損益表之金融負債	Financial liabilities measured at amortised cost 按攤銷成本計量之金融負債	Total 合計
<b>Liabilities as per consolidated balance sheet</b>	<b>合併資產負債表所示的負債</b>			
As at 31 December 2018	於2018年12月31日			
Trade payables (Note 27)	應付貿易賬款(附註27)	-	4,157,453	4,157,453
Other payables (Note 28)	其他應付賬款(附註28)	-	821,509	821,509
Borrowings (Note 29)	借款(附註29)	-	2,765,357	2,765,357
Amounts due to related parties (Note 47(c))	應付關聯方款項(附註47(c))	-	59,118	59,118
Derivative financial instruments	衍生金融工具	15,778	-	15,778
<b>Total</b>	<b>合計</b>	<b>15,778</b>	<b>7,803,437</b>	<b>7,819,215</b>
As at 31 December 2017	於2017年12月31日			
Trade payables (Note 27)	應付貿易賬款(附註27)	-	3,517,538	3,517,538
Other payables (Note 28)	其他應付賬款(附註28)	-	692,271	692,271
Borrowings (Note 29)	借款(附註29)	-	2,125,706	2,125,706
Other long-term payables (Note 30)	其他長期應付賬款(附註30)	-	206,540	206,540
Amounts due to related parties (Note 47(c))	應付關聯方款項(附註47(c))	-	73,251	73,251
Derivative financial instruments	衍生金融工具	9,036	-	9,036
<b>Total</b>	<b>合計</b>	<b>9,036</b>	<b>6,615,306</b>	<b>6,624,342</b>



# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 13. CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of financial assets that are neither past due nor impaired can be assessed by types of the financial assets and by reference to historical information about counterparty default rates. The Group categorised the trade receivables, notes receivables, loan receivables and debt instruments measured at FVOCI as follows:

- Group 1 – Bank acceptance notes
- Group 2 – Trade receivables, notes receivables and loan receivables due from customers with no defaults in the past and debt instruments measured at FVOCI
- Group 3 – Trade receivables, notes receivables and loan receivables due from customers with some defaults in the past

Trade receivables, notes receivables, loan receivables and debt instruments measured at FVOCI

Group 1	第一類
Group 2	第二類
Group 3	第三類

The credit quality of 'Deposits and other receivables' and 'Amounts due from related parties' of the Group is disclosed in Notes 3.1(b), 20 and 47(c) respectively.

## 13. 金融資產的信貸狀況

尚未逾期亦沒有減值的金融資產的信貸狀況可根據金融資產類別，並參考有關對方拖欠比率的歷史資料進行評估。本集團將應收貿易賬款、應收票據、應收貸款及按公允價值計量且其變動計入其他綜合收益的債務工具分類如下：

- 第一類－銀行承兌匯票
- 第二類－應收過往無拖欠記錄的客戶的應收貿易賬款、應收票據及應收貸款及按公允價值計量且其變動計入其他綜合收益的債務工具
- 第三類－應收過往部份有拖欠記錄的客戶的應收貿易賬款、應收票據及應收貸款

應收貿易賬款、應收票據、應收貸款及按公允價值計量且其變動計入其他綜合收益的債務工具

	2018	2017
Group 1	<b>1,364,128</b>	3,282,570
Group 2	<b>1,504,315</b>	702,923
Group 3	<b>86,970</b>	78,361
	<b>2,955,413</b>	4,063,854

本集團「按金及其他應收賬款」及「應收關聯方款項」的信貸狀況分別於附註3.1(b)、20及47(c)中披露。

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 13. CREDIT QUALITY OF FINANCIAL ASSETS (continued)

The Group categorises cash in banks, bank deposits and structured bank deposits measured at amortised cost as follows:

- Group 1 – Major international banks
- Group 2 – Listed banks in the PRC
- Group 3 – Other banks in the PRC

The Directors considered the credit risks in respect of cash in banks, bank deposits and structured bank deposits measured at amortised cost with financial institution are relatively minimum as each counter party either bears a high credit rating or is state-owned bank and large local banks in the PRC.

Cash in banks, bank deposits and structured bank deposits measured at amortised cost

## 13. 金融資產的信貨狀況(續)

本集團將其銀行現金、銀行存款及按攤銷成本計量之結構性銀行存款分類如下：

- 第一類 – 主要國際銀行
- 第二類 – 中國上市銀行
- 第三類 – 中國其他銀行

由於各方有高度信貨評級或為中國國有銀行及中國當地大型銀行，故董事們認為存放於金融機構的銀行現金、銀行存款及按攤銷成本計量之結構性銀行存款信貨風險極低。

銀行現金、銀行存款及按攤銷成本計量之結構性銀行存款

		2018	2017
Group 1	第一類	640,291	995,692
Group 2	第二類	3,362,132	1,154,816
Group 3	第三類	406,732	1,003,851
		<b>4,409,155</b>	3,154,359

## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 14. PROPERTIES UNDER DEVELOPMENT AND HELD FOR SALE

### 14. 發展中及持作出售物業

		2018	2017
Properties under development comprise:	發展中物業包括：		
– Construction costs	– 建設成本	–	4,615
– Land use rights	– 土地使用權	–	5,078
– Interests capitalised	– 資本化利息	–	–
		–	9,693
Completed properties held for sale	已完成的持作出售物業	<b>168,790</b>	272,326
		<b>168,790</b>	282,019

The properties under development and held for sale are all located in the PRC. The related land use rights are on lease of 40 to 70 years.

發展中及持作出售物業均位於中國。相關土地使用權租期為40至70年。

For the year ended 31 December 2018, no borrowing costs were capitalised into the cost of properties under development. For the year ended 31 December 2017, RMB 3 million were capitalised at an annual average capitalisation rate of 5.81% approximately.

截至2018年12月31日止年度，概無借款成本獲資本化為發展中物業的成本。截至2017年12月31日止年度，借款成本約人民幣300萬元已按年度平均資本化比率約5.81%資本化。

		2018	2017
Properties under development comprised:	發展中物業包括：		
Expected to be completed and available for sale within 12 months	預期於12個月內完工及可供出售	–	9,693

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 15. AVAILABLE-FOR-SALE FINANCIAL ASSETS

## 15. 可供出售金融資產

		2018	2017
Unlisted equity interests	非上市權益	<b>527,705</b>	527,705
Less: impairment provision	減：減值撥備	<b>(188,100)</b>	(188,100)
Reclassification to financial assets at fair value through profit or loss (Note 17)	重分類至按公允價值計量且其變動計入損益表之金融資產(附註17)	<b>(14,605)</b>	-
Reclassification to financial assets at fair value through other comprehensive income (Note 16)	重分類至按公允價值計量且其變動計入其他綜合收益之金融資產(附註16)	<b>(325,000)</b>	-
Net	淨額	<b>-</b>	339,605
Listed debt securities	上市債務證券	<b>92,506</b>	149,950
Less: fair value losses debited to equity (Note 26)	減：自權益扣除之公允價值虧損(附註26)	-	(7,317)
Less: disposal	減：出售	-	(50,127)
Reclassification to financial assets at fair value through other comprehensive income (Note 16)	重分類至按公允價值計量且其變動計入其他綜合收益之金融資產(附註16)	<b>(92,506)</b>	-
Net	淨額	<b>-</b>	92,506
<b>Total</b>	<b>合計</b>	<b>-</b>	432,111

## Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

### 16. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### 16. 按公允價值計量且其變動計入其他綜合收益之金融資產

		2018	2017
<b>Non-current</b>	<b>非流動</b>		
Unlisted equity interests	非上市權益	-	-
Reclassification from available-for-sale financial assets (Note 15)	由可供出售金融資產重分類 (附註15)	<b>325,000</b>	-
Additions	添置	<b>96,000</b>	-
Net	淨額	<b>421,000</b>	-
Listed debt securities	上市債權證券	-	-
Reclassification from available-for-sale financial assets (Note 15)	由可供出售金融資產重分類 (附註15)	<b>92,506</b>	-
Additions	添置	<b>19,226</b>	-
Less: current portion	減：流動部份	<b>(48,318)</b>	-
Net gains transfer to equity (Note 26)	轉移至權益的收益淨額 (附註26)	<b>2,962</b>	-
Net	淨額	<b>66,376</b>	-
<b>Current</b>	<b>流動</b>		
Listed debt securities	上市債權證券	-	-
Add: current portion	加：流動部份	<b>48,318</b>	-
Net gains transfer to equity (Note 26)	轉移至權益的收益淨額 (附註26)	<b>2,773</b>	-
Less: disposal	減：出售	<b>(51,091)</b>	-
Net	淨額	-	-
<b>Total</b>	<b>合計</b>	<b>487,376</b>	-

## Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

### 17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

#### Non-current Equity investment

#### 非流動 股權投資

2018	2017
<b>243,120</b>	–

#### Current

Money market funds  
Financial investment products  
Bond market funds  
Investment funds  
Listed equity interest

#### 流動 貨幣市場基金 金融投資產品 債券市場基金 投資基金 上市股權權益

<b>4,863,936</b>	1,299,193
<b>1,211,991</b>	1,433,801
<b>230,551</b>	33,243
<b>208,028</b>	–
<b>52,737</b>	–
<b>6,567,243</b>	2,766,237
<b>6,810,363</b>	2,766,237

#### Total

#### 合計

Changes in fair values of financial assets at fair value through profit or loss are recorded in 'Other gains – net' in the consolidated statement of profit or loss (Note 33).

按公允價值計量且其變動計入損益表之金融資產之公允價值變化是計入合併損益表中的「其他收益－淨額」（附註33）。

### 18. INVENTORIES

Raw materials and materials in-transit  
Work-in-progress  
Finished goods  
Less: impairment provision  
Inventories – net

原材料及在途材料  
在製品  
製成品  
減：減值撥備  
存貨－淨額

2018	2017
<b>1,938,802</b>	1,606,787
<b>653,016</b>	726,916
<b>547,665</b>	771,926
<b>(31,972)</b>	(35,732)
<b>3,107,511</b>	3,069,897

As at 31 December 2018, inventories with a net book value of RMB 34 million (2017: RMB 74 million) were pledged as security for the Group's notes payable (Note 27) and borrowings (Note 29).

於2018年12月31日，已為本集團的應付票據（附註27）及借款（附註29）作抵押的存貨的賬面淨值為人民幣3,400萬元（2017年：人民幣7,400萬元）。

The cost of inventories recognised in cost of sales for the year ended 31 December 2018 amounted to RMB 33,899 million (2017: RMB 33,049 million).

截至2018年12月31日止年度，已確認為銷售成本的存貨成本為人民幣338.99億元（2017年：人民幣330.49億元）。

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(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 19. TRADE RECEIVABLES

Trade receivables	應收貿易賬款
Less: impairment provision for trade receivables	減：應收貿易賬款的 減值撥備
Trade receivables – net	應收貿易賬款－淨額

As at 31 December 2018 and 31 December 2017, the carrying amount of the Group's trade receivables approximated their fair values.

The credit policy usually adopted by the Group for the sales of products to customers is to deliver goods either upon receipt in cash or upon receipt of bank acceptance notes with the maturity dates within six months.

As at 31 December 2018 and 2017, the ageing analysis of the gross amount of trade receivables based on invoiced date was as follows:

Within 3 months	3個月內
4-6 months	4至6個月
7-12 months	7至12個月
Over 1 year	1年以上

## 19. 應收貿易賬款

	2018	2017
	<b>719,790</b>	734,284
	<b>(57,839)</b>	(40,352)
	<b>661,951</b>	693,932

本集團的應收貿易賬款於2018年12月31日及2017年12月31日的賬面值近似其公允價值。

本集團執行的產品銷售信貸政策，通常為於收取現金或到期日在六個月以內的銀行承兌匯票時向客戶交付貨物。

於2018年及2017年12月31日，應收貿易賬款總額按發票日期的賬齡分析如下：

	2018	2017
	<b>585,975</b>	561,494
	<b>50,772</b>	74,352
	<b>19,237</b>	39,111
	<b>63,806</b>	59,327
	<b>719,790</b>	734,284

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 19. TRADE RECEIVABLES (continued)

As at 31 December 2018, trade receivables amounting to RMB 117 million (2017: RMB 116 million) were secured by letters of credit issued by third party customers.

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

The Group have applied HKFRS 9 simplified approach to measuring expected credit losses which use a lifetime expected loss allowance for all trade receivables at 31 December 2018. Note 3.1(b) provides for detail about the calculation of the allowance.

Information about the impairment of trade receivables and the Group's exposure to credit risk, foreign currency risk and interest rate risk can be found in Note 3.1.

The gross amounts of the Group's trade receivables are denominated in the following currencies:

RMB	人民幣
US\$	美元

Movements on the Group's provision for impairment of trade receivables are as follow:

At 1 January	於1月1日
Provision for impairment (Note 35)	減值撥備(附註35)
Derecognition of receivables	終止確認應收賬款
At 31 December	於12月31日

## 19. 應收貿易賬款(續)

於2018年12月31日，以第三方客戶開具的信用證作抵押的應收貿易賬款為人民幣1.17億元(2017年：人民幣1.16億元)。

由於流動應收款的短期性質，其賬面值被視為等於其公允價值。

本集團已應用香港財務報告準則第9號簡化模式計量預期信貸損失，該模式就所有應收貿易賬款於2018年12月31日採用整個存續期內預期虧損撥備。附註3.1(b)提供計算撥備的詳情。

有關本集團應收貿易賬款之減值以及本集團所面臨之信貸風險、外幣風險及利率風險的資料可見於附註3.1。

本集團應收貿易賬款的總額乃以下列貨幣為單位：

	2018	2017
RMB	602,379	617,855
US\$	117,411	116,429
	<b>719,790</b>	734,284

本集團應收貿易賬款減值撥備變動如下：

	2018	2017
At 1 January	40,352	26,846
Provision for impairment (Note 35)	17,873	13,506
Derecognition of receivables	(386)	—
At 31 December	<b>57,839</b>	40,352



## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 20. 預付款項、按金及其他應收賬款

		2018	2017
<b>Non-current</b>	<b>非流動</b>		
Prepayments for purchase of property, plant and equipment	購買物業、廠房及設備的預付款項	<b>922,796</b>	234,235
Less: impairment provision	減：減值撥備	<b>(234,235)</b>	(234,235)
Prepayments for purchase of property, plant and equipment – net	購買物業、廠房及設備的預付款項－淨額	<b>688,561</b>	–
Lease receivables	應收租賃款	<b>40,803</b>	–
		<b>729,364</b>	–
<b>Current</b>	<b>流動</b>		
Prepayments for purchase of inventories	購買存貨的預付款項	<b>949,849</b>	966,826
Other receivables	其他應收賬款	<b>379,729</b>	643,591
Less: impairment provision	減：減值撥備	<b>(203,516)</b>	(437,551)
Other receivables – net	其他應收賬款－淨額	<b>176,213</b>	206,040
Prepaid tax	預付稅款	<b>139,285</b>	101,309
Deposits	按金	<b>161,279</b>	139,144
Prepaid expenses	預付費用	<b>9,610</b>	9,271
Lease receivables	應收租賃款	<b>3,699</b>	–
		<b>1,439,935</b>	1,422,590
<b>Total</b>	<b>合計</b>	<b>2,169,299</b>	1,422,590

The fair values of prepayments, deposits and other receivables approximated their carrying amounts as at the balance sheet date, as the impact of discounting is not significant.

因折現影響不重大，預付款項、按金及其他應收賬款於結算日的公允價值近似其賬面值。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Certain prepayments and other receivables were fully impaired since certain suppliers and debtors were in significant financial difficulty and had defaulted the payment of the remaining balances.

Movements on the Group's impairment provision of prepayments, deposits and other receivables are as follows:

## 20. 預付款項、按金及其他應收賬款 (續)

若干預付款項及其他應收賬款已全額減值，乃由於若干供應商及債務人處於重大財務困難並已拖欠支付餘額。

本集團預付款項、按金及其他應收賬款的減值撥備變動如下：

		2018	2017
At 1 January	於1月1日	(671,786)	(550,061)
Reversal of/(provision for) impairment (Note 35)	減值撥回/(撥備)(附註35)	234,035	(121,725)
At 31 December	於12月31日	<u>(437,751)</u>	<u>(671,786)</u>

## 21. LOAN RECEIVABLES

## 21. 應收貸款

		2018	2017
<b>Non-current</b>	<b>非流動</b>		
Long-term loan receivables (a)	應收長期貸款(a)	720,000	-
<b>Current</b>	<b>流動</b>		
Short-term loan receivables (b)	應收短期貸款(b)	85,119	47,000
Less: impairment provision (c)	減：減值撥備(c)	(44,791)	(47,000)
		<u>40,328</u>	<u>-</u>
Total loan receivables, net of provision	應收貸款總額，扣除撥備	<u>760,328</u>	<u>-</u>

## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 21. LOAN RECEIVABLES (continued)

The Group provided loans to third parties. The details of the loans are set out below:

- (a) Long-term loan receivables of RMB 720 million as at 31 December 2018 comprised of various loans with individual amount ranging from RMB 20 million to RMB 300 million. The loan receivables of RMB 700 million and RMB 20 million were secured by pledged of shares of listed and unlisted companies held by the borrowers or guarantors of the borrowers respectively, interest bearing at rates ranging from 8.0% to 9.0% per annum and with repayment terms of 2 years.
- (b) Loan receivables of RMB 85 million (2017: RMB 47 million) as at 31 December 2018 comprised of various loans with repayment terms within 1 year and with individual amount ranging from RMB 5 million to RMB 40 million (2017: RMB 7 million to RMB 20 million). The loans were secured by the pledge of certain property, plant and equipment, land use rights and equity shares of the borrowers or guarantors of the borrowers or other parties, and interest bearing at rates ranging from 12.0% to 24.0% (2017: 19.8% to 24.0%) per annum.
- (c) As at 31 December 2018, provisions amounting to RMB 45 million (2017: RMB 47 million) were made on the loan receivables given that the borrowers were in significant financial difficulty and had defaulted in scheduled payments and there was significant uncertainty of recovering the loan receivables by the enforcement of mortgage rights.

The fair values of loan receivables approximated their carrying amounts as at the balance sheet date, as the impact of discounting is not significant.

### 21. 應收貸款(續)

本集團向第三方提供貸款。貸款詳情載列如下：

- (a) 於2018年12月31日，人民幣7.20億元的應收長期貸款包括單項金額介乎人民幣2,000萬元至人民幣3.00億元的各項貸款。人民幣7.00億元及人民幣2,000萬元的應收貸款分別由借款人或借款人的擔保人持有的上市及非上市公司的股票作為抵押，按年利率介乎8.0%至9.0%計息及還款期為2年。
- (b) 於2018年12月31日，人民幣8,500萬元(2017年：人民幣4,700萬元)的應收貸款包括還款期為1年內及單項金額介乎人民幣500萬元至人民幣4,000萬元(2017年：人民幣700萬元至人民幣2,000萬元)的各項貸款。貸款由借款人或借款人的擔保人或其他方的若干物業、廠房及設備、土地使用權及股權作為抵押，按年利率介乎12.0%至24.0%(2017年：19.8%至24.0%)計息。
- (c) 於2018年12月31日，鑒於借款人面臨重大財政困難及已違反還款計劃，且強制執行按揭權利收回應收貸款存在重大不明朗因素，故已就應收貸款作出人民幣4,500萬元(2017年：人民幣4,700萬元)的撥備。

因折現影響不重大，應收貸款於結算日的公允價值近似其賬面值。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 22. NOTES RECEIVABLE – BANK ACCEPTANCE NOTES

## 22. 應收票據 – 銀行承兌匯票

		2018	2017
Notes receivable – bank acceptance notes	應收票據 – 銀行承兌匯票	<b>1,364,128</b>	3,282,570

As at 31 December 2018, notes receivable amounting to approximately RMB 66 million (2017: RMB 120 million) were pledged as security for the Group's notes payable (Note 27) and approximately RMB 80 million (2017: RMB 187 million) were pledged as security for the Group's borrowings (Note 29).

於2018年12月31日，約人民幣6,600萬元(2017年：人民幣1.20億元)的應收票據為本集團的應付票據(附註27)作抵押及約人民幣8,000萬元(2017年：人民幣1.87億元)的應收票據為本集團的借款(附註29)作抵押。

The settlement of the notes receivable was guaranteed by banks with maturity dates within six months. The notes receivable can be converted into cash and cash equivalent by paying discounting interests and the credit risks in respect of the notes receivable are considered to be low.

應收票據的結算由銀行擔保，其到期日在六個月以內。支付貼現利息可轉換應收票據為現金及現金等價物及應收票據的信貨風險被視為低。

As at 31 December 2018 and 31 December 2017, the ageing analysis of notes receivable was as follows:

於2018年及2017年12月31日，應收票據的賬齡分析如下：

		2018	2017
Within 3 months	3個月內	<b>1,024,523</b>	2,714,652
4-6 months	4至6個月	<b>339,605</b>	543,318
7-12 months	7至12個月	–	24,600
		<b>1,364,128</b>	3,282,570

## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 23. CASH AND CASH EQUIVALENTS AND RESTRICTED BANK BALANCES

Cash and cash equivalents	現金及現金等價物
Restricted bank balances	受限制銀行結餘
Total cash and bank balances	現金及銀行結餘合計

As at 31 December 2018, restricted bank balances comprised the following:

- (a) Approximately RMB 397.6 million (2017: RMB 346.9 million) were pledged as security for issuing notes payable (Note 27) of the Group;
- (b) Approximately RMB 82.2 million (2017: RMB 70.3 million) were pledged as security for issuing letters of credit of the Group;
- (c) Approximately US\$ 6.95 million (equivalent to RMB 47.7 million) (2017: nil) were pledged as security for bank borrowings (Note 29) of the Group.

The carrying amounts of the cash and cash equivalents and restricted bank balances are denominated in the following currencies:

Cash and cash equivalents and restricted bank balances	現金及現金等價物以及 受限制銀行結餘
RMB	人民幣
US\$	美元
AU\$	澳元
HK\$	港元
Others	其他
<b>Total</b>	<b>合計</b>

### 23. 現金及現金等價物及受限制銀行結餘

	2018	2017
	<b>2,845,229</b>	2,766,396
	<b>527,542</b>	417,151
	<b>3,372,771</b>	3,183,547

於2018年12月31日，受限制銀行結餘包括下列各項：

- (a) 約人民幣3.976億元(2017年：人民幣3.469億元)已為開具本集團應付票據(附註27)作抵押；
- (b) 約人民幣8,220萬元(2017年：人民幣7,030萬元)已為開具本集團信用證作抵押；
- (c) 約695萬美元(相等於人民幣4,770萬元)(2017年：零)已為本集團銀行借款(附註29)作抵押。

現金及現金等價物及受限制銀行結餘的賬面值乃以下列貨幣為單位：

	2018	2017
	<b>2,659,435</b>	2,555,193
	<b>683,995</b>	418,427
	<b>21,681</b>	39,381
	<b>6,626</b>	169,583
	<b>1,034</b>	963
	<b>3,372,771</b>	3,183,547

## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 24. STRUCTURED BANK DEPOSITS

### 24. 結構性銀行存款

		2018	2017
Financial assets at amortised cost	按攤銷成本計量之金融資產	1,037,900	–
Financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表之金融資產	1,000,000	–
<b>Total</b>	<b>合計</b>	<b>2,037,900</b>	<b>–</b>

As at 31 December 2018, the structured bank deposits represented financial instruments placed by the Group in various banks in Mainland China for a term within 1 year. The structured bank deposits are principal-protected, among which amounts of RMB 1,037.9 million are recorded in financial assets at amortised cost as their interests link to SHIBOR and amounts of RMB 1,000.0 million are recorded in financial assets at fair value through profit or loss as their interests link to LIBOR. Considering the principal-protected nature or short term maturity of the deposits, the Directors are of the view that the structured bank deposits are held for cash management purpose.

As at 31 December 2018, structured bank deposits amounting to RMB 1,000 million (2017: nil) were pledged as security for issuing notes payable (Note 27) of the Group.

於2018年12月31日，結構性銀行存款指本集團在中國大陸多家銀行所存放的1年期以內之金融工具。結構性銀行存款為保本，其中人民幣10.379億元由於其利息與上海銀行同業拆放利率掛鉤而記錄為按攤銷成本計量之金融資產及人民幣10.000億元由於其利息與倫敦銀行同業拆借利率掛鉤而記錄為按公允價值計量且其變動計入損益表之金融資產。考慮到存款的保本性質或短期限，董事們認為結構性銀行存款乃持作現金管理用途。

於2018年12月31日，約人民幣10.00億元(2017年：零)的結構性銀行存款為開具本集團的應付票據(附註27)作抵押。

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### 25. SHARE CAPITAL AND SHARE PREMIUM

### 25. 股本及股份溢價

		Amount 金額			
		Number of shares (thousands) 股份數目 (千股)	Ordinary shares 普通股	Share premium 股份溢價	Total 合計
As at 1 January 2017	於2017年1月1日	2,931,425	311,853	2,192,131	2,503,984
Proceeds from shares issued	已發行股份所得款項	586,284	51,839	600,773	652,612
Employee share option scheme – issuance of shares	僱員購股權計劃 – 發行股份	12,500	1,070	27,881	28,951
As at 31 December 2017	於2017年12月31日	<b>3,530,209</b>	<b>364,762</b>	<b>2,820,785</b>	<b>3,185,547</b>
Employee share option scheme – issuance of shares	僱員購股權計劃 – 發行股份	192,360	15,866	711,449	727,315
As at 31 December 2018	於2018年12月31日	<b>3,722,569</b>	<b>380,628</b>	<b>3,532,234</b>	<b>3,912,862</b>

As at 31 December 2018 and 2017, the total number of authorised ordinary shares of the Company is 5,000,000,000 shares with a par value of HK\$ 0.1 per share.

於2018年及2017年12月31日，本公司法定普通股總數為5,000,000,000股每股面值0.1港元之股份。

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## 26. OTHER RESERVES

## 26. 其他儲備

		Merger reserve (a)	Capital surplus (b)	Statutory reserve (c)	Employee share option scheme (d)	Financial assets at fair value through other comprehensive income	Total
		合併儲備 (a)	資本公積 (b)	法定儲備 (c)	僱員 購股權計劃 (d)	按公允價值 計量且其變 動計入其他 綜合收益之 金融資產	合計
<b>Balance at 1 January 2017</b>	於2017年1月1日之結餘	(599)	53,367	1,229,271	419,748	1,521	1,703,308
Profit appropriation	溢利分配	-	-	56,298	-	-	56,298
Exercise of employee share option scheme – issuance of shares	行使僱員購股權計劃—發行股份	-	-	-	(6,939)	-	(6,939)
Fair value losses on available-for-sale financial assets (Note 15)	可供出售金融資產的公允價值虧損(附註15)	-	-	-	-	(7,317)	(7,317)
Transfer of fair value gains previously credited to reserve to statement of profit or loss upon disposal of available-for-sale financial assets	於出售可供出售金融資產時將先前計入儲備的公允價值收益轉至損益表	-	-	-	-	(1,259)	(1,259)
<b>Balance at 31 December 2017</b>	於2017年12月31日之結餘	(599)	53,367	1,285,569	412,809	(7,055)	1,744,091
Profit appropriation	溢利分配	-	-	244,671	-	-	244,671
Changes in ownership interests in subsidiaries without change of control	在不改變控制權的情況下變更於附屬公司的所有權權益	-	(105,318)	-	-	-	(105,318)
Employee share options scheme – issuance of shares	行使僱員購股權計劃—發行股份	-	-	-	(314,981)	-	(314,981)
– lapse of share options	—購股權失效	-	-	-	(97,828)	-	(97,828)
Fair value gains on financial assets at fair value through other comprehensive income (Note 16)	按公允價值計量且其變動計入其他綜合收益之金融資產的公允價值收益(附註16)	-	-	-	-	5,735	5,735
Transfer of fair value gains previously credited to reserve to statement of profit or loss upon disposal of financial assets at fair value through other comprehensive income	於出售按公允價值計量且其變動計入其他綜合收益之金融資產時將先前計入儲備的公允價值收益轉至損益表	-	-	-	-	(2,635)	(2,635)
<b>Balance at 31 December 2018</b>	於2018年12月31日之結餘	(599)	(51,951)	1,530,240	-	(3,955)	1,473,735



# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 26. OTHER RESERVES (continued)

### (a) Merger reserve

The merger reserve of the Group represents the difference between the nominal value of the shares of the subsidiaries that had been acquired and the nominal value of the Company's shares issued in exchange therefore pursuant to the Reorganisation.

### (b) Capital surplus

The Group's capital surplus arose from transactions with non-controlling interests.

### (c) Statutory reserve

#### (i) Statutory surplus reserves

In accordance with the PRC regulations and the Articles of the Association of certain subsidiaries of the Group registered in the PRC, before distributing the net profit of each year, these PRC subsidiaries are required to set aside 10% of their statutory net profit for the year after offsetting any prior year's losses as determined under the PRC accounting regulations to the statutory surplus reserve fund. When the balance of such reserve reaches 50% of the share capital, any further appropriation is optional.

The statutory surplus reserve fund can be utilised to offset prior years' losses or to issue bonus shares. However, such statutory surplus reserve fund must be maintained at a minimum of 25% of the entity's share capital after such issuance.

#### (ii) Discretionary reserves

The appropriation of discretionary reserve fund is proposed by Board of the PRC subsidiaries, and approved by the shareholder's meeting. The discretionary reserve fund can be utilised to offset prior years' losses or increase share capital.

## 26. 其他儲備(續)

### (a) 合併儲備

本集團的合併儲備指已收購附屬公司股份的面值與根據重組為有關收購而發行的本公司股份面值的差額。

### (b) 資本公積

本集團的資本公積來自與非控制性權益的交易。

### (c) 法定儲備

#### (i) 法定盈餘儲備

根據中國法規及本集團在中國註冊的若干附屬公司的組織章程細則，每年分派淨溢利前，該等中國附屬公司根據中國會計準則規定在抵銷去年的虧損後，須撥其年度法定淨溢利的10%至法定盈餘儲備資金，直至該儲備達至其股本的50%為止，可選擇繼續或者停止該等撥備。

法定盈餘儲備資金可用作抵銷往年的虧損或發行紅股。然而，該法定盈餘儲備資金必須於發行後維持該實體股本的最少25%。

#### (ii) 任意儲備

任意儲備資金的分配乃由中國附屬公司的董事局建議，並須獲股東大會的批准。任意儲備資金可用作抵銷過往年度的虧損或用作增加股本。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 26. OTHER RESERVES (continued)

### (d) Employee share option scheme

As approved by the Company's board meetings in the previous years, certain share options were granted to selected directors and employees as follows. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Date of grant 授予日		Number of share options in aggregate 購股權總數目	Exercises price 行使價 HK\$/share 港元/每股	Exercisable period 可行使期間
24 February 2009	2009年2月24日	21,200,000	1.39	Note 1 附註1
11 May 2009	2009年5月11日	6,600,000	1.50	Note 1 附註1
29 December 2009	2009年12月29日	148,780,000	2.84	Note 1 附註1
20 December 2010	2010年12月20日	6,000,000	3.00	Note 1 附註1
24 December 2010	2010年12月24日	47,100,000	3.182	Note 1 附註1
14 January 2011	2011年1月14日	800,000	3.20	Note 1 附註1
27 April 2011	2011年4月27日	9,800,000	3.08	Note 1 附註1
30 March 2012	2012年3月30日	75,370,000	2.03	Note 1 附註1
30 May 2012	2012年5月30日	9,800,000	2.03	Note 1 附註1

Note 1: The share options are exercisable in different periods from February 2009 to December 2021, and with different vesting requirements.

## 26. 其他儲備(續)

### (d) 僱員購股權計劃

經本公司董事局先前年度的會議批准後，下列經挑選的董事及僱員已獲授予若干購股權。本集團並無以現金購回或結算購股權的法定或推定責任。

附註1: 該等購股權於2009年2月至2021年12月不同期間內可予行使，行權要求各異。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 26. OTHER RESERVES (continued)

### (d) Employee share option scheme (continued)

Movements in the number of share options outstanding during the year ended 31 December 2018 and their related weighted average exercise prices were as follows:

		2018		2017	
		Average exercise price per share in HK\$ 每股股份的平均行使價 (港元)	Number of options (thousands) 購股權數目 (千份)	Average exercise price per share in HK\$ 每股股份的平均行使價 (港元)	Number of options (thousands) 購股權數目 (千份)
At 1 January	於1月1日	2.60	192,360	2.58	234,670
Exercised	已行使	2.60	(192,360)	2.06	(12,500)
Lapsed	已失效	-	-	2.67	(29,810)
At 31 December	於12月31日	-	-	2.60	192,360

There were no share options outstanding at 31 December 2018.

## 26. 其他儲備(續)

### (d) 僱員購股權計劃(續)

截至2018年12月31日止年度內，尚未行使的購股權數目及其相關加權平均行使價的變動如下：

於2018年12月31日概無尚未行使的購股權。

## 27. TRADE PAYABLES

Account payables 應付賬款  
Notes payable 應付票據

## 27. 應付貿易賬款

	2018	2017
Account payables	2,048,214	2,622,132
Notes payable	2,109,239	895,406
	<b>4,157,453</b>	<b>3,517,538</b>

## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 27. TRADE PAYABLES (continued)

As at 31 December 2018, all notes payable represented bank acceptance notes, of which nil (2017: RMB 114 million) were secured by certain notes receivable (Note 22), RMB 1,010 million (2017: RMB 715 million) were secured by certain restricted bank balances (Note 23), RMB 1,000 million (2017 nil) were secured by certain structured bank deposits (Note 24), RMB 26 million (2017: RMB 50 million) were secured by certain inventories (Note 18) and certain restricted bank balances (Note 23) and RMB 73 million (2017: RMB 16 million) were secured by certain restricted bank balances (Note 23) and certain notes receivable (Note 22) together.

As at 31 December 2018 and 2017, the ageing analysis of the trade payables was as follows:

Within 3 months	3個月內
4-6 months	4至6個月
7-9 months	7至9個月
10-12 months	10至12個月
Over 1 year	1年以上

The carrying amounts of the Group's trade payables are denominated in the following currencies:

RMB	人民幣
US\$	美元

### 27. 應付貿易賬款 (續)

於2018年12月31日，所有應付票據均為銀行承兌匯票，其中包括零(2017年：人民幣1.14億元)以若干應收票據(附註22)作抵押，人民幣10.10億元(2017年：人民幣7.15億元)以若干受限制銀行結餘(附註23)作抵押，人民幣10.00億元(2017年：零)以若干結構性銀行存款(附註24)作抵押，人民幣2,600萬元(2017年：人民幣5,000萬元)以若干存貨(附註18)及若干受限制銀行結餘(附註23)作抵押；及人民幣7,300萬元(2017年：人民幣1,600萬元)以若干受限制銀行結餘(附註23)及若干應收票據(附註22)共同作抵押。

於2018年及2017年12月31日，應付貿易賬款的賬齡分析如下：

	2018	2017
Within 3 months	<b>3,249,807</b>	1,956,761
4-6 months	<b>592,692</b>	1,197,120
7-9 months	<b>148,008</b>	107,547
10-12 months	<b>28,431</b>	75,793
Over 1 year	<b>138,515</b>	180,317
	<b>4,157,453</b>	3,517,538

本集團應付貿易賬款的賬面值乃以下列貨幣為單位：

	2018	2017
RMB	<b>3,757,208</b>	3,346,981
US\$	<b>400,245</b>	170,557
	<b>4,157,453</b>	3,517,538

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## 28. ACCRUALS, ADVANCES AND OTHER CURRENT LIABILITIES

## 28. 預提費用、預收款項及其他流動負債

		2018	2017
Payables for purchase of property, plant and equipment	購買物業、廠房及設備的應付賬款	678,865	614,059
Value-added tax payable and other taxes payables	應付增值稅及其他應付稅項	520,433	358,124
Accrual for processing fee and importing expenses	預提加工費及進口費用	336,809	297,147
Salary, pension and other social welfare payables	應付薪金、退休金及其他社會福利	189,803	190,868
Deposits from customers	客戶按金	120,477	61,058
Employee deposits	僱員按金	22,167	17,154
Provisions for legal claims	法律索償撥備	20,000	20,000
Accrual of interest expense	預提利息費用	1,637	3,514
Advances from customers (Note 2.1.1)	預收客戶款項(附註2.1.1)	-	1,496,839
Others	其他	197,246	242,717
		<b>2,087,437</b>	<b>3,301,480</b>

## 29. BORROWINGS

## 29. 借款

		2018	2017
<b>Non-current</b>	<b>非流動</b>		
Bank borrowings (a)	銀行借款(a)		
Secured	有抵押	-	235,500
Unsecured	無抵押	162,000	-
		<b>162,000</b>	<b>235,500</b>
<b>Current</b>	<b>流動</b>		
Bank borrowings (a)	銀行借款(a)		
Secured	有抵押	686,116	222,600
Unsecured	無抵押	1,852,241	1,602,606
		<b>2,538,357</b>	<b>1,825,206</b>
Other borrowings, unsecured (b)	其他借款，無抵押(b)	65,000	65,000
		<b>2,603,357</b>	<b>1,890,206</b>
<b>Total borrowings</b>	<b>總借款</b>	<b>2,765,357</b>	<b>2,125,706</b>

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
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## 29. BORROWINGS (continued)

- (a) The secured bank borrowings as at 31 December 2018 totalling RMB 686 million were secured by property, plant and equipment (Note 7), leasehold land and land use rights (Note 6), certain inventories (Note 18), certain notes receivables (Note 22) and restricted bank balances (Note 23) of the Group and guaranteed by a third party.

The secured bank borrowings as at 31 December 2017 totalling RMB 458 million were secured by property, plant and equipment (Note 7), leasehold land and land use rights (Note 6) and certain notes receivables (Note 22).

- (b) The other unsecured borrowings of RMB 65 million (2017: 65 million) represented a borrowing from a local county government without fixed term of repayment. Interest is charged at the RMB bank deposit rate for one year fixed deposit.

- (c) As at 31 December 2018 and 2017, the Group's borrowings were repayable as follows:

## 29. 借款(續)

- (a) 於2018年12月31日，合共人民幣6.86億元的有抵押銀行借款以本集團的物業、廠房及設備(附註7)、租賃土地及土地使用權(附註6)、若干存貨(附註18)、若干應收票據(附註22)以及受限制銀行結餘(附註23)作抵押並由一名第三方作擔保。

於2017年12月31日，合共人民幣4.58億元的有抵押銀行借款以物業、廠房及設備(附註7)、租賃土地及土地使用權(附註6)以及若干應收票據(附註22)作抵押。

- (b) 人民幣6,500萬元(2017年：人民幣6,500萬元)的其他無抵押借款指當地縣政府提供的借款，該筆借款無固定償還期。利息開支按銀行人民幣一年期定期存款利率計算。

- (c) 於2018年及2017年12月31日，本集團的借款到期期限如下：

	Bank borrowings 銀行借款		Other borrowings 其他借款	
	2018	2017	2018	2017
Within 1 year 1年內	2,538,357	1,825,206	65,000	65,000
Between 1 and 2 years 1至2年	162,000	235,500	-	-
	<b>2,700,357</b>	2,060,706	<b>65,000</b>	65,000

## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 29. BORROWINGS (continued)

The effective interest rates at the balance sheet date were as follows:

		2018		2017	
		RMB 人民幣	US\$ 美元	RMB 人民幣	US\$ 美元
Bank borrowings	銀行借款	4.52%-8.00%	2.96%-4.71%	4.38%-6.00%	1.7%-2.15%
Other borrowings	其他借款	3.60%	-	3.60%	-

The carrying amounts of current borrowings approximated their fair values as at the balance sheet date as the impact of discounting is not significant.

於結算日的實際利率如下：

由於折現影響不大，流動借款於結算日的賬面值近似其公允價值。

The carrying amounts and fair values of the non-current bank borrowings are as follows:

		Carrying amount 賬面值		Fair value 公允價值	
		2018	2017	2018	2017
Bank borrowings	銀行借款	162,000	235,500	162,392	235,371

非流動銀行借款的賬面值及公允價值如下：

The fair values of non-current bank borrowings are based on discounted cash flow approach using the prevailing market rates of interest available to the Group for financial institution with substantially the same terms and characteristics at the respective balance sheet dates.

非流動銀行借款的公允價值使用本集團於各結算日條款及特徵大體相同的金融機構的現行市場利率按現金流量法折現處理。

As at 31 December 2018, the carrying amount of the borrowings amounting to RMB 1,100 million (2017: RMB 898 million) and RMB 1,665 million (2017: RMB 1,228 million) were denominated in US\$ and RMB respectively.

於2018年12月31日，賬面值為人民幣11.00億元(2017年：人民幣8.98億元)及人民幣16.65億元(2017年：人民幣12.28億元)的借款分別以美元及人民幣計值。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 29. BORROWINGS (continued)

The exposure of the Group's bank borrowings and other borrowings to interest-rate changes and the contractual repricing dates are as follows:

		2018	2017
6 months or less	6個月內	1,279,756	1,145,206
6-12 months	6至12個月	1,323,601	680,000
More than 12 months	12個月以上	162,000	235,500
		<b>2,765,357</b>	2,060,706

## 30. OTHER LONG-TERM PAYABLES

### Current portion

Finance lease obligations (i)  
Other payable

### 流動部份

融資租賃承擔 (i)  
其他應付賬款

### Total

### 合計

2018                      2017

-	198,497
-	8,043
-	206,540

- (i) In November 2015, the Group entered into certain asset sale and leaseback agreements (the “**Sale and Lease Agreement**”) with one financial institution. The sales proceeds of the relevant property, plant and equipment were RMB 1,200 million with a notional disposal loss of RMB 10 million which was amortised over the lease term of 36 months. The Group was entitled to purchase the related assets at a cost of RMB 3 at the end of the lease.

During the year ended 31 December 2017, the Group terminated certain Sale and Lease Agreement with principal amount of RMB 1,000 million in advance.

During the year ended 31 December 2018, the residual amount of the finance lease obligations was due and paid by the Group and the related assets were purchased by the Group at the cost agreed upon.

## 29. 借款(續)

本集團銀行借款及其他借款承擔利率變動風險及合約重新定價日期如下：

## 30. 其他長期應付賬款

2018                      2017

-	198,497
-	8,043
-	206,540

- (i) 於2015年11月，本集團與一間金融機構訂立若干資產售後回租協議(「售後回租協議」)。出售相關物業、廠房及設備所得款項為人民幣12.00億元，出售虧損為人民幣1,000萬元，按租賃期36個月攤銷。本集團於租賃期末有權以人民幣3元的成本購買相關資產。

於截至2017年12月31日止年度，本集團提前終止若干售後回租協議，本金額為人民幣10.00億元。

於截至2018年12月31日止年度，融資租賃承擔的剩餘金額已到期並已由本集團支付，而本集團已按事先同意的成本購買有關資產。



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## 31. DEFERRED REVENUE

## 31. 遞延收入

		<b>Deferred government grant</b> 遞延政府補貼
At 1 January 2017	於2017年1月1日	78,107
Addition	添置	62,590
Credited to the consolidated statement of profit or loss	於合併損益表內記賬	(29,033)
At 31 December 2017	於2017年12月31日	111,664
Addition	添置	30,217
Credited to the consolidated statement of profit or loss	於合併損益表內記賬	(21,745)
At 31 December 2018	於2018年12月31日	120,136

## 32. DEFERRED INCOME TAX

## 32. 遞延所得稅

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to income taxed levied by the same taxation authority on either the taxable entity or different taxable entities where there is an interaction to settle the balances on a net basis. The offset amounts are as follows:

當有將流動稅項資產與流動稅項負債抵銷之合法執行權，以及當遞延所得稅與同一稅務機關就該應課稅實體或不同應課稅實體徵收之所得稅有關，而有關方面擬按淨額基準繳納稅項時，遞延所得稅資產與負債將會抵銷。抵銷金額如下：

		<b>2018</b>	2017
Deferred tax assets:	遞延稅項資產：		
– Deferred tax asset to be recovered after more than 12 months	– 將於12個月後收回的遞延稅項資產	<b>104,636</b>	81,713
– Deferred tax asset to be recovered within 12 months	– 將於12個月內收回的遞延稅項資產	<b>166,353</b>	97,626
		<b>270,989</b>	179,339
Deferred tax liabilities:	遞延稅項負債：		
– Deferred tax liabilities to be settled after more than 12 months	– 將於12個月後支銷的遞延稅項負債	<b>(16,215)</b>	(34,501)
– Deferred tax liabilities to be settled within 12 months	– 將於12個月內支銷的遞延稅項負債	<b>(5,068)</b>	(4,304)
		<b>(21,283)</b>	(38,805)
<b>Deferred tax assets – net</b>	<b>遞延稅項資產 – 淨額</b>	<b>249,706</b>	140,534

## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 32. DEFERRED INCOME TAX (continued)

The gross movement on the deferred income tax account is as follows:

At 1 January	於1月1日
Credited to the consolidated statement of profit or loss (Note 38)	於合併損益表記賬 (附註38)
At 31 December	於12月31日

Deferred taxation is calculated on temporary differences under the liability method using the tax rate and the tax base that is consistent with the expected manner of recovery or settlement for the year ended 31 December 2018.

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction is as follows:

### 32. 遞延所得稅 (續)

遞延所得稅賬目的總變動如下：

	2018	2017
	140,534	113,676
	109,172	26,858
	<b>249,706</b>	140,534

遞延稅項採用負債法就暫時性差異按與截至2018年12月31日止年度預期收回或結算方式一致的稅率及稅基計算。

年內遞延所得稅資產及負債(沒有計入在同一徵稅區內抵銷的結餘)的變動如下：

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### 32. DEFERRED INCOME TAX (continued)

Deferred income tax assets:

		Tax losses	Temporary difference arising from expense recognition	Impairment provision of assets and legal claims	Unrealised gains	Accelerated depreciation	Total
		稅項虧損	費用確認的暫時性差異	撥備及法律索償撥備	尚未變現收益	加速折舊	合計
At 1 January 2017	於2017年1月1日	33,233	71,301	18,646	83,484	-	206,664
(Charged)/credited to the consolidated statement of profit or loss	於合併損益表(扣除)/記賬	(17,181)	40,148	2,346	(5,963)	-	19,350
At 31 December 2017	於2017年12月31日	16,052	111,449	20,992	77,521	-	226,014
(Charged)/credited to the consolidated statement of profit or loss	於合併損益表(扣除)/記賬	(3,767)	29,169	1,765	5,752	54,173	87,092
At 31 December 2018	於2018年12月31日	12,285	140,618	22,757	83,273	54,173	313,106

The Directors are of opinion that accumulated tax losses of RMB 315 million and unused temporary differences arising from impairment provision of assets of RMB 2,375 million as at 31 December 2018 (31 December 2017: RMB 412 million and RMB 2,609 million) were unlikely to be utilised, therefore no deferred income tax assets were recognised in this regard. Tax loss amounting to RMB 119 million (2017: RMB 133 million), RMB 9 million (2017: RMB 119 million), RMB 12 million (2017: RMB 17 million), RMB 78 million (2017: RMB 18 million) and RMB 97 million (2017: RMB 125 million) expire in 2019, 2020, 2021, 2022 and 2023 respectively.

### 32. 遞延所得稅(續)

遞延所得稅資產：

董事們認為，於2018年12月31日，人民幣3.15億元的累計稅項虧損及人民幣23.75億元資產減值撥備產生的未動用暫時性差異(2017年12月31日：人民幣4.12億元及人民幣26.09億元)將不大可能被使用，因此，並無就此確認遞延所得稅資產。人民幣1.19億元(2017年：人民幣1.33億元)、人民幣900萬元(2017年：人民幣1.19億元)、人民幣1,200萬元(2017年：人民幣1,700萬元)、人民幣7,800萬元(2017年：人民幣1,800萬元)及人民幣9,700萬元(2017年：人民幣1.25億元)的稅項虧損分別於2019年、2020年、2021年、2022年及2023年屆滿。

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## 32. DEFERRED INCOME TAX (continued)

Deferred income tax liabilities:

		Fair value gains	Capitalised interest	Investment in an associate 於一間聯營公司 之投資	Total 合計
At 1 January 2017	於2017年1月1日	(37,507)	(46,150)	(9,331)	(92,988)
Credited/(charged) to the consolidated statement of profit or loss	於合併損益表記賬/(扣除)	4,663	3,751	(906)	7,508
At 31 December 2017	於2017年12月31日	(32,844)	(42,399)	(10,237)	(85,480)
Credited to the consolidated statement of profit or loss	於合併損益表記賬	8,019	3,824	10,237	22,080
At 31 December 2018	於2018年12月31日	(24,825)	(38,575)	-	(63,400)

## 32. 遞延所得稅(續)

遞延所得稅負債：

## 33. OTHER GAINS – NET

		2018	2017
Government grants	政府補貼	147,609	155,748
Gains on disposal of financial assets at fair value through other comprehensive income	出售按公允價值計量且其 變動計入其他綜合收益之 金融資產之收益	2,635	-
Losses on disposal of available-for-sale financial assets	出售可供出售金融資產之 虧損	-	(1,881)
Fair value (loss)/gain of financial assets at fair value through profit or loss	按公允價值計量且其變動 計入損益表之金融資產之 公允價值(虧損)/收益	(3,416)	2,162
Investment income from financial assets at fair value through profit or loss	按公允價值計量且其變動 計入損益表之金融資產之 投資收入	203,646	53,083
(Losses)/gains on disposal of property, plant and equipment (Note 43)	出售物業、廠房及設備之 (虧損)/收益(附註43)	(214,734)	1,752
Gains on disposal of investment property (Note 8)	出售投資物業之收益 (附註8)	2,529	-
Gains/(losses) of raw materials and by-products	原材料及副產品收益/(虧損)	15,890	(4,875)
Other foreign exchange gains/(losses) – net (Note 39)	其他匯兌收益/(虧損)–淨額 (附註39)	32,603	(20,876)
Others, net	其他，淨額	44,549	(22,073)
<b>Total other gains – net</b>	<b>其他收益 – 淨額合計</b>	<b>231,311</b>	<b>163,040</b>

## 33. 其他收益 – 淨額

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### 34. OTHER INCOME

### 34. 其他收入

		2018	2017
Rental income from investment properties (Note 8)	投資物業之租金收入(附註8)	15,783	11,059
Dividend income from financial assets at fair value through other comprehensive income (Note 16)	按公允價值計量且其變動計入其他綜合收益之金融資產之股息收入(附註16)	6,319	-
Dividend income from available-for-sale financial assets (Note 15)	可供出售金融資產之股息收入(附註15)	-	19,765
Interest income from financial assets at fair value through other comprehensive income (Note 16)	按公允價值計量且其變動計入其他綜合收益之金融資產之利息收入(附註16)	8,279	-
Interest income from available-for-sale financial assets (Note 15)	可供出售金融資產之利息收入(附註15)	-	6,590
Interest income from loan receivables	應收貸款之利息收入	4,985	-
Others	其他	28	247
<b>Total</b>	<b>合計</b>	<b>35,394</b>	<b>37,661</b>

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## 35. EXPENSES BY NATURE

## 35. 按性質呈列的開支

		2018	2017
Employee benefit expense (Note 36)	僱員福利開支(附註36)	<b>1,087,756</b>	1,135,058
Changes in inventories of finished goods and work in progress	製成品及在製品的存貨變動	<b>294,401</b>	729,103
Raw materials used	所用原材料	<b>29,858,023</b>	28,671,170
Cost of properties sold	已銷售物業成本	<b>122,459</b>	1,001,932
Utilities	能源	<b>1,667,953</b>	1,509,392
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備折舊(附註7)	<b>1,131,372</b>	1,044,742
Amortisation of intangible assets (Note 9)	無形資產攤銷(附註9)	<b>11,550</b>	10,647
Amortisation of leasehold land and land use rights (Note 6)	租賃土地及土地使用權攤銷(附註6)	<b>5,812</b>	5,812
Depreciation of investment properties (Note 8)	投資物業折舊(附註8)	<b>11,530</b>	6,916
Operating lease expenses in respect of land use rights	有關土地使用權的經營租賃費用	<b>1,884</b>	2,546
Provision for write-down of inventories to net realisable value (Note 18)	存貨價值撇減至可變現淨值之撥備(附註18)	-	29,298
Provision for impairment of trade receivables (Note 19)	應收貿易賬款減值之撥備(附註19)	<b>17,873</b>	13,506
(Reversal of)/provision for prepayments, deposits and other receivables (Note 20)	預付款項、按金及其他應收賬款之減值(撥回)/撥備(附註20)	<b>(234,035)</b>	121,725
Reversal of impairment of loan receivables (Note 21)	應收貸款減值之撥回(附註21)	<b>(2,209)</b>	-
Auditors' remuneration	核數師酬金		
– Audit services	– 核數服務	<b>4,538</b>	4,036
– Non-audit services	– 非核數服務	<b>2,281</b>	135
Rental fee	租金費用	<b>181,570</b>	396,865
Tax	稅項	<b>154,179</b>	120,983
Research and technical consulting fee	研究及技術諮詢費	<b>113,269</b>	51,133
Export fee	出口費用	<b>6,622</b>	15,153
Others	其他	<b>180,974</b>	202,754
<b>Total</b>	<b>合計</b>	<b>34,617,802</b>	35,072,906

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 36. EMPLOYEE BENEFIT EXPENSE

## 36. 僱員福利開支

		2018	2017
Staff costs (including directors' emoluments)	僱員成本(包括董事酬金)		
– Salaries and welfare	– 薪金及福利	<b>969,593</b>	1,000,527
– Pension costs – defined contribution plans (a)	– 退休金成本 – 定額供款計劃(a)	<b>118,163</b>	134,531
		<b>1,087,756</b>	1,135,058

### (a) Pensions – defined contribution plans

The employees of the subsidiaries of the Group that are incorporated in the PRC participate in a defined contribution retirement benefit plan organised by the relevant provincial government. For the years ended 31 December 2018 and 2017, the Group is required to make monthly defined contributions to these plans at rates from 10% to 20%, with the base of their total salary subject to a certain ceiling.

The Group has no other obligations for the payment of retirement and other post-retirement benefits of employees or retirees other than the payments disclosed in the above note.

### (a) 退休金 – 定額供款計劃

本集團於中國註冊成立的附屬公司的僱員參與有關省政府組織的定額供款統籌退休金計劃。截至2018年及2017年12月31日止年度，本集團按僱員薪金總額10%至20%每月向該等計劃作出定額供款，惟受若干上限所限。

除以上附註所披露的款項外，本集團並無向僱員或退休人士支付退休金及給予其他退休後福利的其他責任。

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## 36. EMPLOYEE BENEFIT EXPENSE (continued)

### (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include four (2017: two) directors whose emoluments are reflected in the analysis of Note 50. The emoluments of the remaining one (2017: three) highest paid individuals for the year ended 31 December 2018 are as follows:

Salaries, allowances and other benefits	薪金、津貼及其他福利
Retirement benefits scheme contributions	退休福利計劃供款
Performance related incentive payments	表現相關獎勵金

The remuneration fell within the following bands:

HK\$3,000,001 to HK\$3,500,000 (approximately RMB2,568,166 to RMB2,996,192)	3,000,001 港元至 3,500,000 港元 (約人民幣 2,568,166 元至 人民幣 2,996,192 元)
HK\$3,500,001 to HK\$4,000,000 (approximately RMB2,996,193 to RMB3,424,220)	3,500,001 港元至 4,000,000 港元 (約人民幣 2,996,193 元至 人民幣 3,424,220 元)
HK\$4,000,001 to HK\$4,500,000 (approximately RMB3,424,221 to RMB3,852,248)	4,000,001 港元至 4,500,000 港元 (約人民幣 3,424,221 元至 人民幣 3,852,248 元)

## 36. 僱員福利開支 (續)

### (b) 五名最高薪酬人士

本年度本集團五位最高薪酬人士包括四位(2017年：兩位)董事，其酬金已於附註50的分析中呈列。截至2018年12月31日止年度內支付予其餘一位(2017年：三位)最高薪人士的酬金如下：

	2018	2017
Salaries, allowances and other benefits	771	2,149
Retirement benefits scheme contributions	39	-
Performance related incentive payments	3,000	7,800
	<b>3,810</b>	9,949

酬金介乎以下範圍：

### Number of individuals 人數

	2018	2017
HK\$3,000,001 to HK\$3,500,000 (approximately RMB2,568,166 to RMB2,996,192)	-	1
HK\$3,500,001 to HK\$4,000,000 (approximately RMB2,996,193 to RMB3,424,220)	-	1
HK\$4,000,001 to HK\$4,500,000 (approximately RMB3,424,221 to RMB3,852,248)	1	1





## Notes to the Consolidated Financial Statements 合併財務報表附註

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### 38. INCOME TAX EXPENSE (continued)

No Hong Kong profits tax has been provided since the Company and the subsidiaries traded or incorporated in Hong Kong do not have assessable taxable profits during the year ended 31 December 2018 after utilising accumulated tax losses (2017: nil). The Directors are of opinion that the accumulated tax losses of the Company and the subsidiaries are unlikely to be utilised in the future. No deferred tax assets were recognised.

China Oriental Singapore has been awarded the “Global Trader Programme” (“GTP”) status for 2 years and 9 months with effect from 1 April 2011 and continued to be awarded from 1 January 2014 for 5 years. Income from qualifying transactions will be taxed at the concessionary corporate tax rate of 10%, subject to China Oriental Singapore meeting certain terms and conditions as stated in the letter issued by International Enterprise Singapore.

The PRC EIT is calculated based on the statutory profit of subsidiaries incorporated in the Mainland China in accordance with the PRC tax laws and regulations, after adjustments on certain income and expense items which are not assessable or deductible for income tax purposes. The EIT rate applicable to the subsidiaries incorporated in the Mainland China is 25% (2017: 25%) except for Zhongjin Leasing.

Zhongjin Leasing qualified as a key encouraged industry enterprise and was established in an economically difficult zone. Approved by local tax authority in 2017, Zhongjin Leasing was entitled to a four year full tax exemption from 2017 to 2020. As at 31 December 2018, the effective tax rate of Zhongjin Leasing was nil (2017: nil).

According to the applicable PRC tax regulations, dividends distributed by a company established in the Mainland China to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% withholding tax.

### 38. 所得稅費用(續)

由於在動用累計稅項虧損後，於香港進行貿易或註冊成立的本公司及附屬公司於截至2018年12月31日止年度內並無應課稅利潤，故並沒有計提香港利得稅(2017年：無)。董事們認為，本公司及附屬公司於未來動用累計稅項虧損之可能性不大，故並無確認遞延所得稅資產。

中國東方新加坡已獲得自2011年4月1日起生效的二年零九個月的「環球貿易計劃」地位，並繼續獲得自2014年1月1日起生效5年。根據中國東方新加坡達到新加坡國際企業發展局發出的函件內所列的若干條款及條件，合資格的交易之收入將按特許企業稅率10%徵稅。

中國企業所得稅乃基於在中國大陸註冊成立的附屬公司的法定溢利，根據中國稅務法律及條例，於調整若干不須課稅或不可扣減所得稅的收入及開支項目後計算。適用於在中國大陸註冊成立的附屬公司的企業所得稅稅率為25%(2017年：25%)，除中津融資外。

中津融資作為重點鼓勵產業企業，成立於經濟下行地區。中津融資於2017年獲得當地稅務機關批准，由2017年至2020年享有四年全額豁免所得稅。於2018年12月31日，中津融資之實際稅率為零(2017年：零)。

根據適用中國稅務條例，一間於中國大陸成立的公司向海外投資者派發於2008年1月1日後之相關利潤之股息，一般須繳納10%的預扣稅。

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### 38. INCOME TAX EXPENSE (continued)

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the weighted average applicable tax rate of 24.93% (2017: 23.42%) to respective profits of the consolidated entities for the years ended 31 December 2018 and 2017 as follows:

### 38. 所得稅費用(續)

本集團除稅前溢利的稅項於截至2018年及2017年12月31日止年度合併實體的溢利因採用加權平均稅率24.93%(2017年: 23.42%)計算的理論總額的差異分別如下:

		2018	2017
Profit before taxation	除稅前溢利	<b>6,299,420</b>	6,407,730
Taxation calculated at statutory tax rate	按法定稅率計算的稅項	<b>1,570,294</b>	1,500,376
Tax exemption of a subsidiary established in specific area	一間成立於特定地區的 附屬公司之所得稅豁免	<b>(124,725)</b>	(10,042)
Temporary differences and tax losses for which no deferred income tax asset was recognised	未確認遞延所得稅資產的 暫時性差異及稅項虧損	<b>26,941</b>	70,550
(Reversal)/provision of withholding tax of investment in an associate	於一間聯營公司之投資之 預扣稅(撥回)/撥備	<b>(10,237)</b>	906
Withholding tax on dividends from subsidiaries	附屬公司之股息之預扣稅	<b>120,662</b>	-
Utilisation of previously unrecognised tax losses and temporary differences	動用過往未確認之稅項虧損及 暫時性差異	<b>(90,069)</b>	(27,880)
Withholding tax of intra-group interest	集團內部利息之預扣稅	<b>277</b>	286
Effect of non-taxable income	毋須課稅收入之影響	<b>(57,653)</b>	(14,180)
Effect of non-deductible expenses	不可扣減費用之影響	<b>3,409</b>	4,550
		<b>1,438,899</b>	1,524,566

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## 39. NET FOREIGN EXCHANGE GAINS/(LOSSES)

The exchange differences credited in the consolidated statement of profit or loss included the followings:

		2018	2017
Other gains – net (Note 33)	其他收益—淨額 (附註33)	32,603	(20,876)
Finance (costs)/income – net (Note 37)	財務(成本)/收入—淨額 (附註37)	(17,443)	17,048
		<b>15,160</b>	<b>(3,828)</b>

## 39. 匯兌收益/(虧損)淨額

於合併損益表內記賬之匯兌差異載列如下：

## 40. GAINS/(LOSSES) FROM DERIVATIVE FINANCIAL INSTRUMENTS

		2018	2017
Investment gains/(losses) from foreign currency forward contracts (a)	外幣遠期合約之 投資收益/(虧損)(a)	18,559	(25,829)
Investment losses from foreign currency, interest rate and iron ore swap contracts (b)	外幣、利率及鐵礦石 掉期合約之投資虧損(b)	(252)	(12,518)
Investment gains/(losses) from iron ore and rebar future contracts (c)	鐵礦石及螺紋鋼期貨 合約之投資收益/(虧損)(c)	11,565	(36,849)
<b>Total</b>	<b>合計</b>	<b>29,872</b>	<b>(75,196)</b>

## 40. 衍生金融工具之收益/(虧損)

(a) As at 31 December 2018, realised gains amounted to RMB 33.4 million and unrealised losses amounted to RMB 14.8 million (2017: realised losses amounted to RMB 22.5 million and unrealised losses amounted to RMB 3.3 million) were derived from foreign currency forward contracts. A derivative financial liability of RMB 14.8 million was recognised on balance sheet as at 31 December 2018 accordingly.

(a) 於2018年12月31日，外幣遠期合約產生人民幣3,340萬元已確認收益及人民幣1,480萬元未確認虧損(2017年：人民幣2,250萬元已確認虧損及人民幣330萬元未確認虧損)。因此，於2018年12月31日，人民幣1,480萬元的衍生金融負債於資產負債表中確認。

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## 40. GAINS/(LOSSES) FROM DERIVATIVE FINANCIAL INSTRUMENTS (continued)

- (b) As at 31 December 2018, unrealised losses amounted to RMB 0.3 million (2017: realised losses amounted to RMB 12.6 million and unrealised gains amounted to RMB 0.1 million) were derived from foreign currency, interest rate and iron ore swap contracts. A derivative financial liability of RMB 0.3 million was recognised on balance sheet as at 31 December 2018 accordingly.
- (c) As at 31 December 2018, realised gains amounted to RMB 10.1 million and unrealised gains amounted to RMB 1.5 million (2017: realised losses amounted to RMB 31.2 million and unrealised losses amounted to RMB 5.6 million) were derived from iron ore and rebar future contracts. A derivative financial asset of RMB 2.2 million and a derivative financial liability of RMB 0.7 million were recognised on balance sheet as at 31 December 2018 accordingly.

## 40. 衍生金融工具之收益/(虧損)(續)

- (b) 於2018年12月31日，外幣、利率及鐵礦石掉期合約產生人民幣30萬元未確認虧損(2017年：人民幣1,260萬元已確認虧損及人民幣10萬元未確認收益)。因此，於2018年12月31日，人民幣30萬元的衍生金融負債於資產負債表中確認。
- (c) 於2018年12月31日，鐵礦石及螺紋鋼期貨合約產生人民幣1,010萬元已確認收益及人民幣150萬元未確認收益(2017年：人民幣3,120萬元已確認虧損及人民幣560萬元未確認虧損)。因此，於2018年12月31日，人民幣220萬元的衍生金融資產及人民幣70萬元的衍生金融負債於資產負債表中確認。

## 41. EARNINGS PER SHARE

### Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

## 41. 每股收益

### 基本

每股基本收益乃根據本公司權益持有者應佔溢利除以年內已發行普通股的加權平均數而計算。

		2018	2017
Profit attributable to owners of the Company	本公司權益持有者應佔溢利	<b>4,781,678</b>	4,839,080
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均數(千股)	<b>3,655,434</b>	3,471,628
Basic earnings per share (RMB per share)	每股基本收益(每股人民幣元)	<b>1.31</b>	1.39

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## 41. EARNINGS PER SHARE (continued)

### Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As at 31 December 2017, the Company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. As at 31 December 2018, the Company did not have any dilutive potential ordinary share.

## 41. 每股收益(續)

### 稀釋

每股稀釋收益乃在假設所有可稀釋的潛在普通股被兌換後，透過調整已發行普通股的加權平均股數計算。於2017年12月31日，本公司僅有一類可稀釋的潛在普通股：購股權。就購股權而言，根據尚未行使購股權所附的認購權的貨幣價值，釐定按公允價值(釐定為本公司股份的平均年度市價)可購入的股份數目。按以上方式計算的股份數目與假設購股權行使而應已發行的股份數目作出比較。於2018年12月31日，本公司沒有任何可稀釋的潛在普通股。

		2018	2017
Profit attributable to owners of the Company	本公司權益持有者應佔溢利	<b>4,781,678</b>	4,839,080
Weighted average number of ordinary shares in issue used in calculating basic earnings per share (thousands)	用於計算每股基本收益的已發行普通股加權平均數(千股)	<b>3,655,434</b>	3,471,628
Adjustments for options (thousands)	購股權調整(千股)	<b>4,738</b>	55,152
Weighted average number of ordinary shares and potential ordinary shares issued as the denominator in calculating diluted earnings per share (thousands)	計算每股稀釋收益時作為分母的已發行普通股及潛在普通股加權平均數(千股)	<b>3,660,172</b>	3,526,780
Diluted earnings per share (RMB per share)	每股稀釋收益(每股人民幣元)	<b>1.31</b>	1.37

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## 42. DIVIDENDS

## 42. 股息

		2018	2017
Interim, paid (a) (b)	中期，已付 (a) (b)	<b>613,395</b>	390,625
Final, paid (c)	末期，已付 (c)	-	982,992
Final, proposed (d)	末期，建議 (d)	<b>568,064</b>	-
<p>(a) At a meeting held on 29 August 2018, the Board proposed an interim dividend of HK\$ 707.3 million (approximately RMB 613.4 million), representing HK\$ 0.19 per ordinary share in respect of the six months ended 30 June 2018. The proposed dividend was paid during the year ended 31 December 2018.</p>		<p>(a) 於2018年8月29日舉行的會議上，董事局建議就截至2018年6月30日止六個月派發中期股息7.073億港元(約人民幣6.134億元)(即每股普通股0.19港元)。此建議派發的股息已於截至2018年12月31日止年度內支付。</p>	
<p>(b) At a meeting held on 22 August 2017, the Board proposed an interim dividend of HK\$ 457.8 million (approximately RMB 390.6 million), representing HK\$ 0.13 per ordinary share in respect of the six months ended 30 June 2017. The proposed dividend was paid during the year ended 31 December 2017.</p>		<p>(b) 於2017年8月22日舉行的會議上，董事局建議就截至2017年6月30日止六個月派發中期股息4.578億港元(約人民幣3.906億元)(即每股普通股0.13港元)。此建議派發的股息已於截至2017年12月31日止年度內支付。</p>	
<p>(c) At a meeting held on 28 March 2018, the Board proposed a final dividend of HK\$ 818.9 million (approximately RMB 655.3 million), representing HK\$ 0.22 per ordinary share and a special dividend of HK\$ 409.5 million (approximately RMB 327.7 million), representing HK\$ 0.11 per ordinary share in respect of the year ended 31 December 2017. This proposed dividend was approved by the shareholders of the Company on the Annual General Meeting of the Company dated 1 June 2018 and was paid during the year.</p>		<p>(c) 於2018年3月28日舉行的會議上，董事局建議就截至2017年12月31日止年度派發末期股息8.189億港元(約人民幣6.553億元)(即每股普通股0.22港元)及特別股息4.095億港元(約人民幣3.277億元)(即每股普通股0.11港元)。此建議派發的股息於2018年6月1日本公司舉行的股東週年大會上經本公司的股東通過及已於年內支付。</p>	
<p>(d) At a meeting held on 28 March 2019, the Board proposed a final dividend of HK\$ 405.2 million (approximately RMB 344.7 million), representing HK\$ 0.11 per ordinary share and a special dividend of HK\$ 262.5 million (approximately RMB 223.4 million), representing HK\$ 0.07 per ordinary share in respect of the year ended 31 December 2018.</p>		<p>(d) 於2019年3月28日舉行的會議上，董事局建議就截至2018年12月31日止年度派發末期股息4.052億港元(約人民幣3.447億元)(即每股普通股0.11港元)及特別股息2.625億港元(約人民幣2.234億元)(即每股普通股0.07港元)。</p>	

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## 43. CASH GENERATED FROM OPERATIONS

## 43. 營運產生的現金

(a) Reconciliation of profit before income tax to cash generated from operations is as follows:

(a) 除所得稅前溢利與營運產生的現金的調節表如下：

		2018	2017
Profit before income tax	除所得稅前溢利	6,299,420	6,407,730
Adjustments for:	調整：		
Amortisation of leasehold land and land use rights (Notes 6, 35)	租賃土地及土地使用權攤銷 (附註6、35)	5,812	5,812
Depreciation of property, plant and equipment (Notes 7, 35)	物業、廠房及設備折舊 (附註7、35)	1,131,372	1,044,742
Depreciation of investment properties (Notes 8, 35)	投資物業折舊 (附註8、35)	11,530	6,916
Amortisation of intangible assets (Notes 9, 35)	無形資產攤銷 (附註9、35)	11,550	10,647
Losses/(gains) on disposal of property, plant and equipment (Note 33)	出售物業、廠房及設備之虧損/(收益)(附註33)	214,734	(1,752)
Gains on disposal of investment property (Note 33)	出售投資物業之收益 (附註33)	(2,529)	-
Provision for write-down of inventories to net realisable value (Notes 18, 35)	存貨價值撇減至其可變現淨值之撥備(附註18、35)	-	29,298
Provision for impairment of trade receivables (Notes 19, 35)	應收貿易賬款減值之撥備 (附註19、35)	17,873	13,506
(Reversal of)/provision for prepayments, deposits and other receivables (Notes 20, 35)	預付款項、按金及其他應收賬款之減值(撥回)/撥備 (附註20、35)	(234,035)	121,725
Reversal of impairment of loan receivables (Notes 21, 35)	應收貸款減值之撥回 (附註21、35)	(2,209)	-
Share of results of associates and a joint venture (Note 11)	應佔聯營公司及一間合營企業業績(附註11)	1,941	(389)
Gain on disposal of financial assets at fair value through other comprehensive income (Note 33)	出售按公允價值計量且其變動計入其他綜合收益之金融資產之收益(附註33)	(2,635)	-
Losses on disposal of available-for-sale financial assets (Note 33)	出售可供出售金融資產之虧損(附註33)	-	1,881
(Gains)/losses from derivative financial instruments (Note 40)	衍生金融工具之(收益)/虧損(附註40)	(29,872)	75,196
Dividend income from financial assets at fair value through other comprehensive income (Note 34)	按公允價值計量且其變動計入其他綜合收益之金融資產之股息收入(附註34)	(6,319)	-
Interest income from financial assets at fair value through other comprehensive income (Note 34)	按公允價值計量且其變動計入其他綜合收益之金融資產之利息收入(附註34)	(8,279)	-



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### 43. CASH GENERATED FROM OPERATIONS (continued)

### 43. 營運產生的現金 (續)

(a) Reconciliation of profit before income tax to cash generated from operations is as follows: (continued)	2018	2017
Interest income from available-for-sale financial assets (Note 34)	-	(6,590)
Interest income from loan receivables (Note 34)	<b>(4,985)</b>	-
Fair value loss/(gain) of financial assets at fair value through profit or loss (Note 33)	<b>3,416</b>	(2,162)
Investment income from financial assets at fair value through profit or loss (Note 33)	<b>(203,646)</b>	(53,083)
Impairment loss on investment in an associate (Note 11)	<b>34,122</b>	-
Other foreign exchange (gains)/losses (Notes 33, 39)	<b>(32,603)</b>	20,876
Finance income (Note 37)	<b>(35,721)</b>	(81,001)
Finance costs (Note 37)	<b>161,315</b>	78,855
Decrease in inventories, properties under development and held for sale and investment properties	<b>273,140</b>	1,132,962
Decrease/(increase) in trade and notes receivables, prepayments, deposits and other receivables	<b>968,340</b>	(1,788,655)
Decrease/(increase) in amounts due from related parties	<b>1,952</b>	(2,872)
(Increase)/decrease in restricted bank balances	<b>(62,661)</b>	473,466
Increase in deferred revenue (Note 31)	<b>8,472</b>	33,557
Decrease in trade payables, accruals, advances from customers and other current liabilities	<b>(571,868)</b>	(2,140,385)
Increase in amounts due to related parties	<b>22,347</b>	9,505
Increase in contract liabilities	<b>1,629,944</b>	-
<b>Cash generated from operation</b>	<b>9,599,918</b>	5,389,785

(a) 除所得稅前溢利與營運產生的現金的調節表如下：(續)

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## 43. CASH GENERATED FROM OPERATIONS (continued)

(b) Major non-cash transactions:

Except the major non-cash transactions disclosed elsewhere in these consolidated financial statements, the Group endorsed bank acceptance notes to suppliers for purchase of property, plant and equipment amounting to approximately RMB 1,125 million (2017: approximately RMB 350 million) for the year ended 31 December 2018.

(c) In the consolidated statement of cash flows, proceeds from sales of property, plant and equipment comprised:

Net book amount of property, plant and equipment disposed (Note 7)	出售物業、廠房及設備的賬面淨值(附註7)
(Losses)/gains on disposals of property, plant and equipment (Note 33)	出售物業、廠房及設備之(虧損)/收益(附註33)
Non-cash assets received	已收非現金資產
Cash proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得現金

Non-cash assets received mainly represented bank acceptance notes and other receivables received from deductions of property, plant and equipment.

## 43. 營運產生的現金(續)

(b) 主要非現金交易：

除合併財務報表其他部份所披露的主要非現金交易外，截至2018年12月31日止年度，本集團就購買物業、廠房及設備向供應商背書銀行承兌匯票約人民幣11.25億元(2017年：約人民幣3.50億元)。

(c) 於現金流量表內，出售物業、廠房及設備所得款項包括：

	2018	2017
	<b>268,486</b>	6,281
	<b>(214,734)</b>	1,752
	<b>(53,403)</b>	(7,839)
	<b>349</b>	194

收取的非現金資產主要指就物業、廠房及設備減少而收取的銀行承兌匯票及其他應收賬款。

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## 43. CASH GENERATED FROM OPERATIONS (continued)

(d) Reconciliation of liabilities arising from financing activities is as follows:

		Borrowings (Non-current)	Borrowings (Current)	Loan from a related party (Non-current) 一名關聯方 提供之貸款 (非流動)	Loans from related parties (Current) 關聯方 提供之貸款 (流動)	Other long-term payables (Non-current) 其他長期 應付賬款 (非流動)	Other long-term payables (Current) 其他長期 應付賬款 (流動)	Total
<b>At 31 December 2016</b>	<b>於2016年12月31日</b>	246,500	1,134,507	51,859	23,931	615,194	551,392	2,623,383
Cash flows	現金流量							
- Inflow from financing activities	- 融資活動流入	-	4,580,802	-	-	-	-	4,580,802
- Outflow from financing activities	- 融資活動流出	(3,000)	(3,816,055)	-	-	(400,000)	(550,000)	(4,769,055)
Non-cash changes	非現金變動							
- Reclassification	- 重分類	(8,000)	8,000	(36,480)	36,480	(206,043)	206,043	-
- Paid in notes receivables	- 以應收票據支付	-	-	(15,379)	-	(3,390)	-	(18,769)
- Increase in future finance charges on finance leases	- 融資租賃之未來融資支出增加	-	-	-	-	(5,761)	(895)	(6,656)
Currency translations	貨幣換算	-	(17,048)	-	-	-	-	(17,048)
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>	235,500	1,890,206	-	60,411	-	206,540	2,392,657

## 43. 營運產生的現金 (續)

(d) 融資活動產生的負債之調節表如下：

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## 43. CASH GENERATED FROM OPERATIONS (continued)

(d) Reconciliation of liabilities arising from financing activities is as follows: (continued)

## 43. 營運產生的現金 (續)

(d) 融資活動產生的負債之對賬載列如下：(續)

		Borrowings (Non-current)	Borrowings (Current)	Loan from a related party (Non-current)	Loans from related parties (Current)	Other long-term payables (Non-current)	Other long-term payables (Current)	Total
		借款 (非流動)	借款 (流動)	一名關聯方 提供之貸款 (非流動)	關聯方 提供之貸款 (流動)	其他長期 應付賬款 (非流動)	其他長期 應付賬款 (流動)	合計
<b>At 31 December 2017</b>	於2017年12月31日	235,500	1,890,206	-	60,411	-	206,540	2,392,657
Cash flows	現金流量							
- Inflow from financing activities	- 融資活動流入	162,000	6,026,990	-	-	-	-	6,188,990
- Outflow from financing activities	- 融資活動流出	-	(5,566,782)	-	(36,480)	-	(206,043)	(5,809,305)
Non-cash changes	非現金變動							
- Reclassification	- 重分類	(235,500)	235,500	-	-	-	-	-
- Increase in future finance charges on finance leases	- 融資租賃之未來融資支出增加	-	-	-	-	-	(497)	(497)
Currency translations	貨幣換算	-	17,443	-	-	-	-	17,443
<b>At 31 December 2018</b>	於2018年12月31日	162,000	2,603,357	-	23,931	-	-	2,789,288

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## 44. DISPOSAL OF A SUBSIDIARY

Pursuant to a sale and purchase agreement, the Group sold entire equity holdings of Tianjin Oriental Jiangtian Section and Steel Sales Co., Ltd. ("Oriental Jiangtian") to a third party on 25 June 2018.

Net assets disposed with reconciliation of disposal gains and cash outflow are as follows:

### Net assets disposed of comprise:

Cash and cash equivalents	現金及現金等價物	64,322
Property, plant and equipment	物業、廠房及設備	39,277
Inventories	存貨	157,319
Receivables	應收賬款	87,968
Financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表之金融資產	39,736
Payables	應付賬款	(378,622)
Group's share of net assets disposed of	本集團應佔所出售之淨資產	10,000
Consideration received from disposal	自出售事項收取的代價	10,000
Gain/(loss) on disposal of a subsidiary	出售一間附屬公司之收益/(虧損)	-
Total consideration	總代價	10,000
Less: Cash and cash equivalents in the entity disposed	減：於所出售實體中的現金及現金等價物	(64,322)
Net cash outflow arising from disposal	出售事項產生的現金流出淨額	(54,322)

## 44. 出售一間附屬公司

根據一份買賣協議，本集團於2018年6月25日向一名第三方出售天津市東方江天型鋼銷售有限公司（「東方江天」）的全部股權。

所出售的淨資產與出售收益及現金流出之對賬如下：

### 所出售之淨資產包括：

25 June 2018  
2018年6月25日  
Unaudited  
未經審核

現金及現金等價物	64,322
物業、廠房及設備	39,277
存貨	157,319
應收賬款	87,968
按公允價值計量且其變動計入損益表之金融資產	39,736
應付賬款	(378,622)
本集團應佔所出售之淨資產	10,000
自出售事項收取的代價	10,000
出售一間附屬公司之收益/(虧損)	-
總代價	10,000
減：於所出售實體中的現金及現金等價物	(64,322)
出售事項產生的現金流出淨額	(54,322)

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## 45. BUSINESS COMBINATIONS

On 1 November 2018, the Group acquired 60% share equity of Beijing SBS, a company that designs and develops steel structure buildings, at a consideration of about RMB 50 million in form of capital injection. The acquisition is expected to extend the Group's industrial chain vertically to the downstream steel structure construction industry. None of the goodwill recognised is expected to be deductible for income tax purposes.

The goodwill of RMB 47 million arises from a number of factors including achieving vertical integration with related industry and obtaining professional technical team in designing, manufacturing and constructing steel architecture.

The following table summarises the consideration paid for Beijing SBS, and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

## 45. 業務合併

於2018年11月1日，本集團以代價約人民幣5,000萬元以注資形式收購北京賽博思（一間設計及開發鋼結構建築的公司）之60%股權。預期收購將使本集團的產業鏈縱向延伸至下游鋼結構建築行業。預期概無已確認商譽可為所得稅而扣減。

人民幣4,700萬元的商譽產生自一系列因素，包括實現與相關行業的縱向融合以及獲得於設計、製造及建造鋼結構的專業技術團隊。

下表概括對北京賽博思支付的代價、假設於收購日確認已收購的資產及已承擔之負債。

**1 November  
2018  
2018年  
11月1日**

Purchase consideration (capital injection)

購買代價(注資)

**50,000**

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 45. BUSINESS COMBINATIONS (continued)

Recognised amounts of identifiable assets acquired and liabilities assumed

Provisional fair value

## 45. 業務合併(續)

可識別的已收購資產及已承擔負債之已確認金額

暫估公允價值

		<b>1 November 2018 2018年 11月1日</b>
Cash and cash equivalents	現金及現金等價物	<b>51,518</b>
Property, plant and equipment	物業、廠房及設備	<b>271</b>
Intangible assets: software	無形資產：軟件	<b>36</b>
Receivables	應收款項	<b>13,258</b>
Payables	應付款項	<b>(53,942)</b>
Employee benefit obligations	僱員福利負債	<b>(5,550)</b>
Total identifiable net assets	可識別淨資產總額	<b>5,591</b>
Less: non-controlling interests	減：非控制性權益	<b>(2,236)</b>
Add: goodwill	加：商譽	<b>46,645</b>
		<b>50,000</b>

The revenue included in the consolidated statement of profit or loss since 1 November 2018 contributed by Beijing SBS was RMB 2.9 million. Beijing SBS also contributed profit of RMB 0.3 million over the same period.

Had Beijing SBS been consolidated from 1 January 2018, the consolidated statement of profit or loss would show proforma revenue of RMB 7.1 million and profit of RMB 0.1 million.

於合併損益表內包含由北京賽博思貢獻的收入為人民幣290萬元。北京賽博思亦於同期貢獻溢利人民幣30萬元。

倘北京賽博思於自2018年1月1日起被合併，合併損益表將呈列備考收入人民幣710萬元及溢利人民幣10萬元。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 46. COMMITMENTS

## 46. 承擔

### (a) Capital commitments

### (a) 資本承擔

		2018	2017
Purchase of property, plant and equipment	購買物業、廠房及設備		
– Contracted but not provided for	– 已訂約但未撥備	1,824,782	413,854
– Authorised but not contracted for	– 已授權但未訂約	238,701	269,334
		<b>2,063,483</b>	683,188

### (b) Commitments to properties under development

### (b) 發展中物業之承擔

		2018	2017
Purchase of properties under development	購買發展中物業	–	22,761

### (c) Operating lease commitments

### (c) 經營租賃承擔

The future aggregate minimum lease rental expenses in respect of land use rights, property, plant and equipment under non-cancellable operating leases are payable as follows:

有關不可撤銷經營租賃項下的土地使用權、物業、廠房及設備的應付未來最低租賃租金總支出如下：

		2018	2017
No later than one year	1年內	10,308	190,183
Later than one year and no later than five years	1年以上，5年以內	31,579	31,628
Later than five years	5年以上	90,001	97,661
		<b>131,888</b>	319,472



# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 47. RELATED PARTY TRANSACTIONS

- (a) For the years ended 31 December 2018 and 2017, the Directors are of the view that the following companies and persons are related parties of the Group:

### Name

### 名稱

Foshan Jin Lan Aluminium Company Limited  
("Foshan Jin Lan")  
佛山金蘭鋁廠有限公司  
(「佛山金蘭」)

Foshan Jin Lan Nonferrous Metals Product  
Co., Ltd. ("Jin Lan Nonferrous Metals")  
佛山金蘭有色金屬製品有限公司  
(「金蘭有色金屬」)

Tangshan Fengnan Qu Jinxi Fenggang Iron and  
Steel Co., Ltd. ("Jinxi Fenggang")  
唐山市豐南區津西豐鋼鋼鐵  
有限公司(「津西豐鋼」)

Mr. Li Hejun

李賀軍先生

Oriental Sheet Piling Sdn. Bhd. and its subsidiaries  
("Oriental Sheet Piling")

Oriental Sheet Piling Sdn. Bhd. 及其附屬公司  
(「Oriental Sheet Piling」)

Arcelor International Steel Trading (Shanghai)  
Co., Ltd. ("Arcelor International Trading")

Arcelor International Steel Trading (Shanghai)  
Co., Ltd (「Arcelor International Trading」)

XTAL

XTAL

## 47. 關聯方交易

- (a) 截至2018年及2017年12月31日止年度，董事們認為以下公司及人士為本集團的關聯方：

### Relationship with the Group

### 與本集團的關係

Minority shareholder of Jinxi Jinlan

津西金蘭的少數股東

Foshan Jin Lan's subsidiary

佛山金蘭的附屬公司

Chairman of the board of Jinxi Fenggang is Mr. Shen Xiaoling, a director of the Company  
津西豐鋼董事局主席為本公司董事沈曉玲先生

Minority shareholder of Jinxi Heavy Industry, a subsidiary of the Group, up to 1 January 2018

截至2018年1月1日本集團一間附屬公司津西重工的少數股東

Controlled by the same ultimate parent company of ArcelorMittal Holdings AG, an entity holds over 20% equity interests in the Company

由擁有本公司超過20%權益的實體 ArcelorMittal Holdings AG的相同最終母公司控制

Controlled by the same ultimate parent company of ArcelorMittal Holdings AG, an entity holds over 20% equity interests in the Company

由擁有本公司超過20%權益的實體 ArcelorMittal Holdings AG的相同最終母公司控制

An associated company of the Group

本集團的一間聯營公司

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 47. RELATED PARTY TRANSACTIONS (continued)

- (a) For the years ended 31 December 2018 and 2017, the Directors are of the view that the following companies and persons are related parties of the Group: (continued)

**Name**  
名稱

Tianjin Zhanwei Technology Co., Ltd.  
("Tianjin Zhanwei")  
天津展微科技有限公司(「天津展微」)

Hurstville Trust  
Hurstville Trust

Atlas Property Holdings Pty. Ltd. ("Atlas")  
Atlas Property Holdings Pty. Ltd. (「Atlas」)

Vodar Tianjin Co., Ltd. ("Tianjin Vodar")  
沃達爾(天津)服務有限公司(「天津沃達爾」)

KOHE Industrial Plant and Technology  
Company Ltd. ("Kohe")  
科赫工程技術(上海)有限公司(「科赫」)

Mr. Zhou Weijie  
周偉傑先生

The English name of certain companies referred in this financial statements represent management's best effort at translating the Chinese names of these companies as no English names have been registered.

## 47. 關聯方交易(續)

- (a) 截至2018年及2017年12月31日止年度，董事們認為以下公司及人士為本集團的關聯方：  
(續)

**Relationship with the Group**  
與本集團的關係

Minority shareholder of a subsidiary of the Group  
本集團一間附屬公司之少數股東

A joint venture of the Group  
本集團的一間合營企業

The other shareholder of an associated company of the Group  
本集團一間聯營公司之其他股東

Minority shareholder of a subsidiary of the Group  
本集團一間附屬公司之少數股東

Minority shareholder of a subsidiary of the Group  
本集團一間附屬公司之少數股東

Controlling shareholder of Foshan Jin Lan  
佛山金蘭的控股股東

本財務報表所述若干公司的英文名稱為管理層根據其中文名稱最佳翻譯所得，此乃由於該等公司並無登記任何官方英文名稱。

## Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

### 47. RELATED PARTY TRANSACTIONS (continued)

(b) Save as disclosed elsewhere in the consolidated financial statements, the Directors were of the view that the following significant related party transactions were carried out in the normal course of business of the Group during the years ended 31 December 2018 and 2017:

		2018	2017
Sales of goods	銷售貨物		
– Arcelor International Trading	– Arcelor International Trading	27,449	2,034
– Oriental Sheet Piling	– Oriental Sheet Piling	15,275	–
– Tianjin Vodar	– 天津沃達爾	1,830	–
		<b>44,554</b>	2,034
Sales of utilities	銷售能源		
– Jin Lan Nonferrous Metals	– 金蘭有色金屬	26,094	27,812
– Foshan Jin Lan	– 佛山金蘭	2,383	–
		<b>28,477</b>	27,812
Sales of service	銷售服務		
– XTAL	– XTAL	157	6,373
Purchase of goods	購買貨物		
– Tianjin Vodar	– 天津沃達爾	81,952	–
Purchase of service	購買服務		
– Kohe	– 科赫	31,995	–
– XTAL	– XTAL	7,067	9,747
		<b>39,062</b>	9,747

### 47. 關聯方交易 (續)

(b) 除本合併財務報表其他部份中已披露外，於截至2018年及2017年12月31日止年度內，董事們認為以下的重大關聯方交易乃於本集團日常業務過程中進行：

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 47. RELATED PARTY TRANSACTIONS (continued)

(b) Save as disclosed elsewhere in the consolidated financial statements, the Directors were of the view that the following significant related party transactions were carried out in the normal course of business of the Group during the years ended 31 December 2018 and 2017: (continued)

### (i) Key management compensation

Key management includes executive and non-executive directors. The compensation paid or payable to key management for employee services is shown below:

Salaries and other short-term employee benefits	薪金及其他短期僱員福利
Post-employment benefits	退休金供款
Share-based payments	購股權支出

## 47. 關聯方交易 (續)

(b) 除本合併財務報表其他部份中已披露外，於截至2018年及2017年12月31日止年度內，董事們認為以下的重大關聯方交易乃於本集團日常業務過程中進行：(續)

### (i) 主要管理人員酬金

主要管理人員包括執行及非執行董事。就僱員服務而已付或應付主要管理人員的酬金如下：

	2018	2017
	<b>45,663</b>	26,769
	<b>75</b>	80
	<b>-</b>	-
	<b>45,738</b>	26,849



# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
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## 47. RELATED PARTY TRANSACTIONS (continued)

(c) The following were the related party balances of the Group as at 31 December 2018 and 2017: (continued)

- (i) The loan to Tianjin Zhanwei was secured by shares of a minority shareholder of Dongfang Jingyuan, bore interest at a rate of 8% per annum and repayable within one year.
- (ii) The loan to Mr. Zhou Weijie was secured by shares of a minority shareholder of Foshan Jin Lan, bore interest at a rate of 8% per annum and repayable within one year.

As at 31 December 2018, the carrying amount of the Group's amounts due from related parties amounting to RMB 113 million (2017: RMB 102 million), RMB 73 million (2017: RMB 52 million) and nil (2017: RMB 20 million) were dominated in AU\$, RMB and US\$ respectively.

## 47. 關聯方交易 (續)

(c) 於2018年及2017年12月31日，本集團的關聯方結餘如下：  
(續)

- (i) 貸款予天津展微以東方晶源一名少數股東之股份作抵押，按年利率8%計息及須於一年內償還。
- (ii) 貸款予周偉傑先生以佛山金蘭一名少數股東之股份作抵押，按年利率8%計息及須於一年內償還。

於2018年12月31日，本集團的應收關聯方款項之賬面值為人民幣1.13億元(2017年：人民幣1.02億元)、人民幣7,300萬元(2017年：人民幣5,200萬元)及零(2017年：人民幣2,000萬元)，分別以澳元、人民幣及美元計值。

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 47. RELATED PARTY TRANSACTIONS (continued)

(c) The following were the related party balances of the Group as at 31 December 2018 and 2017: (continued)

Amounts due to related parties

*Current*

Loans from related parties

- Foshan Jin Lan (i)
- Mr. Li Hejun

Trade balance

- XTAL
- Tianjin Vodar

Others

- Kohe
- Foshan Jin Lan
- Jinxi Fenggang
- Oriental Sheet Piling
- Arcelor International Trading

Except for the related party balances disclosed in (i) below, others were unsecured, interest-free and without fixed terms of repayments.

(i) The loan from Foshan Jin Lan was unsecured, interest-free.

## 47. 關聯方交易 (續)

(c) 於2018年及2017年12月31日，本集團的關聯方結餘如下：  
(續)

	2018	2017
應付關聯方款項		
<i>流動</i>		
關聯方貸款		
– 佛山金蘭 (i)	23,931	23,931
– 李賀軍先生	–	36,480
	<b>23,931</b>	60,411
貿易結餘		
– XTAL	4,668	11,178
– 天津沃達爾	63	–
	<b>4,731</b>	11,178
其他		
– 科赫	29,407	–
– 佛山金蘭	383	531
– 津西豐鋼	354	354
– Oriental Sheet Piling	302	302
– Arcelor International Trading	10	475
	<b>30,456</b>	1,662
	<b>59,118</b>	73,251

除下列(i)披露的關聯方結餘外，其他均為無抵押、免息且無固定償還期。

(i) 佛山金蘭提供之貸款為無抵押及免息。

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## 48. POST BALANCE SHEET EVENTS

Reference is made to the announcement of the Company dated 16 January 2019, Jinxi Limited acquired 14,500,000 shares, representing 29% of the total issued share capital of Zhengda Iron and Steel, a subsidiary of the Group, from the minority shareholders at a cash consideration of RMB 14.5 million and acquired iron and steel production capacity of 0.6 million tonnes from Energy Consumption and Production Capacity Exchange of Tangshan City at a cash consideration of RMB 892.4 million respectively.

## 48. 結算日後事項

參照日期為2019年1月16日之本公司公告，津西鋼鐵分別以現金代價款人民幣1,450萬元向正達鋼鐵（本集團的一間附屬公司）的小股東們收購14,500,000股股份，佔其已發行總股本的29%及以現金代價款人民幣8.924億元向唐山市能源消費和產能交易中心收購60萬噸的鋼鐵產能。

## 49. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

## 49. 本公司資產負債表及儲備變動

		As at 31 December 於12月31日	
		2018	2017
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	1,127	593
Investments in subsidiaries	附屬公司投資	574,873	574,873
Loans to subsidiaries	附屬公司貸款	2,232,537	2,407,286
Financial assets at fair value through other comprehensive income	按公允價值計量且其變動計入其他綜合收益之金融資產	66,376	-
Available-for-sale financial assets	可供出售金融資產	-	92,506
		<b>2,874,913</b>	<b>3,075,258</b>
<b>Current assets</b>	<b>流動資產</b>		
Trade receivables	應收貿易賬款	710,744	267,759
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	50,210	1,856
Amounts due from a related party	應收一名關聯方款項	-	11,767
Financial assets at fair value through profit or loss	按公允價值計量且其變動計入損益表之金融資產	473,670	33,243
Restricted bank balances	受限制銀行結餘	47,730	-
Cash and cash equivalents	現金及現金等價物	551,280	496,047
		<b>1,833,634</b>	<b>810,672</b>
<b>Total assets</b>	<b>總資產</b>	<b>4,708,547</b>	<b>3,885,930</b>



# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 49. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (continued)

## 49. 本公司資產負債表及儲備變動(續)

		As at 31 December	
		於12月31日	
		2018	2017
<b>EQUITY</b>	<b>權益</b>		
<b>Equity attributable to owners of the Company</b>	<b>歸屬於本公司權益持有者的權益</b>		
Share capital	股本	380,628	364,762
Share premium	股份溢價	3,532,234	2,820,785
Other reserves	其他儲備	(3,955)	405,754
Retained earnings	留存收益	224,142	55,859
<b>Total equity</b>	<b>權益合計</b>	<b>4,133,049</b>	3,647,160
<b>LIABILITIES</b>	<b>負債</b>		
<b>Current liabilities</b>	<b>流動負債</b>		
Trade payables	應付貿易賬款	259,467	152,393
Accruals and other current liabilities	預提費用及其他流動負債	11,692	15,598
Borrowings	借款	304,195	70,647
Dividends payable	應付股息	144	132
		<b>575,498</b>	238,770
<b>Total liabilities</b>	<b>總負債</b>	<b>575,498</b>	238,770
<b>Total equity and liabilities</b>	<b>權益及負債合計</b>	<b>4,708,547</b>	3,885,930

The balance sheet of the Company was approved by the Board of Directors on 28 March 2019 and were signed on its behalf.

本公司資產負債表已於2019年3月28日經董事局批准並由以下董事代為簽署。

**Han Jingyuan**

韓敬遠

Chairman

主席

**Han Li**

韓力

Director

董事

# Notes to the Consolidated Financial Statements 合併財務報表附註

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## 49. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (continued)

## 49. 本公司資產負債表及儲備變動(續)

		Options	Financial assets at fair value through other comprehensive income	Accumulated (losses)/gains	Total
		購股權	按公允價值計量 且其變動計入 其他綜合收益 之金融資產	累計(虧損)/ 收益	合計
<b>Balance at 1 January 2017</b>	<b>於2017年1月1日之結餘</b>	419,748	1,521	(603,844)	(182,575)
Profit for the year	年度溢利	-	-	1,508,750	1,508,750
Fair value losses on available-for-sale financial assets	可供出售金融資產公允價值虧損	-	(7,317)	-	(7,317)
Transfer of fair value gains previously credited to reserve to statement of profit or loss upon disposal of available-for-sale financial assets	於出售可供出售金融資產時將先前計入儲備的公允價值收益轉至損益表	-	(1,259)	-	(1,259)
Exercise of employees share option scheme – issuance of shares	行使僱員購股權計劃 – 發行股份	(6,939)	-	-	(6,939)
Dividend paid	已付股息	-	-	(849,047)	(849,047)
<b>Balance at 31 December 2017</b>	<b>於2017年12月31日之結餘</b>	412,809	(7,055)	55,859	461,613
Profit for the year	年度溢利	-	-	1,666,842	1,666,842
Fair value gains on financial assets at fair value through other comprehensive income	按公允價值計量且其變動計入其他綜合收益之金融資產公允價值收益	-	5,735	-	5,735
Transfer of fair value gains previously credited to reserve to statement of profit or loss upon disposal of financial assets at fair value through other comprehensive income	於出售按公允價值計量且其變動計入其他綜合收益之金融資產時將先前計入儲備的公允價值收益轉至損益表	-	(2,635)	-	(2,635)
Employee share options – issuance of shares	行使僱員購股權計劃 – 發行股份	(314,981)	-	-	(314,981)
– lapse of share options	– 購股權失效	(97,828)	-	97,828	-
Dividend paid	已付股息	-	-	(1,596,387)	(1,596,387)
<b>Balance at 31 December 2018</b>	<b>於2018年12月31日之結餘</b>	-	(3,955)	224,142	220,187

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 50. BENEFITS AND INTERESTS OF DIRECTORS

The emoluments received/receivable by individual directors and the chief executive is set out below:

(i) For the year ended 31 December 2018:

Name of director	Fees	Salaries and allowances	Bonus	Fair value	Pension	Total
				of employee share options granted	costs-defined contribution plans	
董事姓名	袍金	薪金及津貼	花紅	已授出僱員購股權計劃之公允價值	退休金成本-定額供款計劃	合計
2018						
Mr. Han Jingyuan (i)	韓敬遠先生 (i)	514	23,730	-	15	24,259
Mr. Zhu Jun	朱軍先生	342	7,708	-	15	8,065
Mr. Shen Xiaoling	沈曉玲先生	342	4,281	-	15	4,638
Mr. Han Li	韓力先生	342	5,152	-	15	5,509
Mr. Zhu Hao	朱浩先生	685	856	-	15	1,556
Mr. Ondra Otradovec	Ondra Otradovec 先生	342	-	-	-	342
Mr. Wong Man Chung, Francis	黃文宗先生	685	-	-	-	685
Mr. Wang Tianyi	王天義先生	342	-	-	-	342
Mr. Wang Bing	王冰先生	342	-	-	-	342
		<b>3,936</b>	<b>41,727</b>	-	<b>75</b>	<b>45,738</b>

## 50. 董事福利及權益

個人董事及主要行政人員已收/應收薪酬載列如下：

(i) 截至2018年12月31日止年度：

# Notes to the Consolidated Financial Statements 合併財務報表附註

(All amounts in RMB thousands unless otherwise stated) For the year ended 31 December 2018  
(除另有指明外，所有金額均以人民幣千元為單位) 截至2018年12月31日止年度

## 50. BENEFITS AND INTERESTS OF DIRECTORS (continued)

## 50. 董事福利及權益 (續)

(ii) For the year ended 31 December 2017:

(ii) 截至2017年12月31日止年度：

Name of director	Fees	Salaries and allowances	Bonus	Fair value	Pension	Total
				options granted	costs-defined contribution plans	
董事姓名	袍金	薪金及津貼	花紅	已授出僱員購股權計劃之公允價值	退休金成本-定額供款計劃	合計
2017	2017年					
Mr. Han Jingyuan (i)	韓敬遠先生(i)	519	14,661	-	16	15,196
Mr. Zhu Jun	朱軍先生	346	3,535	-	16	3,897
Mr. Shen Xiaoling	沈曉玲先生	346	2,289	-	16	2,651
Mr. Han Li	韓力先生	346	1,647	-	16	2,009
Mr. Zhu Hao	朱浩先生	346	1,281	-	16	1,643
Mr. Ondra Otradovec	Ondra Otradovec 先生	346	-	-	-	346
Mr. Wong Man	黃文宗先生					
Chung, Francis		346	69	-	-	415
Mr. Wang Tianyi	王天義先生	346	-	-	-	346
Mr. Wang Bing	王冰先生	346	-	-	-	346
		3,287	23,482	-	80	26,849

(i) Mr. Han Jingyuan is also the Chief Executive Officer of the Company.

(i) 韓敬遠先生亦為本公司首席執行官。

None of the directors waived or agreed to waive any remuneration for the years ended 31 December 2018 and 2017. The emoluments of the independent non-executive directors of the Company during the year are approximately RMB 1.4 million (2017: RMB 1.1 million).

截至2018年及2017年12月31日止年度，概無董事放棄或同意放棄任何酬金。年內，支付予本公司的獨立非執行董事的酬金約人民幣140萬元（2017年：人民幣110萬元）。

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2018 and 2017.

於截至2018年及2017年12月31日止年度年末或於該年度任何時間，本公司於其中概無就本集團業務訂立使本公司董事直接或間接擁有重大權益之重要交易、安排或合約。

## Five-year Financial Information 五年財務資料

A summary of the consolidated statement of profit or loss and of the consolidated assets, liabilities and non-controlling interests of the Group for the last five financial years is as set out below:

本集團截至前五個財政年度的合併損益表及合併資產、負債及非控制性權益概要載列如下：

### Consolidated Statement of Profit or Loss

### 合併損益表

		Year ended 31 December 截至12月31日止年度				
		Audited 經審核				
		2018 (RMB'000) (人民幣千元)	2017 (RMB'000) (人民幣千元)	2016 (RMB'000) (人民幣千元)	2015 (RMB'000) (人民幣千元)	2014 (RMB'000) (人民幣千元)
Revenue	收入	<b>40,782,302</b>	41,352,596	26,427,443	21,071,538	28,495,498
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	<b>6,299,420</b>	6,407,730	1,054,948	(889,668)	245,080
Income tax expense	所得稅費用	<b>(1,438,899)</b>	(1,524,566)	(523,936)	(46,349)	(178,600)
Profit/(loss) for the year	年度溢利/(虧損)	<b>4,860,521</b>	4,883,164	531,012	(936,017)	66,480
Profit/(loss) attributable to:	溢利/(虧損)歸屬於:					
Owners of the Company	本公司權益持有者	<b>4,781,678</b>	4,839,080	722,127	(766,503)	66,715
Non-controlling interests	非控制性權益	<b>78,843</b>	44,084	(191,115)	(169,514)	(235)
		<b>4,860,521</b>	4,883,164	531,012	(936,017)	66,480

### Consolidated Assets, Liabilities and Non-controlling Interests

### 合併資產、負債與非控制性權益

		As at 31 December 於12月31日				
		Audited 經審核				
		2018 (RMB'000) (人民幣千元)	2017 (RMB'000) (人民幣千元)	2016 (RMB'000) (人民幣千元)	2015 (RMB'000) (人民幣千元)	2014 (RMB'000) (人民幣千元)
Total assets	總資產	<b>29,608,580</b>	24,405,369	21,048,562	22,363,723	23,743,408
Total liabilities	總負債	<b>(11,927,032)</b>	(10,300,601)	(11,684,021)	(13,451,561)	(13,971,562)
Non-controlling interests	非控制性權益	<b>(273,962)</b>	(192,589)	(108,443)	(397,734)	(514,789)
		<b>17,407,586</b>	13,912,179	9,256,098	8,514,428	9,257,057



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