

WE CREATE THE FUTURE

2020 年年報
Annual Report



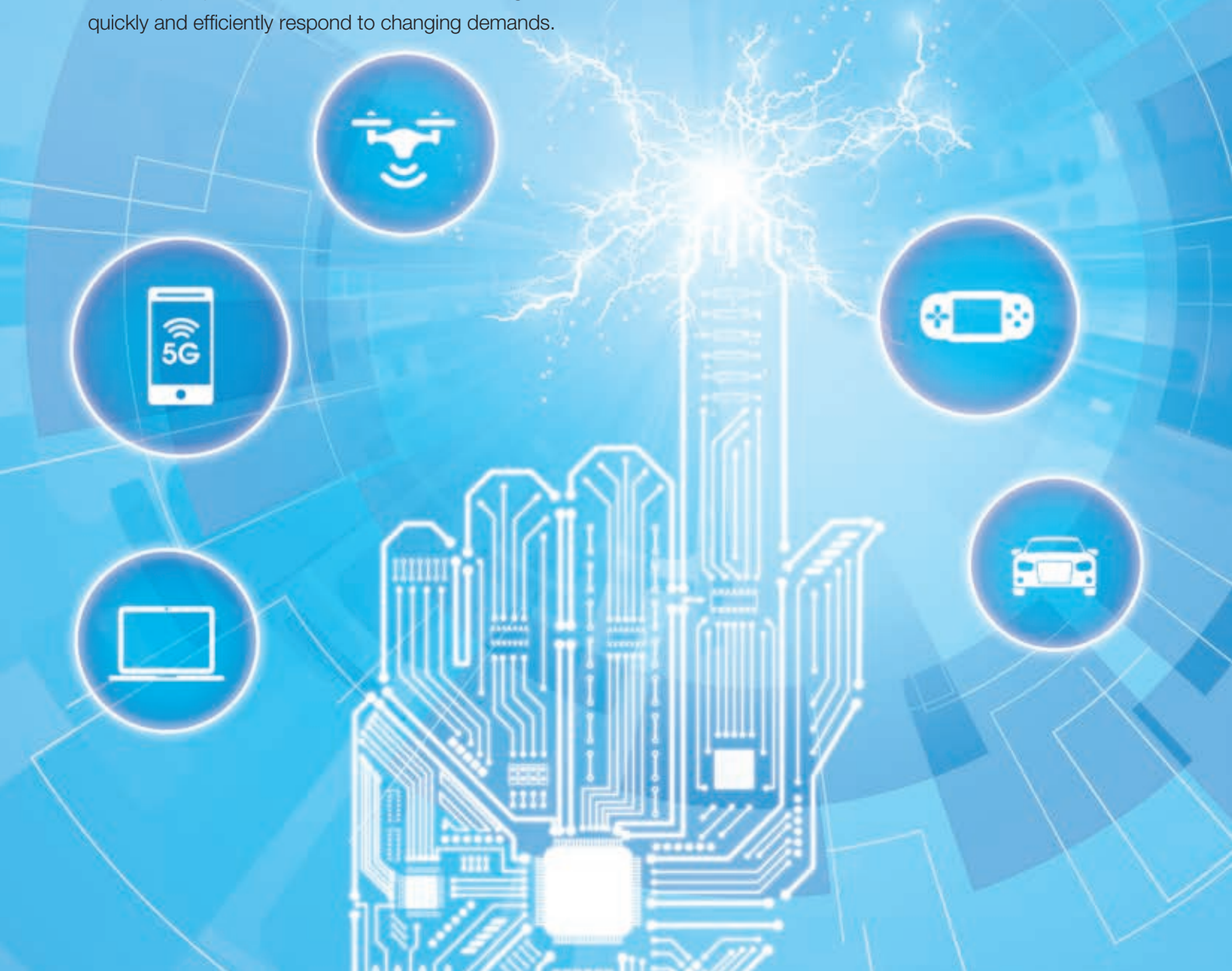
Electronics

比亞迪電子(國際)有限公司
BYD ELECTRONIC (INTERNATIONAL) COMPANY LIMITED

(Stock Code 股份代號 : 285)

BYD Electronic (International) Company Limited (“BYD Electronic” or the “Company”; together with its subsidiaries known as the “Group”; stock code: 0285) was spun off from BYD Company Limited (“BYD”, stock code: 1211) and listed on the Main Board of the Hong Kong Stock Exchange on 20 December 2007. BYD Electronic is a global leading high-end platform-based manufacturing enterprise, providing world renowned customers with innovative materials development, product design and development, parts and components as well as complete machine manufacturing, supply chain management, logistics, after-sales and other one-stop services. Its products cover four major areas including smartphone and PC, new intelligent product, automotive intelligent system and medical and health. Its highly vertically integrated capability enhances its ability to provide customers with a full range of services, and quickly and efficiently respond to changing demands.

比亞迪電子(國際)有限公司(「比亞迪電子」或「本公司」，連同其附屬公司統稱「本集團」；股份代號：0285)於二零零七年十二月二十日由比亞迪股份有限公司(「比亞迪」；股份代號：1211)分拆於香港聯合交易所主機板獨立上市。比亞迪電子是全球領先的平台型高端製造企業。公司為全球知名客戶提供新材料開發、產品設計與研發、零組件及整機製造、供應鏈管理、物流及售後等一站式服務、產品覆蓋智能手機及筆電、新型智能產品、汽車智能系統、醫療健康四大領域。公司的高度垂直整合能力使得公司可以為客戶提供全面的服務，更快和更有效率地響應市場不斷變化的需求。



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FINANCIAL HIGHLIGHTS

財務概要

FIVE-YEAR COMPARISON OF KEY FINANCIAL FIGURES

五年主要財務數據之比較

	For the year ended 31 December				
	截至十二月三十一日止年度				
	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元	2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元	2016 二零一六年 RMB' 000 人民幣千元
Revenue 營業額	73,121,075	53,028,376	41,047,139	38,774,422	36,734,264
Gross profit 毛利	9,628,843	3,957,328	4,171,983	4,263,938	2,800,129
Gross profit margin (%) 毛利率(%)	13	7	10	11	8
Profit attributable to equity holders of the parent 母公司權益持有人應佔溢利	5,441,371	1,597,645	2,188,620	2,584,868	1,233,491
Net profit margin (%) 淨利潤率(%)	7	3	5	7	3

	For the year ended 31 December				
	截至十二月三十一日止年度				
	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元	2018 二零一八年 RMB' 000 人民幣千元	2017 二零一七年 RMB' 000 人民幣千元	2016 二零一六年 RMB' 000 人民幣千元
Net assets 淨資產值	22,272,293	16,989,473	15,825,332	14,191,313	11,754,222
Total assets 資產總值	37,976,088	28,026,974	26,051,172	25,386,326	23,994,987
Gearing ratio (%) (Note) 資本負債比率(%) (附註)	-3	-5	-30	-20	-25
Current ratio (times) 流動比率(倍)	1.76	1.64	1.70	1.50	1.34
Receivables collection (days) (Note) 應收類款項回收(日)(附註)	60	58	70	84	85
Inventory turnover (days) 存貨週轉日數(日)	36	39	48	44	41

Notes: Gearing ratio = Total interest-bearing bank borrowings net of cash and bank deposits/equity

Receivables include trade receivables and receivable financing

附註：資本負債比率=帶息銀行借款總額扣除現金及銀行存款/權益

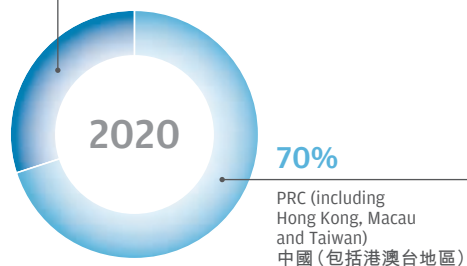
應收類款項包含應收貿易款項和應收款項融資

REVENUE BREAKDOWN BY LOCATION OF CUSTOMERS

按客戶所在地區分析營業額

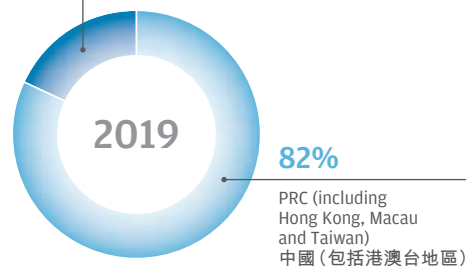
30%

Overseas
海外



18%

Overseas
海外



EXECUTIVE DIRECTORS

Wang Nian-qiang

Jiang Xiang-rong

NON-EXECUTIVE DIRECTORS

Wang Chuan-fu

Wang Bo

INDEPENDENT NON-EXECUTIVE DIRECTORS

Chung Kwok Mo John

Antony Francis MAMPILLY

Qian Jing-jie

COMPANY SECRETARY

Li Qian

Cheung Hon-wan

AUDIT COMMITTEE

Wang Chuan-fu

Wang Bo

Chung Kwok Mo John (Chairman)

Antony Francis MAMPILLY

Qian Jing-jie

REMUNERATION COMMITTEE

Wang Nian-qiang

Wang Chuan-fu

Chung Kwok Mo John

Antony Francis MAMPILLY

Qian Jing-jie (Chairman)

NOMINATION COMMITTEE

Jiang Xiang-rong

Wang Chuan-fu (Chairman)

Chung Kwok Mo John

Antony Francis MAMPILLY

Qian Jing-jie

AUTHORISED REPRESENTATIVES

Wang Nian-qiang

Li Qian

執行董事

王念強

江向榮

非執行董事

王傳福

王渤

獨立非執行董事

鍾國武

Antony Francis MAMPILLY

錢靖捷

公司秘書

李黔

張漢雲

審核委員會

王傳福

王渤

鍾國武 (主席)

Antony Francis MAMPILLY

錢靖捷

薪酬委員會

王念強

王傳福

鍾國武

Antony Francis MAMPILLY

錢靖捷 (主席)

提名委員會

江向榮

王傳福 (主席)

鍾國武

Antony Francis MAMPILLY

錢靖捷

授權代表

王念強

李黔



CORPORATE INFORMATION

公司資料

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公司網址

<http://electronics.byd.com>

股份編號

0285

Dear Shareholders,

I, on behalf of the Board of Directors of BYD Electronic (International) Company Limited (“BYD Electronic” or the “Company”) and its subsidiaries (which are collectively referred to as the “Group”), hereby present the annual report of the Company for the year ended 31 December 2020 (the “Year”) to all Shareholders.

Looking back at 2020, the global economy was hard hit by the COVID-19 pandemic. China, in contrast, showed a strong economic recovery capacity, making it the only major economy that recorded positive growth across the globe. The gross domestic product (GDP) of China increased 2.3% year on year, hitting a record high of RMB101.6 trillion.

During the Year, affected by the pandemic, the consumer electronics market remained under pressure with weak demand and the smartphone sales dropped as a whole. According to the data from research agency IDC, the global smartphone shipments in 2020 went down by 5.9% year on year to 1.292 billion units. Information released by the China Academy of Information and Communications Technology shows the smartphone shipments in the Chinese market amounted to 296 million units in 2020, down 20.4% year on year, while the shipments of 5G mobile phones were on the constant rise, standing at 163 million units.

Despite the global economy impacted by the pandemic, it also brought about such brand-new business opportunities as diversified online education, remote office and online entertainment, which drove up the sustained sales rise in laptops, tablet PCs, and game hardware. According to the data from research agency IDC, the global PC shipments topped 300 million units in 2020, representing a 13.1% increase year on year, the tablet PC reached up to 164.1 million units, representing a 13.6% increase year on year, and the game laptop shipments were expected to stand at 22.30 million units.

During the Year, the Group recorded a turnover of approximately RMB73,121 million, representing a year-on-year increase of 37.89%, and the profit attributable to the owners of the parent company of RMB5,441 million, representing a significant increase of 240.59% as compared with that of 2019. The Board of Directors recommended a final dividend for the year ended 31 December 2020 of RMB0.241 per Share (2019: RMB0.071 per Share).

致各位股東：

本人謹代表比亞迪電子（國際）有限公司（「比亞迪電子」或「本公司」）及其附屬公司（統稱「本集團」）董事會向各位股東提呈本公司截至二零二零年十二月三十一日止年度（「年內」）之年報。

回顧二零二零年，全球經濟均受到新型冠狀病毒肺炎疫情的嚴重打擊，然而，中國展現出自身強勁的經濟復甦能力，成為全球唯一實現經濟正增長的主要經濟體，二零二零年全年國內生產總值同比增長2.3%，首度突破百萬億元，達至人民幣101.6萬億元。

年內，受累於疫情，消費電子市場持續承壓，整體需求疲軟，智能手機總體銷量下滑。根據研究機構IDC的統計，二零二零年全球智能手機出貨量按年下跌5.9%至12.92億部。中國信息通信研究院發表的資料顯示，二零二零年中國國內市場智能手機出貨量為2.96億部，同比下降20.4%；5G手機出貨量反呈上升趨勢，全年累計出貨量為1.63億部。

雖然疫情對全球經濟造成了衝擊，疫情亦衍生了多元化的線上教育、遠端辦公、線上娛樂等全新的業務商機，並帶動筆記本電腦、平板電腦、遊戲硬件的銷量持續上升。研究機構IDC的資料顯示，二零二零年全球PC市場出貨量超過3億台，同比增長13.1%；全球平板電腦出貨量為1.641億台，同比增長13.6%；遊戲筆記本出貨量預計達2,230萬台。

年內，本集團錄得營業額約人民幣73,121百萬元，同比上升37.89%，母公司擁有人應佔溢利較二零一九年大幅增長240.59%至人民幣5,441百萬元。董事會建議派發截至二零二零年十二月三十一日止年度末期股息每股人民幣0.241元（二零一九年：每股人民幣0.071元）。



CHAIRMAN'S STATEMENT 主席報告書

As a globally-leading high-end manufacturer based on platforms, BYD Electronic is well-positioned to provide customers with one-stop services integrating new material development, product design and development, manufacturing of spare parts and whole machine, supply chain management, logistics, and after-sales service. BYD Electronic, thanks to its globally-leading R&D and manufacturing strengths, diversified product mix, and close strategic relationships with clients as well as the extensive recognition and trust from the market, has been on the fast track for a fresh development cycle.

During the Year, the Group witnessed steady growth in respect of smartphone and PC business. In particular, significant year-on-year growth was achieved in glass and ceramics shipments and the metal parts recorded steady growth, with a rising market share, enabling the Group to maintain the leadership in the industry. Apart from smartphones, the Group could offer metal parts for wearable equipment and PCs in large quantities, gaining good momentum. In terms of customer development, the Group also managed to branch out into the core product chain of major North American customers while keeping the strategic cooperation with leading Android phone brands in a number of product lines and regions. This helped realize the project's mass production, driving the several-fold growth of the Group's business size.

During the Year, the Group continued expanding the new intelligent product business. Intelligent furniture, game hardware and drone business all embraced rapid growth, with a significant increase in the business size year on year. The Group seized the huge opportunities presented by the new intelligent product market to expand product and business varieties and input more in R&D and product technological upgrading. This would help introduce new customers, increase the market share and contribute to the Group's high-speed growth.

In respect of the automotive intelligent system business, the auto industry remained the electric and intelligent development trend despite the sales affected by the pandemic. The Group has been seeking development in the intelligent auto system business, overall outperforming the rest of the market, and further expanding the scale of business. During the Year, the intelligent central control systems developed by the Group for first-class automakers in China realized the mass production. Furthermore, we promoted our major customers' business progress at home and abroad and introduced several new projects, empowering the Group's long-term development.

作為全球領先的平台型高端製造企業，比亞迪電子為客戶提供新材料開發、產品設計與開發、零組件及整機製造、供應鏈管理、物流和售後等一站式服務。依託於其業界領先的研發和製造實力、多元的產品組合、緊密的戰略性客戶關係，以及市場的廣泛認同和信賴，比亞迪電子業務已邁入新一輪的高速成長週期。

年內，集團的智能手機及筆電業務保持穩步增長，尤其是玻璃及陶瓷產品出貨量均實現同比大幅提升，而金屬部件業務發展穩健，市場份額穩中有升，持續保持行業龍頭地位。除智能手機之外，集團也大量供應可穿戴設備及筆記本電腦產品中的金屬部件，業務發展勢頭良好。客戶拓展方面，與安卓客戶實現多產品線、多地域的全面戰略合作的同時，亦成功切入北美大客戶的核心產品鏈，並實現項目的順利爬坡量產，帶動集團業務規模同比實現數倍增長。

年內，集團持續拓寬新型智能產品業務範圍，智能家居、遊戲硬件以及無人機業務，皆迎來快速發展，業務規模同比實現大規模增長。集團持續把握新型智能產品市場的龐大商機，努力擴張品類，多維度佈局業務領域，並加大研發投入和產品技術升級，不斷導入新客戶，積極提升市場份額，助力推進集團邁向高速增長軌道。

汽車智能系統業務方面，儘管汽車產業受到新冠肺炎疫情影響銷情，但汽車電動化、智能化的發展趨勢保持不變。集團一直積極發展汽車智能系統業務，整體業務表現優於市場，業務規模進一步擴大。年內，集團為國內一流汽車廠商開發的智能中控系統順利實現量產，同時亦積極推進海內外各大客戶業務進程，導入多個新項目，為集團長期發展提供動能。

Facing the COVID-19 outbreak in 2020, the Group undertook its social responsibilities and stepped forward to launch PPEs, which significantly mitigated medical protective supply shortages and contributed to the Group's revenue and profits. Following the pandemic, China is expected to input more in health and medical care with the aim of enhancing public response capacities to public health emergencies. The medical instrument market has witnessed a terminal purchase size of over RMB1 trillion and has shown a steady growth trend. The Group, in the combination of its own precision manufacturing technology and product R&D strengths, will further explore the health and medical care business, developing a new backbone force for its future development.

Looking forward to 2021, with the rolling out and extensive application of effective vaccines, the market widely expects that the global economy will rebound and improve over time. However, with the tensing general landscape, there are still many uncertainties, which may put global economic growth at risk. As 5G and AI technology progress, the era of interconnection of all is approaching and new business models will appear. At the forefront of industry change, BYD Electronic will actively seize the opportunities of the era, continue to stretch its strengths accumulated over years in core resource platforms, and continuously expand and deepen strategic cooperation with customers, so as to secure sound development of three major business segments and drive its business into a new growth cycle.

In conclusion, I, on behalf of BYD Electronic, would like to thank our customers, business partners, investors, and shareholders for their long support, as well as all of our staff for their contributions and efforts over the past year.

Wang Chuan-fu

Chairman

Hong Kong, 29 March 2021

二零二零年新冠疫情爆發，集團出於社會責任的承擔，率先推出防護產品，極大地緩解醫療防護物資的短缺，同時也為集團的收入和利潤帶來正面貢獻。疫情過後，國家有望加強醫療衛生領域的投入，提升社會應對突發公共衛生事件的能力，而中國醫療器械市場規模已是過萬億的終端採購規模，而且呈現出穩定增長態勢。集團將結合自身精密製造技術及產品研發的優勢，進一步開拓醫療健康業務，為未來的發展培養新一股中堅力量。

展望二零二一年，隨著有效疫苗陸續面世及全面應用後，市場普遍預期環球經濟可望從低谷反彈，並逐步改善，但由於宏觀局勢仍持續緊張，存在諸多不確定因素為全球經濟增長帶來重大挑戰。隨著5G及人工智能技術的不斷推進，萬物互聯的時代臨近，新的業務模式亦將會開啟。身處行業變革的前沿，比亞迪電子將積極把握時代機遇，持續發揮積累多年的核心資源平台優勢，不斷提升與客戶戰略合作的深度和廣度，以實現四大業務板塊的良好發展，帶動業務實現新的成長和突破。

最後，本人謹代表比亞迪電子感謝一直支援我們的客戶、業務夥伴、投資者及股東，並衷心感謝全體員工在過去一年的付出和貢獻。

主席

王傳福

香港，二零二一年三月二十九日



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

The Group is a global leading high-end platform-based manufacturing enterprise, providing customers with new materials development, product design and development, parts and components as well as complete machine manufacturing, supply chain management, logistics, after-sales and other one-stop services. The Group offers a wide variety of businesses ranging from smart phones, smart wearables, computers, Internet of Things, smart home, game hardware, robots, unmanned aerial vehicles, communication equipment, electronic atomization, automotive smart system equipment, health devices to other diversified market areas. Leveraging on its industry-leading R&D and manufacturing capabilities, diversified product portfolio and high quality customer resources, the Group's business has stepped into a new round of rapid growth cycle.

In 2020, the global economy was placed under continuous pressure as hit hard by the COVID-19 epidemic. China demonstrated its resilience and underlying security, with a strong economic recovery. Its GDP exceeded RMB100 trillion for the first time in 2020, representing a year-on-year increase of 2.3%. During the Year, in the face of the complex external situation and the repercussions of the trade conflict between China and the United States, the Group maintained a stable operation and proactive market expansion strategy, and achieved further growth in sales volume with increasingly broad coverage and continuous increase in product share, and continued introduction of new customers and projects. In 2020, the Group recorded sales of approximately RMB73,121 million, representing a year-on-year increase of approximately 37.89%. During the period under review, the Group actively promoted lean production, reduced costs and increased efficiency, and thus the overall operation efficiency was further improved. At the same time, the Group actively expanded its business, with further growth in the market share of major customers, and continued expansion of business scale, especially the rapid growth in the shipments of glass and ceramic products; successfully introduced new customers in the new intelligent product segment, with significant growth in business scale and creation of new space for growth; the development of the automotive intelligent system business also outperformed the market. Meanwhile, the Group commenced manufacturing of medical protection products, which provided positive contribution to the growth of the Group's revenue and profit. The Group's profitability achieved improvement benefiting from the optimized product structure and enhanced overall operating efficiency. During the Reporting Period, profit attributable to shareholders increased significantly by approximately 240.59% to approximately RMB5,441 million as compared to the same period of last year.

業務回顧

本集團是全球領先的平台型高端製造企業，為客戶提供新材料開發、產品設計與研發、零組件及整機製造、供應鏈管理、物流及售後等一站式服務。集團業務廣泛，涉及智能手機、智能穿戴、電腦、物聯網、智能家居、遊戲硬件、機器人、無人機、通信設備、電子霧化、汽車智能系統、醫療健康設備等多元化的市場領域。依託於業界領先的研發和製造實力、多元的產品組合、以及優質的客戶資源，集團業務已邁入新一輪的高速成長週期。

二零二零年，面對新冠肺炎疫情的衝擊，全球經濟持續承壓。中國仍展現出了自身的韌性和底層安全性，經濟復甦強勁，二零二零年國內生產總值首度突破百萬億元，同比增長2.3%。年內，面對錯綜複雜的外部形勢，以及中美貿易衝突的反覆性的影響，集團依然保持穩健的經營和積極的市場拓展策略，覆蓋領域日益廣闊，產品份額持續提升，新客戶新項目持續導入成果顯現，實現銷售規模的進一步增長。二零二零年，集團錄得銷售額約人民幣731.21億元，同比上升約37.89%。回顧年內，集團積極推進精益生產，降本增效，整體運營效率得到進一步提升。同時，積極拓展業務，於大客戶的市場份額的進一步提升，業務規模持續擴大，尤其是玻璃及陶瓷產品出貨量增長迅猛；在新型智能產品板塊成功導入新客戶，業務規模大幅增長並打開新的成長空間；汽車智能系統業務發展亦優於市場。此外，醫療防護產品也為集團收入和利潤做出正面的貢獻。隨著產品結構的優化及整體運營效率的提高，集團的盈利能力也得到提升。期內，股東應佔溢利同比大幅增長約240.59%至約人民幣54.41億元。

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管理層討論與分析

The market penetration and shipment of global 5G smart phones increased continuously despite the weak demands in the overall smart phone terminal market and the decline of the shipment of global smart phones under the heavy pressure imposed by the pandemic. According to the statistics by the market research institute IDC, the global smart phone shipments in 2020 were 1.292 billion units, a year-on-year decrease of 5.9%. According to data released by China Academy of Information and Communication Technology, the domestic smart phone shipments in China fell 20.4% year on year to 296 million units in 2020, while 5G smart phone shipments were on the rise, with a cumulative annual shipment of 163 million units. At the same time, the epidemic also catalyzed new business opportunities, such as online education, remote office, and online entertainment, leading to a year-on-year increase in the sales volume of laptops and tablets. According to the data released by the research firm IDC, more than 300 million units of PC were shipped globally in 2020, up 13.1% year on year, and 164.1 million units of tablet were shipped globally, up 13.6% year on year. Benefiting from the forward-looking vision in multiple new materials needed for the 5G mobile terminals, the Group's metal parts business for smart phones developed steadily, maintaining its leading position in the industry, with a stable growth in market share, during the Reporting Period. In addition to smart phones, the Group also supplies a large number of metal parts for wearables and laptops, with a good development momentum. At the same time, the Group's glass parts were supplied for major first-tier brands. With the continuous increase in market share and sales volume, the glass parts segment saw not only significant growth in revenue scale, but also further improved profitability. The Group significantly expanded the production capacity of its core products and rapidly improved production efficiency, and thus successfully achieved the target output of its core products and gained high recognition from the major customers from North America. During the Reporting Period, the projects of major customers from North America for structural parts and Electronic Contract Manufacturing Service ramped up mass production, driving the business scale to achieve multi-fold growth year on year. Leveraging on its strong capability in technology and innovation, advanced manufacturing, excellent delivery capability, as well as the high quality services, the Group constantly received high recognition from its customers. During the Reporting Period, the Group successfully won the annual Best Strategic Partnership Award and Quality Excellence Award from a number of well-known brands, which helps to promote the long-term development of the Group and the continued enhancement of brand values. During the Reporting Period, the Group recorded revenue of RMB48,719 million from the mobile phone and laptop business, representing an increase of approximately 7.29% over 2019. In particular, revenue from components and parts amounted to approximately RMB17,567 million, representing a decrease of 5.36% as compared to the same period in 2019; and revenue from assembly amounted to approximately RMB31,152 million, representing an increase of 16.03% as compared to the same period in 2019.

雖然在疫情的重壓下智能手機終端市場總體需求疲軟，全球智能手機出貨量下滑，但是5G智能手機的市場滲透率和出貨量持續提升。根據市場研究機構IDC的統計，二零二零年全球智能手機出貨量按年下降5.9%至12.92億部。中國信息通信研究院發表的資料顯示，二零二零年中國國內智能手機出貨量同比下降20.4%至2.96億部，5G手機出貨量反呈上升趨勢，全年累計出貨量為1.63億部。同時，疫情亦催化了線上教育、遠端辦公、線上娛樂等新的商業機會，筆記本電腦、平板電腦的銷量同比增加。研究機構IDC的資料顯示，二零二零年全球PC市場出貨量超過3億台，同比增長13.1%，全球平板電腦出貨量為1.641億台，同比增長13.6%。集團已前瞻佈局適用於5G智能終端機的多種新型材料，期內，集團的手機金屬部件業務發展穩健，市場份額穩中有升，持續保持行業龍頭地位。除智能手機之外，集團也大量供應可穿戴設備及筆記本電腦產品中的金屬部件，業務發展勢頭良好。同時，集團的玻璃部件全面供貨於一線品牌客戶，隨著市場份額持續提升，玻璃出貨量不斷增加，不僅帶動收入規模實現顯著增長，盈利能力也進一步提升。北美大客戶業務方面，集團大幅擴充核心產品的產能，並快速提升生產效率，順利達成核心產品的產能和出貨目標，得到客戶的高度認可。期內，北美大客戶的結構件及整機組裝項目均順利爬坡量產，帶動業務規模同比實現數倍增長。憑藉集團深厚的技術和創新能力、先進的製造能力、出色的交付能力以及優異的品質和服務，集團持續獲得客戶的高度認可，期內成功獲得多家知名品牌客戶年度最佳戰略合作獎及品質優秀獎等殊榮，有助於推進企業的長足發展及品牌價值的持續提升。年內，集團在手機及筆電業務板塊錄得人民幣487.19億元之收入，較二零一九年增長約7.29%。其中零部件收入約人民幣175.67億元，同比下降約5.36%；組裝收入約人民幣311.52億元，同比增長約16.03%。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In respect of new intelligent product business, by the continuous expansion of the business scope and introduction of new customers, the Group has formed a comprehensive array of business domains covering smart home, gaming hardware, robots, unmanned aerial vehicles, intelligent commercial equipment, etc., and has established close and good cooperation with domestic and foreign high-quality customers. In 2020, despite the severe impact of the COVID-19 epidemic on the world economy, smart home devices and gaming hardware still maintained their growth momentum and became the new business opportunities amidst the lockdown during the epidemic. IDC expected that smart home device shipments would reach 854 million units in 2020, up 4.1% year on year, and gaming laptop shipments would reach 22.3 million units. During the Reporting Period, the Group's new intelligent product business has been blossoming fully with strong development momentum. The shipments of smart home devices and gaming hardware rose significantly, which has driven a significant increase in the business scale year on year. In respect of the unmanned aerial vehicles, the Group provided spare parts and assembly services to leading Chinese enterprises and introduced a number of projects during the Year, contributing to new business growth. During the Reporting Period, the Group recorded a revenue of RMB9,476 million from the new intelligent product business, accounting for 12.96% of the overall revenue and representing an increase of approximately 57.27% over 2019.

In respect of automotive intelligent system, the downstream part of the auto industry was dragged down by the COVID-19 epidemic at the beginning of the Year, leading to sharp decline in sales volume of automobiles in a short time, but the recovery surpassed the expectation in the second half of the Year. According to the data released by China Association of Automobile Manufacturers (CAAM), China's production and sales volume of automobile in 2020 were 25.225 million units and 25.311 million units respectively, down 2.0% and 1.9% year on year respectively, with a falling gap narrowed down by 5.5 and 6.3 percentage points respectively as compared to the previous year, and ranked first in the world for 12 consecutive years. In respect of the new energy vehicles, the growth accelerated, with production and sales volume reaching a record high in December, with annual production and sales volume of 1.366 million and 1.367 million units respectively, up 7.5% and 10.9% year on year.

在新型智能產品業務方面，集團持續拓寬業務範圍，不斷導入新客戶，業已形成覆蓋智能家居、遊戲硬件、機器人、無人機、智能商用設備等的廣闊的業務佈局，並與國內外優質客戶建立緊密良好的合作關係。2020年，儘管新冠疫情對世界經濟造成了嚴重衝擊，但智能家居設備、遊戲硬件仍然保持增長勢頭，並成為疫情封鎖中的新商機。IDC預計2020年智能家居設備出貨量將達到8.54億台，同比增長4.1%，遊戲筆記本出貨量預計達2,230萬台。期內，集團的新型智能產品業務多點開花，業務發展強勁。智能家居及遊戲硬件出貨量大幅增長，帶動業務規模同比大幅提升。無人機業務方面，集團為國內龍頭客戶提供零組件和組裝服務，年內導入多個項目，貢獻新的業務增量。回顧年內，集團新型智能產品業務錄得收入約為人民幣94.76億元，佔整體收入12.96%，較二零一九年增長約57.27%。

在汽車智能系統業務方面，下游汽車產業年初受新冠肺炎疫情拖累，汽車銷量隨即下滑，下半年復蘇速度好於預期。根據中國汽車工業協會的資料，二零二零年全國汽車產量及銷量分別為2,522.5萬輛和2,531.1萬輛，按年下降2.0%和1.9%，降幅比上年分別收窄5.5和6.3個百分點，年產銷量連續12年全球第一。新能源汽車增長加快，產銷於十二月更創下歷史新高，全年產銷量分別為136.6萬輛和136.7萬輛，按年增長7.5%和10.9%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

During the Year, although the automotive industry was affected by the COVID-19 epidemic in the short term, the development trend of electrification and intelligence of automobiles remains unchanged. Riding on its parent company's automotive industry platform and its own comprehensive strengths in research and development and intellectual manufacturing, the Group has been actively developing its automotive intelligent systems business, which has outperformed the market. The Group's central control system for top-tier domestic automobile manufacturers successfully achieved mass production during the Year, while extensive cooperation with domestic and overseas automobile brands led to the introduction of a number of new projects that are expected to achieve mass production in the coming years, providing momentum for the Group's long-term development. During the Year, the Group recorded a revenue of RMB1,817 million from the automotive intelligent system business, accounting for 2.49% of the overall revenue and representing an increase of approximately 13.98% over 2019.

In 2020, the Group launched the production line of protective products as performance of its social responsibility amidst the epidemic, which greatly alleviated the shortage of medical supplies and positively contributed to the Group's revenue and profit.

In order to fully support the global expansion of its business, the Group has constantly promoted the global strategy over the years and plan to establish advanced manufacturing bases in many countries and regions. During the Year, the Group overcame the challenges brought by the epidemic and actively promoted the establishment of overseas factories so as to make full preparation for mass production of overseas projects, laying a solid foundation for sustainable business development.

年內，汽車產業雖然短期內受到新冠肺炎疫情影響較大，但汽車電動化、智能化的發展趨勢保持不變。依託母公司的汽車產業平台以及自身的研發及智造的綜合優勢，集團一直積極開展汽車智能系統業務，集團的業務表現優於市場。集團為國內一流汽車廠商配套的中控系統於年內順利實現量產，同時與國內和海外汽車品牌展開廣泛的合作，導入多個新項目，有望於未來數年陸續實現量產，為集團長期發展提供動能。年內，集團來自汽車智能系統業務的收入約人民幣18.17億元，佔整體收入2.49%，較去年上升約13.98%。

二零二零年新冠疫情爆發，集團出於社會責任的承擔，率先推出防護產品，極大地緩解醫療防護物資的短缺，同時也為集團的收入和利潤帶來正面貢獻。

為全力支援集團全球範圍內的業務發展，近年來集團一直在推進全球化佈局，計劃在海內外多個國家和地區設立先進的製造基地。年內，集團克服疫情的挑戰，積極推動海外工廠的建設，為海外項目的量產做好充分的準備，為業務持續發展奠定堅實的基礎。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

STRATEGY FOR FUTURE DEVELOPMENT

Looking ahead to 2021, the global economy is expected to rebound from the downturn in 2020 and gradually improve with the roll-out and the full use of effective vaccine after suffering impact by the COVID-19 epidemic. However, due to the different severity of the epidemic, and different political and economic environments of each country or region, the pace of recovery is expected to vary, and coupled with the continued tension in the international political situation, there will have many uncertain changes, bringing greater challenges to the global economic growth. China's economy has quickly recovered from the epidemic, and is expected to be much more optimistic than that of other economies in 2021, but close attention should be paid to the future developments in US-China political and economic relations. 2021 is the first year of China's 14th Five-Year Plan period. The Fifth Plenary Session of the CPC Central Committee clearly stated that during the 14th Five-Year Plan period, China will focus on promoting high-quality development, promoting technological innovation and upgrading the industrial structure, using reform and innovation as the fundamental driving force, comprehensively promoting consumption, expanding investment space, and adhering to a high level of openness to the outside world, which will promote the sustainable and healthy development of China's economy. Despite the macroeconomic pressure, the Group's core business is robust, with more customer orders, increased market share, and rapidly boosted new product lines, and thus the management believes that the Group's business will maintain a good development trend with continuous breakthroughs.

In 2021, the smart phone and laptop business is expected to see a full recovery in market demand thanks to the economic recovery and the continued advancement of 5G technology in the post-epidemic era. According to the forecast report published by the market research firm TrendForce, in 2021, the total production of global mobile phone will increase by 9% to 1.36 billion units year on year, and the 5G smart phone shipments are expected to double to approximately 500 million units, raising the market penetration rate to 37%, and the global laptop shipments are likely to grow to 217 million units, an annual growth rate of 8.6%. As an industry leader with leading technology and advanced manufacturing capabilities, the Group will benefit more from the rebounding prosperity in the industry, and its business scale will increase, especially the glass and ceramics business, which is expected to see a further increase in market share and shipments. While maintaining its leading position in the Android segment, the Group will continue to vigorously develop its business with the major customers from North America, focusing on increasing the share of existing products and expanding more categories of products, continuously optimizing its customer structure and product portfolio, and realizing the coordinated and rapid development of component business and assembly business, to inject new growth momentum into the smart phone and laptop business.

未來策略

展望二零二一年，全球飽受新冠肺炎肆虐，市場普遍預期有效疫苗面世及全面應用後，環球經濟可望從二零二零年的低谷反彈，並逐步改善。但由於各個國家和地區的疫情、政治及經濟環境不同，復甦步伐料有所差異，加上國際局勢持續緊張，存在諸多不確定性變化，為全球經濟增長帶來更大的挑戰。國內經濟已迅速擺脫疫情困擾，預計二零二一年前景遠較其他經濟體樂觀，但中美政經關係往後的發展仍須密切關注。二零二一年是中國第十四個五年規劃（「十四五」）的起始之年，五中全會明確提出了國家在「十四五」期間將以推動高品質發展為主題，推動科技創新和產業結構升級，並以改革創新為根本動力，全面促進消費，拓展投資空間，並堅持高水準的對外開放，將有助推動國內經濟持續健康發。雖然宏觀經濟承壓，但集團核心業務穩健，客戶訂單持續推進，份額不斷提升，而且新產品線快速放量，管理層相信集團業務將保持良好發展態勢，實現持續突破。

智能手機及筆電業務方面，隨著後疫情時代經濟復甦以及5G技術的持續推進，二零二一年有望迎來市場需求的全面復甦。據市場調研機構TrendForce發表報告預測，二零二一年全球手機生產總量按年增加9%到13.6億部，5G智能手機出貨量預期將翻倍到約5億部，市場滲透率提升至37%，全球筆電出貨量有機會增長至2.17億台，年增長8.6%。作為擁有領先技術和先進製造能力的行業龍頭廠商，集團將更加受益於行業景氣度回升，帶動業務規模增長，尤其是玻璃及陶瓷業務份額持續提升，出貨量有望再上新台階。在保持於安卓客戶領域的領先地位的同時，集團將持續大力推進北美大客戶業務，致力於提升現有產品的份額和更多品類拓展，持續優化客戶結構和產品組合，實現零部件業務和組裝業務的協同高速發展，為智能手機和筆電業務注入全新的增長動能。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論與分析

In respect of the new intelligent products, with the advent of 5G and artificial intelligence era, the huge growth potentials in areas for which much endeavors have been made by the Group, such as smart home, Internet of Things (IoT), smart city, and unmanned aerial vehicles, will be further released. According to IDC's previous report, the smart home device market is expected to show rapid growth, and the shipments of global smart home device are expected to rise to 1.44 billion units by 2021, a compound annual growth rate of 14%. The Group will continue to grasp the huge business opportunities in the new intelligent product market, expand its product categories, diversify its business footprint, increase its investment in research and development and upgrade its product technologies, develop new customers and continuously increase its market share. In particular, business segments such as unmanned aerial vehicles and smart home devices will enter the stage of sharp growth in sales volume and help propel the Group to a high growth trajectory.

In respect of the automotive intelligent system, with the continuous development and application of technologies such as the electrification, intelligence, and autonomous driving of automobiles, the automobile will become a connector, connecting people with automobile and everything in the travel scenario. In November 2020, the General Office of the State Council issued the "Development Plan for New Energy Vehicle Industry (2021-2035)", which explicitly proposes to promote the deep integration of electrification with Internet of Things and intelligence technologies. This plan also clearly sets out a two-stage development vision by 2025 -2035: increasing the proportion of sales volume of the first-hand new energy vehicles to 20% by 2025; making pure electric vehicles become the mainstream of newly sold automobiles by 2035, with a high degree of scale application of self-driving intelligent networked automobiles. It is expected that by 2021, the global market inventory for networked automobiles will reach 380 million units, with an increase in sales volume to 94 million units, accounting for 82% in the automobile market, and a market size of over RMB100 billion. With the continued innovation and development of the automotive market, the Group's automotive intelligence system business will thus enter into the fast track of development. The Group will increase its investment in research and development to expand product line, and continue to deepen cooperation with automobile OEMs at home and abroad, so as to realize the long-term development of its automotive intelligent system business.

新型智能產品業務方面，隨著5G及人工智能時代的來臨，集團佈局的智能家居、物聯網、智慧城市、無人機等多個領域將逐步釋放巨大的增長潛力。依據IDC早前報告預測，智能家居設備市場將呈現出高速增長態勢，全球智能家居出貨量預計到二零二一年將增長至14.4億台，年複合增長率為14%。集團將持續把握新型智能產品市場的龐大商機，努力擴張品類，多維度佈局業務領域，並加大研發投入和產品技術升級，致力於新客戶拓展，不斷提升市場份額。尤其是無人機、智能家居等業務板塊將進入放量期，推進集團業務邁向高速增長軌道。

汽車智能系統業務方面，隨著汽車的電動化、智能化以及自動駕駛等技術的持續發展和應用，汽車將作為一個連接器，連接人、車與出行場景中的一切。二零二零年十一月，國務院辦公廳發佈《新能源汽車產業發展規劃(2021-2035)》，明確提出要推動電動化與網聯化智能化技術深度融合。規劃中也明確提出了二零二五年及二零三五年兩個階段的發展願景，目標為於二零二五年把新能源汽車新車銷量佔比增至達20%；於二零三五年純電動汽車成為新銷售車輛主流，達至高度自動駕駛智能網聯汽車規模化應用等。市場預計到二零二一年，全球聯網汽車的市場保有量將達3.8億輛，銷售量將增至9,400萬輛，市場佔比將達82%，市場規模可達到1,000億元以上。汽車行業的持續創新和發展，將帶動集團汽車智能系統業務進入發展快車道。集團將持續加大研發投入，擴充產品線，持續加深與海內外汽車主機廠的合作，以實現汽車智能系統業務的長足發展。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In respect of the medical and health business, the Group's epidemic prevention products have been certified by professional organizations in many countries and regions, which is also an opening for the subsequent expansion of other medical and health products. Driven by the epidemic, China is expected to strengthen investment in the medical and health sector to enhance the community's ability to respond to public health emergencies, including upgrading the ICU configuration, improving capacity of grass-root medical organizations in diagnosis and treatment, and strengthening the level of personal medical protection at home, which will have a profound influence on the medical and health industry. As one of the most important segments in the whole medical and health industry, China's medical device market has already reached a terminal procurement scale of over trillion dollars and has shown a steady growth. The Group has established a team dedicated to the medical and health business. Meanwhile, leverage on its advantages in precision manufacturing technology and R&D in software and hardware, the Group further expands its medical and health products to cultivate a new backbone for the its future development.

As a global leading high-end platform-based manufacturing enterprise, BYD Electronics continues to enhance its position in the supply chain of its major customer from North American while consolidating its position as a leader in Android-based products, with a view to expand its core product lines and gain a larger market share. Driven by the dual business strategy, the Group's long-term growth potential will be guaranteed. In addition, the Group is precisely positioned in the automotive intelligent system business, and is strengthening its efforts in emerging market areas such as unmanned aerial vehicles, robots, game and medical and health products. In 2021, the Group is expected to fully benefit from the rapid development of various market sectors, and the overall sales scale and performance have huge growth potential.

Looking ahead, BYD Electronic will adhere to its core corporate values, respond to the market changes in a keen way, and commit itself to enhancing technological innovation and upgrading intelligent manufacturing to continuously build its core competitiveness and maintain the leadership in the industry, in an effort to create value for clients, shareholders and investors while promoting business long-term and sustainable development.

醫療健康業務方面，集團的防疫產品通過多個國家和地區的專業機構認證，也為其他醫療健康產品的後續拓展開突破口。疫情過後，國家有望加強醫療衛生領域的投入，提升社會應對突發公共衛生事件的能力，包括提升ICU配置、提高基層診療能力建設、加強居家個人醫用防護水準等，將對醫療衛生行業產生深遠的影響。醫療器械作為整個醫療健康領域最重要的細分賽道之一，中國醫療器械市場規模已是過萬億的終端採購規模且呈現出穩定增長態勢。集團已成立專注於醫療健康業務的團隊，同時結合自身的精密製造技術及軟硬件的研發優勢，進一步拓展醫療健康產品，為集團未來的發展培養新一股中堅力量。

作為全球領先的平台型高端智造企業，比亞迪電子在鞏固於安卓系產品領域龍頭地位的同時，亦於北美大客戶產業鏈中地位持續提升，致力開拓核心產品線，爭取更大市佔比。在雙輪業務驅動下，保障集團未來長遠的增長空間。另外，集團精準卡位汽車智能系統業務，並持續加強在無人機、機器人、遊戲、醫療健康等新興市場領域的佈局。二零二一年，集團有望充分受益於各個市場領域的快速發展，整體銷售規模和業績具備巨大的增長潛力。

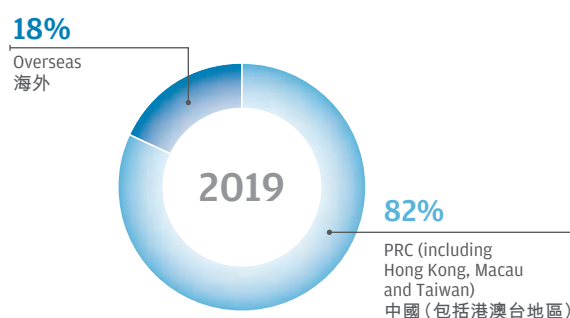
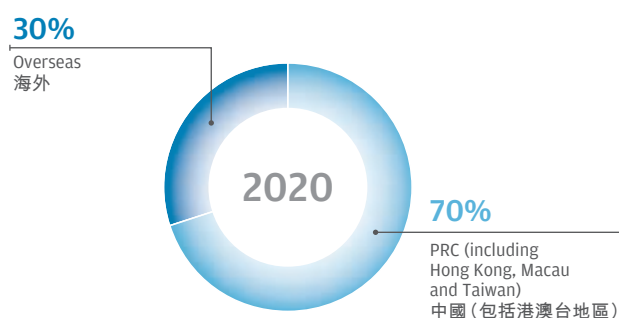
展望未來，比亞迪電子將秉承企業的核心價值觀，敏銳地把握市場變化，致力提升科技創新，升級智能製造，持續打造企業核心競爭力，引領行業進步，在推動企業可持續發展的同時，為客戶、股東及投資者創造價值。

FINANCIAL REVIEW

Revenue recorded an increase of 37.89% as compared to the previous year. Profit attributable to equity holders of the parent recorded an increase of 240.59% as compared to the previous year, mainly because that with the optimization of the product mix and improvement in the overall operational efficiency, the profitability of the Group has been enhanced.

SEGMENTAL INFORMATION

Set out below is the comparison of geographical segment information by customer location of the Group for the years ended 31 December 2020 and 2019:



GROSS PROFIT AND MARGIN

The Group's gross profit for the Year increased by approximately 143.32% to approximately RMB9,629 million. Gross profit margin increased from approximately 7.46% in 2019 to 13.17%. The increase in gross profit margin was mainly because that with the optimization of the product mix and improvement in the overall operational efficiency, the profitability of the Group has been enhanced.

LIQUIDITY AND FINANCIAL RESOURCES

During the Year, the Group recorded cash inflow from operations of approximately RMB3,209 million, compared with approximately RMB379 million recorded in 2019. The increase in the cash inflow of the Group recorded during the period was mainly due to the increase in cash received from goods sold. As of 31 December 2020, the Group had bank borrowings of RMB2,009 million (31 December 2019 : Nil).

財務回顧

營業額較去年增長37.89%，而母公司權益持有人應佔溢利較去年上升240.59%，主要是產品結構的優化及整體運營效率的提高，集團的盈利能力得到提升。

分部資料

以下為本集團於截至二零二零年及二零一九年十二月三十一日止年度按客戶所在地分析的地區分部比較：

毛利及邊際利潤

本集團年內的毛利增長約143.32%至約人民幣9,629百萬元。毛利率由二零一九年約7.46%上升至13.17%。毛利率上升的主要原因為產品結構的優化及整體運營效率的提高，集團的盈利能力得到提升。

流動資金及財務資源

年內，本集團錄得經營現金流入約人民幣3,209百萬元，而二零一九年則錄得約人民幣379百萬元，本集團期內現金流入增加主要是銷售商品收到的現金增加所致。截至二零二零年十二月三十一日本集團持有借款金額為2,009百萬元（二零一九年十二月三十一日：無）。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Group maintained sufficient liquidity to meet daily liquidity management and capital expenditure requirements, and control internal operating cash flows. Turnover days of trade receivables and receivable financing were approximately 60 days for the year ended 31 December 2020, compared with approximately 58 days for the year ended 31 December 2019, which showed no significant changes. Turnover days of inventory for the year ended 31 December 2020 were approximately 36 days, compared with approximately 39 days for the year ended 31 December 2019, which showed no significant changes.

CAPITAL STRUCTURE

The Group's Financial Division is responsible for the Group's financial risk management which operates according to policies implemented and approved by senior management. As of 31 December 2020, the Group had bank borrowings of RMB2,009 million and its cash and cash equivalents were mainly held in Renminbi and US dollars. The Group's current bank deposits and cash balances and fixed deposits, as well as the Group's credit facilities and net cash derived from operating activities, will be sufficient to satisfy the Group's material commitments and working capital, capital expenditure, business expansion, investments and the expected debt repayment for at least the next year.

The Group monitors capital using a gearing ratio, which is net liabilities divided by equity. The Group's policy is to maintain the gearing ratio as low as possible. Net liabilities include interest-bearing bank borrowings, less cash and bank balances. Equity represents equity attributable to owners of the parent. The gearing ratio was -3.24% as at 31 December 2020 (-5.29% as at 31 December 2019).

EXPOSURE TO FOREIGN EXCHANGE RISK

Most of the Group's income and expenditure are settled in RMB and US dollar. During the Year, the Group did not experience any significant difficulties in or impacts on its operations or liquidity due to fluctuations in currency exchange rates. The Directors believe that the Group will have sufficient foreign exchange to meet its own foreign exchange needs.

本集團維持充足的流動性以滿足日常流動資金管理及資本開支需求，並控制內部經營現金流量。截至二零二零年十二月三十一日止年度應收貿易賬款及應收款項融資的周轉期約為60日，而截至二零一九年十二月三十一日止年度則約為58日，無明顯變化。截至二零二零年十二月三十一日止年度，存貨周轉期約為36日，而截至二零一九年十二月三十一日止年度則約為39日，無明顯變化。

資本架構

本集團財務處的職責是負責本集團的財務風險管理工作，並根據高級管理層實行批核的政策運作。於截至二零二零年十二月三十一日，本集團持有借款金額為2,009百萬元，而其現金及現金等價物主要以人民幣及美元持有。本集團目前的銀行存款和現金結存及定期存款，以及本集團信貸額度和經營活動提供的淨現金將足以滿足本集團的重大承諾和營運資金、資本開支、業務擴展、投資和至少未來一年的債務償還預期需求。

本集團採用負債比率監測資本，即淨負債除以股權。本集團的政策是盡可能降低負債比率。淨負債包括銀行計息借款減現金和銀行餘額。股權為歸屬母公司擁有者的股權。截至二零二零年十二月三十一日該負債比率為-3.24%（二零一九年十二月三十一日：-5.29%）。

外匯風險

本集團大部份收入及開支均以人民幣及美元結算。年內，本集團並無因貨幣匯率的波動而令其營運或流動資金出現任何重大困難或影響。董事相信，本集團將有充足外匯應付其外匯需要。

CHARGE ON ASSETS

As at 31 December 2020, a bank deposit of approximately RMB487,000 was pledged for Guarantee deposits (RMB20,314,000 as at 31 December 2019).

EMPLOYMENT, TRAINING AND DEVELOPMENT

As at 31 December 2020, the Group had approximately 100.3 thousand employees. During the Year, total staff cost accounted for approximately 14.49% of the Group's revenue. Employees' remuneration was determined based on performance, qualifications and prevailing industry practices, with compensation policies being reviewed on a regular basis. Employees may receive bonuses, based on their annual performance evaluation. Incentives were offered to encourage personal motivation. The Company did not adopt any share option scheme.

In 2020, the Group has standardized a three-tier training framework for new staff members and has concretely carried out training. The subjects, hours and assessment methods of the three-tier training framework are clearly stated, and safety training materials and examination questions are drafted according to the job nature of employees. New employees are required to attend the training and pass the examination before taking on the job.

DIVIDEND DISTRIBUTION POLICY

The Company seeks to maintain a balance between meeting shareholders' expectations and prudent capital management with sustainable dividend policy. The Company's dividend policy aims to allow shareholders to share the Company's profits and the Company to retain adequate reserves for future growth. In proposing any dividend payout, the Company would consider various factors including (i) the financial performance and overall financial position of the Group; (ii) the debt-to-equity ratio and return on equity of the Group; (iii) the liquidity position and capital requirements of the Group; (iv) the current and future operation of the Group; (v) the business development strategy and future expansion plans of the Group; (vi) the general market conditions; (vii) any relevant requirements of the Listing Rules and applicable laws, rules and regulations as well as the Company's Articles of Association; and (viii) any other factors which the Board deems relevant. The final dividend was approved at the general meeting after thorough discussion and compliance with relevant decision-making procedures. Compliant with the conditions under the dividend distribution policy, the Board may propose interim dividend distribution based on the profitability and capital requirements of the Company.

The Company shall review and reassess the dividend policy and its effectiveness on a regular basis or when necessary.

資產抵押

於二零二零年十二月三十一日，就信用保證金而抵押的銀行存款約為人民幣487,000元（二零一九年十二月三十一日：20,314,000元）。

僱用、培訓及發展

於二零二零年十二月三十一日，本集團僱用約10.03萬名員工。年內，員工成本總額佔本集團營業額約14.49%。本集團按僱員的表現、資歷及當時的行業慣例釐定給予僱員的報酬，而酬金政策會定期檢討。根據年度工作表現評核，僱員或會獲發花紅及獎金。獎勵的發放乃作為個人推動力的鼓勵。本公司並無採納任何購股權計劃。

於二零二零年，本集團為新員工規範三級培訓框架，並開展具體培訓。三級培訓框架的科目、時間和考核方法已明確規定，並根據員工工作性質起草安全培訓材料和考核問題。新員工在履新前必須參加培訓並通過考核。

派付股息政策

本公司致力通過可持續的股息政策，在符合股東期望與審慎資本管理兩者之間保持平衡。本公司的股息政策旨在讓股東得以分享本公司的利潤，同時讓本公司預留足夠儲備供日後發展之用。在建議宣派股息時，本公司會考慮多項因素，包括(i)本集團的財務業績及整體財務狀況；(ii)本集團的債務對權益比率及股本回報率；(iii)本集團的流動資金狀況及資本需求；(iv)本集團的當前及未來營運；(v)本集團的業務發展策略及未來擴充計劃；(vi)整體市況；(vii)上市規則及適用法例、規則及規例以及本公司細則的任何相關規定；及(viii)董事會認為相關的任何其他因素。經過詳細論證後，履行相應的決策程序，末期股息經股東大會批准。在滿足派息政策條件下，董事會可以根據公司的盈利狀況及資金需求狀況提議公司進行中期分配。

本公司應定期或於必要時審查並重新評估股息政策及其有效性。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINAL DIVIDEND

The Board has resolved to declare a final dividend of RMB0.241 per share (2019: RMB0.071 per share) for the year ended 31 December 2020 which is subject to consideration and approval at the Company's AGM. Please refer to note 36 to the financial statements included in this annual report for details of the final dividend.

SHARE CAPITAL

As at 31 December 2020, the share capital of the Company was as follows:

Number of ordinary shares issued: 2,253,204,500 shares.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company or its subsidiaries did not redeem any of its shares during the period from 1 January 2020 to 31 December 2020. During the Year, neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities.

SIGNIFICANT INVESTMENT HELD

Except as disclosed herein, the Group did not have any significant investments during the Year.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES AND MATERIAL INVESTMENTS OF CAPITAL ASSETS

During the Year, there was no material acquisition and disposal of subsidiaries and associates. Save as disclosed in this annual report, there was no plan authorised by the Board for other material investments or additions of capital assets as at the date of this annual report.

末期股息

董事會決議宣佈截至二零二零年十二月三十一日止年度的末期股息每股人民幣0.241元(二零一九年：每股0.071元)，並待本公司股東週年大會審議通過。有關末期股息的詳情，請參閱本年報所載財務報表附註36。

股本

於二零二零年十二月三十一日，本公司的股本如下：

已發行普通股份數目：2,253,204,500。

購買、出售或贖回股份

於二零二零年一月一日起至二零二零年十二月三十一日止，本公司或其附屬公司並無贖回其任何股份。年內，本公司或其任何附屬公司概無購買或出售任何本公司的上市證券。

所持重大投資

除此處披露者外，年內本集團概無任何重大投資。

重大收購及出售附屬公司及聯屬公司以及重大資本資產投資

於年內，概無重大收購及出售附屬公司及聯屬公司。除本年報所披露者外，於本年報日期，董事會概無授權任何重大投資或添置資本資產的計劃。

CAPITAL COMMITMENT

As at 31 December 2020 the total capital commitments of the Company were approximately RMB540 million, compared with approximately RMB528 million as at 31 December 2019.

CONTINGENT LIABILITIES

Please refer to note 29 to the financial statements included in this annual report for details of contingent liabilities.

SCOPE OF WORK OF AUDITOR ON THE RESULTS ANNOUNCEMENT

Reference is made to the announcement of Company dated 29 March 2021 in respect of the Group's results for the year ended 31 December 2020 ("Results Announcement"). The figures in respect of the Results Announcement have been agreed by the Group's independent auditors, Ernst & Young, to the amounts set out in the Group's consolidated financial statements for the Year. The work performed by Ernst & Young in the said respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance was expressed by Ernst & Young on the Results Announcement.

ENVIRONMENTAL PROTECTION AND SOCIAL SECURITY

During the reporting period, the Group had no significant environmental protection or social security issues.

資本承擔

於二零二零年十二月三十一日，本公司的資本承擔達約人民幣540百萬元（二零一九年十二月三十一日：約人民幣528百萬元）。

或然負債

有關或有負債的詳情請參閱本年報所載財務報表附註29。

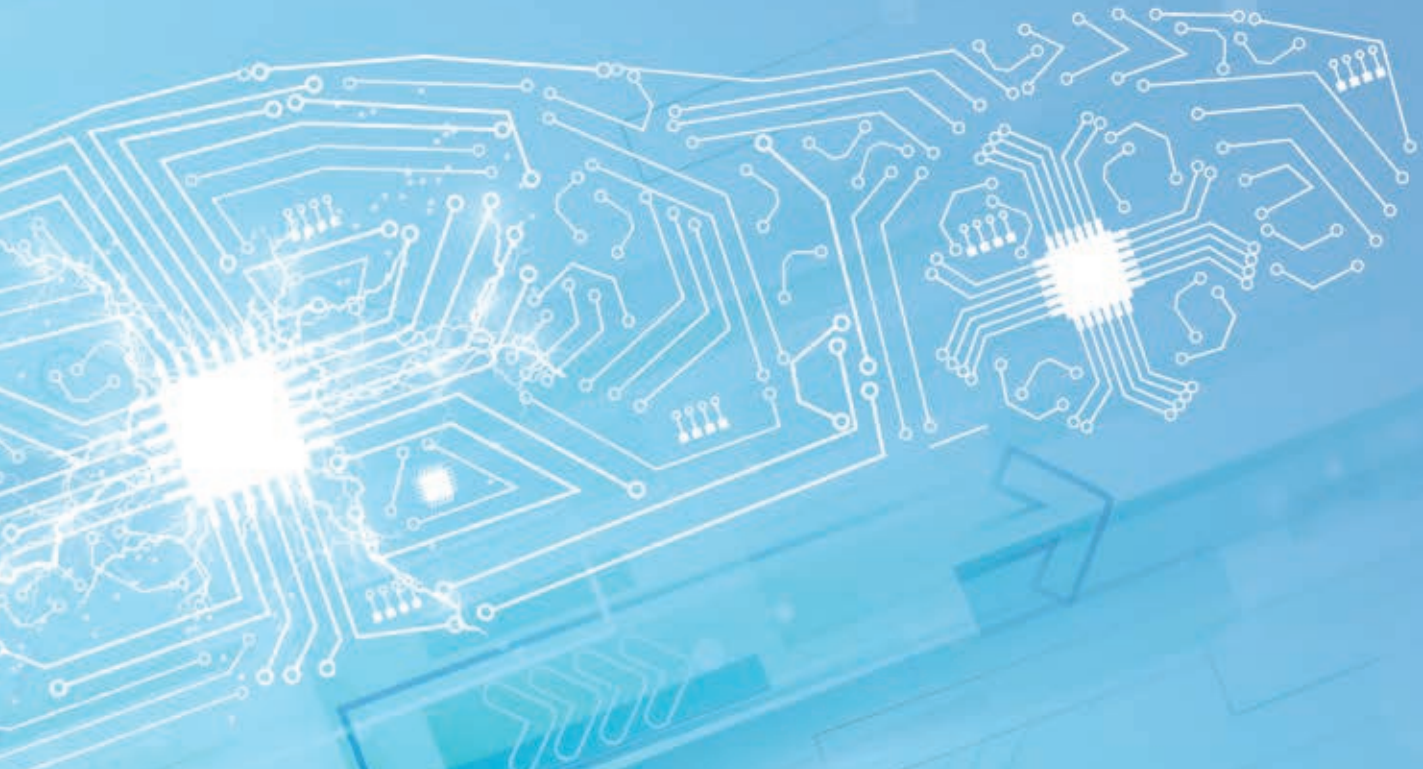
核數師對業績公告之工作範圍

茲提述本公司日期為二零二一年三月二十九日的公告，內容有關本集團截至二零二零年十二月三十一日止年度之業績（「業績公告」）。本集團獨立核數師安永會計師事務所已就本集團業績公告中所列數字與本集團之年度綜合財務報表所載之金額核對一致。安永會計師事務所就此所履行之工作並不構成根據香港會計師公會頒佈之香港審計準則、香港審閱工作準則或香港保證委聘準則進行的審核、審閱或其他保證聘用，因此，安永會計師事務所並無對業績公告作出任何保證。

環保及社會安全事宜

報告期內，本集團不存在重大環保或社會安全問題。







DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員

EXECUTIVE DIRECTORS

WANG NIAN-QIANG

Mr. Wang Nian-qiang, aged 57, a Chinese national with no right of abode overseas, a master's degree holder and an engineer. Mr. Wang graduated from Central South University of Technology (中南工業大學) (now the Central South University (中南大學)) in 1987 with a bachelor's degree in industrial analysis. In 2011, he obtained a master's degree in MBA from China Europe International Business School (中歐國際工商學院). Mr. Wang worked at Anhui Tongling Institute of Non-ferrous Metals (安徽銅陵有色金屬公司) as an engineer. He joined Shenzhen BYD Industries Company Limited (深圳市比亞迪實業有限公司) ("BYD Industries", renamed as BYD Company Limited on 11 June 2002) in February 1995 as a chief engineer. He joined the Group in April 2015 and is the chief executive officer and executive director of the Company and a director of BYD Charity Foundation.

JIANG XIANG-RONG

Mr. Jiang Xiang-rong, aged 44, a Chinese national with no right of abode overseas, a bachelor's degree holder, graduated from Fudan University (復旦大學) in 1999, majoring in Applied Chemistry, with a bachelor's degree. Mr. Jiang joined BYD Industries in July 1999. He has successively served as the factory director of the precision metal products factory of Division 1, general manager of the technology development center of the electronic business group and deputy general manager of Division 1. Now he is the executive director of the Company and COO of electronic business group, the general manager of the first business division and the general manager of the ALPHA structural parts business division of BYD, who is responsible for the overall operations and manufacturing, project development, module development and research and development of new technologies and materials of BYD's structural parts (metal, glass, ceramic, plastic) business.

執行董事

王念強

王念強先生，57歲，中國國籍，無境外居留權，碩士研究生學歷，工程師。王先生於一九八七年畢業於中南工業大學（現為中南大學），主修工業分析，獲學士學位，二零一一年獲中歐國際工商學院工商管理碩士學位。王先生曾任安徽銅陵有色金屬公司研究院工程師，並於一九九五年二月加入深圳市比亞迪實業有限公司（「比亞迪實業」，於二零零二年六月十一日變更為比亞迪股份有限公司），擔任總工程師，彼於二零一五年四月加入本集團，現任本公司行政總裁兼執行董事，並擔任比亞迪慈善基金會理事。

江向榮

江向榮先生，44歲，中國國籍，無境外居留權，本科學歷，於一九九九年畢業於復旦大學，主修應用化學，獲學士學位。江先生於一九九九年七月加入比亞迪實業，歷任第一事業部精密金屬製品工廠廠長、電子事業群技術開發中心總經理兼第一事業部副總經理，現任本公司執行董事，並擔任比亞迪電子事業群COO兼第一事業部總經理、ALPHA結構件事業部總經理，負責比亞迪結構件業務（金屬、玻璃、陶瓷、塑料）的整體運營及製造、項目開發、模具開發和新技术、新材料的研發。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員

NON-EXECUTIVE DIRECTORS

WANG CHUAN-FU

Mr. Wang Chuan-fu, aged 55, Chinese national with no right of abode overseas, master's degree holder, senior engineer, younger brother of Mr. Wang Chuan-fang and younger cousin of Mr. Lv Xiang-yang. Mr. Wang graduated from Central South University of Technology (中南工業大學) (currently Central South University (中南大學)) in 1987 with a bachelor's degree majoring in metallurgy physical chemistry, and then graduated from Beijing Non-Ferrous Research Institute in the PRC (中國北京有色金屬研究總院) in 1990 with a master's degree majoring in material science. Mr. Wang held positions as vice supervisor in Beijing Non-Ferrous Research Institute, general manager in Shenzhen Bi Ge Battery Co. Limited (深圳市比格電池有限公司總經理). In February 1995, he founded BYD Industries with Mr. Lv Xiang-yang and took the position of general manager. He has been a non-executive director and the chairman of the Company since December 2007, and currently serves as the Chairman, an executive Director and the President of BYD Company Limited ("BYD"), chairman of BYD Semiconductor Co., Ltd. (比亞迪半導體股份有限公司, which Chinese name of its formerly known as "比亞迪半導體有限公司"), a director of Shenzhen DENZA New Energy Automotive Co., Ltd. (深圳騰勢新能源汽車有限公司) (formerly known as "Shenzhen BYD Daimler New Technology Co., Ltd." (深圳比亞迪戴姆勒新技術有限公司)), a director of Tianjin BYD Auto Co., Ltd. (天津比亞迪汽車有限公司), a director of China Railway Engineering Consulting Group Co., Ltd. (中鐵工程設計諮詢集團有限公司), an independent director of Renren Inc., a director of South University of Science and Technology of China (南方科技大學) and a director of BYD Charity Foundation.

Mr. Wang, being a technology expert, enjoyed special allowances from the State Council. In June 2003, he was awarded the Star of Asia by BusinessWeek. He was awarded with Mayor award of Shenzhen in 2004, "The 2008 CCTV Man of the Year China Economy Innovation Award", Southern Guangdong Meritorious Service Award in 2011, and Zayed Future Energy Prize Lifetime Achievement Award in 2014 and Best Business Leader in China in 2015, a founding member of the United Nations Development Programme's "Advisory Council for Sustainable Development" in 2016 (二零一六年聯合國開發計劃署"可持續發展顧問委員會"創始成員), an "Outstanding Private Entrepreneur for the 40th Anniversary of Reform and Opening Up in 2018" (二零一八年改革開放四十周年傑出民營企業家), an "Outstanding Builder of Socialism with Chinese Characteristics in the Fifth National Non-Public Economic Sector in 2019" (二零一九年第五屆全國非公有經濟人士優秀中國特色社會主義事業建設者), and the winner of Xi'an's first "Mayor's Special Award" in 2020 (二零二零年西安市首屆"市長特別獎") and the "Businessman of China" in 2020 awarded by the Fortune Magazine (二零二零年《財富》"年度中國商人"), "National Advanced Person in the Private Economy for the Fight against COVID-19 Pandemic" (全國抗擊新冠肺炎疫情民營經濟先進個人) etc.

非執行董事

王傳福

王傳福先生，55歲，中國國籍，無境外居留權，碩士研究生學歷，高級工程師，為王傳方先生之弟及呂向陽先生的表弟。王先生於一九八七年畢業於中南工業大學(現為中南大學)，主修冶金物理化學，獲學士學位；並於一九九零年畢業於中國北京有色金屬研究總院，主修材料學，獲碩士學位。王先生歷任北京有色金屬研究總院副主任、深圳市比格電池有限公司總經理，並於一九九五年二月與呂向陽先生共同創辦比亞迪實業任總經理；彼於二零零七年十二月起擔任本公司的非執行董事及主席，現同時擔任比亞迪股份有限公司(「比亞迪」)的董事長、執行董事兼總裁、比亞迪半導體股份有限公司(前稱「比亞迪半導體有限公司」)董事長、深圳騰勢新能源汽車有限公司(前稱「深圳比亞迪戴姆勒新技術有限公司」)董事、天津比亞迪汽車有限公司董事、中鐵工程設計諮詢集團有限公司董事、人人公司(Renren Inc.)獨立董事、南方科技大學理事及比亞迪慈善基金會理事。

王先生為享受國務院特殊津貼的科技專家，於二零零三年六月被《商業週刊》評選為「亞洲之星」，並曾榮獲「二零零四年深圳市市長獎」、「二零零八年CCTV中國經濟年度人物年度創新獎」、「二零一一年南粵功勳獎」、「二零一四年黎耶德未來能源獎個人終身成就獎」、「二零一五年中國最佳商業領袖」、「二零一六年聯合國開發計劃署「可持續發展顧問委員會」創始成員」、「二零一八年改革開放四十周年傑出民營企業家」、「二零一九年第五屆全國非公有經濟人士優秀中國特色社會主義事業建設者」、「二零二零年西安市首屆「市長特別獎」、「二零二零年《財富》「年度中國商人」、「全國抗擊新冠肺炎疫情民營經濟先進個人」等獎項。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員

WANG BO

Mr. Wang Bo, aged 49, a bachelor's degree holder. Mr. Wang graduated from Harbin Institute of Technology (哈爾濱工業大學) in 1993 with a bachelor's degree in engineering, specializing in electrochemical engineering. Mr. Wang worked as an assistant engineer at No. 18 Tianjin Institute of Power Sources (天津電源研究所), a senior quality engineer and resource development manager at Motorola (China) Ltd. (摩托羅拉中國有限公司). Mr. Wang joined BYD Industries in September 2001 and is mainly responsible for marketing and sales. He had focused on marketing and sales of the Group and the day-to-day management of the commercial and customer service aspects of our business since our listing on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and served as an executive director of the Company. He has been appointed as a non-executive director of the Company since 6 June 2019.

INDEPENDENT NON-EXECUTIVE DIRECTORS CHUNG KWOK MO JOHN

Mr. Chung Kwok Mo John, aged 52, a Chinese national and a permanent resident of the Hong Kong Special Administrative Region. Mr. Chung obtained a Bachelor of Economics degree from Macquarie University (澳洲麥覺理大學), Australia in 1992 and is also a member of Hong Kong Institute of Certified Public Accountants and CPA Australia, with over 20 years of experience in auditing, financial management and corporate finance. Mr. Chung was an auditor in Arthur Andersen (an international accounting firm) from 1992 to 1999. From 2000, Mr. Chung had held several senior management positions, including chief financial officer, executive director and independent non-executive director, in a number of listed companies in Hong Kong. Mr. Chung is presently a vice president of Yongsheng Advanced Materials Company Limited, a company listed on the Stock Exchange (Stock Code: 3608).

Mr. Chung has joined the Group as an independent non-executive Director of the Company since 7 June 2013. In addition, he is also an independent non-executive director of each of B & S International Holdings Ltd. (賓仕國際控股有限公司), a listed company on the Stock Exchange (Stock Code: 1705), YTO Express (International) Holdings Limited (圓通速遞(國際)控股有限公司), a listed company on the Stock Exchange (Stock Code: 6123), Zhengye International Holdings Company Limited (正業國際控股有限公司), a listed company on the Stock Exchange (Stock Code: 3363) and Tokyo Chuo Auction Holdings Limited (東京中央拍賣控股有限公司) (Stock Code: 1939).

王渤

王渤先生，49歲，本科學歷。王先生於一九九三年畢業於哈爾濱工業大學，主修電化學工程，獲工程學學士學位。王先生曾任天津電源研究所第十八研究院助理工程師、摩托羅拉中國有限公司高級品質工程師及資源開發經理等職；王先生於二零零一年九月加入比亞迪實業，主要負責市場推廣及銷售。彼自本集團在香港聯合交易所有限公司（「聯交所」）上市後，曾專注負責本集團的市場推廣及銷售以及本集團業務的商業與客戶服務方面的日常管理，歷任本公司執行董事，彼於二零一九年六月六日獲委任為本公司非執行董事。

獨立非執行董事 鍾國武

鍾國武先生，52歲，中國國籍，香港特別行政區永久居民。鍾先生於一九九二年取得澳洲麥覺理大學經濟學學士學位，彼亦為香港會計師公會及澳洲會計師公會會員，在審計、財務管理及企業融資方面擁有逾20年經驗。鍾先生於一九九二年至一九九九年出任安達信（一家國際會計師事務所）的審計師，自二零零零年，鍾先生曾於多家香港上市公司出任多個高級管理層職位，包括首席財務官、執行董事及獨立非執行董事。鍾先生現在於聯交所上市公司永盛新材料有限公司（股份代號：3608）擔任副總裁。

鍾先生自二零一三年六月七日起加入本集團擔任本公司獨立非執行董事，此外，鍾先生亦分別於聯交所上市公司賓仕國際控股有限公司（股份代號：1705）、圓通速遞（國際）控股有限公司（股份代號：6123）、正業國際控股有限公司（股份代號：3363）及東京中央拍賣控股有限公司（股份代碼：1939）擔任獨立非執行董事。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員

ANTONY FRANCIS MAMPILLY

Mr. Mampilly, aged 71, a United States national and a master's degree holder. Mr. Mampilly obtained a bachelor's degree and a master's degree in physics from Kerala University, India in 1970. Mr. Mampilly worked at Motorola, Inc. where he held positions as general manager of the Energy Systems Group, general manager of the auto electronics business, corporate vice president and chief procurement officer. He joined the Group in November 2007 and is an independent non-executive Director of the Company.

QIAN JING-JIE

Mr. Qian Jing-jie, aged 39, a Chinese national without right of abode overseas. Mr. Qian graduated from Monash University in Australia (澳大利亞莫納西大學) and completed his undergraduate studies in finance in 2006. Since 2006, he has been working at Shenzhen Kind Care Group Co., Ltd. (一德集團有限公司) and is a director and the president thereof. Mr. Qian has extensive experience in business management. He has been an independent non-executive Director of the Company since 27 April 2015.

SENIOR MANAGEMENT

ZHOU YA-LIN

Ms. Zhou Ya-lin, aged 44, Chinese national with no right of abode overseas, bachelor's degree holder. Ms. Zhou graduated from Jiangxi University of Finance and Economics (江西財經大學) in 1999, with a bachelor's degree in economics. Ms. Zhou joined BYD Industries in March 1999. She has been the Chief Financial Officer of the Company since January 2016, and currently also serves as the Chief Financial Officer of BYD, a director of BYD Semiconductor Co., Ltd. (比亞迪半導體股份有限公司) chairman of BYD Auto Finance Company Limited (比亞迪汽車金融有限公司), a supervisor of Shenzhen DENZA New Energy Automotive Co., Ltd. (深圳騰勢新能源汽車有限公司), a director of Shenzhen Faurecia Automotive Parts Co., Ltd. (深圳佛吉亞汽車部件有限公司) and a supervisor of BYD Charity Foundation, etc.

ANTONY FRANCIS MAMPILLY

Mampilly先生，71歲，美國國籍，碩士研究生學歷。Mampilly先生於一九七零年取得印度 Kerala University物理學學士學位及碩士學位。Mampilly先生曾於Motorola Inc. 歷任Energy Systems Group業務總經理、汽車電子業務總經理、企業副總裁兼採購總監等職，彼於二零零七年十一月加入本集團，現任本公司獨立非執行董事。

錢靖捷

錢靖捷先生，39歲，中國國籍，無境外居留權。錢先生於二零零六年畢業於澳大利亞莫納西大學，主修金融學；自二零零六年以來，他一直於深圳一德集團有限公司任職，現擔任該公司董事兼總裁，錢先生於業務管理方面擁有廣泛的經驗。錢先生於二零一五年四月二十七日起擔任本公司獨立非執行董事。

高級管理人員

周亞琳

周亞琳女士，44歲，中國國籍，無境外居留權，本科學歷。周女士於一九九九年畢業於江西財經大學，獲經濟學學士學位。周女士於一九九九年三月加入比亞迪實業，彼於二零一六年一月起獲委任本公司財務總監，現同時擔任比亞迪財務總監、比亞迪半導體股份有限公司董事、比亞迪汽車金融有限公司董事長、深圳騰勢新能源汽車有限公司監事、深圳佛吉亞汽車部件有限公司董事及比亞迪慈善基金會監事等職。



DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員

LI QIAN

Mr. Li Qian, aged 48, Chinese national with no right of abode overseas, master's degree holder. Mr. Li graduated from Jiangxi University of Finance and Economics (江西財經大學) in 1997, with a bachelor's degree in economics. He graduated from Guanghua School of Management of the Peking University (北京大學光華管理學院) with an MBA in July 2016. Mr. Li was the auditor and business adviser of PwC China and Arthur Andersen, respectively, and the securities business representative of ZTE Corporation (中興通訊股份有限公司). Mr. Li joined BYD in August 2005. He has been appointed as the joint company secretary of the Company since November 2007, and currently serves as a secretary to the Board, Company secretary and general manager of Investment Department of BYD, a member of the first GEM Listing Committee of Shenzhen Stock Exchange, a director of BYD Semiconductor Co., Ltd. (比亞迪半導體股份有限公司) a director of Tibet Shigatse Zhabuye Lithium High-Tech Co., Ltd (西藏日喀則紮布耶鋰業高科技有限公司), chairman of Shenzhen BYD Electric Car Investment Co., Ltd. (深圳比亞迪電動汽車投資有限公司), chairman of Energy Storage Power Station (Hubei) Co., Ltd. (儲能電池(湖北)有限公司), a director of Meihao Chuxing (Hangzhou) Automobile Technology Co., Ltd. (美好出行(杭州)汽車科技有限公司), a director of Shenzhen Shendianneng Electricity Co., Ltd. (深圳市深電能售電有限公司), and a director of Shenzhen Faurecia Automotive Parts Co., Ltd. (深圳佛吉亞汽車部件有限公司).

CHEUNG HON-WAN

Mr. Cheung Hon-wan, aged 65, a Chinese national, a permanent resident of the Hong Kong Special Administrative Region and a master's degree holder. Mr. Cheung obtained a master degree in accounting and finance from the University of Lancaster in the United Kingdom in 1983. He is also a member of the Hong Kong Institute of Certified Public Accountants. Mr. Cheung worked at various Hong Kong listed companies and served as a qualified accountant of the Company. He joined the Group in June 2007 and is a joint company secretary of the Company.

李黔

李黔先生，48歲，中國國籍，無境外居留權，碩士研究生學歷。李先生於一九九七年畢業於江西財經大學，獲經濟學學士學位，二零一六年七月，獲北京大學光華管理學院工商管理碩士學位。李先生曾於普華永道會計師事務所、安達信會計師事務所分別擔任核數師及業務顧問，並於中興通訊股份有限公司擔任證券事務代表；李先生於二零零五年八月加入比亞迪，彼於二零零七年十一月起獲委任本公司的聯席公司秘書之一，現同時擔任比亞迪董事會秘書、公司秘書、投資處總經理，深圳證券交易所第一屆創業板上市委員會委員、比亞迪半導體股份有限公司董事、西藏日喀則紮布耶鋰業高科技有限公司董事、深圳比亞迪電動汽車投資有限公司董事長、儲能電池(湖北)有限公司董事長、美好出行(杭州)汽車科技有限公司董事、深圳市深電能售電有限公司董事、深圳佛吉亞汽車部件有限公司董事。

張漢雲

張漢雲先生，65歲，中國國籍，香港特別行政區永久居民，碩士研究生學歷。張先生於一九八三年取得英國University of Lancaster會計及財經碩士學位，亦為香港會計師公會會員。張先生曾於多家香港上市公司任職，並曾任本公司合資格會計師；彼於二零零七年六月加入本集團，現任本公司聯席公司秘書之一。

The Board believes that good corporate governance is an essential element in enhancing the confidence of current and potential shareholders, investors, employees, business partners and the community as a whole. To this end, we strive to promote and uphold the highest standard of corporate governance.

The Company has put in place corporate governance practices to comply with all the applicable provisions and most of the recommended best practices of the Corporate Governance Code (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) since the shares of the Company commenced listing on the main board of the Stock Exchange.

In the opinion of the Directors, the Company had complied with the applicable code provisions as set out in Appendix 14 of the Listing Rules during the Year, except for deviation from code provision A.6.7. The code provision A.6.7 stipulates that independent non-executive Directors and non-executive Directors should attend general meetings. Due to travel inconvenience caused by the epidemic or important business engagements at the relevant time, not all independent non-executive Directors and non-executive Directors attended the annual general meeting held on 23 June 2020 and the special general meetings held on 29 June 2020 and 9 September 2020 of the Company.

BOARD OF DIRECTORS

Accountable to the Shareholders, the Board of Directors is collectively responsible for formulating the strategic business direction of the Group and setting objectives for management, overseeing its performance and assessing the effectiveness of management strategies. The Board is also responsible for, and has during the Year performed the corporate governance duties set out in the terms of reference in code provision D.3.1 of the Code (including the determining of the corporate governance policy of the Company).

THE DIRECTORS

As of the date of this report, the Board comprises seven Directors. There are two executive Directors, two non-executive Directors and three independent non-executive Directors. Brief biographical details outlining each individual Director’s range of specialist experience and suitability of the successful long-term running of the Group are set out in the section headed “Directors and Senior Management” of this annual report.

董事會相信，良好的企業管治是提高現有及未來股東、投資者、僱員、業務夥伴及整體社會信心的關鍵因素。在這方面，我們一直致力推廣及貫徹執行企業管治的最高標準。

自本公司股份於聯交所主板上市起，本公司已實施企業管治常規，以遵照載列於聯交所證券上市規則（「上市規則」）附錄十四的企業管治守則（「守則」）的所有適用條文及大部份建議最佳應用守則。

董事認為，本公司已於年內遵守上市規則附錄14所載的適用守則條文，惟偏離守則條文第A.6.7條者除外。守則條文第A.6.7條規定獨立非執行董事及非執行董事應出席股東大會。鑒於部分獨立非執行董事及非執行董事在相關時間因疫情原因出行不便或有重要公務，故此並非所有獨立非執行董事及非執行董事均有出席本公司於二零二零年六月二十三日舉行的股東週年大會及二零二零年六月二十九日、二零二零年九月九日舉行的股東特別大會。

董事會

董事會對股東負責，並共同負責制定本集團的策略業務方針及為管理層制定目標、監督其表現及評估管理層各項策略的效率。董事會亦負責並已於年內履行守則條文D.3.1條職權範圍所載的企業管治職責（包括制定本公司的企業管治政策）。

董事

於本報告刊發日期，董事會由七名董事組成，包括兩名執行董事，兩名非執行董事及三名獨立非執行董事。每位董事專業經驗及對本集團成功長期運作的適合性的簡歷載於本年報標題為「董事及高級管理人員」一章節。



CORPORATE GOVERNANCE REPORT

企業管治報告

The Group believes that its executive and non-executive Directors composition is well balanced with each Director having sound knowledge, experience and/or expertise relevant to the business operations and development of the Group. All Directors are aware of their collective and individual responsibilities to the Shareholders and have exercised their duties with care, skill and diligence, contributing to the successful performance of the Group for the Year under review.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence as required under the Listing Rules. The Company considers all independent non-executive Directors to be independent.

The Board held eleven meetings during this year to discuss the Group's overall strategy, operation and financial performance. The Board also ensures that it is supplied in a timely manner with all necessary information in a form and of a quality appropriate to enable it to discharge its duties. All Board meetings adhere to a formal agenda in which a schedule of matter is specifically addressed to the Board for its decision. Topics discussed at these Board meetings include: overall strategy; quarterly, interim and annual results; recommendations on Directors' appointment(s); the Board Diversity Policy; approval of connected transactions; regulatory compliance; and other significant operational and financial matters.

The Directors decide on corporate strategies, approve overall business plans and supervise the Group's financial performance, management and organization on behalf of the shareholders. Specific tasks that the Board delegates to the Group's management included the preparation of annual, interim and quarterly accounts for the Board's approval before public reporting; the implementation of various strategies approved by the Board; the monitoring of operating budgets; the implementation of internal control procedures; and the ensuring of compliance with relevant statutory requirements and other rules and regulations. The Directors acknowledge their responsibility for preparing all information and representations of the financial statements of the Company for the year ended 31 December 2020.

Each of the non-executive Directors and independent non-executive Directors entered into a letter of appointment with the Company for a term of three years respectively and in each case, either the Company or the relevant Director can give three months' prior notice at any time to terminate the appointment without payment of compensation, and the appointments are subject to the provisions of retirement and rotation of Directors under the Articles of the Company.

本集團相信，執行董事及非執行董事有關本集團業務經營及發展的良好知識、經驗及／或專才可與各董事達致平衡。所有董事均知悉其須對股東負擔的共同及個別責任，並已恪盡職守，謹慎勤勉地履行其職責，為本集團於回顧年度的成功表現作出貢獻。

本公司已收到獨立非執行董事根據上市規則規定有關其獨立性的年度確認函。本公司認為，所有獨立非執行董事均為獨立。

董事會於本年度舉行十一次會議，以討論本集團的整體策略、營運及財務表現。董事會還確保及時獲得提供所有必要的資料，以便可履行其職務。董事會所有會議按呈交予董事會審議的正式議事程序進行。於董事會會議上討論的事項包括：整體策略；季度、中期及年度業績；委任董事的推薦建議；董事會成員多元化政策；批准關連交易；監管合規事項；以及其他重要經營及財務事項。

董事決定各項公司策略、批准整體業務計劃及代表股東監督本集團的財務表現、管理層及組織。董事會委任本集團管理層的特別任務，包括編製年度、中期及季度報告供董事會批准以向公眾發表；實施董事會批准的各项策略；監督經營預算案；實施內部監控程序，以及確保遵照有關法律規定及其他規則及法規。董事確認彼等須負責編製本公司截至二零二零年十二月三十一日止年度財務報表所載之一切資料及陳述。

每位非執行董事及獨立非執行董事均與本公司訂立任期三年的委任書，在各情況下，有關委任均可由本公司或相關董事於任何時間透過給予三個月的事先通知予以終止而毋須支付補償，而委任須受本公司之章程項下董事輪席退任的條文所規限。

In accordance with Article 106 of the Company's Articles of Association (the "Articles"), at each annual general meeting, one-third of the Directors, or if their number is not three (3) or a multiple of three (3), the number which is nearest to and is at least one-third, shall retire from office by rotation at least every three (3) years. A retiring director shall be eligible for reelection. Accordingly, Mr. Wang Nian-qiang, Mr. Wang Bo, Mr. Qian Jing-jie and Mr. Antony Francis Mampilly shall retire by rotation, and it is proposed that Mr. Wang Nian-qiang, Mr. Wang Bo, Mr. Qian Jing-jie and Mr. Antony Francis Mampilly shall be eligible for re-election at the forthcoming annual general meeting.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Newly appointed Directors of the Company will be provided with relevant induction materials to assist them to fully understand the Company's operations, business and governance policies and their responsibilities and duties as a director under the requirements of the relevant laws and regulations, such as the Listing Rules. They will also be provided with materials to help them to gain insights in the Company's business and operation. In order to ensure adequate performance of duties by the independent non-executive Directors, the Company will also arrange on-site visits and sufficient communication with the management for the independent non-executive Directors. Pursuant to the corporate governance requirements, the Directors participated in continuous professional development programme to develop and update their knowledge and skills. The particulars of the trainings of each Director are as follows:

根據本公司的公司章程(「章程」)第106條，於每屆股東週年大會上，三分之一的董事，(或倘其人數並非三(3)或三(3)之倍數，則為最接近且至少為三分之一的人數)須至少每三(3)年輪席退任。退任董事可合資格膺選連任。因此，王念強先生、王渤先生、錢靖捷先生及Antony Francis Mampilly先生須輪席退任，並建議王念強先生、王渤先生、錢靖捷先生及Antony Francis Mampilly先生符合資格於應屆股東週年大會上膺選連任。

董事持續專業發展

本公司董事就任時，本公司提供相關就任須知材料，以幫助董事完全理解本公司經營、業務及管治政策以及上市規則等相關法律法規規定的董事責任、職責，並提供有助董事瞭解本公司業務及經營情況的資料；為確保獨立非執行董事充分履行職責，本公司亦會組織獨立非執行董事進行實地考察，並與管理層進行充分溝通。根據企業管治要求，董事應參與持續專業發展計劃，以發展及更新彼等知識及技能，以下列載每位董事培訓詳情：

Name of Director 董事姓名		Training/ seminars participated 參與培訓/ 簡介會	Reading materials 閱讀材料
Executive Director	執行董事		
Wang Nian-qiang	王念強	✓	✓
Jiang Xiang-rong	江向榮	✓	✓
Non-executive Directors	非執行董事		
Wang Chuan-fu	王傳福	✓	✓
Wang Bo	王渤	✓	✓
Independent Non-executive Directors	獨立非執行董事		
Chung Kwok Mo John	鍾國武	✓	✓
Antony Francis MAMPILLY	Antony Francis MAMPILLY	✓	✓
Qian Jing-jie	錢靖捷	✓	✓

CORPORATE GOVERNANCE REPORT

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The posts of chairman and chief executive are held separately by Mr. Wang Chuan-fu and Mr. Wang Nian-qiang respectively. This segregation ensures a clear distinction between the chairman's responsibility to manage the Board and the chief executive's responsibility to manage the Company's business.

BOARD MEETINGS

To ensure the highest attendance of Directors, written notices are sent to all Directors 14 days before a regular board meeting. The meeting agenda is set in consultation with members of the Board. The Board held eleven meetings in 2020. The attendance of individual Director at the Board meetings as well as general meetings in 2020 is set out below:

Members of the Board 董事會成員		Board Meetings 董事會會議	Annual General Meeting 股東週年大會	Extraordinary General Meetings 股東特別大會
Wang Nian-qiang	王念強	11/11	1/1	2/2
Jiang Xiang-rong	江向榮	11/11	1/1	2/2
Wang Chuan-fu	王傳福	11/11	1/1	1/2
Wang Bo	王渤	11/11	1/1	1/2
Chung Kwok Mo John	鍾國武	11/11	0/1	2/2
Antony Francis MAMPILLY	Antony Francis MAMPILLY	11/11	1/1	2/2
Qian Jing-jie	錢靖捷	11/11	1/1	2/2

In furtherance of good corporate governance, the Board has set up a number of committees, including:

- the Audit Committee;
- the Remuneration Committee; and
- Nomination Committee

Each Committee reports regularly to the Board, addressing major issues and findings with valuable recommendations for the decision making of the Board. The particulars of these Committees are set out hereunder.

主席及行政總裁

王傳福先生及王念強先生分別擔任主席及行政總裁職務。區分職位可確保職責分明，主席負責管理董事會，而行政總裁負責管理本公司業務。

董事會會議

為了保證最高的董事出席率，定期董事會會議於十四天前以書面通知各董事。會議議程於諮詢董事會成員後制定。於二零二零年共舉行十一次董事會會議。董事於二零二零年的董事會會議及股東大會的個人出席次數載列如下：

為進一步實施良好企業管治，董事會已成立數個委員會，包括：

- 審核委員會；
- 薪酬委員會；及
- 提名委員會

各委員會定期向董事會作出報告，以表達各重大發現及寶貴建議供董事會作出決定。該等委員會的詳情載列如下。



AUDIT COMMITTEE

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules. The primary duties of the Audit Committee is to review and supervise the financial reporting process and the risk management and internal control systems of the Company, and provide advice and comments to the Board of Directors.. As at the date of this report, the Audit Committee consists of five members, namely Mr. Wang Chuan-fu, Mr. Wang Bo, Mr. Chung Kwok Mo John (chairman of the Audit Committee), Mr. Antony Francis MAMPILLY and Mr. Qian Jing-jie, of whom Mr. Chung Kwok Mo John, Mr. Antony Francis MAMPILLY and Mr. Qian Jing-jie are independent non-executive Directors and among them, Mr. Chung Kwok Mo John has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10 of the Listing Rules.

The terms of reference of the Audit Committee were revised on 27 March 2019 and follow the guidelines set out by the Hong Kong Institute of Certified Public Accountants and the Listing Rules is published on the websites of the Stock Exchange and the Company pursuant to Code C.3.4.

The Company established the Audit Committee on 29 November 2007 and has held five meetings during the Year to review the announcement in relation to the unaudited annual results for the year ended 31 December 2019, the audited consolidated financial statements of the Group for the year ended 31 December 2019, and the unaudited consolidated financial statements for the three months ended 31 March 2020, the six months ended 30 June 2020, and the nine months ended 30 September 2020, and the effectiveness of the financial reporting process and risk management and internal control systems of Company. The individual attendance of its members of the meetings is set out as follows:

審核委員會

本公司已根據上市規則第3.21條成立審核委員會。審核委員會的主要職責為審閱及監督本公司的財務報告程序以及風險管理及內部監控系統，並向董事會提供建議及意見。於本報告刊發日期，審核委員會由五名成員組成，成員分別為王傳福先生、王渤先生、鍾國武先生（審核委員會主席）、Antony Francis MAMPILLY先生及錢靖捷先生，其中，鍾國武先生、Antony Francis MAMPILLY先生、錢靖捷先生為獨立非執行董事，且鍾國武先生擁有根據上市規則第3.10條所規定的合適專業資格或會計或相關財務管理專業知識。

審核委員會的職權範圍已於二零一九年三月二十七日修訂並遵照香港會計師公會所制定的指引及上市規則，並根據守則第C.3.4條公開於聯交所及公司網站。

本公司於二零零七年十一月二十九日成立審核委員會，於年內舉行五次會議，以審閱本集團截至二零一九年十二月三十一日止年度未經審核全年業績公告、截至二零一九年十二月三十一日止年度的經審核合併財務報表及截至二零二零年三月三十一日止三個月、截至二零二零年六月三十日止六個月、截至二零二零年九月三十日止九個月未經審核合併財務報表，以及本公司財務報告過程以及風險管理及內部監控系統的有效性。其成員的出席次數載列如下：

Member of the Audit Committee 審核委員會成員		Number of Committee Meetings Attended 出席委員會會議次數
Wang Chuan-fu	王傳福	5
Wang Bo	王渤	5
Chung Kwok Mo John (Chairman of the Audit Committee)	鍾國武 (審核委員會主席)	5
Antony Francis MAMPILLY	Antony Francis MAMPILLY	5
Qian Jing-jie	錢靖捷	5



REMUNERATION COMMITTEE

The Company has also set up the Remuneration Committee on 29 November 2007, which consists of five Directors, namely Mr. Wang Nian-qiang, Mr. Wang Chuan-fu, Mr. Chung Kwok Mo John, Mr. Antony Francis MAMPILLY and Mr. Qian Jing-jie (Chairman of the Remuneration Committee), of which Mr. Chung Kwok Mo John, Mr. Antony Francis MAMPILLY and Mr. Qian Jing-jie are independent non-executive Directors, as at the date of this report. The Remuneration Committee considers and makes recommendations to the Board regarding the policy and structure on remuneration and other benefits paid by the Company to the Directors, Senior Management and Staff, assesses the performance of executive Directors, and (with delegated responsibility) approves the terms (including terms on remuneration packages) of the executive Directors' service contracts. The remuneration of all Directors, Senior Management and Staff is subject to regular monitoring by the Remuneration Committee to ensure that levels of their remuneration and compensation are appropriate. The Remuneration Committee has performed the above duties during the Year. The Remuneration Committee held one meetings during the Year and the individual attendance of its members of the meeting is set out as follows:

薪酬委員會

本公司亦已於二零零七年十一月二十九日成立薪酬委員會，於本報告刊發日期，薪酬委員會成員分別為五名董事，即王念強先生、王傳福先生、鍾國武先生、Antony Francis MAMPILLY先生及錢靖捷先生（薪酬委員會主席），其中鍾國武先生、Antony Francis MAMPILLY先生及錢靖捷先生為獨立非執行董事。薪酬委員會負責考慮本公司向董事、高級管理人員及僱員支付的薪酬和其他福利的政策及架構，並就此向董事會提出推薦意見；以及評核執行董事的表現及履行授權職責批准執行董事服務合約的條款（包括薪酬組合的條款）。全體董事、高級管理人員及僱員的薪酬由薪酬委員會定期監察，以確保彼等的薪酬及報酬屬合理水平。薪酬委員會已於年內履行上述職責。薪酬委員會於年內舉行一次會議，其成員的出席次數載列如下：

Member of the Remuneration Committee 薪酬委員會成員		Number of Committee Meetings Attended 出席委員會會議次數
Wang Nian-qiang	王念強	1
Wang Chuan-fu	王傳福	1
Chung Kwok Mo John	鍾國武	1
Antony Francis MAMPILLY	Antony Francis MAMPILLY	1
Qian Jing-jie (Chairman of the Remuneration Committee)	錢靖捷 (薪酬委員會主席)	1

The terms of reference of the Remuneration Committee were published on the websites of the Stock Exchange and the Company pursuant to Code B.1.3.

薪酬委員會的職權範圍已根據守則第B.1.3條公開發於聯交所及公司網站。

REMUNERATION POLICY FOR DIRECTORS

The primary goal of the Group's remuneration policy for executive Directors is to enable the Company to retain and motivate executive Directors by linking their compensation with their individual performance as measured against the corporate objectives and the Group's operating results and taking into account of comparable market conditions. For the remuneration of the executive Directors and senior management, the Remuneration Committee make recommendations to the Board on the remuneration packages of individual executive directors and senior management (adopting the model described in code provision B.1.2(c)(ii) of the CG Code). The principal elements of the remuneration package of executive Directors include basic salary and discretionary bonus.

The emoluments paid to each Director of the Company for the year ended 31 December 2020 are set out in note 9 to the financial statements.

The Company reimburses reasonable expenses incurred by Directors in the course of their carrying out of duties as Directors.

Directors do not participate in decisions on their own remuneration.

董事薪酬政策

本集團對執行董事薪酬政策的主要目標是讓本公司可透過將執行董事的補償與其個人表現掛鈎並與公司目標及本集團的經營業績相衡量，同時考慮到可比較的市場條件，以挽留及激勵執行董事。就執行董事及高級管理層薪酬而言，薪酬委員會向董事會就個別執行董事及高級管理層的薪酬組合提出建議（採納企業管治守則條文第B.1.2(c)(ii)條所述模式）執行董事的薪酬組合主要部份包括基本薪金及酌情花紅。

截至二零二零年十二月三十一日止年度，支付予本公司各董事的酬金載於財務報表附註9。

董事於履行其作為董事職責時所發生的開支，本公司會作出合理補償。

董事不參與釐定其本身的薪酬。

REMUNERATION OF SENIOR MANAGEMENT

高級管理人員薪酬

Remuneration by bands 按等級劃的酬金		Number of senior management 高級管理層人數
RMB0 to RMB1 million	人民幣零元至人民幣100萬元	3
RMB1 million to RMB3 million	人民幣100萬元至人民幣300萬元	1

NOMINATION COMMITTEE

The Company has established a Nomination Committee on 29 November 2007 with specific written terms of reference stipulating its authorities and duties in compliance with code provision A.5.1 of the CG Code. In light of the latest amendments made in 2019 to the Corporate Governance Report as set out in Appendix 14 to the Listing Rules, the Board has further adopted the revised terms of reference of the Nomination Committee on 27 March 2019. For more details on such terms of reference, please refer to the websites of the Company and the Stock Exchange. During the Year, the summary of work of the Nomination Committee included reviewing the structure, size and composition of the Board, reviewing the Board Diversity Policy and Nomination Policy, assessing the independence of the independent non-executive Directors and providing recommendations on retiring Directors at the annual general meeting of the Company.

The Nomination Committee has also adopted a nomination policy (the "Nomination Policy") which includes the selection criteria and nomination procedures of new appointments and re-appointments of directors. The selection criteria for assessing candidates include, in particular, his/her educational background and professional qualifications, experiences in the industry, personality and integrity, as well as his/her contributions to the diversity of the Board according to the Board Diversity Policy. In the case of re-appointment of Directors, the Nomination Committee would take into account factors such as contribution from the retiring Directors. Where the candidate is appointed for the position of independent non-executive Director, the Nomination Committee will also assess his/her independence with reference to the requirements set out in the Listing Rules. After the Nomination Committee evaluated the candidates based on the selection criteria, the Nomination Committee will nominate one or more qualified candidates for the Board's consideration and the Board will determine and agree on a preferred candidate. The Company and/or the Chairman of the Board will then negotiate the terms of appointment with the preferred candidate. Finally, the Chairman of the Board, in consultation with the chairman of the Remuneration Committee and the chairman of the Nomination Committee, will then finalise a letter of appointment for the Board's approval. The Nomination Committee shall ensure the transparency and fairness of the selection procedure and continue to adopt diverse selection criteria during the appointment procedure, taking into consideration a range of elements such as age, educational background, professional experience, industrial skills and professional knowledge. Since its establishment, the Nomination Committee has assumed the role of reviewing such diverse selection policy at the nomination level, maintaining a diversified spectrum of varying perspectives, educational background and professional knowledge in the Board.

提名委員會

本公司已遵守企業管治守則條文第A.5.1條的規定，於二零零七年十一月二十九日成立提名委員會，並訂立明確的書面職權範圍，當中訂明其權限及職責。鑑於二零一九年對上市規則附錄十四所載企業管治報告作出的最新修訂，董事會已於二零一九年三月二十七日進一步採納經修訂的提名委員會職權範圍，有關職權範圍可於本公司及聯交所網站上查閱。於年度內，提名委員會的工作概要為檢討董事會的架構、規模及組成，檢討董事會成員多元化政策及提名政策，評核獨立非執行董事的獨立性以及於本公司股東周年大會上就退任董事提出推薦意見。

提名委員會亦已採納一項提名政策（「提名政策」），當中列載新委任及重新委任董事之甄選準則及提名程序。用以評估候選人的甄選準則包括（尤其是）其學歷背景及專業資格、與行業有關之經驗、品格及誠信及彼是否能如董事會多元化政策所述為董事會多元化作出貢獻。重新委任董事方面，提名委員會將考慮如退任董事所作出貢獻等因素。倘候選人獲委任獨立非執行董事職位，提名委員會將參考上市規則所載列之要求評估彼之獨立性。經提名委員會根據甄選準則評估候選人後，提名委員會將提名一位或多位合資格候選人供董事會考慮，且董事會將決定並同意一位最佳候選人。本公司及／或董事會主席將與最佳候選人協商委任之條款。最後，董事會主席經諮詢薪酬委員會主席及提名委員會主席後將落實委任書，予董事會批准。提名委員會應確保挑選程序透明及公平，於委聘程序中維持採用多元化甄選準則，同時考慮年齡、教育背景、專業經驗、行業技能及專業知識等多項特質。自成立以來，提名委員會已肩負檢討在提名方面應用多元化甄選政策之責任，確保董事具備多元化視野及不同教育背景及專業知識。

As at the date of this report, the Nomination Committee comprises five members, namely Mr. Jiang Xiang-rong, Mr. Wang Chuan-fu (chairman of the Nomination Committee), Mr. Chung Kwok Mo John, Mr. Antony Francis MAMPILLY and Mr. Qian Jing-jie, of which Mr. Chung Kwok Mo John, Mr. Antony Francis MAMPILLY and Mr. Qian Jing-jie are independent non-executive Directors as at the date of this report. The Nomination Committee has performed the above duties during the Year.

THE BOARD'S DIVERSITY POLICY

The Board adopted the Board Diversity Policy on 29 October 2013. In light of the latest amendments to the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules in 2019, the Board has further adopted the revised Board Diversity Policy in 2019.

The Company recognises the importance of diversity to corporate governance and an effective Board. The Board Diversity Policy aims to set out the approach to achieve Board diversity, so as to ensure that the Board members possess appropriate skills, experience and diverse views necessary for the business of the Company. To realise Board diversity, all appointments of the Board members will be made based on merit, and measurable objectives will be discussed and negotiated on an annual basis. Such measurable objectives shall include, but are not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and/or terms of service. The ultimate decision will be based on merits and contributions that the selected candidates will bring to the Board. The Board has confirmed the arrangement of skilled and experienced senior management, as they will facilitate a more comprehensive and diversified development. Having considered the business needs of the Company, the Nomination Committee considers that the current Board is sufficiently diversified in terms of its skills, experience, knowledge and independence. Moreover, the skills they are equipped with will prepare them prior to participating in senior management and commencing their roles as directors.

於本報告刊發日期，提名委員會由五名成員組成，成員包括江向榮先生、王傳福先生（提名委員會主席）、鍾國武先生、Antony Francis MAMPILLY先生及錢靖捷先生，其中鍾國武先生、Antony Francis MAMPILLY先生及錢靖捷先生於本報告刊發日期為本公司獨立非執行董事。提名委員會已於年內履行上述職責。

董事會多元化政策

董事會已於二零一三年十月二十九日採納董事會成員多元化政策。鑑於二零一九年上市規則附錄十四載列之企業管治守則及企業管治報告之最新修訂，董事會已於二零一九年進一步採納經修訂董事會成員多元化政策。

本公司認同董事會成員多元化對企業管治及董事會行之有效的重要性，董事會成員多元化政策旨在列載為達致董事會成員多元化而採取的方針，以確保董事會根據本公司業務所需具備適當的技能、經驗及多元化觀點。董事會所有委任均以用人唯才為原則，將按年討論及協議可計量目標，以落實董事會多元化。這些可計量目標應包括但不限於性別、年齡、文化背景、教育背景、專業經驗、技能、知識及／或服務年期等，最終決定將基於人選的長處及可為董事會帶來的貢獻。本公司已確認及執行將協助發展更全面及更多樣化的熟練和經驗豐富的高級管理人員的安排，經考慮本公司業務需求，提名委員會認為現任董事會在技能、經驗、知識及獨立性方面充分表現多樣化格局。且屆時彼等之技能將為其加入高級管理層及董事職位做好準備。

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The Nomination Committee held one meetings during the Year and the individual attendance of its members of the meeting is set out as follows:

提名委員會於年內舉行一次會議，其成員的出席次數載列如下：

Members of the Nomination Committee 提名委員會成員		Number of Committee Meetings Attended 出席委員會會議次數
Jiang Xiang-rong	江向榮	1
Wang Chuan-fu (Chairman of the Nomination Committee)	王傳福 (提名委員會主席)	1
Chung Kwok Mo John	鍾國武	1
Antony Francis MAMPILLY	Antony Francis MAMPILLY	1
Qian Jing-jie	錢靖捷	1

The terms of reference of the Nomination Committee were revised on 27 March 2019 and follow the Listing Rules, and is published on the websites of the Stock Exchange and the Company pursuant to Code A.5.3.

提名委員會的職權範圍已於二零一九年三月二十七日修訂並遵照上市規則，並根據守則第A.5.3條公開於聯交所及公司網站。

INDEPENDENT INTERNATIONAL AUDITORS AND THEIR REMUNERATION

As at the year ended 31 December 2020, the total remuneration paid and payable by the Company to the international auditor, Ernst & Young, was RMB1,240,000 for audit services. The audit fee was approved by the Board. During the reporting period, the total remuneration in respect of the non-audit services was RMB200,000.

獨立國際核數師及其薪酬

截至二零二零年十二月三十一日止年度，本公司已付及應付獨立國際核數師安永會計師事務所作為核數服務的薪酬總額為人民幣1,240,000元。核數費已獲董事會批准。於報告期內，非審核服務費用的薪酬總額為人民幣200,000元。

Item 項目		2020 二零二零年	2019 二零一九年
Review of interim results	審閱中期業績	RMB200,000 人民幣200,000元	RMB250,000 人民幣250,000元
Other non-audit services	其他非審計服務	RMB0 人民幣0元	RMB0 人民幣0元

The Board has proposed and approved to re-appoint Ernst & Young as the independent international auditor of the Company for 2021, which is subject to approval by shareholders at the forthcoming annual general meeting. There was no disagreement between the Board and the Audit Committee on the selection and reappointment of the external auditors during the Year.

續聘安永會計師事務所為本公司二零二一年度獨立國際核數師的事宜已由董事會作出提議及批准，惟須於即將舉行的股東週年大會上經股東批准，方可作實。年內，董事會與審核委員會在選聘及續聘外部核數師方面並無出現意見分歧。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board confirms its responsibility for risk management and internal control systems, and for reviewing their effectiveness for the current year through the Audit Committee at least annually. The Audit Committee assists the Board in performing its responsibilities for supervision and corporate governance, covering financial, operational, compliance, risk management and internal control, as well as internal audit functions of the Company.

Various measures have been designed for safeguarding assets against unauthorised use or disposition; for maintaining proper accounting records and for the reliability of financial information used within the business or for publication. The Company's systems of risk management and internal control are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material errors, losses or fraud. The Board considers that the Company is fully compliant with the provisions of risk management and internal control as set forth in the Corporate Governance Code.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Company's risk management system is composed of a well-established organizational structure as well as all-rounded policies and procedures. The responsibilities of each business and functional department are clearly defined to ensure effective balance. The Company's risk management and internal control structure comprises of:

BOARD OF DIRECTORS

- Evaluating and determining the nature and magnitude of the risks to be assumed by the Company, to achieve its business and strategic goals;
- Ensuring that the Company has established and maintained appropriate and effective risk management and internal control systems;
- Supervising the designing, implementation and inspection of the risk management and internal control systems by the management team.

風險管理及內部監控

董事會確認對風險管理及內部監控系統負責，並通過審核委員會至少每年檢討其於該年度的有效性。審核委員會協助董事會履行其監察及企業管制職責，涵蓋本公司的財務、運營、合規、風險管理及內部監控，和內部審計職能。

本公司已設計各項措施，以保障資產不被非法使用或出售、保持良好會計記錄及用於業務或公佈的財務數據的可靠性。風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且就避免重大錯誤、損失或欺騙行為而言，僅能作出合理而非絕對的保證。董事會信納本公司已全面遵守企業管制守則所載風險管理和內部監控條文。

風險管理及內部監控框架

本公司風險管理包含完善之組織架構，以及全面之政策和程序。各業務及職能部門之職責均清楚列明，以確保有效之制衡。本公司的風險管理及內部監控架構包括下列各項：

董事會

- 負責評估並釐定本公司承受的風險性質及程度，以達成其業務策略目標；
- 確保本公司建立及維持合適及有效的風險管理及內部監控系統；
- 監督管理層對風險管理及內部監控系統的設計、實施及監察。



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AUDIT COMMITTEE

- Assisting the Board in performing its duties of risk management and internal control systems;
- Supervising the Company's risk management and internal control systems on an ongoing basis, to provide opinions and suggestions with regard to the improvement of the risk management and internal control systems;
- Reviewing the effectiveness of the Company's risk management and internal control systems at least once a year;
- Ensuring that the Company has sufficient resources, staff qualifications and experiences in accounting, internal audit and financial reporting functions.

MANAGEMENT TEAM

- Designing, implementing and inspecting the risk management and internal control systems;
- Identifying, evaluating and managing risks that may exert potential impacts on major operational procedures;
- Responding to and following up in a timely manner with regard to the investigation results of risk management and internal control issues raised by the Internal Audit Department;
- Providing opinions to the Board and the Audit Committee on the acknowledgment of the effectiveness of the risk management and internal control systems.

INTERNAL AUDIT DEPARTMENT

- Reviewing the due effectiveness of the Company's risk management and internal control systems;
- Reporting the audit results and making suggestions to the Audit Committee, to improve major drawbacks of the systems or identify the deficiency of the control.

審核委員會

- 協助董事會執行其風險管理及內部監控系統的職責；
- 持續監督本公司的風險管理及內部監控系統，對風險管理及內部監控系統管理制度的健全和完善提出意見和建議；
- 至少每年一次檢討本公司的風險管理及內部監控系統是否有效；
- 確保本公司在會計、內部審核及財務匯報職能方面有足夠的資源，員工資歷和經驗。

管理層

- 負責設計、執行及監察風險管理及內部監控系統；
- 識別、評估及管理可能對運作之主要程序構成潛在影響之風險；
- 對內部審計提出的有關風險管理及內部監控事宜之調查結果，作出及時回應和跟進；
- 向董事會及審核委員會提供有關風險管理及內部監控系統是否有效的確認。

內部審計

- 審核本公司風險管理及內部監控制度是否足夠有效；
- 向審核委員會匯報審核結果並作出建議，以改善制度重大不足之處或發現監控缺失。

IDENTIFICATION, EVALUATION AND MANAGEMENT OF MAJOR RISKS

The management team and relevant staff identify risks that may exert potential impacts on the Company and its operation, and evaluate and monitor risks in the environment and process. Through comparison of the risk appraisal results and risk prioritization, risk management strategies and internal control procedures are determined to prevent, avoid or reduce risks.

Major risks and related control measures are reviewed and upgraded on an ongoing basis to ensure proper internal control procedures in place. Based on the testing results, persons in charge confirm with the senior management that internal control measures have played their roles as expected, their weakness identified in the control have been corrected, and risk management policies and internal control procedures have been revised, in the event of any major changes. The Board and the Audit Committee supervise the control activities of the management team to ensure the effectiveness of the control measures.

ANNUAL ASSESSMENT

In 2020, the Board reviewed the soundness and effectiveness of the Group's risk management and internal control systems, covering financial, operational and compliance control, with a self-evaluation report issued on the internal control. In addition, the Company retained an auditor to audit the effectiveness of the internal control related to the Company's financial reports, and to provide independent and objective assessments and suggestions in the form of auditor's report. The Board considers that the Company's risk management and internal control systems are effective and adequate.

INTERNAL AUDIT

The Group has an Internal Audit Department which, equipped with an independent internal audit system, plays an important role in the Group's risk management and internal control framework. The Internal Audit Department reports directly to the Audit Committee. Major audit findings will be reported on a timely basis. Based on its consideration, the Audit Committee will provide advice for the Board and the senior management, with subsequent measures taken to review the implementation of the rectification and improvement plans.

識別、評估及管理重大風險

管理層及相關員工識別可能對公司及運營構成潛在影響之風險，評估監控環境和流程方面的風險。通過比較風險評估結果，排列風險優先次序，釐定風險管理策略及內部監控程序，以防止、避免或降低風險。

主要風險與相關監控措施，均持續檢討和更新，以確保設有適當的內部監控程序。根據測試結果，於出現任何重大變動時，有關的負責人員向高層管理人員確認內部監控措施發揮預期作用，或已在確定的監控弱點予以糾正，修訂風險管理政策及內部監控程序。董事會及審核委員會監督管理層的監控活動以致監控措施的成效。

年度評估

二零二零年，董事會已對集團的風險管理及內部控制體系的健全性和有效性（包括財務、經營及合規控制）進行了檢討，並出具了內部控制自我評價報告。同時，公司還聘請了審計師對公司財務報告相關的內部控制有效性進行審計，以審計報告的形式提供獨立客觀的評價與建議。董事會認為，公司的風險管理及內部控制體系有效且充分。

內部審核

本集團設有審計部門，推行獨立的內部審計制度，在本集團的風險管理及內部監控框架扮演重要角色。該部門直接向審核委員會匯報，重要審核發現則及時報告由審核委員會審議後向董事會、管理層提出建議，並通過後續跟蹤的方式檢討整改計劃的落實情況。



CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules as the Company's code of conduct regarding securities transactions by its Directors. Having made specific enquiry, all Directors complied with their obligations under the Model Code regarding their securities transactions during the Year.

Specified employees who are likely to be in possession of inside information of the Group are also subject to compliance with the Model Code. No incident of non-compliance was noted by the Company in 2020.

DISCLOSURE OF INSIDE INFORMATION

The Group has put in place a set of policy for the disclosure of inside information which sets out the procedures and internal controls for the handling and dissemination of inside information in a timely manner and in compliance with the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Unless the inside information falls within any of the safe harbors as permitted under the Securities and Futures Ordinance, the Group is required to disseminate such information through the electronic publication system operated by the Stock Exchange to the public in a timely manner. All Directors, officers and relevant employees are required to take reasonable precautions for preserving the confidentiality of inside information and the relevant announcement (if applicable) before publication. If the Group believes that the necessary degree of confidentiality cannot be maintained, the Group will immediately disclose the information to the public as soon as reasonably practicable. The policy and its effectiveness are subject to review on a regular basis.

SHAREHOLDERS' RIGHTS

Under the Company's Articles and the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Hong Kong Companies Ordinance"), the Directors shall, on the requisition of members of the Company holding at the date of the deposit of the requisition not less than 5% of the total voting rights of all members having the right to vote at general meetings of the Company, forthwith proceed duly to convene an extraordinary general meeting of the Company. The request, which must state the general nature of the business to be dealt with at the meeting, may be sent to the Company in hard copy form or in electronic form and must be authenticated by the Shareholder(s) making it.

董事的證券交易

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」)，作為本公司董事進行有關證券交易的行為守則。於年內，經作出特定查詢後，所有董事有關其證券交易均已遵守標準守則項下的義務。

可能擁有本集團內幕消息的指定人士亦須遵守標準守則條款。於二零二零年，本公司並無發現違規事件。

披露內幕消息

本集團已推行一套關於披露內幕消息的政策，當中列明及時並依據證券及期貨條例(香港法例第571章)處理及發佈內幕消息的程序及內部監控。除非內幕消息屬於證券及期貨條例所允許任何安全港範圍內，否則本集團需透過聯交所營運之電子登載系統及時向公眾人士發佈有關資料。所有董事、高級人員及相關僱員須在刊發公佈前採取合理預防措施，將內幕消息及相關公佈(如適用)保密。倘本集團認為無法維持必要的保密程度，本集團將及時在合理可行情況下盡快向公眾披露有關資料。上述政策及其成效會定期進行檢討。

股東權利

根據本公司章程及《公司條例》(香港法例第622章)(「香港公司條例」)，董事須於收到本公司股東正式要求而該等股東於提出要求之日擁有有權於本公司股東大會上投票的全體股東總投票權不少於5%時，立即正式召開本公司股東特別大會。有關要求必須述明有待在該大會上處理的事務的概略性質，並可以印本形式或電子形式遞交至本公司，惟必須經由提出要求的股東認證。

Further, Shareholders representing at least 2.5% of the total voting rights of all the members having a right to vote, or, at least 50 Shareholders who have a relevant right to vote, may put forward proposals at general meetings; and circulate to other Shareholders written statement with respect to matters to be dealt with or other business to be dealt with at general meetings. For further details on the Shareholder qualifications, and the procedures and timeline, in connection with the above, Shareholders are kindly requested to refer to Sections 580 and 615 of the Hong Kong Companies Ordinance.

Furthermore, a shareholder may propose a person other than a retiring Director for election as a Director at a general meeting. For such purpose, the shareholder must send to the Board or the company secretary a notice in writing of the intention to propose a person for election as a Director and notice in writing by that person of his or her willingness to be so elected, no earlier than the day after the dispatch of the notice of the relevant general meeting and not later than 7 days prior to the date appointed for the relevant general meeting.

To safeguard Shareholders' rights, the Company adopts the policy of voting by poll for all resolutions put forward at any Shareholders' meetings.

Shareholders may send their enquiries or requests requiring the Board's attention to the Company Secretary at the Company's registered office in Hong Kong at Part of Unit 1712, 17th Floor, Tower 2 Grand Central Plaza, No. 138 Shatin Rural Committee Road, New Territories, Hong Kong. Other general enquiries can be directed to the Company through our Investor and Media Relations Consultant, whose contact information is disclosed in the section headed "Corporate Information" of this annual report. Other general inquiries can be directed to the Company through our Investor and Media Relations Consultant, whose contact information is disclosed in the section headed "Corporate Information" of this annual report.

INVESTOR RELATIONS

The Company believes that effective communication with investors is essential for enhancing investors' knowledge and understanding of the Company. To achieve this, the Company pursues a proactive policy of promoting investor relations and communications. The main purpose of the Company's investor relations policy, therefore, is to enable investors to have access, on a fair and timely basis, to information that is reasonably required for making the best investment decisions.

During the Year, there has not been any significant change in the Articles of Association of the Company.

此外，至少佔有權投票之所有股東的總投票權2.5%之股東，或至少有相關投票權之50名股東，可於股東大會上提呈建議；以及向其他股東傳閱有關於股東大會上將予處理事宜或其他將予處理事務之陳述書。有關上述股東資格、程序及時限之進一步詳情，請股東參考香港公司條例第580條及第615條之規定。

此外，股東可推舉一名本公司退任董事以外之人士於股東大會上參選董事。就此目的而言，股東須於不早於寄發有關股東大會通告翌日，亦不遲於有關股東大會之日期前七日，向董事會或公司秘書送達表明提名參選董事人選意向之書面通知以及該獲提名人士發出表明其參選意願之書面通知。

為保障股東權利，本公司採納在任何股東大會上提出的對所有決議案進行投票的政策。

股東可將其需要董事會關注的查詢或要求寄往本公司的公司秘書，地址為本公司於香港的註冊辦事處香港新界沙田鄉事會路138號新城市中央廣場2座17樓1712室一部份。其他一般查詢可透過本公司的投資者及傳媒關係顧問交予本公司。投資者及傳媒關係顧問的聯絡資料已在本年報標題為「公司資料」一節上披露。

與投資者的關係

本公司相信，與投資者的有效溝通對增進投資者對本公司的認識及瞭解乃至關重要。為達致該目標，本公司實施促進投資者關係及溝通的積極政策。因此，本公司的投資者關係政策主要乃旨在讓投資者可公平和及時取得作出最佳投資決策時所合理需要的資料。

年內，本公司章程並無任何重大變動。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group is a global leading high-end platform-based manufacturing enterprise, providing customers with product research and development, innovative materials, components, complete machine manufacturing, supply chain management and logistics, after-sales and other one-stop services. Its business covers smart phones, smart wearables, computers, automotive electronics, Internet of Things, smart home, game hardware, unmanned aerial vehicles, communication equipment, electronic atomization and medical devices and other broad market areas. The Group has 14 production bases in Shenzhen, Huizhou, Xi'an, and Changsha, and actively carries out the global deployment. Currently, it has set up production bases or offices in many overseas countries and regions, and continues to promote its planning.

In 2020, faced with the challenges brought by COVID-19 and the complicated international situation, the Group continued to pursue the harmonious development of the enterprise, its employees, the society and the nature, and fulfilled its responsibility for the society with practical actions. BYD responded quickly to the outbreak, and helped produce anti-pandemic supplies such as the masks and disinfectant, in order to support the pandemic prevention and control. Relying on its strong intelligent manufacturing capacity and professional R&D team, the Group produced equipment drawings in 3 days, completed the R&D and manufacturing of mask production equipment in 7 days, and realized mass production of masks in 10 days. With maximum output of 100 million masks per day, while ensuring the supply of domestic pandemic prevention materials, we continued to contribute to global pandemic prevention and laid a solid foundation for the global fight against COVID-19.

This report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” set out in Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. The report provides important information for the public on the Company’s performance of its social responsibilities amid business and management operations, focusing on its main business objectives set for 2020 as the top priorities. We sincerely hope that this report will help all the related parties acquire a better understanding of the Group, and we also earnestly accept their supervision, so that we can deliver better performance in fulfilling the Group’s social responsibilities and building a harmonious community.

本集團是全球領先的平台型高端製造企業，為客戶提供產品研發、創新材料、零組件、整機製造、供應鏈管理及物流、售後等一站式服務。業務涉及智能手機、智能穿戴、電腦、汽車電子、物聯網、智能家居、遊戲硬件、無人機、通信設備、電子霧化以及醫療器械等廣闊的市場領域。擁有包括深圳、惠州、西安、長沙等14大生產基地，同時積極進行全球化佈局，目前已在海外多國及地區設有生產基地或辦事處，並持續推進規劃。

二零二零年，面對新冠肺炎疫情帶來的挑戰及錯綜複雜的國際形勢，本集團仍持續不斷地追求企業與員工、社會、自然的和諧發展，以實際行動承擔對整個社會的責任。疫情爆發之際，比亞迪快速響應，援產口罩、消毒液等防疫用品，為防控工作提供保障。本集團依托強大的智能製造能力及專業的研發團隊，3天出設備圖紙，7天完成口罩生產設備的研發製造，10天產品量產，最大日產量達到1億支口罩，在保障國內防疫物資供應之外，持續助力全球防疫，為全球抗擊疫情築起堅實基礎。

本報告根據《聯交所—香港主板上市規則》中附錄二十七《環境、社會及管治報告指引》文件進行編寫，以本集團二零二零年度工作為重點，向社會各界全面展示公司在從事生產經營管理活動中，履行社會責任方面的重要信息。真誠希望社會各界可以通過本報告加深對本集團的認識，並誠懇地接受社會各界的監督，促進集團在履行社會責任、構建和諧社會等方面做得更好。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

In 2020, the Group duly fulfilled its social responsibilities and set a good example for environmental protection, energy saving, social security, and operation management, while ensuring effective development, maintenance and updating of the internal corporate social responsibility (CSR) management system at the same time.

I. ENVIRONMENT PROTECTION AND ENERGY SAVING

The Group adheres to the guideline of “sustainable development” and is committed to establishing itself as a “resource-saving, environment-friendly, and ecologically civilized” harmonious enterprise, under which the Group attaches great importance to the building of an ecological civilization and its incorporation into the overall corporate planning for future development. The Group is fully aware of the importance of environmental protection with a high sense of social responsibility, and invests a large amount of capital resources in environmental protection in order to achieve harmonious coexistence between the Group and the environment. In 2020, the Group did not encounter any relatively major or more serious environmental pollution or ecologically damaging accidents.

ASPECT A1: EMISSIONS

Since its founding, the Group has always held on to its obligations and social responsibilities to protect the environment. With the interests of the State and society identified as the top priority, the Group actively coordinates the economic interests of individuals and the whole group, while constantly raising its capital investment in environmental protection to advance pollution prevention and ensure environmental safety, thereby striking a balance between economic benefits and environmental considerations. The Group strictly complies with the Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution, Water Pollution Prevention and Control Law of the People’s Republic of China, Environmental Protection Law of the People’s Republic of China and other laws & regulations, by restricting the emission of waste water, waste gas and solid waste through rational management and control, so as to protect our ecological environment and keep our planet green.

二零二零年，本集團積極履行企業社會責任，在環保節能、社會保障、營運管理等方面做出良好示範，並持續完善公司社會責任管理系統，穩固運行和更新。

一、環保節能方面

本集團秉承「可持續發展」的理念，致力於打造「資源節約型、環境友好型、生態文明型」和諧企業。在這樣的理念下，公司高度重视生態文明建設，將生態文明納入企業發展整體規劃，以高度的社會責任感抓好環保工作，投入大量資金進行環境治理，努力實現企業與環境的和諧共處。二零二零年，本集團未發生較大及以上環境污染和生態破壞事故。

層面A1：排放物

本集團自成立以來，始終把肩負的環境保護義務和承擔的社會責任銘記於心，從國家和社會的利益出發，積極協調局部與整體之間的經濟利益關係，加大環保資金的投入，促進污染防治，保證環境安全，實現了經濟效益與環境效益的完美結合。本集團嚴格遵守《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國環境保護法》等法律法規，通過合理管控，嚴格限制三廢（廢水、廢氣、廢物）的排放量，以保護生態環境，愛護綠色地球。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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A1.1 Types of Emissions and Respective Emissions Data

Waste emissions include waste water, waste gas, solid wastes and noise. Waste water can be further divided into production waste water and domestic sewage; waste gas mainly includes nitric oxide, sulfur dioxide and suspended particles; and solid wastes include recyclable waste, hazardous waste and general waste.

A1.2 Total Greenhouse Gas Emissions

The Group treats greenhouse gas management as part of its business operations and actively takes effective energy-conservation and emission-reduction actions. The Group carries out the organization-level inventory and accounting of greenhouse gas emissions in accordance with ISO14064-1. The Group's total greenhouse gas emissions in 2020 were approximately 1,242,600 tons of t-CO₂ (the 2019 emission factor of the China Southern Power Grid was 0.8042 kg CO₂ equivalent/kWh and that of the Northwest Regional Power Grid was 0.8922 kg CO₂ equivalent/kWh).

A1.3 Discharge of Hazardous Waste

The Group actively enforces emission reduction policies, and has reduced the emission of air, land and water pollutants by effectively identifying, evaluating, categorizing and managing wastes generated in the production process. All hazardous wastes generated during the production process are transferred to and treated by qualified hazardous-waste processing companies, and industrial sewage is discharged to our sewage treatment station for processing. Treated sewage is discharged if the required standards are met. In 2020, the volume of sewage treated and discharged was approximately 2,499,885 tons.

The total amount of hazardous solid wastes generated in 2020 was approximately 10,088 tons. Through our rigid control during the year, the total amount of hazardous solid wastes has decreased by 3,242 tons compared with last year, and all the wastes were transferred to and treated by companies licensed for disposal of hazardous wastes.

A1.1 排放物種類及相關排放數據

排放物的種類有廢水、廢氣、固體廢棄物、噪聲。廢水有生產廢水和生活污水；廢氣主要為氮氧化物、二氧化硫及懸浮顆粒。固體廢棄物有可回收的廢棄物、有害廢棄物和一般廢棄物。

A1.2 溫室氣體總排放量

本集團將溫室氣體管理作為企業運營活動的一部分，積極採取有效的節能減排行動。依據ISO14064-1實施了組織層級的溫室氣體排放盤查及核算。本集團二零二零年溫室氣體總排放量約為124.26萬噸CO₂（南方區域電網2019年排放系數：0.8042 kg CO₂當量/kWh，西北區域電網2019年排放系數：0.8922 kg CO₂當量/kWh）。

A1.3 有害廢棄物排放

本集團積極推進減排政策，通過對生產過程產生的廢棄物進行識別、評估、分類及管理，減少大氣、土地和水污染物的排放。在生產過程中產生的危險廢物全部交由有資質的危險廢物處理機構進行處理，產生的生產廢水排放至本集團的污水處理站處理達標後排放，二零二零年廢水處理排放量約為2,499,885噸。

二零二零年產生危險固體廢物總量約10,088噸，通過今年的大力管控，危險固體廢物總量比去年減少了3,242噸，同時產生的廢物全部委託交由有危險廢物經營許可證的環保公司進行處置。

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A1.4 Discharge of Non-hazardous Waste

While maintaining tight control over hazardous solid wastes, the Group effectively reduced the emission of non-hazardous wastes in 2020. The total amount of non-hazardous wastes generated throughout the year was about 15,844 tons, all of which were transferred to and treated by companies authorized by the government. The Group continued to explore various ways of reducing emissions, and managed to cut back on waste production by recycling materials in the manufacturing process. An excellent example is the use of plastic frames and recycled cabinets during the production process.

A1.5 Emission-reduction Measures and Achievements

The Group has formulated its annual energy conservation goal and implementation plans in strict compliance with Article 49 of the Energy Conservation Law of the People's Republic of China (中華人民共和國節約能源法), tightened up energy consumption measurement and monitoring management, and reported the annual energy consumption report in a timely manner.

By studying carbon emissions and procedure-based carbon emissions during production, the Group further clarifies the characteristics and priorities its carbon emissions, and works out countermeasures for carbon emission reductions. The Group gives the priority to improving energy efficiency, phasing out outdated production capacity, and actively applying energy-saving and low-carbon technologies.

In 2020, the Group duly implemented the new national policy for energy saving and emission reduction, established the corporate governance philosophy based on the rule of law, and rationally formulated the annual energy-saving targets. It sensibly set the internal coal-saving target for the year at 2,000 tons of standard coal, drew up a work plan and closely followed it up, which enabled it to surpass the energy saving targets of 2020. Greenhouse gas emissions were reduced by 21,600 tons of CO₂.

A1.4 產生無害廢棄物排放

在對危險固體廢物管控的同時，二零二零年本集團有效地控制了無害廢棄物的排放。全年共產生無害廢棄物總量約為15,844噸，全部委託政府部門認可的公司處置。在減排工作上本集團不斷摸索，通過在生產製造過程中採用循環使用的方式流通物料，減少廢棄物的產生，卓越案例為產品的生產使用塑膠膠框及櫃子周轉。

A1.5 減低排放量的措施及所得成果

嚴格按照《中華人民共和國節約能源法》第四十九條制定年度節能目標和實施方案，加強能源消費計量和監測管理，及時報送年度的能源消費狀況報告。

本集團通過生產過程碳排放研究及分工序碳排放研究，進一步明確了公司碳排放特點及重點，並相應制定了碳減排對策。重點從提高能源利用效率、淘汰落後產能、積極應用節能低碳技術等幾方面進行改善。

二零二零年，本集團認真落實國家節能減排新政策，牢固樹立依法治企理念，合理制定年度節能目標，本年度節能目標定為2,000噸標準煤，通過制定年度節能工作計劃並跟進實施，超額完成二零二零年節能量目標。溫室氣體減排2.16萬噸CO₂。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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A1.6 Methods for Disposal of Hazardous and Nonhazardous Wastes, Emission-Reduction Measures and Achievements

The Group's main achievements in reducing greenhouse gas emissions are exemplified as follows:

Case 1: Smart operation of the energy-saving system construction project

By using efficient, intelligent and integrated transmission and distribution optimization solutions, and through the data collection by most sensors paired with the AI control technology, operating energy consumption of various devices in the system are reduced fundamentally, thus realizing the purpose of comprehensive energy saving.

A1.6 處理有害及無害廢棄物的方法，減低產生量的措施及所得的成果

本集團在減低溫室氣體排放量的主要成果舉例如下：

案例一：智慧運行節能系統建設項目

採用高效智慧輸配優化集成解決方案，通過多數傳感器的數據採集，輔以人工智能的控制技術，從根本上降低系統內各個設備的運行能耗，達到綜合節能的目的。

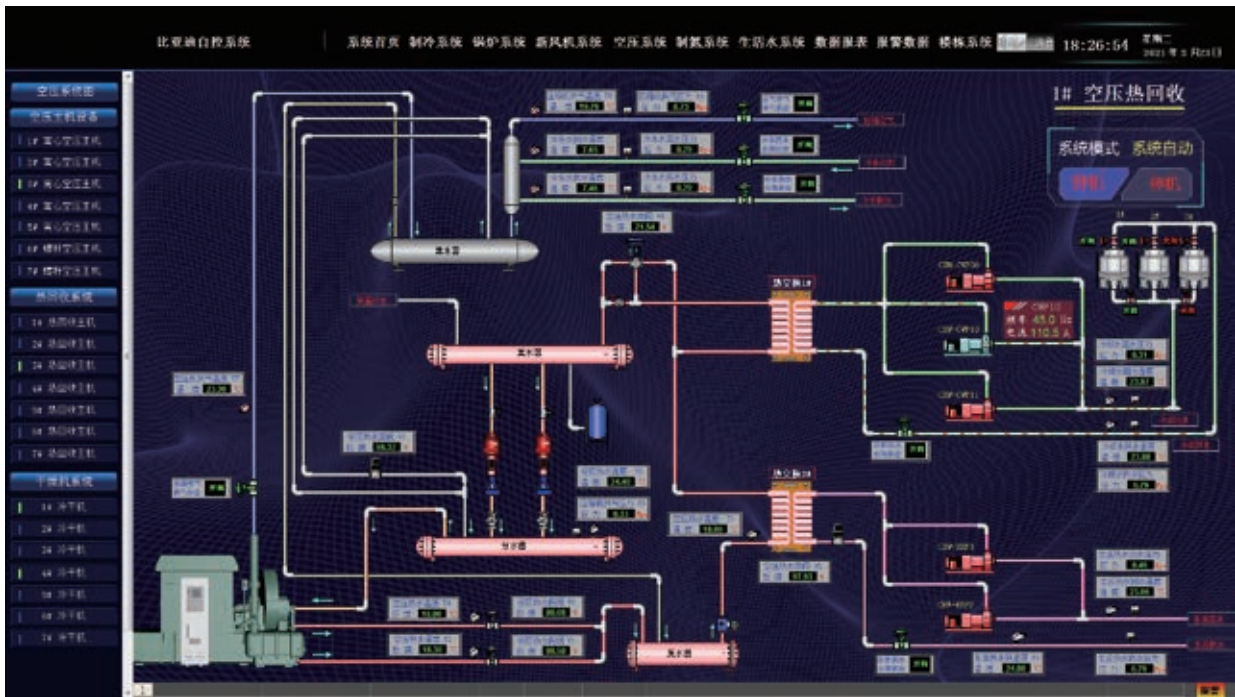


Figure 1: Smart operation of an energy-saving system

圖1：智慧運行節能系統圖片

Case 2: Optimization and transformation project of the central air-conditioning system (project of online cleaning and energy-saving transformation of condensers/energy-saving transformation project of inverter air-conditioning systems replacing fixed-frequency air-conditioning systems/project of super-efficient water pump motors replacing old-fashioned water pump motors)

案例二：中央空調系統優化改造項目（冷凝器在線清洗節能改造項目／變頻空調系統替代固頻空調系統節能改造項目／超高效水泵電機替代老式水泵電機項目）

Comparison of the project of online cleaning and energy-saving transformation of condensers before and after improvement
冷凝器在線清洗節能改造項目改善前後對比圖

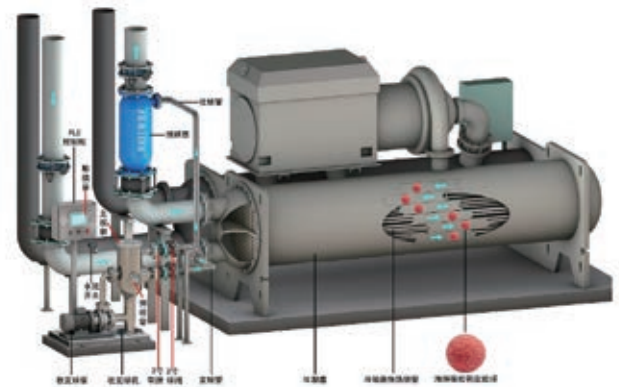


Figure 2-2 FW-CACS cleaning method after transformation

圖2-2：改造後FW-CACS清洗方法圖片

Figure 2-1: Traditional cleaning of the condenser of the ice water machine before improvement

圖2-1：改善前冰水機冷凝器傳統清潔方法圖片



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ASPECT A2: USE OF RESOURCES

To use resources effectively, the Group has formulated and implemented Management Procedure for Implementation Plan Concerning Energy Targets, Energy Index and Energy Management, Energy Assessment & Control Procedure and Control Procedure for Energy Baseline & Energy Performance Parameters, Management Regulations on Energy-saving Work and other relevant regulations and policies.

A2.1 Energy Consumption

The Group uses natural gas as fuels. In 2020, the total volume of natural gas consumed was approximately 3,249,075 cubic meters, while power consumption totaled approximately 1,520,455,094 KWH.

A2.2 Water Resources Consumption

The Group's goal of "improving the efficiency of water usage and attaining sustainability in the use of water resources" is reflected in all aspects of production and operations. The total amount of water consumed in 2020 was approximately 9,215,394 cubic meters.

A2.3 Energy Conservation

In 2020, guided by the ideology of improving quality and efficiency, and LEAN management, and under the plan of ensuring production and operation while cooperating with enterprise development, the Group rationally planned energy utilization and actively implemented energy conservation and emission reduction. Some 139 energy-saving technological transformation projects were carried out. In 2020, energy-saving technological transformation projects led to an annual energy-saving of more than 3,572 tons of standard coal.

Case 1: Smart operation of the energy-saving system construction project, saving 197 tons of standard coal for the year.

Case 2: Optimization and transformation project of the central air-conditioning system, saving 597.5 tons of standard coal for the year.

A2：資源使用

本集團制定並實施《能源目標：能源指標和能源管理實施方案管理程序》、《能源評審控制程序.能源基準、能源績效參數控制程序》、《節能降耗工作管理規定》等規定及政策有效使用資源。

A2.1 能源使用

本集團的燃料為天然氣，二零二零年天然氣總耗量約為3,249,075立方米，二零二零年總耗電量約為1,520,455,094KWH。

A2.2 水資源使用

本集團將「提高水資源利用效率，實現水資源可持續利用」貫穿到生產運營各個環節，二零二零年總耗水量約為9,215,394立方米。

A2.3 節約能源

二零二零年，本集團以提質增效、精益管理思想為指引，在保障生產經營和配合企業發展規劃的情況下，合理規劃能源利用，積極開展節能減排工作，其中開展節能技術改造約139項，二零二零年節能技術改造項目年節能量超過3,572噸標準煤。

案例1：智慧運行節能系統改造項目，年節能量約為197噸標準煤。

案例2：中央空調系統優化改造項目，年節能量約為597.5噸標準煤。

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Case 3: Reconstruction project of compressed air pipe network, saving 492 tons of standard coal for the year.

案例3：壓縮空氣管網改造項目，年節能量約為492噸標準煤。

	Date 日期	Electricity consumption (KWH) 用電量(KWH)	natural gas (M3) 天然氣(M3)
Actual 實際	2018 2018年	1,126,602,378	3,291,727
Actual 實際	2019 2019年	1,306,366,854	3,112,771
Actual 實際	2020 2020年	1,520,455,094	3,249,075
Predict 預測	2021 2021年	1,600,000,000	3,300,000

Energy consumption in the past three years (2018-2020) and forecast for 2021

近三年(2018年－2020年)能源消耗情況和2021年預測

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A2.4 Water Resources Conservation

Guy wire was optimized, ordinary water pipe cleaning was changed to hydraulic giant cleaning and other measures were also taken, which helped reduce consumption of fresh water and save costs. In 2020, the Group reduced water consumption by approximately 50,864 cubic meters.

A2.4 節約水資源

拉線優化、普通水管清洗改為高壓水槍清洗等，減少新鮮用水量及節約成本，二零二零年本集團節水量為50,864立方米。

Date 日期	Water consumption (M3) 用水量(M3)	Water conservation (M3) 節水量(M3)	Water conservation 節水情況
2018	9,216,807	443,100	<p>1. Recycling of overflowing water out of washing lines: 4 washing tanks set in the rear section of the gate are all provided with overflowing water to remove the liquid drug left in the tanks after washing products. The overflowing water may be subject to waste when left long running, the countermeasures are: link pipes to lead the overflowing water from the tanks to the hot water transit tank where they, after heating, will be pumped to the hot-water tank in the front section for product washing to reduce water consumption.</p> <p>1、清洗線溢流水回用：龍門清洗線後段4個清洗槽都設置溢流水以清除清洗產品後留在槽內的藥液，溢流水長流造成純水浪費，改善措施：接入管道把四個清洗槽的溢流水接入熱水洗中轉槽，在中轉槽加熱後通過水泵送入前段熱水槽進行清洗產品，節約用水量。</p> <p>2. Integration of overflowing water of washing tanks in the oxidization line: oxidization line and T treatment line: each line is designed with 3 washing tanks with holes sealed, 5 oxidized washing tanks, 4 comprehensive washing tanks, 3 neutralized washing tanks, and 3 washing tanks with oil moved, and each tank is provided with separate inlets and overflow outlets. The overflowing water may be subject to waste when left long running, the countermeasures are: link in series all washing tanks of the same kind, and retain an overflowing outlet in the front tank and an inlet in the rear tank. Once improved, the 18 inlets and 18 overflowing outlets are reduced to 5 inlets.</p> <p>2、氧化線水洗槽溢流水合併：氧化線與T處理線：每條線分別有3個封孔後水洗槽，5個氧化後水洗槽，4個綜合後水洗槽，3個中和後水洗槽，3個除油後水洗槽，且每個槽都設有獨立的進水口與溢流口，溢流水長流造成純水浪費。改善措施：分別把同種類的水洗槽用管道串聯，保留前槽一個對外溢流口與後槽一個進水口；改善後由原來的18個進水口18個溢流口變為5個進水口。</p>
2018年	9,216,807	443,100	

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Date 日期	Water consumption (M3) 用水量 (M3)	Water conservation (M3) 節水量 (M3)	Water conservation 節水情況
2019	8,025,764	1,332,800	3. Other water conservation programs: improvement in long-running water out of pipes for polishing by mechanical arms and cycle of wastewater from curve surface polishing. 3、其它節水管控項目：機械臂打磨水管持續流水改善，曲面打磨廢水循環項目等用水管理項目。
2019年	8,025,764	1,332,800	1. Recycled water: some of the running water treated by pure water stations is pure water, accounting for approximately 2/3, and the rest 1/3RO concentrated water is drained. Recycle the concentrated water in the pure water room so as to use water resources reasonably, for example (hands washing, toilet rinsing, floor mopping, and sandblast dust collector and water towers). 1、中水回用：經過純水站處理後的自來水，一部份是純水，約為2/3，還有1/3RO濃水被外排。為了合理利用資源，對純水房的濃水進行回收利用，如（洗手、沖廁所、拖地、噴砂集塵塔及水塔）。 2. Promotional projects of water conservation: recycling of overflowing water of washing lines, and integration of overflowing water of washing tanks of oxidation lines. 2、節水推廣項目：清洗線溢流水回用，氧化線水洗槽溢流水合併。 3. Other water conservation programs: recycling of pure water in the mechanical arm water tank, reuse of water sources of washing lines, and regulation of overflowing in washing lines. 3、其它節水管控項目：機械手水箱純水回收利用，清洗線水源二次利用，清洗線溢流調控等。

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Date 日期	Water consumption (M3) 用水量(M3)	Water conservation (M3) 節水量(M3)	Water conservation 節水情況
2020	9,215,394	50,864	<p>1. Change the common pipe washing into high-pressure water gun washing: following the polishing, put the products into washing baskets and wash them using the high-pressure water gun instead of Φ25mm pipes.</p> <p>1、普通水管清洗改為高壓水槍清洗：平磨過後產品裝到清洗籃用普通Φ25mm水管沖水清洗改為高壓水槍清洗。</p> <p>2. Recycling of water resources: improve the pure water use of the front T treatment line, overflowing and draining directly at the rear end. Improve the overflowing way of the front section of the rear overflow cycle this time.</p> <p>2、水資源循環使用：改善前T處理線純水使用，後端溢流，直接排出，本次將後端溢流循環前段溢流的方式進行改善。</p> <p>3. Other water conservation programs: water conservation programs by reducing water change frequency. Specifically, add water-saving valves in the pipe and integrate and optimize production lines.</p> <p>3、其它節水管控項目：減少換水頻率節水項目，管道增加節水閥節水改善，拉線合併優化節水項目等。</p>
2020年	9,215,394	50,864	

A2.5 Packaging Materials of End-products

The Group used a total of approximately 580,067 pcs of packaging materials for our end-products in 2020.

The main types of packaging are: packaging boxes, packaging boards, packaging protective materials, packaging bags, and packaging straps.

A2.5 製成品包裝材料

本集團二零二零年製成品所用包裝材料的數量約為580,067噸。

包裝種類主要有：包裝箱／盒、包裝用板、包裝用保護材料、包裝用袋子、包裝用帶繩。

ASPECT A3: ENVIRONMENTAL AND NATURAL RESOURCES

Environmental Risk Management

The Group has introduced an environmental risk management system covering the whole process of our construction projects. We adopt the “three simultaneousnesses” system, whereby environmental protection facilities and main constructions are designed, constructed and put into production/operations simultaneously, so as to ensure that environmental risks are under control. In addition, the Company has established an integrated environmental management system (EMS) and obtained the ISO14001 certification for the system in 2003, and the upgraded system was certified in October 2018.

Publicity Campaigns

In response to the government’s call for “Low Carbon and Emission Reduction for Green Living”, the Group earnestly promoted pollution reduction and practice green living at all levels. It put forth solid effort in organizing publicity activities with rich content and in diverse formats in line with its commitment to building an ecological civilization and an environment-friendly society. The public events include a vigorous campaign promoting green office practices within the Company, and posting labels such as those carrying the message “take the lead to save energy” in prominent locations. In June 2020, the Company organized a series of activities marking the Month of Environmental Security, such as an environment safety Q&A prize-giveaway and an environment safety knowledge contest, and commendations granted to outperforming units selected via public appraisal.



Figure 3: Recognition of outstanding individuals in energy conservation and emission reduction
圖3：節能降耗先進個人表彰

層面A3：環境及天然資源

環境風險管理

本集團實施建設項目全過程環境風險管理，執行環境保護設施與主體工程同時設計、同時施工、同時投入生產和使用的「三同時」制度，確保環境風險受控。此外，比公司建立了一體化的環境管理體系(EMS)並於2003年獲得ISO14001體系認證，在2018年10月份進行了換版體系認證。

文化宣傳

本集團積極響應中國主題「低碳減排、綠色生活」的號召，從上至下，推進污染減排，踐行綠色生活，為建設生態文明，構建環境友好型社會等中心工作，認真組織內容豐富、形式多樣的宣傳活動。其中在公司內部大力推行綠色辦公，在顯要位置張貼「節能降耗，從我做起」等標識。二零二零年六月公司組織安全環境月活動，開展安全環境有獎問答活動、安全環境知識等系列活動，對評比出的先進集體進行表彰。



Figure 4: Advanced award for environmental management
圖4：環境管理先進獎頒獎



Figure 5: Energy-saving and cost-reducing award ceremony in 2020
圖5：二零二零年節能降耗表彰大會

II. SOCIAL SECURITY ASPECT

EMPLOYMENT AND LABOR ROUTINE

In accordance with the Labor Law, Labor Contract Law and other relevant laws and regulations promulgated by the State, the Group has formulated a systematic, normalized and personalized human resources system to improve employer-employee relationships, ensure that contracts are legally signed, create an equal and diversified work platform, solicit employees' opinions, provide them with sufficient benefits and protection, enhance employees' sense of belonging, and offer them a broad range of promotion opportunities, with the aim of stimulating sustainable and steady development of the Company.

ASPECT B1: EMPLOYMENT

Following the principle that "human capital is the core resources", the Group focuses on promoting best practices for the Company and constructing a strong foundation for the Group. We pay close attention to system and mechanism construction, innovate in human resource management, and always adhere to the "people-oriented" human resources policy. We also attach great importance to staff training, and have created a personal growth platform for staff members, and pushed forward work performance appraisal, achieving an overall improvement in human resources management.

二、社會保障方面

僱傭與勞工常規

本集團以國家頒佈的《勞動法》、《勞動合同法》等相關法律法規為依據，制定了系統化、正規化和人性化的人力資源相關制度，維護僱傭關係、確保合同合法簽訂；打造平等及多元化的工作平台；傾聽員工心聲，給予員工充分的福利與保障，增強員工歸屬感的同時又為員工提供各家廣闊的晉升平台，借此促進公司持續穩定的發展。

層面B1：僱傭

本集團堅持「人才是第一資源」的理念，以公司做實、企業強基為主線，僅僅抓住體制和機制建設，創新人力資源管理，始終堅持「以人為本」的人力資源方針，注重員工培養，搭建員工成長平台，推進員工績效考核工作，實現了人力資源管理工作的整體提升。

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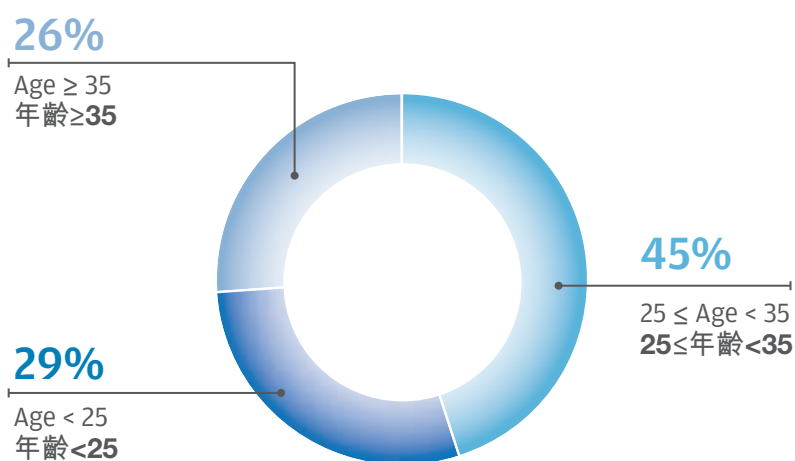
Employment and Contract

With a view to effectively regulating the employer-employee relationship and protecting their legitimate rights and interests according to law, the Group has signed labor contracts with all employees upon commencement of employment to specify the rights and obligations of the enterprise and employees and provided reliable legal evidence and basis for our employees in settling labor disputes and protecting their legitimate rights and interests.

Equality and Diversification

To build a diversified platform, create equal opportunities and strive for common benefits, the Group, since its inception, has kept respecting the privacy and belief of our employees and prohibiting all forms of discriminative practices, including any discrimination on age, gender, birthplace, nationality, customs, social rank, religion, physical disability, political affiliation and so on, hence the high degree of diversity of our workforce. The Group has made a lot of efforts in fighting against discrimination on age and gender. At present, our employees cover all age brackets. In recent years, the proportion of female employees to the Group's total number of employees remained largely stable at approximately 37%. In 2020, 24% of our management staff is female. 35 senior managers are female, representing approximately 13% of the senior management.

Age ratio



僱傭與合同

為了規範與員工間的僱傭關係，依法保障員工的合法權益，本集團與所有員工在僱傭之初便簽訂勞動合同，以明確企業和員工雙方權利和義務，為保證員工解決勞動爭議、維護合法權益提供了可靠的法律憑證和依據。

多元與平等

為打造多元平台，創造平等機會，爭取共同福祉，本集團自成立以來一直堅持尊重員工隱私和員工信仰，禁止任何歧視行為，包含任何基於年齡、性別、籍貫、民族、習俗、社會等級、宗教、身體殘疾、政治歸屬等方面的歧視，從而使得現今的本集團有着多元化的員工組成。本集團在年齡、性別的反歧視反面做了大量的努力，目前公司涵蓋各年齡階段員工，近幾年女性員工的比例也基本保持穩定，約佔員工總數的37%。二零二零年，女性管理者佔管理層總數的比例達到24%。在高級管理層中女性人數為35人，約佔高級管理層總人數的13%。

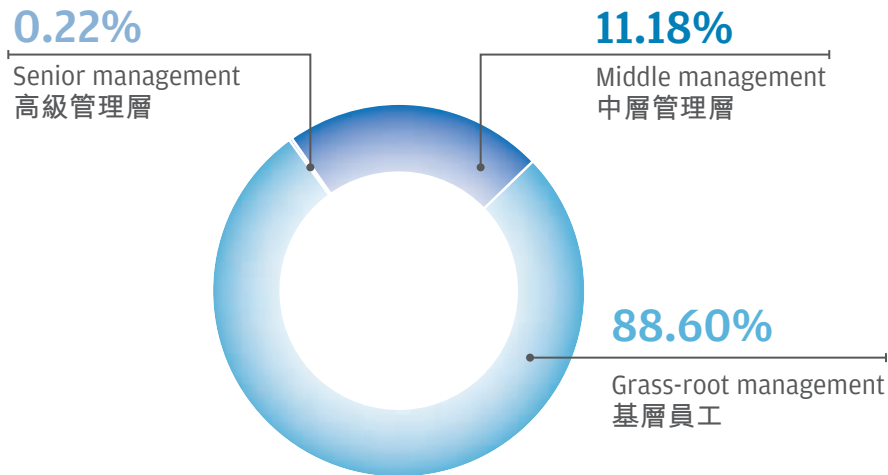
年齡比例

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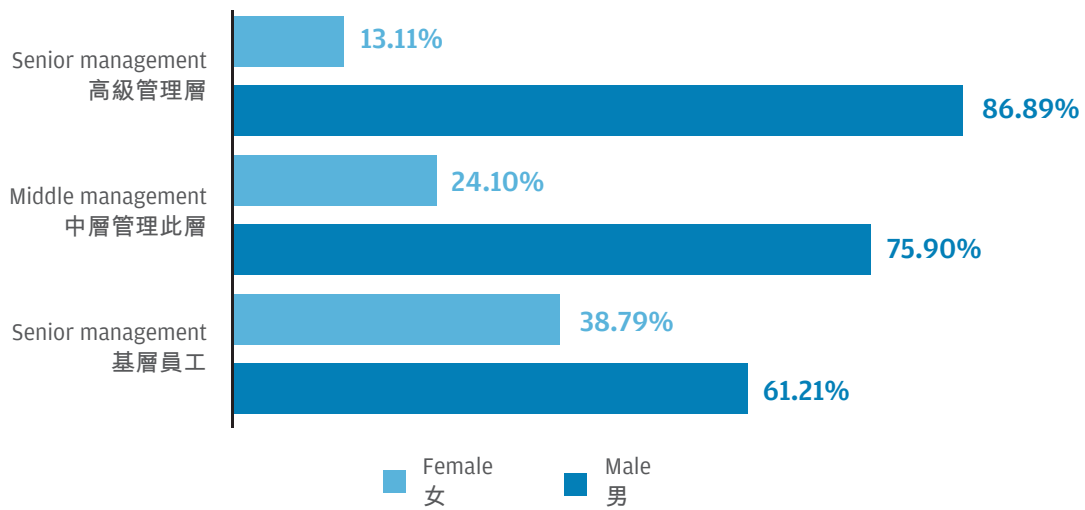
Percentage by level

各層級員工比例



Gender Percentage by level

各層級員工比例



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Communication and Complaint

The Group is fully aware of the importance of maintaining smooth complaint and appeal channels for staff members, and catering to their reasonable needs. To substantially protect the rights of employees, we have made various communications and complaint channels available to all employees. We have in place a wide range of communication and complaint channels (Figure 6) that operate as a whole, including group discussion, labor union, email, mailboxes, complaint hotlines, online platform for communications and complaints, face-to-face communication with HR, questionnaire survey and WeChat account, so as to build a bridge for effective communication between the Company and employees and give them warm care. In 2020, in order to generate more publicity around the processing of staff complaints by the management, in addition to the “complaint channels and processing procedure” policy, the Group posted posters related to the communication channels and online complaint platform QR Code etc., to enhance the diversity and transparency of complaint channels, and protect the privacy and security of employees who have filed complaints, creating a more harmonious business environment.

溝通與投訴

本集團注重暢通員工訴求信息渠道，關注職工合理需求，為切實保障員工的權利，向全體員工提供多元化的傾訴投訴途徑。本集團設立了座談會、工會、郵箱、信箱、投訴熱線、線上傾投訴平台、HR面對面、問卷調查、微信等形式的綜合一體多元化傾訴投訴渠道（圖6），在公司與員工之間搭建了有效溝通的橋樑，給予員工溫暖的關懷。二零二零年，為加強經營管理投訴處理宣傳，本集團除了在全公司範圍內張貼「傾訴投訴處理渠道及處理流程」，也張貼溝通渠道、線上傾投訴平台二維碼等宣傳海報，增強投訴渠道的多樣性與透明度，同時保障投訴員工的隱私安全，以創建更為和諧的企業環境。



Figure 6: Communication channels

圖6：溝通渠道



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Incentive and Protection

The Group further improved and refined the employee remuneration distribution system and strengthened the performance-oriented salary distribution. In 2020, it continued to build a competitive culture and pushed forward staff performance appraisal on a comprehensive scale, focusing on the keyword “competition”. Salaries of employees at all levels are linked to their work performance, with greater prominence given to their contributions to company earnings. The aim is to promote the Company’s systematic establishment of a scientific and effective incentive and restraint mechanism.

The Group strictly enforces national laws and regulations, and has established a social security system according to law to protect the legitimate rights and interests of employees. We also improved and refined the social security and labor protection mechanisms for employees, with employer’s and employees’ contributions to social insurance paid in full and in time to protect employees’ social welfare benefits such as pension, medical care, etc., and ensure that employees enjoy various holiday benefits including annual leave, sick leave, marriage leave, bereavement leave, maternity leave, breastfeeding leave and so on. During routine management operations, the Company proactively supported employees in household registration transfer applications, affiliation of personal archives, etc. and provided corresponding instructions, and offered the optimal catering (employee canteens), transportation (employee commuter cars/concession car purchase price), housing (employees’ dormitories) benefits and services to ensure that employees are free of worries, so that they feel like at home and love our big family.

During the outbreak, the Group actively responded to the call of the government, and completed the resumption of work and production in a timely manner, in order to stabilize the employment of employees, and guarantee the income level of employees. Due to the impact of the pandemic, after the Spring Festival in 2020, the migrant workers had a hard time traveling to return to work. In order to reduce the pressure of the employees for returning to work, avoid the loss of employees due to their inability to return to work, and ensure that the Company can resume work and production as soon as possible, the Group helped the employees from five provinces and surrounding areas back to work and resume work by offering free bus services according to the actual situation. In just 7 days, we helped thousands of employees return to their posts through 39 routes and 56 buses.

激勵與保障

本集團進一步健全完善員工薪酬分配體系，強化薪酬分配的業績導向作用。二零二零年，本集團持續把握「競爭」關鍵詞，打造公司競爭文化，全面推進全員的業績考核；各層級員工薪酬收入與個人工作業績掛鉤，突出對企業效益貢獻度的考核，促進公司系統建立健全科學有效的激勵約束機制。

本集團嚴格執行國家法律法規，依法建立社會保障制度，落實員工合法權益，健全完善員工社會保障、勞動保護等體制機制，及時足額繳納應由企業承擔的各項社會保險費用，保障員工養老、醫療等社會福利待遇，更確保員工享受年休假、病休、婚假、喪假、產假、哺乳假等多種假期福利。在日常管理工作中，公司也積極為員工提供戶口遷移、人事檔案掛靠等支持和幫助，在餐飲（員工食堂）、交通（員工通勤車／優惠購車）、住房（員工宿舍）等方面提供最大的優惠與便利，保證員工沒有後顧之憂，使得員工都「以廠為家」、「愛廠愛家」。

疫情期間，本集團積極響應政府號召，及時做好復工復產，穩住員工就業，保障員工收入水平。因疫情影響，二零二零年春節後各地務工人員返崗路途不暢，為了減輕員工返崗壓力，避免員工因無法返崗而流失，保障公司能盡快復工復產，集團根據實際情況以免費專車的形式接五個省份及周邊員工返崗復工，僅7天時間，39條線路、56輛大巴，共計上千名員工成功返崗。



Figure 7: Special buses of the Group to help workers get back to work
圖7：集團返崗專車

Entertainment and Welfare

In 2020, the Company continued to increase investment in employees' spiritual wellbeing, improve employee entertainment facilities, and continuously enrich leisure activities for employees. It organized various recreational activities to help staff relax after work, which significantly increased their satisfaction with the Company and enabled them to identify themselves with, take root in and contribute to the Company.

娛樂與福利

二零二零年公司持續加大對員工精神文化建設的投入，完善職工娛樂設施，不斷豐富職工業餘文化生活；為員工舉辦多項娛樂活動，舒緩員工工作壓力，極大提高了員工對企業的滿意度，使員工逐步熱愛企業、紮根企業、奉獻企業。

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(I) Holiday benefits

In order to embrace the grass-roots employees with the “warm home” atmosphere in the Company, the Company distributed gifts to employees in festivals, and carries out various themed activities, such as the Good Luck for Commencement Package (Figure 8), the Women’s Day Event themed “Women Are Like Flowers” (Figure 9), the Confession of Love on Dragon Boat Festival themed “You Are Really Important” (Figure 10), and the Mid-Autumn Festival event themed “Electronics’ Mid-autumn Night” (Figure 11). The employees truly felt the care of the Company and had a strong sense of hometown even not in their own hometown.

(一) 節日送福利

為了讓廣大基層員工體會到在公司「溫暖如家」的氛圍，公司在各大節日給員工發放禮品，分別開展活動主題為：開工大吉禮包（圖8）、三八婦女節「佳人如花」（圖9）、端午告白「你真的很粽要」（圖10）、以及中秋節「月滿e鄉」（圖11），讓員工真切的感受到公司關愛，在他鄉也能感受到一份濃濃的鄉情。



Figure 8: Good Luck for Commencement Package
圖8：開工大吉禮包



Figure 9: the Women’s Day Event themed
“Women Are Like Flowers”
圖9：三八佳節，佳人如花



Figure 10: the Confession of Love on Dragon Boat Festival themed “You Are Really Important”
圖10：端午告白「你真的很粽要」



Figure 11: the Mid-Autumn Festival event themed “Electronics’ Mid-autumn Night”

圖 11：集團定制中秋節禮盒

(II) eSports competition

With the popularity of e-sports in China, the Group followed the trend and organized the “King of Glory” and “Peace Elite” e-sports competition from March to April 2020. About 300 people participated in the event, and grassroots employees accounted for 80% of the participants. The event not only reflected the corporate culture of “competition”, but also enhanced the employees’ sense of group honor through team cooperation.

(二) 電子競技比賽

隨着電子競技在我國風靡，本集團緊跟潮流，於二零二零年三月至四月開展「王者榮耀」、「和平精英」電子競技比賽，約有300人參與活動，其中基層員工更是佔到參與活動人數的80%。活動不僅貫徹了「競爭」的企業文化，同時也在團隊協作中增強了員工們的集體榮譽感。



Figure 12: The Group’s 2020 Peace Elite Mobile Game Competition

圖 12：集團二零二零年和平精英手遊比賽

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(III) Anniversary Carnival – “High Five Online Carnival”

From May 1, 2020 to May 20, 2020, in response to the national call for pandemic prevention, the Group’s anniversary carnival was held online for the first time. This event lasted for nearly a month, with various forms and numerous participants. The online trek called “Cloud Walk”, which were launched for the first time, attracted more than 2,000 sports enthusiasts. In the online karaoke event of “I sing a song for electronics”, more than 100 music experts from various industrial parks of the Group uploaded more than 300 music works, expressing their deep love for the Company. More than 30 colleagues who are fond of photography recorded the beautiful scenery and changes of the Company with their own lenses.

(三) 周年慶嘉年華活動「High Five線上狂歡節」

二零二零年五月一日 – 二零二零年五月二十日，為了響應國家防疫號召，本集團周年慶之嘉年華活動首次採用線上形式。本次活動持續近一個月之久，形式豐富多彩，參與者眾多。首次嘗試的「雲端漫步」線上徒步活動吸引了2,000多名運動愛好者參與。在「我為電子唱首歌」線上K歌活動中，來自集團各個工業園的100餘位音樂達人上傳了300餘首音樂作品，表達了對公司濃濃的愛。喜歡攝影的三十餘名同事用自己的鏡頭記錄了公司的美景與變遷。

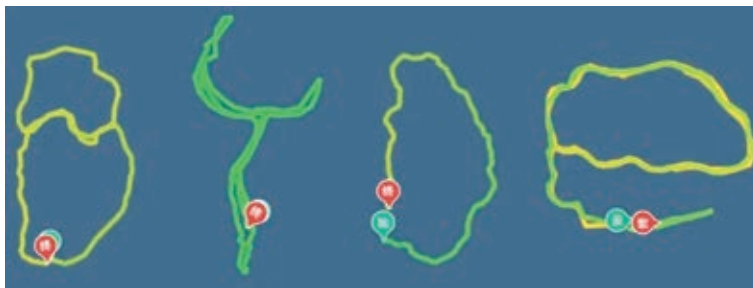


Figure 13: Creative road maps provided by employees
圖 13：員工提供的創意路線圖



Figure 14: Outstanding award-winning work of employee photography competition – “Panorama of BYD Huizhou”
圖 14：員工攝影大賽優秀獲獎作品《惠州比亞迪全景》

(IV) “E-Show” – to show off your hidden skills

In order to find versatile talents with hidden skills, the Group held “E-Show”, an event inviting the employees to show off their hidden skills, from June to July 2020 to provide a platform for employees to show off. More than 30 participants with passion in sports, dance, musical instruments, imitation, cooking and other aspects showed their talent, interpreting love and transferring positive energy with their own stories.



Figure 15: Employees actively participated in the event

圖15：員工積極參加活動

(V) E-transformation

Every employee is the protagonist of life, even the small role can send out charming light. In 2020, the Group organized E-transformation activities from time to time, with an aim to provide free personal image transformation services for the interested employees. Customized clothing, makeup, photography and post-production were provided according to individual characteristics to help employees discover the other side of their beauty.



Figure 16: The image transformation of cleaning staff

圖16：保潔員工形象改造

(四)「e起秀」秀出隱藏技能徵集活動

為了挖掘多才多藝、擁有隱藏技能之人，集團在二零二零年六月至七月，舉行「e起秀」秀出隱藏技能徵集活動，為員工提供展示的平台。在體育、舞蹈、樂器、模仿、料理等方面擁有自己的熱愛的30餘位參與者秀出了自己的才能，用自身的故事詮釋熱愛、傳遞正能量。

(五) e改造活動

每位員工都是生活的主角，再渺小的角色也能散發迷人的光芒。本集團在二零二零年不定期舉行e改造活動，活動旨在為有興趣的員工免費的個人形象改造服務，根據個人特點提供定制化服飾、化妝、攝影及後期，幫助員工發現自己美的另一面。

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(VI) The “Lean Cup” ball games

To further enrich the spare time life of employees, strengthen their physique and promote unity, the Group carried out “Lean Cup” ball games from September to December 2020, including badminton games, basketball games and football games. The grassroots employees actively participated, and the senior management actively responded. These games not only improved the cooperation ability within the team, but also deepened the friendship between the teams, fully reflecting the sports competitive spirit of BYD Electronic staff.



Figure 17: Employees galloping on the field
圖17：員工在賽場上馳騁

(VII) Halloween party

On October 31, 2020, the masquerade ball “fooling around” planned by the Group for single employees was held as scheduled. 200 cosplay fans dressed up carefully, gathered here, staged a lively and extraordinary masquerade party! Combining making friends with game interaction, this event not only provided a platform for our employees to make friends, but also contributed to retaining talents and building a harmonious society.



Figure 18: The group photo of the party
圖18：舞會合影

(六)「精益盃」球類運動比賽

為了進一步豐富公司員工業餘生活，增強體魄、促進團結，本集團於二零二零年九月至十二月開展了「精益盃」系列球類比賽，包含羽毛球賽、籃球賽、足球賽。基層積極參與、高層更是踴躍響應。不僅增進了團隊內部的協作能力，而且也加深了各團隊之間的友誼，充分體現了電子人的運動競技精神。

(七) 萬聖節化妝舞會

二零二零年十月三十一日，本集團為單身員工策劃的「一起鬼混」化妝舞會如期舉行，200名cosplay愛好者盛情裝扮，雲集而來，上演了一場熱鬧非凡的鬼混party！本次活動結合交友、遊戲互動為一體，不但為本集團員工提供一個交友平台，同時為集團留住人才、構和諧社會奉獻力量。

(VIII) Online Trek – “Let’s Go, Celebrate New Year’s Eve Electronically”

In the name of the team, with the feet to measure the world, with the will to expand the width of life, BYD Electronic staff celebrated the New Year’s Eve, and ushered in 2021. From January 25, 2020 to January 8, 2021, in the online trek “Let’s Go, Celebrate New Year’s Eve Electronically”, more than 4,000 employees and 400 teams challenged the goal of covering 1,200KM in 15 days. The maximum distance for the team was 7,097 kilometers, far exceeding its goal, with all participants completing a total of 550,000 kilometers, which would be enough to circle the Earth 13 times. This event perfectly reflected the Group spirit and the positive and indomitable spirit of BYD Electronic staff.



Figure 19: Employees running at night together
圖19：一起夜跑的員工

(八) 線上徒步活動「Let’s Go，e起跨年」

以團隊的名義，用雙腳丈量世界，用意志拓展生命的寬度，比亞迪電子員工一起跨年，啟發奔向二零二一年。二零二零年一月二十五日至二零二一年一月八日，在Let’s Go！e起跨年線上徒步活動中，4,000餘員工、400餘團隊，挑戰15天1,200KM的目標，團隊最高里程達7,097公里，遠超既定目標，所有參與者共完成了55萬公里，總路程連起來可繞地球13圈。集團活動完美地體現了比亞迪電子員工的團魂和積極向上永不服輸的精神。

ASPECT B2: HEALTH AND SAFETY

The Group firmly believes that it is obliged to protect people’s health and safety, including each employee of the Company and everyone involved in the Company’s business operations. Therefore, the Company adheres to the concept of safe development, implements the “Three-year Action Plan for Special Improvement in National Production Safety” of the Work Safety Committee of the State Council, fulfills its responsibility as a safe production entity, duly implements work safety standardization initiatives, strengthens production safety publicity and education, potential safety hazard investigation and management, occupational health protection and supervision of employees taking up posts, standardizes third-party management, improves and perfects various safety precautions, and creates and improves conditions and the environment for safe production and operation.

層面B2：健康與安全

本集團堅信公司有責任保護人們的健康與安全，這包括公司的每位員工和公司活動涉及的每一個人。因此公司堅持安全發展理念，貫徹落實國務院安全生產委員會《全國安全生產專項整治三年行動計劃》，落實企業安全生產主體責任，認真開展安全生產標準化建設活動，強化安全生產宣傳教育、安全隱患排查與治理、崗位職工職業健康防護和監護，規範第三方管理，改進和完善各項安全預防措施，創造和改善安全生產作業條件與環境。



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Compliance with Occupational Health and Safety Management System

Based on the OHSAS18001:2007 Occupational Health and Safety Management System – Requirements and by learning from and analyzing the management models of excellent enterprises, the Group has finalized its management policy and objectives in ensuring the occupational health and safety of staff; it has also developed a range of standards and management procedures as well as an integrated occupational health and safety management system so that well-defined rules are laid down for everyone to follow, and everyone can shoulder their own responsibilities. In January 2007, the Company obtained the OHSAS18001:2007 certification; in 2019, the Company obtained the ISO45001:2014 certification; and in October 2020, the Company was monitored and approved by the ISO45001 and ISO14001 systems. In order to evaluate and verify the EHS Management System's continuous compliance with relevant standards and requirements, the Group conducts internal audits on its environmental and occupational health and safety management system on every quarter.

Defining the Safety Development Direction

Safety strategy planning: Determine the safety development direction and goals of the Group in 3 to 5 years based on the safety production status of the Group and following the Company's safety development strategy model; Determine the medium- and long-term safety development blueprint and quantitative indicators, and gradually realize the goal of starting from zero error and striving toward zero accident.

Implement the Group's safety policy, philosophy, mission, vision and principles; Understand the safety culture model and related topics of safety culture development of the Group (competence, awareness, hidden dangers, prevention, etc.); Determine the safety culture development strategy and implementation plan of the Group based on the safety culture development theme of the Company.

Strengthening Risk Identification and Hierarchical Risk Management and Control

The Group has, according to the annual occurrence of internal and external accidents, new major hidden dangers, process/equipment changes, updated the hazard identification list, analyzed the potential failure mode, consequence and potential failure mechanism of the hazard, evaluated whether the existing measures meet the requirements of risk control, formulated effective risk control measures, and enhanced on-site safety management.

謹遵職業管理體系

本集團以OHSAS18001:2007《職業健康安全管理體系－要求》為基礎，通過對優秀企業的管理模式進行不斷地學習與分析，最終確定了公司自己的職業健康安全管理方針和目標，制定了一系列的標準和管理程序，建立了一體化的職業健康安全管理體系，做到人人工作有章可循，事事責任到人。二零零七年一月公司獲得OHSAS18001：2007認證證書，二零一九年公司獲得ISO45001:2014認證證書，並在二零二零年十月份進行了ISO45001、ISO14001體系年度監督審核。為評價及驗證EHS管理體系持續符合體系標準要求，每季度開展一次環境及職業健康安全管理體系內審。

明確安全發展方向

安全戰略規劃：基於本集團安全生產現狀，遵循公司安全發展戰略模型，確定本集團3至5年的安全發展方向和目標；確定中長期安全發展藍圖及量化指標，逐步實現從零開始，向零奮鬥的目標。

貫徹落實本集團安全方針、理念、使命、願景、原則；了解本集團安全文化模型和公司安全文化發展的相關主題（能力、意識、隱患、預防等）；根據本集團安全文化發展主題，確定本集團安全文化發展戰略總圖及實施計劃。

強化危險識別、風險分級管控

本集團根據年度發生的內外部事故事件、新的重大事故隱患、工藝／設備變更等，更新危害識別清單，分析危害的潛在失效模式、後果以及潛在失效機理，評估現有措施是否滿足風險管控要求，制定有效的風險控制措施。

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For all the high-risk operations (fire, limited space, climbing, hoisting, circuit breaking, ground breaking, etc.), relevant work permits must be obtained, and a strict ticket management system shall be implemented to ensure the operation safety. For all the high-risk operations, clear procedures shall be established, strict control shall be implemented, tight prevention shall be ensure, clear responsibilities shall be defined, and relevant measures shall be implemented. We shall continue to implement emergency supplies for high-risk operations, make reasonable work arrangement, and enhance the management of cross-regional operation, cross operation and job change periods.

We shall strictly implement the construction access of external units, safety and environmental agreement signing, safety training and safety management in the process of construction. We shall implement the system where the construction unit undertakes full responsibility and the competent business department manages the whole process, and carried out safety and environmental supervision, in order to promote the code of conduct management for production and construction safety.

We shall continue to carry out all kinds of hidden danger detection activities in accordance with the annual hidden danger detection plan, and implement preventive measures in advance to eliminate potential accidents (problems) that may exist or occur in the bud.

Intrinsically Improving Safe Standards through Technological Progress and Innovation

We shall, through technological progress and innovation, further summarize the successful technology and transformation experience of safe production within and outside the Group, eliminate or reduce the source of danger as much as possible, and promote the essential improvement or upgrading of the safety of high-risk workplaces, equipment and facilities, and dangerous processes by: a) Promoting automation and mechanization to reduce the occurrence of injury accidents during operation; b) Strengthening the safety management of hazardous chemicals storage and use sites, and further improving the monitoring measures of key hazardous sources. We shall eliminate the potential safety hazards such as aging infrastructure and insufficient supporting construction of safety facilities, installed eye-catching safety signs, and strengthen safety checks before the construction and operation of new infrastructure projects.

強化現場安全管理。各項高危作業（動火、有限空間、登高、吊裝、斷路、動土等）必須辦理相關的作業許可證，並實行嚴格的票證管理制度，確保作業安全。各類高危作業程序要清，控制要嚴，防範要緊，責任要清，措施一定要落實。持續推行高危作業應急物資的配備。合理進行工作安排。加強跨區域作業、交叉作業、工作變動時段的管理。

嚴格執行外單位施工准入、安環協議簽訂、安全培訓和施工過程中的安全管理，執行施工單位全面負責，業務主管部門全程管理，安環監督，促進安全生產施工行為規範管理。

持續按照年度隱患排查計劃開展各類隱患排查活動，落實事前防範措施，將可能存在或發生的事故隱患（問題）消滅在萌芽狀態。

通過技術進步和創新提高本質安全水平

進一步通過技術進步和創新，總結集團內部及外部安全生產成功的技術及改造經驗，盡可能消除或減少危險源，推動高危作業場所、設備設施、危險工藝的安全本質化提升或升級改造：a) 促進自動化，機械化提升，減少員工操作過程傷害事故發生。b) 加強危險化學品儲存及使用場所安全管理，進一步完善重點危險源的監控措施。消除基礎設施老化、安全設施配套建設不足，存在的安全隱患，增設醒目的安全標識，強化新建工程基礎設施建設和投入運行前的安全把關。

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We shall strengthen the inspection, supervision and management of special equipment (boilers, pressure vessels, pressure pipes, lifting machinery, etc.) and its safety accessories on schedule. The equipment with defects should be disabled or downgraded for use under supervision in time, and the maintenance work should be carried out in a planned way.

We shall continue to carry out safety assessment of equipment and facilities, including newly purchased, self-made, leased and customer supplied equipment and facilities. We shall strictly implement the principle that the qualified equipment shall be posted with the certificate of conformity, and the unqualified equipment shall not be put into use.

We shall continue to carry out major improvement project evaluation activities, and award outstanding projects every year.

加強特種設備（鍋爐、壓力容器、壓力管道、起重機械等）及其安全附件按期進行檢驗監督管理。對檢驗為有缺陷的設備要及時停用或降級監護使用，並有計劃地開展維保工作。

持續推行設備設施安環的評估，對新購、自製、租賃、客供的設備設施進行評估，評估合格的設備張貼設備評估合格證，堅決實行評估不合格不投入使用的原則。

持續推行重大改善項目評比活動，每年度對優秀項目進行表彰獎勵。

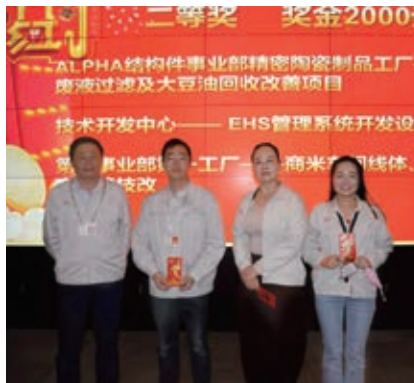


Figure 20: Awards for major improvement projects
圖20：重大改善項目頒獎

Carrying out the Program of "Safety Officers Are Built on Teams" Deeply, and Laying a Solid Foundation for Team Safety

The team is the grass-roots organization of the Company. It is the foundation of strengthening enterprise management and ensuring safe production, and also the final foothold of enterprise safety management. A large number of facts show that more than 90% of the accidents occurred in the teams. Therefore, the team is the main battlefield of our safety management. We shall focus on the team safety management. Strengthening team safety is the key to strengthen production safety management, and is also the most practical and effective way to reduce casualties and all kinds of disasters and accidents.

深入開展「安全員建在班組上」活動，夯實班組安全基礎

班組是企業的基層組織，是加強企業管理、做好安全生產的基礎，也是企業安全管理的最終落腳點。大量的事實說明，90%以上的事故發生在班組，因此，班組——是我們安全管理的主戰場。我們要把主要的精力和時間，投入到班組安全管理中，加強班組安全工作是加強安全生產管理的關鍵，也是減少傷亡和各類災害事故最切實、最有效的辦法。

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We shall deeply implement the program of “safety officers are built on teams”, carry out overall and thorough safety management, and constantly consolidate the foundation of grass-roots management. Each team leader is responsible for keeping and learning the team safety management ledger. We shall strengthen the safety awareness and hidden danger identification ability of the team leader, and carry out the daily safety management of the team according to the ledger manual.

In order to improve the safety knowledge and skills of the team leader, dual certification of safety training ability is implemented for the team leader. Compulsory courses: Company Safety and Environmental Protection Credits and Special Training for Safety Management Ability Improvement of Team Leader. In order to clarify the identity of the team leader, the team leader shall wear the “team security officer armband”.

深入安全員建在班組上的開展工作，打通安全管理的神經末梢，不斷夯實基層管理的基礎。每個班組長持有並學習班組安全管理台賬，強化提升班組長的安全意識和隱患識別能力，按照台賬手冊進行班組日常安全管理工作。

為提高班組長的安全知識和技能，班組長實行安全培訓能力雙重認證。必修課程：公司安全與環保學分及《班組長安全管理能力提升專題培訓》。為明確班組長的身份，班組長統一佩戴「班組安全員袖章」。



Figure 21: Related pictures of team safety implementation

圖21：班組安全推行相關圖片

Ensuring Occupational Disease Prevention and Labor Protection for Employees

The Group implements the Law on the Prevention and Control of Occupational Diseases to strengthen the prevention and control of occupational diseases. It improves the occupational disease prevention and management system construction and file construction. It carries out occupational disease assessment and safety assessment, occupational disease prevention facility design and safety facility design, occupational disease control effect evaluation and safety acceptance evaluation for the new, expanded, reformed and relocated construction projects to ensure that the program meets the requirements of the work safety regulations.

切實做好職業病防治和員工勞動保護工作

貫徹《職業病防治法》加強職業病防治工作。完善職業病防治及管理制度建設和檔案建設。對新、擴、改、遷項目進行建設項目職業病危害預評價和安全預評價、職業病防護設施設計和安全設施設計、職業病危害控制效果評價和安全驗收評價，確保程序滿足安全生產法規要求。



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It keeps monitoring various dust and poison monitoring points on a regular basis. It works to put an end to the phenomena of gas release, water spraying, dropping liquid, and liquid leakage. It enhances the construction of occupational health protection facilities, to see that dust and poison monitoring points are up to standard. It reinforces the management of labor insurance supplies. It establishes a standard for allocating labor insurance supplies level by level, strengthens the inspection and management of incoming labor insurance supplies, and supervises and guides employees to wear and use labor insurance supplies as required.

It organizes employees to participate in occupational health inspections systematically, and guards employees with abnormalities, and puts into effect the regulations concerning injury insurance for all employees. It continues to promote the establishment and perfection of occupational health surveillance archives for employees taking up poisonous and harmful posts, and standardizes the management of occupational health surveillance archives.

Strengthening the Cultivation of Safety Awareness and Safety Skills Training for All Employees, and Creating a Safety Culture Atmosphere

Each department implements safety education according to the needs of personnel in different categories and at different levels and positions. Each workshop shall describe and prepare the position hazard factors, occupational hazard factors, and operating procedures, and provide training and education on protection knowledge, by taking into account their own actual production situation and giving prominence to the key points. This aims to make employees more aware of safety and standardize their operations.

The three-level education rate for new employees must be 100%. Those who have not been educated and those who fail the exam are forbidden to operate at their positions. The training and education program regarding safety technology for personnel engaged in special types of work (electricians, welders, climbing operations, pressure vessels, hazardous chemicals, etc.) and those at other key positions must be carried out in strict accordance with industry requirements and relevant national laws and regulations. Those who have passed the education and training program provided by a qualified department must hold relevant certificates before at his position.

堅持定期對各塵毒監測點進行監測。杜絕跑、冒、滴、漏，完善職業衛生防護設施的建設，確保塵毒監測場所達標。加強勞保用品的管理。分級建立勞動防護用品配備標準，加強勞保用品來料檢驗管理，監督並指導、員工按要求穿戴、使用。

有計劃地組織員工進行職業健康檢查，存在異常的員工做好監護工作，落實全員工傷保險法規要求。持續推行建立、完善有毒有害崗位人員職業健康監護檔案的工作，規範職業健康監護檔案管理。

加強全員安全意識的培養、安全技能培訓，創建企業安全文化氛圍

各部門根據不同類別、不同層次、不同崗位人員需求，開展安全教育，各車間應結合自身生產實際情況有針對性地講述編寫崗位危險因素、職業病危害因素、崗位操作規程和防護知識的培訓教育，突出重點，提高員工安全意識，規範員工操作行為。

新員工的三級教育要達到100%，未經教育和考試不合格者禁止上崗操作；特殊工種（電工、焊工、登高作業、壓力容器、危化品等）和其它關鍵崗位人員的安全技術培訓教育，必須嚴格按照行業要求和國家有關法律規定，經具有相應資質部門培訓合格，做到持證上崗。

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Regular on-the-job training and education programs regarding safety and environment will enable employees to master corresponding knowledge and technology, and turn themselves from “being required to be safe” into “wanting to be safe”. Just as a saying goes “let every tub stand on its own bottom”, every employee farms his own “contracted land” well, “not hurting himself or others, or not being hurt by others”.

Work has been done to enrich the safety knowledge of safety management personnel at all levels and provide safety knowledge training for them, with the focus on refreshing their management concepts, updating professional knowledge, and managing and controlling key risks. Continuing education is provided for safety management personnel annually, to strengthen their understanding of new regulations, standards, and safety management requirements.

In 2020, the Group continues to evaluate and assess the implementation by each unit quarterly by following the safety evaluation standard, and commend and encourage outstanding units and individuals.

通過經常性的在崗安全環境培訓教育，確實讓員工掌握相應的知識和技術，變不懂安全為懂安全，變「要我安全」為「我要安全」。人人管住自己，守好「責任田」，做到「不傷害自己，不傷害別人，也不被他人所傷害、不讓他人受到傷害」。

做好各級安全管理人員的安全知識提升培訓，重點進行管理理念提升、專業知識更新、重點風險管控等方面的培訓。落實安全管理人員每年繼續教育，提高安全管理人員對新法規標準和安全管理要求的理解。

二零二零年持續按照安全工作考核標準每季度對各單位的執行情況進行評估並考核，對優秀的單位和個人進行表彰鼓勵。



Figure 22: Group photo of the presentation of awards to advanced units and individuals in 2020
圖22：二零二零年先進單位、先進個人頒獎合影



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Intensified Emergency Management

The Group continuously improves the emergency management structure and strengthens the capacity of emergency relief insisting on the principle of “emergency preparation as priority, and integration of emergency preparation with emergency relief”. In 2020, the Group continuously identifies and evaluates emergent conditions and events and minimizes the impact by preparing and implementing the annual emergency exercise plan for 2020, so that hazards to people, environment and properties are kept to the minimum.

The Group intensifies the automatic monitoring of gas in flammable and explosive places and the interlocking of emergency ventilation facilities. It strengthens the provision of on-site emergency materials, such as sprinklers, eye washers, first-aid kits, oxygen (air) breathing apparatuses, and other emergency devices, and ensures they are readily available.

It makes improvements to the emergency rescue support system. It strengthens the training of emergency teams in various emergency parks and improves the level of emergency response, particularly the on-site handling capabilities of departments responsible for accident sites. This aims to achieve early detection and control of accidents at the initial stage, prevent the spread of the impact of the accident, and improve the emergency plan file system. It improves the capabilities of on-site emergency handling. In particular, it provides training and practical drills for personnel that engage in on-site operations involving major risks, to improve their capabilities of quickly responding to and effectively dealing with emergencies on site as soon as possible.

It standardizes visual safety management by setting up safety risk bulletin boards, notification cards and emergency response cards regarding positions risks, occupational hazard notification cards, and safety signs in prominent locations and areas of key risk workplaces. In this way, employees are informed of the particulars of safety risks of the workplaces and prevention and emergency measures.

大力加強应急管理

本集團持續堅持「應急準備為主，應急準備與應急救援相結合」的原則，不斷完善应急管理架構，加強應急救援能力建設。二零二零年，集團持續識別並評估緊急情況和緊急事件，以文件方式制定二零二零年度應急演練計劃，按照計劃實施落實，將其影響降到最低，從各方面減少對人身、環境和財產的危害。

加強易燃易爆場所氣體的自動化監測、應急通風設施聯鎖的建設。加強對現場應急物質的配備，如噴淋裝置、洗眼器、急救箱、氧氣(空氣)呼吸器等應急設備，並確保隨時有效使用。

完善應急救援保障體系。強化應急各園區應急隊伍的訓練、提高應急反映水平，特別是事故現場部門現場處置能力，做到早發現，早控制，將事故控制在初起階段，預防事故影響的擴散，完善應急預案文件體系。強化現場應急處置能力。特別對重大風險現場作業人員的現場處置能力培訓和實操演練，提高現場作業人員在第一時間快速反應有效處置突發事件的能力。

規範安全目視化管理，在重點風險場所的醒目位置和區域分別設置安全風險公告牌、崗位作業風險告知卡、崗位風險應急處置卡、職業危害告知卡及安全標誌，告知員工作業場所及崗位存在安全風險的基本情況及防範、應急措施。



Figure 23: Rescue drill

圖23：實施人員救治演練



Figure 24: Evacuation drill

圖24：人員疏散演練

ASPECT B3: DEVELOPMENT AND TRAINING

The Group puts emphasis on the improvement of the overall quality of its employees and believes that the biggest cost is ignorance, and the most effective way to overcome ignorance is learning. Employee training is the only way to help employees grow up, implement talent strategy and achieve long-term development. The long-term development of employees benefits from their actual experience in daily work, and relies on sustained and effective talent training organized by enterprises. Therefore, the Group attaches great importance to talent training and the improvement of the quality of its employees, and strives to strengthen team-building among operation and management staff members, skilled workers and technical professionals.

層面B3：發展及培訓

本集團重視員工整體素質的提升，認為最大的成本是無知，而克服無知最有效的方法則是學習。員工培訓是助力員工成長、貫徹人才戰略、實現長遠發展的不二法門。員工的長期發展不僅得益於日常工作中的實戰歷練，更有賴於企業持續有效的人才培訓。因此，本集團高度重視人才培養和職工素質的提升，着力加強經營管理人員隊伍、技能人才隊伍、專業技術人才隊伍建設。

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Staff training provided by the Group in 2020 includes induction training for new employees, training in preparation for promotion of talents, employee training programs such as the “Tenglong Project” for fresh graduates (Figure 25), electronic business group “Qingyun Project” series training (Figure 26), post-suited training (Figure 27), Lean Six Sigma Project consultation and counseling (Figure 28), and educational background exaltation-modern apprenticeship, to help them faster and better adapt to the working environment and content, constantly enhance work ability and start work more effectively so as to promote mutual development of the Company and individuals.

In 2020, the Group organizes more than 166,000 training sessions with approximately 7,500,000 training participants (37% were females and 63% males), 15,670,000 training hours in total, and approximately 135 training hours per capita.

二零二零年，本集團為員工提供了入職培訓、人才晉升培訓、應屆生「騰龍計劃」(圖25)、電子事業群「青雲計劃」系列培訓(圖26)、適崗培訓(圖27)、精益六西格瑪項目諮詢與輔導(圖28)等員工培訓項目、學歷提升－現代學徒制，以便員工更快更好地適應工作環境與內容，不斷提升工作能力，更有效開展工作，從而促進公司與個人的共同發展。

二零二零年，本集團培訓累計開展超過16.6萬個班次，培訓人次約達750萬(女37%，男63%)，總課時1,567萬，人均培訓課時約135小時。



Figure 25: Fresh graduates training session in 2020
圖25：2020屆應屆生培訓



Figure 26: Electronic business group “Qingyun Project” series training
圖26：電子事業群「青雲計劃」



Figure 27: Post-suited training
圖27：適崗培訓



Figure 28: Lean Six Sigma Project consultation and counseling
圖28：精益六西格瑪項目諮詢與輔導

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ASPECT B4: LABOR STANDARDS

The Group pays due attention to safeguarding the legitimate rights and interests of employees, adheres to fair, just and open employment policies, strictly abides by the relevant laws and regulations such as the Labor Law and the Labor Contract Law, strengthens the management of labor contracts, and enters into labor contracts with all employees according to law to strive to provide employees with a healthy and safe production and living environment.

Forbiddance of Child Labor

In order to effectively safeguard the basic rights of employees and eliminate the employment of child labor, the Group has formulated relevant rules and regulations to prohibit child labor in accordance with the Labor Law of the People's Republic of China, the Law on the Protection of Minors and the Rules on the Forbiddance of Child Labor.

By continuously improving and optimizing its recruitment procedure, the Group fully implemented its corporate social responsibilities and ensured the healthy growth of children. On the one hand, the Group's "rules on the forbiddance of child labor" are disclosed through active external publicity. On the other hand, the Group has actively implemented the rules by specifying the terms of employment and formulating the identification system and relief measures for child labor.

Forbiddance of Forced Labor

The Group fully respects employees' freedom in terms of choice of employment, beliefs, association and personal privacy. The Group undertakes not to employ prison labor, indentured labor or bonded labor in any form, and not to employ child labor. The Group also strictly forbids seizure of credentials, collection of money or objects as security, withholding of wages, surveillance, interception, body search, access restrictions or acts of forced labor in any form.

III. OPERATING PRACTICES

ASPECT B5: SUPPLY CHAIN MANAGEMENT

The Group puts into place a series of supplier management systems such as the Requirements for Suppliers, the Administrative Rules for Performance Appraisal of Suppliers, and the Supplier Social Responsibility Management Practices, and optimizes and updates the systems every year. In addition, BYD introduces new laws and regulations of international, national, local, and industry associations to meet customer demands. The Group clarifies in relevant documents that suppliers shall not purchase conflict minerals or extend the requirement of non-use of conflict minerals to lower-tier suppliers, and the Group will investigate the lower-tier suppliers.

層面B4：勞工準則

本集團注重維護職工合法權益，堅持公平、公正、公開的用工政策，嚴格遵守《勞動法》、《勞動合同法》等相關法律法規，加強勞動合同管理，與全體員工依法簽訂勞動合同。努力為員工提供健康、安全的生產和生活環境。

嚴禁僱傭童工

為了切實維護員工的各項基本權利、杜絕聘用童工的現象，本集團根據《中華人民共和國勞動法》、《未成年人保護法》以及《禁止使用童工規定》等法律法規，制定了相應的規章制度，嚴禁聘用童工。

本集團通過不斷完善及優化招聘流程，全面貫徹落實企業社會責任，保護兒童的健康成長。一方面積極對外進行宣傳，向社會公開關於「禁止使用童工的規定」，另一方面積極踐行相關規定，明確招聘條件，建立身份識別體系，制定童工救助措施。

防止強制勞工

本集團絕對尊重員工的擇業自由、信仰自由、結社自由及個人隱私，承諾不僱傭任何形式的監獄勞工、契約勞工及抵債勞工，不使用童工，並嚴禁扣押證件、收取押金或抵押物、扣押工資、監視監聽、搜身、限制出入自由等任何形式的強迫勞動行為。

三、營運管理方面

層面B5：供應鏈管理

本集團制定了《供應商要求》、《供應商審核管理細則》、《供應商企業社會責任管理作業細則》等一系列的供應商管理制度，並每年進行優化更新，加入了國際、國家、地方、行業協會新的法律法規要求以及客戶的訴求。在相關文件中明確要求供應商不得採購衝突礦物，並要求供應商將不使用衝突礦產要求延伸到下階供應商，由其對下階供應商進行調查。

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The supplier management system specifies the social responsibility requirements of supply chain partners in labor standard, occupational health and safety, environmental management, trade safety, anti-corruption and anti-commercial bribery.

The Group establishes a procurement working group under the Risk Management Committee for collecting risk management information of the supply chain, conducting risk assessments, and determining risk warning lines and countermeasures. BYD regularly summarizes and analyzes the effectiveness and rationality of the existing risk management strategy, and continuously revises and improves it according to actual situation. According to the risk management strategy, the Group works out various risk management solutions, and supervises and evaluates the risk management and its effects annually. At the end of 2019, the Group shifted the focus on risk control from the manual mode to the online mode, and system control is more conducive to closed-loop supply chain risk management.

Number of Suppliers

The Group currently has more than 3,700 suppliers. By the end of 2020, the number of suppliers in southern China accounts for 66%, in eastern China accounts for 24%, and in other regions accounts for 10%. In recent years, with the development of new businesses, the proportion of suppliers of BYD Electronic in other regions maintains an upward trend. BYD Electronic boosts local economic development and increases employment through the industrial chain.

供應商管理制度從勞工標準、職業健康安全、環境管理、貿易安全、反腐敗和反商業賄賂等多方面明確對供應鏈合作夥伴的社會責任要求。

本集團成立風險管理委員會採購工作組，負責收集供應鏈的風險管理信息並進行風險評估，確定風險的預警線及相應採取的對策。定期總結和分析已制定的風險管理策略的有效性和合理性，結合實際不斷修訂和完善。根據風險管理策略，針對各種風險制定風險管理解決方案，每年對風險管理工作及工作效果進行監督評價。2019年底，集團將風險控制由線下的人工控制轉到線上，通過系統進行管控，更加有利於對供應鏈風險進行閉環管理。

供應商數量

本集團現有供應商3,700多家，至二零二零年末，華南地區供應商佔66%，華東地區24%，其它地區10%。近年來，隨着新業務的開展，比亞迪電子在其它地區供應商數目佔比呈上升趨勢，比亞迪電子通過產業鏈帶動地方經濟發展，增加就業。

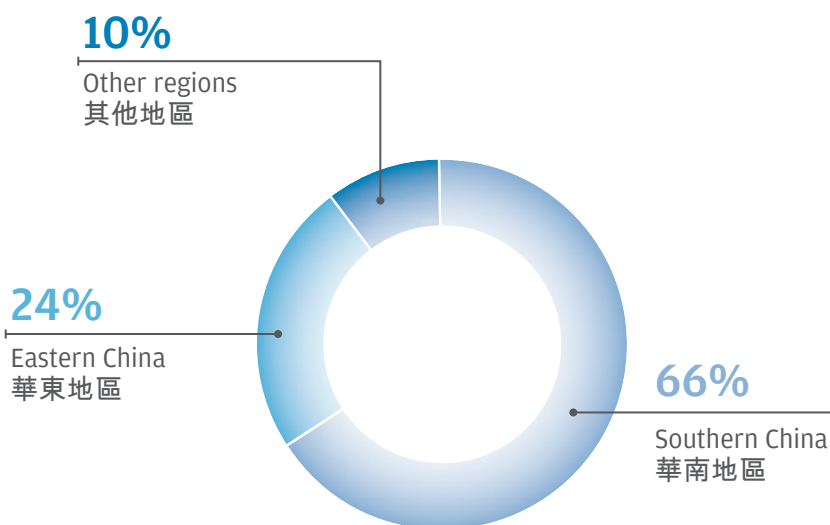


Figure 29: Geographical distribution of suppliers
圖29. 供應商地理位置分佈

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Supplier Selection

Practice of Hiring Suppliers

The Group has always screened suppliers in accordance with stringent environmental standards, labor practice standards, and human rights standards, and requires suppliers to establish a management system that satisfies the requirements of ISO14001. BYD commits to using and promoting a CSR management system in compliance with SA8000, and observes the CSR provisions as set forth in the Supplier Access Agreement and the General Rules of Procurement.

New Supplier Selection

Before hiring a new supplier, the Group will investigate the supplier's qualifications and violations of laws and regulations, and require the supplier to fill in the Corporate Responsibility Questionnaire of Suppliers. Those who fail to meet the requirements will be rejected.

Before creating codes, BYD and the supplier will sign relevant cooperation agreements that contain CSR provisions (the Supplier Access Agreement and the General Rules of Procurement), guides and supervises suppliers' performance with respect to human rights, treating employees with courtesy, environmental protection, etc.

The Group will audit whether the supplier meets the requirements of the Group using the Supplier Audit Form. The Group sets special modules of "corporate social responsibility", "safety, information, intellectual property rights", and "process control of hazardous substances" in the audit form, to audit the social responsibility management of suppliers and their downstream supply chains from various aspects like humanity, environment, safety, law and compliance, hazardous substance, and trade safety. The one-vote veto is provided in multiple provisions.

Routine Supplier Audit and Evaluation

The Group evaluates and investigates suppliers in the social responsibility aspect on a regular basis, and conducts on-site audits of suppliers to check whether they observe social responsibility policies and requirements using the Supplier Audit Form. If a supplier fails in the audit, the Group will interview, counsel, and train the supplier to help the supplier continuously improve. For suppliers whose rectification fails to meet the requirements within the prescribed time limit, the Group will punish the suppliers by disqualifying them based on the actual situation.

供應商選擇

聘用供應商慣例

本集團一直採用嚴格的環境標準、勞工實踐標準及人權標準進行篩選，要求供應商建立符合ISO14001要求的管理體系，承諾應用並推進符合SA8000的企業社會責任管理體系，遵守比亞迪《供應商准入協議》、《採購通則》中的企業社會責任條款。

新供應商選擇

本集團在導入新供應商前會對供應商的資質與違法違規行為進行調查確認，要求供應商填寫《供應商企業責任調查表》，不滿足要求的不予開發。

代碼創建前與供應商簽署包含CSR條款的相關合作協議（供應商准入協議及採購通則），引導和監督供應商尊重人權、優待員工、保護環境等。

採用《供應商審核表》對其能否滿足比亞迪要求進行稽核。本集團在審核表中設置了「企業社會責任」、「安全、信息、知識產權」、「有害物質過程管控」專項模塊，從人文、環境、安全、守法合規、有害物質、貿易安全等各方面對供應商及其下游供應鏈的社會責任管理情況進行現場審核確認，多個條款設置一票否決權。

供應商例行審核與評估

本集團定期對供應商進行社會責任評估和調查，依據《供應商審核表》中的企業社會責任審核條款，對供應商進行現場審核，審查供應商是否遵循社會責任政策及要求。如果審核不通過，本集團向供應商提供訪談、輔導、培訓，以促進供應商持續改善。對於規定期限內整改達不到要求的供應商，本集團會根據實際情況，給予取消合格供貨資格的處罰。



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Among the qualified suppliers, the Group will sort out survey lists by the characteristics of materials, such as PCB, FPC, connectors, and other high energy-consumption and high-pollution materials, and investigates the suppliers on the survey lists. If the investigation results show that the suppliers fail to meet the requirements or the energy consumption of the suppliers is rising, BYD will require the suppliers to rectify and follow the rectification.

The Group regularly inquires about its suppliers on the government website, to check whether any of its suppliers is included in the government's blacklist. If a supplier is included in the government's blacklist, the Group will notify each procurement business department by email and freeze the supplier code on the procurement system in time, to stop trading with the supplier.

Supply Chain Platform

In recent years, the Group has transitioned from price-based procurement of productive materials to value-based procurement and from local language-based procurement to global procurement. Some important parts and components are procured from leading suppliers in the industry, focusing on risk and strategic management. The Group has vigorously pushed forward sunshine procurement and green procurement, and created an efficient, collaborative, mutually beneficial supply chain platform by forming a closed loop of the life cycle management of suppliers.

Sunshine Procurement

The Group has strengthened work to promote "sunshine procurement" and requires suppliers to sign access agreements that contain sunshine procurement provisions when they are introduced. The Group has joined the "Anti-Fraud Alliance". Suppliers that violate the Company's "sunshine procurement" policy will be included in the Group's supplier blacklist and may be announced to other members of the "Anti-Fraud Alliance" depending on the severity of their violations. The Group will expel employees who violate the "sunshine procurement" policy and send severe violators to the public security or judicial authorities. The Group promotes a procurement method that focuses on purchasing by invitation to bid supplemented by competitive procurement. The Group launches a new SRM system operating platform in the main link of the procurement process, to achieve traceability, high efficiency, and transparency.

在合格供應商中，本集團根據物料特性篩選出調查清單，如PCB、FPC、連接器等高能耗、高污染的物料，對清單上的供應商進行調查，對於調查結果不符合要求或供應商能源消耗量呈上升趨勢的，要求供應商整改，並跟進供應商改善情況。

本集團定期到政府網站上查詢是否有本集團供應商被列入政府的黑名單中。如果有，本集團將發送郵件知會各採購業務部門，並及時在採購系統上凍結該供應商代碼，停止與其交易。

供應鏈平台

近幾年，本集團對於生產性物料的採購已經從價格採購過渡到價值採購，從本地化採購逐步邁向全球化，一些重要零部件完全來自行業排名領先的供應商，側重風險和策略管理。本集團繼續大力推行陽光採購和綠色採購，通過對供應商的生命周期管理形成閉環，打造高效協同、互利共贏的供應鏈平台。

陽光採購

本集團繼續加大「陽光採購」的推行力度，在供應商導入環節要求和供應商簽訂包含陽光採購條款的准入協議。本集團加入了「反舞弊聯盟」，違反公司的「陽光採購」政策的供應商會被列入本集團供應商黑名單，並視其情節嚴重程度公示給「反舞弊聯盟」其他成員；對於員工違反「陽光採購」政策，本集團會將其開除，情節嚴重的會被送給公安或司法機關進行處理。本集團倡導以招標採購為主，其他競爭性採購為輔的採購方式；在採購流程的主要環節，上線了新SRM系統操作平台，實現可追溯，做到了高效、透明。

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The Group sets up the procurement department and the audit and supervision department that are directly managed by the president, for supervising supply chain management and procurement internally. The Group posts complaint signs at various production bases of the Company, and publicized various complaint methods such as the complaint hotline, complaint mailbox, and WeChat official account. All violations of the sunshine procurement policy will be severely punished upon verification, to subject all employees involved in the management and procurement of the supply chain to supervision and see that sunshine procurement is effectively implemented and monitored.

Green Procurement

The Group insists on green procurement in supply chain and raw material-related operations. The Group established the green procurement system of “green suppliers, green raw materials” in all regions, businesses and factories under direction of the procurement division of the head office. Various tasks of environmental management involved in procurement activities are subject to its control to ensure that all parts and components procured from external sources conform to the green environment requirements.

ASPECT B6: PRODUCT-RELATED RESPONSIBILITY

The core value of the survival and growth of any given enterprise lies in the development, design, manufacture and sale of products. An enterprise is inherently responsible to contribute to the market of its products and the related socioeconomic environment, known as the “corporate product responsibility”. The Group strictly abides by state laws and regulations such as the Product Quality Law, Standardization Law, Metrology Law and Consumer Protection Law, and strictly enforces the product standards to firmly establish the idea of “quality first”, continuously enhance the awareness of quality and social responsibility, ensure and improve product quality, fulfill the main responsibility of enterprise quality, and to meet customer expectations and demand for high-quality products and enhance customer confidence.

本集團專門成立採購委員會和審計監察處這兩個由總裁直管的部門／組織，用以內部監管供應鏈管理和採購。本集團在各子公司各個生產基地多處張貼投訴告示牌，公示投訴電話、投訴郵箱、微信公眾號等多種投訴方式。對一切違反陽光採購的行為及活動，一經查實，處以嚴厲的懲罰，確保供應鏈管理和採購得到全員監督，促使陽光採購得到有效落實和監察。

綠色採購

在供應鏈和原材料端，本集團始終堅持綠色採購。本集團以總部採購處為導向，以各地區、各事業部、各工廠為主力的「綠色供應商、綠色原材料」的綠色採購體系，規範採購中的各項環境管理，確保每一個外購零部件都滿足綠色環保要求。

層面B6：產品責任

任何一個企業，其生存和發展的利益核心，就在於其所開發設計、生產製造和銷售的產品；任何一個企業存在，都應為其相關產品的市場、相關經濟社會中的環境所在，承擔一種天然的責任。這就是「企業產品責任」。本集團嚴格遵守國家《產品質量法》、《標準化法》、《計量法》、《消費者權益保護法》等法律法規，嚴格執行產品標準，牢固樹立「質量第一」的思想，不斷增強質量意識和社會責任意識，保證和提高產品質量，落實企業質量主體責任，滿足客戶對高質量產品的期待和需求，增強客戶的消費信心。



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Product Quality and Staff Quality

Adhering to the philosophies of “people before products” and “making life more enjoyable through technology innovation”, the Group creates first-class products, and believes that product quality is determined by the quality of people who make them. As a manufacturing enterprise, we see products as the foundation of success, and quality as the essence of our products. After more than two decades of development and exploration, the Group has a deeper understanding of quality and quality culture. In 2020, the Group carried out an all-round evaluation on the maturity of quality culture, which mainly includes four aspects (system construction, training and publicity, activities, achievements). Focusing on strengthening quality management covering all employees, processes and operations, we strictly controlled the quality of raw materials, production processes, products shipping and storage, transportation and sale to ensure that the quality of our products meet or even exceed the requirements of our customers. In 2020, the Group stepped up staff training on relevant quality management requirements and skills on three levels, i.e. management, execution and operation. In 2020, it promoted the construction of quality culture as requested by the Group and arranged a series of promotion and activities such as craftsmen spirit, QCC, 5S, 6sigma, etc. with a view to instilling quality awareness in all staff members to ensure truly exceptional product quality.

Customers First

Riding on our vision of “devoting best efforts to electronic manufacture and helping customers succeed”, the Group is committed to providing excellent services to all customers. Customer satisfaction is the foundation for the survival and development of an enterprise. No matter how things change in the future, we must take customer satisfaction as the top priority. In the process of production management, the Group set up a quality department in each plant to oversee quality management system, product quality management and customer service management operations. Customer satisfaction is the goal that the Group will always pursue. Customer complaints are promptly processed by quality customer service staff, and responses are made as early as possible in accordance with the Customer Complaints and Returns Process to ensure customer satisfaction. No serious customer complaint was received in 2020, and the number of minor complaints decreased compared with 2019. All the complaints received were processed in accordance with Management Procedures for Customer Satisfaction and customer’s requirements. Report of improvement measures was implemented thereafter and the improvement results were verified and approved by customers.

產品品質與員工品質

本集團秉承「造物先造人」的品質文化傳統，「用技術創新滿足人們對美好生活的嚮往」的美好願望，打造一流的產品，並且堅信產品的品質取決於人的品質。作為一家製造型企業，產品是立足之本，品質則是產品的靈魂。經過二十餘年的發展和探索，本集團對品質及品質文化也已有更加深刻的理解和領悟。二零二零年，本集團全面開展品質文化成熟度的評比，品質文化成熟度主要包括四個方面（制度建設、培訓與宣傳、活動、成效）。我們着力於加強全員、全過程、全方位的質量管理，嚴格原材料，生產過程、產品出廠和儲運銷售全國程的質量控制，以確保產品質量達到甚至超過客戶要求。二零二零年，從管理層、執行層、操作層三個層次進一步強化員工相關品質管理要求及技能的培訓。二零二零年，按本集團要求推行品質文化建設，組織開展工匠精神、QCC、5S、6sigma等一系列宣傳及活動，讓品質深入人心，為打造優良的產品品質保駕護航。

顧客第一

本集團秉承着「深耕電子製造，助力客戶成功」的願景，致力於為所有客戶提供優質服務。客戶滿意是企業生存、發展的根本，不管未來形勢如何變化，必須以客戶滿意為中心。在生產管理過程中，本集團以工廠為單位設置品質部，負責質量管理體系、產品質量管理、顧客服務等管理。顧客的滿意是本集團永遠追求的目標。顧客抱怨及投訴，品質客服人員都在第一時間內及時處理，並按照《客戶投訴及退貨流程》實施應對，以確保客戶滿意。二零二零年度，無嚴重投訴，輕微投訴少於二零一九年，均按《客戶滿意度管理程序》文件及客戶要求執行，制定改善措施報告，改善結果經客戶驗證認可。

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Quality Appraisal and Recovery Procedures

The Group adopts the Management Procedure for Product Safety Responsibility, and sets annual quality targets according to customer requirements and quality performance of the previous year. It evaluates fulfillment of the quality targets on a monthly basis and requires those who fail to reach the targets to take improvement measures and follow up on the targets in the following month until the targets are fulfilled. Recalled products are strictly controlled according to the Management Procedure for Non-compliance. Product quality should conform to the Product Quality Law 《質量法》. During the year, no product was recalled for safety or health reasons, and the percentage for the aggregate amount of sold or shipped remaining products which were recalled for safety and health reasons was zero.

Consumer Privacy Protection

The Group respects the privacy of customers and strictly implements customer privacy management in accordance with the Management Procedures for Client Property and the Product Information Management Regulations. In terms of technology, the Group authorizes computer access on four levels to restrict data duplication by employees; meanwhile, the Group's internal network is physically isolated from external networks to ensure that business data is stored on computers for business operations only and cannot be taken away from the Company. Strict control is implemented over the access to backend systems and databases of IT staff, especially those responsible for maintaining databases containing customer information. Their operations are monitored and audited in real time to prevent IT staff from accessing customer information through technical means or taking customer information away without authorization. On the hardware front, the Group always ensures the security of servers and the protection of the firewall against common viruses and information security by establishing multiple lines of defense.

ASPECT B7: ANTI-CORRUPTION

The Group is convinced that operating in good faith is the foundation for the fulfillment of CSRs and the basis of competitive advantage and continuing operation. It is committed to preventing corruption, bribery, extortion, fraud and money laundering across the Group, and prohibits employees from giving special treatment to or soliciting any benefits from customers, suppliers or any business-related persons, with "green operation" established as the ultimate goal.

質量鑑定及回收程序

本集團執行《產品安全責任管理程序》，每年根據客戶要求和上年質量表現策劃本年度的質量目標，每月對質量目標達成情況進行評價，若未達成者採取改善措施，下月將繼續跟進未達成目標，直至達成。回收的產品按《不合格管理程序》進行嚴格管控。產品質量嚴格遵守國家的《質量法》法規。全年，無因安全與健康理由而須回收的產品，實現已售或已運送殘品總數中因安全與健康理由而須回收的百分比為零。

消費者隱私保障

本集團尊重每個客戶的隱私權，嚴格按照《客戶財產管理程序》、《產品信息管理規定》實施客戶隱私管理。在技術方面，本集團設定四個級別的電腦權限，限制員工拷貝資料；同時實施本集團內部網絡，與外網物理隔離，確保業務數據只保留在業務操作作用的電腦上，無法帶離公司。對IT人員，特別是對負責維護含有客戶信息的數據庫的IT人員的後台系統和數據庫的權限進行嚴格控制，對其操作進行嚴格實時監控和審計，防止IT人員通過技術手段對客戶信息進行未授權操作或者將客戶信息拿走。從硬件上來說，本集團時刻確保服務器的安全性，保證防火牆對普通病毒有一定的保護作用，設置多道防線，確保信息安全。

層面B7：反貪污

本集團深信誠信經營是企業履行社會責任的基礎，也是企業競爭優勢和持續經營的根本。本集團致力在全本集團範圍內預防貪污、賄賂、勒索、欺詐及洗黑錢等行為，禁止員工向客戶、供應商或任何與業務有關人士提供特殊待遇及索取任何利益，努力達到綠色經營的終極目標。

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Staff Code of Conduct

The Group requires employees across the country to strictly abide by the laws and regulations such as the Anti-Unfair Competition Law of the People's Republic of China and the Anti-Corruption and Bribery Law of the People's Republic of China. They are prohibited from accepting commercial bribery or offering bribery or other improper gifts. We require employees to comply with laws, social norms, professional ethics, and internal rules and regulations of the Company. The legal audit rate of various rules and regulations, economic contracts and important decisions of the Group has remained 100% in 2020. Meanwhile, the Group has an effective internal control mechanism in place to ensure the performance of economic contracts.

In addition, the "Code of Conduct" in the Employee Handbook of the Group states that all of its activities should fully comply with relevant laws, systems and regulations of the countries in which it operates. We undertake to regularly solicit the opinions of related parties, and continue to develop and improve the code of conduct accordingly.

Anti-corruption Publicity and Whistleblowing Policy

The Group believes that ethical behavior is extremely important to the sustainable development and the long-term success of the business of an enterprise. Therefore, the Group strictly abides by the state regulations in "China's Efforts to Combat Corruption and Build a Clean Government", and prohibits provision or acceptance of bribes, gifts, entertainment or any other form of practice which intends to affect or may affect the relevant business decisions of the Group in order to gain unusual or inappropriate advantages.

We attach great importance to promoting and fostering a culture of integrity, and consider corruption investigation and prevention as a key aspect of our corporate culture. As such, we carry out education on integrity and self-discipline and alert all employees through notices on corruption cases. Meanwhile, the Group provides channels for complaints. In the event of an act of corruption, bribery, extortion, fraud of money laundering being detected, employees must report such cases to the administrative department. All complaints will be handled confidentially, and the Group is obliged to protect the lawful rights and interests of the whistleblowers. In the event of any act of corruption, bribery, extortion, fraud or money laundering being detected, the Group shall investigate and take necessary legal actions to protect the Company's interests.

The Group has complied with all anti-corruption laws and regulations during the year.

員工規範

本集團在全國範圍要求員工嚴格遵守國家《中華人民共和國反不正當競爭法》、《中華人民共和國反貪污賄賂法》等法例法規，拒絕商業賄賂、行賄及其他不正當之饋贈。我們要求員工遵紀守法，遵從社會規範及職業道德，遵守公司內部規章制度等。二零二零年，本集團各項規章制度、經濟合同和重要決策的法律審核率持續保持100%；同時，本集團實行有效的內部管控機制，保障經濟合同的履行。

此外，本集團《員工手冊》中「行為準則」承諾在其所有的活動中，將完全符合其運營所在國家的法律、制度及法規。我們承諾定期了解相關方的意見，持續發展和完善本行為準則。

反腐宣傳及舉報政策

本集團認為道德行為對企業可持續性發展及業務長遠成功極為重要，因此本集團嚴格遵守《中國的反腐敗和廉政建設》的國家規定，禁止提供或接受賄賂、禮物、招待或其它形式的，意在影響或可能影響本集團相關業務決定的，獲取非正常或不適當優勢的做法。

我們十分重視廉潔文化的宣傳建設，將懲治和預防腐敗行為作為企業文化的重點內容，廣泛開展廉潔自律教育，通過對貪腐案例的通報警示全體員工。同時，本集團提供投訴渠道，如發現任何貪污、賄賂、勒索、欺詐及洗黑錢事件，僱員必須向行政部門申報，所有投訴將保密處理，本集團有責任保護揭發人的合法權益。如發生任何貪污、賄賂、勒索、欺詐及洗黑錢事件，本集團將會深入調查並採取必要的法律行為，以保障本公司權益。

本集團本年度已遵守所有反貪污相關法律及規例。

IV. CONTRIBUTING TO THE COMMUNITY

ASPECT B8: COMMUNITY INVESTMENT

The Group always maintains close communications with organizations such as general labor unions, general charity federations and the Communist Youth Leagues in different regions, and actively participates in social activities such as skill competitions, charity works and youth services. These activities served to establish a positive image and garnered public recognition for the Company, and fulfill the social obligations of a “civilized national unit”.

In September 2020, BYD joins hands with 11 public welfare foundations, including the China Charities Aid Foundation for Children, the Shenzhen Social Commonweal Fund, and the Shenzhen Women and Children’s Development Foundation to carry out the “99 Giving Day” activity. The Company issues more than 5 million mask consumption coupons of public welfare during the activity.

By proposing charity projects, the public can enjoy discounts on the purchase of BYD masks of RMB99 minus RMB20, RMB199 minus RMB60, and RMB299 minus RMB100. The activity motivates the public to participate in charities and help public welfare foundations raise funds.

四、社區貢獻方面

層面B8：社區投資

本集團一直與各地總工會、慈善總會、共青團等組織保持緊密聯繫，積極參與技能競賽、慈善公益、服務青年等社會活動，在企業內部樹立了良好的文明形象，同時也為企業贏得了社會美譽，充分體現了全國文明單位的社會責任擔當和示範引領作用。

二零二零年九月，比亞迪電子聯合中華少年兒童慈善救助基金會、深圳市社會公益基金會、深圳市婦女兒童發展基金會等國內11家公益基金會，開展「99公益日」活動。活動期間發出超500萬張口罩公益消費券。

公眾通過捐贈公益項目即可享有99減20元、199減60元、299減100元的比亞迪口罩購買優惠，以此激發社會大眾參與公益，助力公益基金會籌集善款。



Figure 30: Propaganda poster on the 99 Giving Day
圖30：99公益日宣傳海報



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環境、社會及管治報告

In 2020, the Group proactively fulfills its social responsibilities. Since it was listed, the Group has published the social responsibility report on an annual basis, and accepted supervision by the media. During the reporting period, it did not receive any report from mainstream media outlets regarding any non-compliance with social responsibilities. The Group also strictly complied with the requirements of and met the standards of state laws and regulations during the reporting period. No material environmental or safety incident or issues warranting penalties imposed by environmental or labor authorities have occurred.

Looking forward in 2021, the Group undertakes to continuously strengthen its abilities in fulfilling social responsibilities in various aspects, and to abide by social morality and professional ethics. Furthermore, the Group is committed to contributing to regional economic growth, and maintaining ecological balance, promoting harmony across communities, safeguarding employees' healthy development, and to actively participating in social welfare activities. The Group undertakes to further enhance its protection of the legitimate rights and interests of all shareholders, creditors and employees, and treats its suppliers and customers in good faith; make active efforts to protect the environment, and actively participate in social welfare activities, and promote harmonious development of the Group and the society.

二零二零年，本集團積極履行自身應盡的社會責任，上市以來每年主動披露社會責任報告，並積極配合媒體的監督。報告期內未發現正規媒體對公司履行社會責任出現問題的報道。報告期內，本集團也嚴格遵守並履行國家法律法規的要求和標準，未出現重大環保和安全事故，未出現被政府環保、勞動等部門處罰的問題。

展望二零二一年，本集團承諾將繼續加強社會責任的各方面履行能力，遵守社會公德、商業道德，促進地區經濟增長、維護生態平衡、促進社區和諧、關愛員工健康發展、參與社會公益。進一步保護股東、債權人和職工的合法權益，誠信對待供應商、客戶，積極保護環境，熱心參與社會公益事業，促進集團與全社會的和諧發展。

The board of directors (the “Board”) of BYD Electronic (International) Company Limited would like to present its annual report and audited consolidated financial statements for the year ended 31 December 2020.

CORPORATE REORGANISATION

The Company was incorporated with limited liability in Hong Kong on 14 June 2007. By the virtue of the reorganisation implemented in preparation for the listing of the shares of the Company on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the purpose of streamlining the structure of the Group, the Company became the holding company of the Group. The shares of the Company commenced listing on the main board of the Stock Exchange on 20 December 2007.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is a global leading high-end platform-based manufacturing enterprise, providing customers with product research and development, innovative materials, parts and components, complete machine manufacturing, supply chain management and logistics, after-sales and other one-stop services. Its business covers smart phones, smart wearables, computers, automotive intelligent systems, Internet of Things, smart home, game hardware, robots, unmanned aerial vehicles, communication equipment, electronic atomization, medical devices and other broad market areas. Leveraging on its industry-leading R&D and manufacturing capabilities, diversified product portfolio and high-quality customer resources, the Group’s business has entered a new round of rapid growth cycle.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2020 and the financial position of the Group and the Company as at 31 December 2020 are set out in the consolidated financial statements and their notes on pages 116 to 227 of this annual report.

The Board has resolved to recommend the payment of final dividend of RMB0.241 per share for the year ended 31 December 2020 (for the year ended 31 December 2019: RMB0.071 per share). The proposed final dividend is subject to the consideration and approval of the shareholders at the forthcoming annual general meeting (the “AGM”) of the Company.

比亞迪電子(國際)有限公司董事會(「董事會」)謹此提呈其截至二零二零年十二月三十一日止年度報告及經審核合併財務報表。

企業重組

本公司為於二零零七年六月十四日在香港註冊成立的有限公司。透過為籌備本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市而精簡本集團架構的重組,本公司成為本集團的控股公司。本公司股份於二零零七年十二月二十日開始在聯交所主板上市。

主要業務

本公司為投資控股公司。本集團是全球領先的平台型高端製造企業,為客戶提供產品研發、創新材料、零組件、整機製造、供應鏈管理及物流、售後等一站式服務。集團業務涉及智能手機、智能穿戴、電腦、汽車智能系統、物聯網、智能家居、遊戲硬件、機器人、無人機、通信設備、電子霧化、醫療器械等廣闊的市場領域。依託於業界領先的研發和製造實力、多元的產品組合、以及優質的客戶資源,集團業務已經進入新一輪的高速增長週期。

業績及分配

本集團截至二零二零年十二月三十一日止年度的業績及本集團及本公司於二零二零年十二月三十一日的財務狀況均載於本年報的合併財務報表及其附註第116頁至第227頁。

董事會已議決建議派發截至二零二零年十二月三十一日止年度末期股息每股人民幣0.241元(截至二零一九年十二月三十一日止年度:每股人民幣0.071元)。建議末期股息須待本公司的股東週年大會(「股東週年大會」)上審議及批准後方可作實。



REPORT OF THE DIRECTORS

董事會報告

The Company will publish announcement, circular and notice regarding the AGM in accordance with the Listing Rules and the Articles of Association of the Company. The Company will also make separate announcement regarding the record date and date of closure of register of members for the payment of the final dividend. It is expected that the final dividend will be distributed before 31 August 2021.

RESERVES

Details of movements in the reserves of the Group and the Company during the Year are set out in the consolidated statement of changes in equity and note 28 and note 39 to the financial statements, respectively.

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL/PAID-IN CAPITAL

Details of the movements in share capital during the Year are set out in note 27 to the financial statements.

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

DISTRIBUTABLE RESERVES OF THE COMPANY

Distributable reserves of the Company as at 31 December 2020, calculated under the provisions of Sections 291, 297 and 299 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "Hong Kong Companies Ordinance"), amounted to approximately RMB18,394,736,000 (2019: RMB13,113,343,000).

本公司將根據上市規則及本公司的組織章程細則就股東週年大會刊發公告、通函及股東週年大會通告。本公司亦將另行刊發有關記錄日期及因派付年度末期股息而暫停辦理股份過戶登記手續的日期的公告。預期末期股息將於二零二一年八月三十一日前分派。

儲備

本集團及本公司在本年度的儲備變動詳情分別載於合併權益變動表及財務報表附註28及39。

物業、廠房及設備

本集團於本年度的物業、廠房及設備的變動詳情載於財務報表附註13。

股本／已繳股本

本年度的股本變動詳情載於財務報表附註27。

年內，本公司或其任何附屬公司均概無買賣或贖回本公司任何上市證券。

本公司的可派發儲備

按照《公司條例》(香港法例第622章)(「香港公司條例」)第291、297及299條計算，本公司於二零二零年十二月三十一日的可派發儲備約為人民幣18,394,736,000元(二零一九年：人民幣13,113,343,000元)。

DIRECTORS AND SERVICE CONTRACTS

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

EXECUTIVE DIRECTOR

Wang Nian-qiang
Jiang Xiang-rong

NON-EXECUTIVE DIRECTORS

Wang Chuan-fu
Wang Bo

INDEPENDENT NON-EXECUTIVE DIRECTORS

Antony Francis MAMPILLY
Chung Kwok Mo John
Qian Jing-jie

Below is a list of directors of the subsidiaries of the Company during the Year and up to the date of this report in alphabetical order:

He Zhi-qi, Huang Zhengyi, Jiang Xiangrong, Li Ke, Li Yongjun, Lv Xiang-yang, Ning Xin-jie, Shan Jie, Sun Yi-zao, Tang Jianguo, Wang Bo, Wang Chuan-fu, Wang Nian-qiang, Wang Zhen, Wang Wei, Xia Zuo-quan, Xu Fenglin, Yu Cangsheng, Zhang Jie, Zhao Jian-ping, Zhao Tong, Zhou Ya-lin, Zhao Ruofei, Zhao Yue

In accordance with Article 106 of the Articles of Association at each annual general meeting, one-third of the Directors, or if their number is not three (3) or a multiple of three (3), the number which is nearest to or is at least one-third, shall retire from office by rotation at least every three (3) years. A retiring Director shall be eligible for re-election.

Each of the executive Directors has entered into a service contract with the Company for a term of three years. Either party has the right to give not less than three months' written notice to terminate the agreement. The particulars of these agreements are in all material respects identical and that each of the executive Directors is entitled to a salary and, at the discretion of the Board, a bonus payment.

董事及服務合約

本公司於本年度及截至本報告日期的董事為：

執行董事

王念強
江向榮

非執行董事

王傳福
王渤

獨立非執行董事

Antony Francis MAMPILLY
鍾國武
錢靖捷

以下為於本年度內截至本報告日期本公司附屬公司的董事名單（以姓名首字母順序排列）：

何志奇、黃政益、江向榮、李柯、李擁軍、呂向陽、寧新杰、單潔、孫一藻、唐建國、王渤、王傳福、王念強、王珍、王偉、夏佐全、徐鳳麟、於蒼盛、張杰、趙儉平、趙彤、周亞琳、趙若非、趙嶽

根據組織章程細則第106條，於各屆股東週年大會上，三分之一的董事，或彼等人數非為三(3)或三(3)的倍數，則最接近三分之一或至少為三分之一的董事須至少每三(3)年輪席退任。退任董事將合資格重選。

各執行董事均與本公司訂立一項為期三年的服務合約。合約各方有權於發出不少於三個月的書面通知後終止該協議。該等協議的詳情於所有重大方面乃相同，各執行董事有權獲發薪金及由董事會酌情釐定的花紅。



REPORT OF THE DIRECTORS 董事會報告

Each of the non-executive Directors and independent non-executive Directors has entered into an appointment letter with the Company. None of them has entered into any service contract with the Group. The term of office of the non-executive Directors and independent non-executive Directors is for a period of three years. In each case, either the Company or the relevant Director can give three months' prior notice at any time to terminate the appointment without payment of compensation, and the appointments are subject to the provisions of retirement and rotation of Directors under the Articles of the Company.

The terms of each of the appointment letters of each of such non-executive Directors and independent non-executive Directors are in all material respects identical. Each of the independent non-executive Directors is entitled to a director's fee whereas none of the non-executive Directors is entitled to a director's fee.

No Directors who proposed for re-election at the forthcoming annual general meeting of the Company have a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

BUSINESS REVIEW

The business review of the Group is set out in the following sections of this annual report: Chairman's Statement, Management Discussion and Analysis, the Environmental, Social and Governance Report and note 35 to the financial statements. The applicable discussion and analysis as referenced shall form an integral part of this Directors' Report.

The Group recognises the importance of compliance with relevant laws and regulations and the impact of noncompliance with such relevant laws and regulations on the business. The Group has been allocating system and human resources to ensure ongoing compliance with laws and regulations and to maintain cordial working relationships with regulators through effective communication. During the year ended 31 December 2020, the Group has complied with, to the best of our knowledge, all relevant laws and regulations that have a significant impact on the Group.

The Company recognises that our employees, customers and suppliers are key to our corporate sustainability. We strive to engage our employees, provide quality services to our customers and collaborate with our suppliers.

各非執行董事及獨立非執行董事均與本公司訂立委任狀。彼等概無與本集團訂立任何服務合約。非執行董事及獨立非執行董事的任期為三年。於各種情況下，本公司或有關董事可隨時透過發出三個月事先通知終止委任而毋須作出補償，委任須受公司章程下的董事退任及輪席條文規限。

非執行董事及獨立非執行董事各自的委任狀條款在各重大方面完全相同。各獨立非執行董事均有權收取董事袍金，而非執行董事則無權收取董事袍金。

概無於本公司應屆股東週年大會上建議重選的董事與本公司訂立不得由本公司在一年內終止或必須支付賠償(法定賠償除外)的服務合同。

業務回顧

本集團的業務回顧載於本年報以下章節：主席報告書、管理層討論與分析、環境、社會及管治報告及財務報表附註35。所提述的相應討論及分析構成本董事會報告的組成部分。

本集團知悉遵守相關法律法規的重要性，以及不遵守該等法律法規對業務的影響。本集團已調撥系統及人力資源以確保持續遵守法律法規，並通過與監管機構進行有效溝通，從而維持良好工作關係。截至二零二零年十二月三十一日止年度，據我們所深知，本集團已遵守所有對本集團有重大影響的相關法律法規。

本公司深明員工、客戶及供應商為企業持續營運的關鍵，因此致力推動僱員投入工作，為客戶提供優質服務，並與供應商衷誠合作。

The Company places significant emphasis on human capital by promoting a diverse, non-discriminatory and fair environment to our staff, as well as providing a range of opportunities for career advancement based on employees' merits and performance. We also provide continuing training and development opportunities on the latest developments in the market and industry, including courses organized by external organizations and internally.

We value the feedback from customers and have established a mechanism handling customer service, support and complaints. We also proactively collaborate with our suppliers to continue to deliver quality products and services. We have developed certain requirements in our standard tender documents. These requirements include regulatory compliance, labour practices, anti-corruption and other business ethics.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management of the Company are set out on pages 22 to 26 of this annual report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES

As at 31 December 2020, the interests or short positions of each of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to be notified to the Company and the Stock Exchange were as follows:

本公司非常重視人才培育，因此為員工打造多元化、無歧視及公平的工作環境，並且為表現優秀的員工提供不同的晉升機會。我們亦按照市場及行業最新趨勢提供持續培訓及發展機會，包括由外間機構籌辦的課程以及內部課程。

我們亦珍視客戶的回饋，故已建立機制處理客戶服務、支援及投訴事宜。我們同時與供應商積極合作，持續提供優質產品及服務。我們已就標準競投文件訂立若干規定，涵蓋監管合規、勞工常規、反貪污及其他業務操守各方面。

董事及高級管理層的個人簡介

本公司董事及高級管理層的個人簡歷載於本報告第22頁至26頁。

董事及最高行政人員於股份中的權益及淡倉

於二零二零年十二月三十一日，本公司董事及最高行政人員於本公司或其相聯法團（定義見香港法例第571章、證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）的有關權益或淡倉（包括彼等根據證券及期貨條例有關條文被當作或視為擁有的權益或淡倉），或根據證券及期貨條例第352條須記錄於該條文所指的登記冊內，或根據聯交所證券上市規則（「上市規則」）上市發行人董事進行證券交易的標準守則須知會本公司及聯交所的有關權益或淡倉如下：

REPORT OF THE DIRECTORS

董事會報告

Name of Director 董事姓名	Name of Company 公司名稱	Capacity 身份	Number of issued shares held 持有已發行股份數目	Approximate percentage of total issued shares of that company 佔該公司已發行股份總數的概約百分比
Mr. Wang Nian-qiang 王念強先生	The Company 本公司	Beneficial owner and beneficiary 實益擁有人及受益人	17,102,000 ¹ (long position) (好倉)	0.76%
	BYD 比亞迪	Beneficial owner 實益擁有人	18,299,740 ² (long position) (好倉)	0.67%
Mr. Wang Bo 王渤先生	The Company 本公司	Beneficiary 受益人	2,805,000 ³ (long position) (好倉)	0.12%
Mr. Wang Chuan-fu 王傳福先生	BYD 比亞迪	Beneficial owner 實益擁有人	518,351,550 ⁴ (long position) (好倉)	19.00%
Mr. Qian Jing-jie 錢靖捷先生	The Company 本公司	Beneficial owner 實益擁有人	5,000 (long position) (好倉)	0.00%

Notes:

- Of which 8,500,000 shares are held by Mr. Wang Nian-qiang and 8,602,000 shares are held by Gold Dragonfly Limited ("Gold Dragonfly"), a company incorporated in the British Virgin Islands and wholly owned by BF Gold Dragon Fly (PTC) Limited ("BF Trustee") as the trustee of BF Trust, the beneficiaries of which include Mr. Wang Nian-qiang.
- These are the A shares of BYD held by Mr. Wang Nian-qiang. The total issued share capital of BYD as at 31 December 2020 was RMB2,728,142,855, comprising 1,813,142,855 A shares and 915,000,000 H shares, all of which have a par value of RMB1 each. The A shares of BYD held by Mr. Wang Nian-qiang represented approximately 1.01% of the total issued A shares of BYD as of 31 December 2020.

附註：

- 其中有8,500,000股股份由王念強先生持有及8,602,000股股份由Gold Dragonfly Limited (「Gold Dragonfly」)持有，後者為一家於英屬處女群島註冊成立的公司，由BF Gold Dragon Fly (PTC) Limited (「BF Trustee」)作為BF Trust (王念強先生為該信託的受益人)的受託人全資擁有。
- 該等股份為王念強先生持有的比亞迪A股。於二零二零年十二月三十一日，比亞迪的總股本為人民幣2,728,142,855元，包含1,813,142,855股A股及915,000,000股H股，彼等股份面值均為人民幣1元。而王念強先生持有比亞迪之A股相當於二零二零年十二月三十一日比亞迪已發行A股總數約1.01%。

3. These shares are held by Gold Dragonfly, a company wholly owned by BF Trustee as the trustee of BF Trust, the beneficiaries of which include Mr. Wang Bo.
3. 該等股份由Gold Dragonfly持有，而Gold Dragonfly為一家由BF Trustee作為BF Trust（王渤先生為該信託的受益人）的受託人全資擁有的公司。
4. These are the 513,623,850 A shares, 3,727,700 A shares held in No.1 Assets Management Plan through E Fund BYD and 1,000,000 H shares of BYD held by Mr. Wang Chuan-fu, which represented approximately 28.53% and approximately 0.11% of total issued A shares and H shares of BYD as of 31 December 2020, respectively.
4. 該等股份為王傳福先生持有的比亞迪513,623,850股A股，通過易方達資產比亞迪增持1號資產管理計劃持有的3,727,700股A股及1,000,000股H股，分別相當於二零二零年十二月三十一日比亞迪已發行A股總數約28.53%及H股總數約0.11%。

Save as disclosed above, none of the Directors or chief executive had or was deemed to have any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31 December 2020.

除上文所披露者外，於二零二零年十二月三十一日，董事或最高行政人員概無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）的任何股份、相關股份及債券中擁有或視為擁有任何權益或淡倉。

SHARE OPTIONS

During the year under review, the Company did not adopt any share option scheme.

購股權

於回顧年內，本公司並無採納購股權計劃。

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed under the heading "Directors' and Chief Executive's Interests and Short Positions in Shares" above, at no time during the year ended 31 December 2020 was the Company, its holding company or any of its fellow subsidiaries and subsidiaries, a party to any arrangements to enable the Directors or the chief executive of the Company or their associates to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

董事認購股份的權利

除上文「董事及最高行政人員於股份中的權益及淡倉」所披露者外，於截至二零二零年十二月三十一日止年度的任何時間，本公司、其控股公司或其同系附屬公司及附屬公司概無訂立任何安排，令本公司董事或最高行政人員或其聯繫人可透過購入本公司或任何其他法團的股份而獲益。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2020, so far as being known to the Directors of the Company, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in the ordinary shares and underlying shares of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

主要股東

於二零二零年十二月三十一日，就本公司董事所知，以下人士（不包括本公司董事及最高行政人員）於本公司普通股及相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部的規定須向本公司及聯交所披露或須記錄於本公司根據證券及期貨條例第336條須存置登記冊內的權益或淡倉：

Name of Shareholder 股東名稱	Nature of interest 權益性質	Number of ordinary shares in which the interested party has or is deemed to have interests or short positions 權益持有人持有或視為持有權益或淡倉的普通股數目	Approximate percentage of total issued shares 佔已發行股份總數的概約百分比
Golden Link Worldwide Limited ("Golden Link")	Beneficial interest ¹ 實益權益 ¹	1,481,700,000 (long position) (好倉)	65.76%
Golden Link Worldwide Limited ("Golden Link")			
BYD (H.K.) Co., Limited ("BYD HK") BYD (H.K.) Co., Limited ("BYD HK")	Interest of controlled corporation ¹ 受控制法團權益 ¹	1,481,700,000 (long position) (好倉)	65.76%
BYD Company Limited ("BYD") 比亞迪股份有限公司 ("比亞迪")	Interest of controlled corporation ¹ 受控制法團權益 ¹	1,481,700,000 (long position) (好倉)	65.76%
Gold Dragonfly Gold Dragonfly	Beneficial interest ² 實益權益 ²	131,791,650 (long position) (好倉)	5.85%
BF Trustee BF Trustee	Trustee ² 受託人 ²	131,791,650 (long position) (好倉)	5.85%

Notes:

1. BYD is the sole Shareholder of BYD HK, which in turn is the sole Shareholder of Golden Link. As such, both BYD HK and BYD were deemed to be interested in the shares of the Company held by Golden Link.

附註：

1. 比亞迪為BYD HK的唯一股東，而BYD HK則為Golden Link的唯一股東。因此，BYD HK及比亞迪均被視為於Golden Link持有的本公司股份中擁有權益。

2. The shares are held by Gold Dragonfly, a company wholly owned by BF Trustee as trustee of BF Trust, the beneficiaries of which are 27 employees of BYD, its subsidiaries and the Group. As such, BF Trustee was deemed to be interested in the shares of the Company held by Gold Dragonfly.

Save as disclosed above, as at 31 December 2020, the Company had not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the ordinary shares or underlying shares of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

CORPORATE GOVERNANCE

Report for the corporate governance adopted by the Company is set out on pages 27 to 41 of this annual report.

REMUNERATIONS OF THE DIRECTORS AND THE FIVE HIGHEST PAID EMPLOYEES

Please refer to the paragraph headed “Remuneration Policy for Directors” in the corporate governance report in this annual report for the details of the Group’s remuneration policy for Directors.

For the year ended 31 December 2020, the total remuneration of the Directors and the five highest paid employees are set out in notes 9 and 10 to the financial statements.

PERMITTED INDEMNITY PROVISION

Subject to the Hong Kong Companies Ordinance, every Director or other officer of the Company shall be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any legal proceedings which relate to anything done or omitted to be done or alleged to have been done or omitted to be done by him as an officer or auditor of the Company and in which judgment is given in his favour or in which he is acquitted, or incurred in connection with any application in which relief is granted to him by the court from liability in respect of any such act or omission.

2. 該等股份由Gold Dragonfly持有，該公司由BF Trust的受託人BF Trustee全資擁有，而BF Trust的受益人為比亞迪、其附屬公司及本集團的27名僱員。因此，BF Trustee被視為為於Gold Dragonfly持有的本公司股份中擁有權益。

除上文所披露者外，於二零二零年十二月三十一日，本公司並不知悉任何人士（本公司董事或最高行政人員除外）於本公司普通股或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的規定須向本公司及聯交所披露或記錄於本公司根據證券及期貨條例第336條須存置登記冊內的權益或淡倉。

企業管治

本公司採納的企業管治報告載於本年報的第27頁至41頁。

董事及五名最高薪酬僱員的薪酬

有關本集團對董事薪酬政策的詳情，請參見本年報中企業管治報告「董事薪酬政策」一段。

截至二零二零年十二月三十一日止年度，董事及五名最高薪酬僱員的薪酬總額載於財務報表附註9及10。

獲准許的彌償條文

受限於香港公司條例，每位董事或本公司其他高級人員因在與其以本公司高級人員或核數師身份作出或不作出或據稱已作出或未作出任何事宜相關，且獲判勝訴或脫罪的任何法律程序中作出抗辯，或於任何就此等作為或不作為的責任獲批予濟助的申請中所招致的任何責任、損失或開支，須以本公司的資產作出彌償。



REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The top five largest customer groups and the largest customer group of the Group represent approximately 80.39% and 26.31% of the Group's total sales of the Year respectively. The top five largest suppliers and the largest supplier of the Group represent approximately 27.52% and 10.03% of the Group's total purchase of the Year respectively.

None of the Directors, any of their close associates or any shareholders of the Company (which, to the knowledge of the Directors, own 5% or more of the issued shares of the Company) had any beneficial interest in the top five largest customers and suppliers of the Group.

MANAGEMENT CONTRACTS

No contract concerning the management and operation of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2020.

NON-COMPETE UNDERTAKING

BYD Company Limited declared that it has complied with the non-compete deed given by it to Mr. Wang Chuan-fu and Mr. Lv Xiang-yang in favour of the Company (for itself and as trustee for the benefit of its subsidiaries from time to time) (as described in the prospectus of the Company dated 7 December 2007) (the "Non-compete Deed").

The independent non-executive Directors have also reviewed the compliance by BYD Company Limited, Mr. Wang Chuan-fu and Mr. Lv Xiang-yang with the Non-compete Deed and the independent non-executive Directors have confirmed that, as far as they can ascertain, there is no incidence of non-compliance with the Non-compete Deed by any of BYD Company Limited, Mr. Wang Chuan-fu and Mr. Lv Xiang-yang.

RELATED PARTY TRANSACTIONS

The related party transactions set out in note 32(a) to the financial statements constitute connected transactions or continuing connected transactions (as defined in Chapter 14A of the Listing Rules) of the Company and the Company has complied with the applicable disclosure requirements under Chapter 14A of the Listing Rules in respect of such transactions.

主要客戶及供應商

本集團的五大客戶組及最大客戶組分別佔本集團年度銷售總額約80.39%及26.31%。本集團五大供應商及最大供應商分別佔本集團年度採購總額約27.52%及10.03%。

本公司董事、彼等的緊密聯繫人或任何股東（指據董事所知擁有本公司5%或以上已發行股份的股東）並無於本集團五大客戶或供應商中擁有任何實益權益。

管理合約

截至二零二零年十二月三十一日止年度，本公司並無就整體業務或任何重要業務的管理及經營訂立或存有任何合約。

不競爭承諾

比亞迪股份有限公司宣告已遵行為本公司（為其本身及作為其不時的附屬公司的利益受託人）的利益向王傳福先生及呂向陽先生作出的不競爭契據（誠如二零零七年十二月七日刊發的本公司招股章程所述）（「不競爭契據」）。

獨立非執行董事亦已審閱比亞迪股份有限公司、王傳福先生及呂向陽先生遵行不競爭契據的情況，且獨立非執行董事確認據彼等可確定的範圍內，比亞迪股份有限公司、王傳福先生及呂向陽先生概無作出不遵行不競爭契據的事項。

關連方交易

載於財務報表附註32(a)的關連方交易構成本公司的關連交易或持續關連交易（定義見上市規則第14A章），且本公司已就有關交易遵守上市規則第14A章的適用披露規定。

CONNECTED TRANSACTIONS

Details of the connected transactions are as follows:

THE FOLLOWING CONNECTED TRANSACTIONS OF THE COMPANY ARE SUBJECT TO THE REPORTING AND ANNOUNCEMENT REQUIREMENTS UNDER CHAPTER 14A OF THE LISTING RULES

(i) *Purchase of assets by the Company from BYD*

On 21 February 2020, the Company entered into assets purchase agreement with BYD for the purchase of vertical machining center, drilling machining center, 6-axis robots and other related equipment from BYD Group by the Group at a consideration of RMB34,840,000, which was determined with reference to the unaudited net asset value of the transferred assets as at 31 December 2019, subject to a downward adjustment on the day of assets delivery due to accumulated depreciation before the delivery.

The considerations in relation to the aforesaid acquisitions were financed by internal resources of the Group.

As BYD is the controlling Shareholder of the Company, it is a connected person of the Company and therefore the purchase of assets constitutes connected transactions of the Company under Chapter 14A of the Listing Rules. The purchases under the assets purchase agreement entered into in February 2020 was aggregated with the June 2019 Assets Purchase Transaction (the details of which were set out in the announcement of the Company dated 28 June 2019) for the purpose of calculating the percentage ratios as stipulated under Rule 14.07 of the Listing Rules. As the applicable percentage ratios calculated on aggregation basis were all more than 0.1% but less than 5%, the purchases were subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirements as set out under Chapter 14A.76 of the Listing Rules.

關連交易

關連交易詳情如下：

以下的本公司關連交易須遵守上市規則第14A章的申報及公告規定

(i) *本公司向比亞迪採購資產*

於二零二零年二月二十一日，本公司與比亞迪訂立資產採購協議，由本集團向比亞迪集團購置立式加工中心、鑽削加工中心、六軸機器人及其他有關設備，代價為人民幣34,840,000元，乃參考轉讓資產於二零一九年十二月三十一日的未經審核資產淨值釐定，惟於資產交付當日可就資產於交付前累計折舊作出下調。

上述收購事項的代價以本集團內部資源撥付。

比亞迪乃本公司的控股股東，其為本公司的關連人士；因此，資產採購構成本公司根據上市規則第14A章的關連交易。於二零二零年二月訂立的資產採購協議項下的採購已與二零一九年六月之資產採購交易（細節載於公司於二零一九年六月二十八日刊發公告）合併，以計算上市規則第14.07條訂明的百分比率。由於按合併基準計算的適用百分比率全部超過0.1%但低於5%，故採購事宜已遵守根據上市規則第14A.76條申報及公告規定但獲豁免獨立股東批准規定。

On 23 July 2020, the Company entered into another assets purchase agreement with BYD for the purchase of vertical injection molding machine, plastic injection molding machine, rotary jig, disc type fully automatic drilling and tapping machine, vertical machining center and other related equipment from BYD Group by the Group at a consideration of RMB16,020,000, which was determined with reference to the unaudited net asset value of the transferred assets as at 30 June 2020, subject to a downward adjustment on the day of assets delivery due to accumulated depreciation before the delivery.

The considerations in relation to the aforesaid acquisitions were financed by internal resources of the Group.

As BYD is the controlling Shareholder of the Company, it is a connected person of the Company and therefore the purchase of assets constitutes connected transactions of the Company under Chapter 14A of the Listing Rules. The purchases under the assets purchase agreement entered into in July 2020 was aggregated with the June 2019 Assets Purchase Transaction (the details of which was set out in the announcement of the Company dated 28 June 2019) and the February 2020 Assets Purchase Transaction (the details of which was set out in the announcement of the Company dated 21 February 2020) for the purpose of calculating the percentage ratios as stipulated under Rule 14.07 of the Listing Rules. As the applicable percentage ratios calculated on aggregation basis were all more than 0.1% but less than 5%, the purchases were subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirements as set out under Chapter 14A.76 of the Listing Rules.

The Group believes that the purchase of assets from BYD is the fastest and more cost-effective way to expand the product lines of business. Due to the proximity of the location of the Group and BYD Group, the Group will benefit from reduced transportation cost and more convenient testing of the assets by purchasing the assets from BYD.

於二零二零年七月二十三日，本公司與比亞迪訂立另一份資產採購協議，由本集團向比亞迪集團購置立式注塑機、塑膠注射成型機、旋轉治具、圓盤式全自動鑽孔攻牙專用機、立式加工中心及其他有關設備，代價為人民幣16,020,000元，乃參考轉讓資產於二零二零年六月三十日的未經審核資產淨值釐定，惟於資產交付當日可就資產於交付前累計折舊作出下調。

上述收購事項的代價以本集團內部資源撥付。

比亞迪乃本公司的控股股東，其為本公司的關連人士；因此，資產採購構成本公司根據上市規則第14A章的關連交易。於二零二零年七月訂立的資產採購協議項下的採購已與二零一九年六月之資產採購交易（細節載於公司於二零一九年六月二十八日刊發公告）及二零二零年二月之資產採購交易（細節載於公司於二零二零年二月二十一日刊發公告）合併，以計算上市規則第14.07條訂明的百分比率。由於按合併基準計算的適用百分比率全部超過0.1%但低於5%，故採購事宜已遵守根據上市規則第14A.76條申報及公告規定但獲豁免獨立股東批准規定。

本集團認為向比亞迪採購資產能夠快速高效地擴展業務生產線。由於本集團與比亞迪集團位置臨近，故本集團向比亞迪採購資產可享有運輸費用更低及資產調試更方便的益處。

(ii) Provision of entrusted loan to BYD by the Company

On 27 November 2020, the Company convened a Board meeting at which the Board considered and approved to provide an entrusted loan with a total principal amount of RMB400 million by BYD Precision (as the lender), a wholly-owned subsidiary of the Company, to BYD (as the borrower) through China Merchants Bank (as the New Entrusted Loan lending agent) to meet the further development funding needs of BYD. The term for the New Entrusted Loan is 36 months commencing from the date of drawdown of the New Entrusted Loan by BYD. The New Entrusted Loan is subject to a fixed interest rate based on the prime rate as at the actual drawdown date of the New Entrusted Loan less 35 basis points, and the prime rate is based on the one-year term loan prime rate (LPR) announced by the National Interbank Funding Center one business day prior to the drawdown date. BYD shall make a one-off repayment of the principal upon maturity of the New Entrusted Loan, or opt for early repayment. Interests for the New Entrusted Loan shall be settled by BYD on the twenty-first (21) day of each month.

As BYD is the controlling Shareholder of the Company, it is a connected person of the Company and therefore the entrusted loan constitutes connected transactions of the Company under Chapter 14A of the Listing Rules. As certain applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the New Entrusted Loan are more than 0.1% but less than 5%, the New Entrusted Loan Agreement is only subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirements as set out under Chapter 14A of the Listing Rules.

The terms of the New Entrusted Loan Agreement, including the applicable interest rate, were agreed by the parties after arm's length negotiations having taken into account the prevailing market interest rates and practices. The Directors (including the independent non-executive Directors) consider that the provision of the New Entrusted Loan pursuant to the New Entrusted Loan Agreement will be beneficial to the Group in terms of return and risk control, and that the New Entrusted Loan Agreement is on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

(ii) 本公司向比亞迪提供委託貸款

於二零二零年十一月二十七日，本公司召開董事會會議審議通過本公司的全資附屬公司比亞迪精密（作為貸款方）將通過招商銀行（作為新委託貸款代理）向比亞迪（作為借款方）提供本金總額為人民幣4億元的委託貸款，以應對比亞迪的進一步發展資金需求。新委託貸款的期限自比亞迪提取新委託貸款之日起計36個月。有關利率為固定利率，以新委託貸款實際提款日的定價基礎利率減35個基本點，定價基礎利率採用提款日前1個工作日全國銀行間同業拆借中心公佈的1年期貸款市場報價利率（LPR）為基準利率。比亞迪須在新委託貸款到期時一次性償還本金，或可選擇提早還款。新委託貸款須由比亞迪每月第二十一(21)日結息。

比亞迪乃本公司的控股股東，其為本公司的關連人士；因此，新委託貸款構成本公司根據上市規則第14A章的關連交易。由於新委託貸款根據上市規則第14.07條規定的適用之若干百分比率均高於0.1%但低於5%，故新委託貸款協議僅須遵守上市規則第14A章項下所載之申報及公告的規定，惟獲豁免遵守獨立股東批准之規定。

新委託貸款協議的條款（包括適用的利率）乃由訂約方於計及現行市場利率及慣例後經公平磋商議定。董事（包括獨立非執行董事）認為，就回報及風險控制而言，根據新委託貸款協議，提供新委託貸款將對本集團有利，且新委託貸款協議乃按一般商業條款作出，屬公平合理及符合本公司及其股東的整體利益。

CONTINUING CONNECTED TRANSACTIONS

Details of the continuing connected transactions are as follows:

A. THE FOLLOWING CONTINUING CONNECTED TRANSACTIONS OF THE COMPANY ARE SUBJECT TO THE REPORTING AND ANNOUNCEMENT REQUIREMENTS UNDER CHAPTER 14A OF THE LISTING RULES

(i) *Leasing of premises from BYD Group (other than the Group)*

Pursuant to the New Property Leasing Framework Agreement dated 26 November 2018 between the Group and its subsidiaries and BYD Group and its subsidiaries, BYD Group and its subsidiaries have agreed that the Group may from time to time lease the properties of the BYD Group in the PRC, predominantly factory and office space, for its daily operations purposes during the period from 1 January 2019 to 31 December 2021. Meanwhile, the Group shall enter into individual property leasing agreements in respect of each leasing arrangement in accordance with the terms of the New Property Leasing Framework Agreement. Each individual property leasing agreement shall contain, amongst other things, the specific details of the leased property and must comply with the terms of the New Property Leasing Framework Agreement, the Listing Rules and applicable laws.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries (other than the Group) are connected persons of the Company.

For the year ended 31 December 2020, the annual cap of total amount of the rental transactions of the Company was set at RMB324,890,000, and the actual aggregate amount was approximately RMB270,957,000.

持續關連交易

持續關連交易的詳情如下：

A. 下文所載本公司的持續關連交易須遵守上市規則第14A章的申報及公告規定

(i) *向比亞迪集團(本集團除外)租賃物業*

根據本集團及附屬公司與比亞迪集團及附屬公司於二零一八年十一月二十六日簽訂的新物業租賃框架協議，比亞迪集團及附屬公司同意於二零一九年一月一日至二零二一年十二月三十一日止期間，本集團可不時租賃比亞迪集團在中國的物業，主要為工廠及辦公室，作日常營運之用，同時須根據新物業租賃框架協議的條款就各項租賃安排訂立個別物業租賃協議，每份個別物業租賃協議須包含(其中包括)租賃物業的詳情且須遵守新物業租賃框架協議的條款、上市規則及適用法律。

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司(本集團除外)為本公司的關連人士。

截至二零二零年十二月三十一日止年度，本公司租賃交易總金額的年度上限為人民幣324,890,000元，實際發生總金額約為人民幣270,957,000元。

(ii) Sharing of ancillary services with BYD Group (other than the Group)

The Company and BYD entered into the New Comprehensive Services Master Agreement on 26 November 2018, pursuant to which BYD Group has agreed to provide to the Group ancillary services required for its operations during the period from 1 January 2019 to 31 December 2021.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries (other than the Group) are connected persons of the Company.

The annual cap of the total expenditure for acquiring the ancillary services for the year ended 31 December 2020 was RMB32,238,000, and the actual aggregate amount was approximately RMB28,690,000.

(iii) Provision of processing services for BYD Group (other than the Group)

Pursuant to the New BE Processing Services Agreement dated 26 November 2018 between the Company and BYD, the Company has agreed that the Group will provide to BYD Group automation equipment design services, processing services, testing services and research and development support for certain products of BYD Group, and waste water treatment facilities during the period from 1 January 2019 to 31 December 2021.

Following related agreement, the Company and BYD entered into another Supplemental BE Processing Services Agreement on 23 July 2020 to adjust the existing annual cap stipulated in related agreement for the year ended 31 December 2020. Except the adjustment of the existing annual cap for the year ended 31 December 2020, all other terms and conditions under the original BE Processing Services Agreement remain unchanged.

(ii) 與比亞迪集團（本集團除外）共享配套服務

本公司及比亞迪於二零一八年十一月二十六日訂立新綜合服務總協議，據此，比亞迪集團同意於二零一九年一月一日至二零二一年十二月三十一日止期間向本集團提供本集團業務營運所需的配套服務。

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司（本集團除外）為本公司的關連人士。

截至二零二零年十二月三十一日止年度，本公司採購配套服務的總開支的年度上限為人民幣32,238,000元，實際發生總金額約為人民幣28,690,000元。

(iii) 為比亞迪集團（本集團除外）提供加工服務

按本公司與比亞迪於二零一八年十一月二十六日簽訂的新比亞迪電子加工服務協議，本公司同意，於二零一九年一月一日至二零二一年十二月三十一日止期間，本集團同意向比亞迪集團提供自動化設備設計服務、就比亞迪集團若干產品提供加工服務、測試服務及研發支持及污水處理設備。

繼有關協議，本公司與比亞迪於二零二零年七月二十三日再簽訂補充比亞迪電子加工服務協議，以修訂有關協議中截至二零二零年十二月三十一日止年度的現有年度上限。除將截至二零二零年十二月三十一日止年度的現有年度上限修訂外，原有比亞迪電子加工服務協議項下的所有其他條款及條件保持不變。

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries (other than the Group) are connected persons of the Company. The annual cap of the total amount of the processing services provided to BYD Group was RMB171,581,000 for the year ended 31 December 2020, and the actual aggregate amount was approximately RMB133,282,000.

(iv) Provision of purchasing service by BYD Group

Pursuant to the New Supply Chain Management Service Agreement dated 26 November 2018 between the Company and BYD Group, BYD Group has agreed to provide certain purchasing services to the Group during the period from 1 January 2019 to 30 December 2021.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries are connected persons of the Company.

The annual cap of purchasing service fee payable to BYD Group by the Company for the year ended 31 December 2020 was RMB118,805,000, and the actual aggregate amount was approximately RMB55,436,000.

(v) Provision of available-for-sale automotive core components and special purpose electric vehicles by BYD Group to the Group

Pursuant to the New Automotive Core Components and Special Purpose Electric Vehicles Purchase Agreement dated 26 November 2018 between the Company and BYD, the Group agreed to purchase certain goods from BYD Group including automotive core components and special purpose electric vehicles and certain other materials during the period from 1 January 2019 to 31 December 2021.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries are connected persons of the Company.

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司（本集團除外）為本公司的關連人士。截至二零二零年十二月三十一日止年度，為比亞迪集團提供加工服務的總金額的年度上限為人民幣171,581,000元，實際發生總金額約為人民幣133,282,000元。

(iv) 由比亞迪集團提供採購服務

根據本公司與比亞迪集團於二零一八年十一月二十六日簽訂新供應鏈管理服務合同，比亞迪集團同意於二零一九年一月一日至二零二一年十二月三十日止期間向本集團提供若干採購服務。

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司為本公司的關聯人士。

截至二零二零年十二月三十一日止年度，本公司付予比亞迪集團的採購服務費的年度上限為人民幣118,805,000元，實際發生總金額約為人民幣55,436,000元。

(v) 比亞迪集團向本集團提供可供出售的汽車核心零部件及電動專用車

根據本公司與比亞迪於二零一八年十一月二十六日簽訂的新汽車核心零部件及電動專用車採購協議，本集團同意於二零一九年一月一日至二零二一年十二月三十一日止期間，向比亞迪集團購買若干貨品，包括汽車核心零部件及電動專用車及若干其他物料。

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司為本公司的關聯人士。

The annual cap for the total amount of the products purchased from BYD Group for the year ended 31 December 2020 was RMB421,169,000, and the actual aggregate amount was approximately RMB21,811,000.

(vi) Provision of glass products by the Group to BYD Group

Pursuant to the New Glass Sales Agency Agreement dated 26 November 2018 between the Company and BYD, the Group agreed to supply glass casing products to BYD Group during the period from 1 January 2019 to 31 December 2021 for its onward sales by agency to the overseas customers as designated by the Group.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries are connected persons of the Company.

The annual cap for the total amount of the products supplied to BYD Group for the year ended 31 December 2020 was RMB320,000,000, and the actual aggregate amount was approximately RMB49,107,000.

(vii) Purchasing products from BYD Group (other than the Group)

Pursuant to the New Purchase Agreement dated 26 November 2018 between the Company and BYD, BYD has agreed that BYD Group will supply materials used for the production of handset casings, plastic structural materials, packaging materials and certain other products and materials to the Group during the period from 1 January 2019 to 31 December 2021.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries (other than the Group) are connected persons of the Company.

The annual cap of the total amount of the purchases of products from BYD Group for the year ended 31 December 2020 is RMB1,032,378,000, and the actual aggregate amount was approximately RMB849,663,000.

截至二零二零年十二月三十一日止年度，向比亞迪集團購買產品的總金額的年度上限為人民幣421,169,000元，實際發生總金額約為人民幣21,811,000元。

(vi) 本集團向比亞迪集團提供玻璃產品

根據本公司與比亞迪於二零一八年十一月二十六日簽訂的新玻璃代理銷售協議，本集團同意於二零一九年一月一日至二零二一年十二月三十一日止期間，向比亞迪集團供應玻璃機殼產品，以供其進一步代理銷售予本集團指定的海外客戶。

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司為本公司的關聯人士。

截至二零二零年十二月三十一日止年度，向比亞迪集團供應產品的總金額的年度上限為人民幣320,000,000元，實際發生總金額約為人民幣49,107,000元。

(vii) 向比亞迪集團(本集團除外)購買產品

根據本公司與比亞迪於二零一八年十一月二十六日簽訂的新採購協議，比亞迪同意於二零一九年一月一日至二零二一年十二月三十一日止期間，比亞迪集團同意向本集團供應生產手機機殼所用物料、塑膠結構料、包裝材料及若干其他產品及物料。

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司(本集團除外)為本公司的關連人士。

截至二零二零年十二月三十一日止年度，向比亞迪集團購買產品的總金額的年度上限為人民幣1,032,378,000元，實際發生總金額約為人民幣849,663,000元。

(viii) Provision of utility connection and/or utility by BYD Group (other than the Group)

According to the New Utility Services Master Agreement dated 26 November 2018 between the Company and BYD, BYD Group has agreed to provide to the Group certain utility or utility connection (as the case may be), including water, electricity and gas during the period from 1 January 2019 to 31 December 2021.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries are connected persons of the Company.

The annual cap of the total expenditure for acquiring utility connection and/or utility from BYD for the year ended 31 December 2020 is RMB989,735,000, and the actual aggregate amount was approximately RMB636,274,000.

(ix) Provision of processing services and special processing services by BYD Group (other than the Group)

Pursuant to the New Processing Services Agreement dated 26 November 2018 between the Company and BYD, BYD Group has agreed to provide certain processing services for certain products (including handset metal parts) and facilities (including waste water treatment) of the Group during the period from 1 January 2019 to 31 December 2021, whereby some steps in the production process of such facilities are further processed by BYD Group.

Following related agreement, the Company and BYD entered into another Supplemental Processing Services Agreement on 23 July 2020 to adjust the existing annual cap stipulated in related agreement for the year ended 31 December 2020. Except the adjustment of the existing annual cap for the year ended 31 December 2020, all other terms and conditions under the original Processing Services Agreement remain unchanged.

(viii) 由比亞迪集團(本集團除外)提供動能接駁及／或動能

根據本公司與比亞迪於二零一八年十一月二十六日簽訂的新動能服務總協議，比亞迪集團同意於二零一九年一月一日至二零二一年十二月三十一日止期間，向本集團提供若干動能或動能接駁(視情況而定)，包括水電汽。

比亞迪是本公司的控股股東，故比亞迪及其附屬公司(本集團除外)為本公司的關連人士。

截至二零二零年十二月三十一日止年度，自比亞迪獲得動能接駁及／或動能的花費總支出的年度上限為人民幣989,735,000元，實際發生總金額約為人民幣636,274,000元。

(ix) 由比亞迪集團(本集團除外)提供加工服務及特定加工服務

根據本公司與比亞迪於二零一八年十一月二十六日簽訂的新加工服務協議，比亞迪集團同意於二零一九年一月一日至二零二一年十二月三十一日止期間，為本集團若干產品(包括手機金屬零部件)及設備(包括污水處理)提供若干加工服務，據此，該等設施的部份生產工序由比亞迪集團進一步加工。

繼有關協議，本公司與比亞迪於二零二零年七月二十三日再簽訂補充加工服務協議，以修訂有關協議中截至二零二零年十二月三十一日止年度的現有年度上限。除將截至二零二零年十二月三十一日止年度的現有年度上限修訂外，原有加工服務協議項下的所有其他條款及條件保持不變。

Pursuant to the Processing Services Framework Agreement dated 19 March 2020 between the Company and BYD, BYD Group shall provide special processing services (including but not limited to product design, testing, quality control and processing services) and other related services in respect of the electric intelligent robot project of the Group during the period from 19 March 2020 to 31 December 2021.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries are connected persons of the Company.

The annual cap of the total amount of the processing services provided by BYD Group is RMB809,537,000 for the year ended 31 December 2020, and the actual aggregate amount was approximately RMB807,329,000; the annual cap of the special processing services is RMB84,000,000, and the actual aggregate amount was RMB63,190,000.

(x) Provision of power supply services for BYD Group (other than the Group)

Pursuant to the Power Supply Services Agreement dated 1 March 2019, the Company has agreed to provide power supply services to BYD Group during the three years ended 31 December 2021 to satisfy the day-to-day operations and production needs of BYD Group in the Shenzhen Baolong Industrial Park in the PRC.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries (other than the Group) are connected persons of the Company.

The annual cap for the total amount of the processing services provided to BYD Group for the year ended 31 December 2020 was RMB95,541,000, and the actual aggregate amount was approximately RMB75,310,000.

根據本公司與比亞迪於二零二零年三月十九日簽訂的加工服務框架協議，比亞迪集團須於二零二零年三月十九日至二零二一年十二月三十一日就本集團的電動智能機器人項目向本集團提供特定加工服務（包括但不限於產品設計、測試、質量控制及加工服務）以及其他相關服務。

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司（本集團除外）為本公司的關聯人士。

截至二零二零年十二月三十一日止年度，自比亞迪集團獲得加工服務的花費支出的年度上限為人民幣809,537,000元，實際發生總金額約為人民幣807,329,000元；特定加工服務的年度上限為人民幣84,000,000元，實際發生總金額為人民幣63,190,000元。

(x) 為比亞迪集團（本集團除外）提供供電服務

按本公司與比亞迪於二零一九年三月一日簽訂的供電服務協議，本公司同意，於截至二零二一年十二月三十一日止三個年度期間，向比亞迪集團提供供電服務，以滿足比亞迪集團在中國深圳寶龍工業園區的日常營運及生產需求。

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司（本集團除外）為本公司的關連人士。

截至二零二零年十二月三十一日止年度，為比亞迪集團提供加工服務的總金額的年度上限為人民幣95,541,000元，實際發生總金額約為人民幣75,310,000元。

(xi) Supply of batteries by BYD Group to the Group

Pursuant to the Batteries Purchase Agreement dated 6 August 2020 between the Company and BYD, the BYD Group shall provide batteries according to the specifications as requested by the Group from time to time for certain new intelligent products produced by the Group from 6 August 2020 to 31 December 2021, unless terminated earlier in accordance with the terms of the Batteries Purchase Agreement.

On 27 November 2020, the Company entered into a supplemental agreement with BYD to further revise the existing annual cap. Except the adjustment of the annual cap for the year ended 31 December 2020, all other terms and conditions (including the annual cap for the year ended 31 December 2021) under the Batteries Purchase Agreement remain unchanged.

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries (other than the Group) are connected persons of the Company. The annual cap for the total amount of the purchase of batteries by BYD from the Group for the year ended 31 December 2020 was RMB986,236,000, and the actual aggregate amount was approximately RMB841,247,000.

B. THE FOLLOWING CONTINUING CONNECTED TRANSACTIONS OF THE COMPANY ARE SUBJECT TO THE REPORTING, ANNOUNCEMENT AND INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENTS UNDER CHAPTER 14A OF THE LISTING RULES

Provision of products by the Group to BYD Group (other than the Group)

Pursuant to the New Supply Agreement dated 26 November 2018 between the Company and BYD, the Company has agreed that the Group will supply products used for the production of rotary display screen, plastic injection parts, moulds and certain other products and materials to the BYD Group during the period from 1 January 2019 to 31 December 2021.

(xi) 比亞迪集團向本集團供應電池

根據本公司與比亞迪於二零二零年八月六日簽訂的電池採購協議，自二零二零年八月六日至二零二一年十二月三十一日，比亞迪集團應按照本集團不時要求的規格為本集團生產的特定新型智能產品供應電池，除非根據電池採購協議的條款提前終止。

於二零二零年十一月二十七日，本公司與比亞迪訂立了補充協議，以進一步修訂現有年度上限。除將於截至二零二零年十二月三十一日止年度之年度上限修訂外，電池採購協議項下的所有其他條款及條件（包括截至二零二一年十二月三十一日止的年度上限）均保持不變。

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司（本集團除外）為本公司的關連人士。截至二零二零年十二月三十一日止年度，比亞迪向本集團採購電池總金額之年度上限為人民幣986,236,000元，實際發生總金額約為人民幣841,247,000元。

B. 下列所載本公司的持續關連交易須遵守上市規則第14A章所載的申報、公告及獨立股東批准規定。

本集團為比亞迪集團（本集團除外）供應產品

根據本公司與比亞迪於二零一八年十一月二十六日簽訂的新供應協議，本公司同意於二零一九年一月一日至二零二一年十二月三十一日止期間，本集團為比亞迪集團供應生產比亞迪集團產品所需的產品，如旋轉顯示屏、注塑件、模具及若干其他產品及物料。

As BYD is the controlling Shareholder of the Company, BYD and its subsidiaries (other than the Group) are connected persons of the Company.

Pursuant to the Supply Framework Agreement dated 19 March 2020 between the Company and BYD, the Group shall provide surgical masks to the BYD Group for the period from 19 March 2020 to 31 December 2020, unless terminated earlier in accordance with the terms of the Supply Framework Agreement. Following related agreement, the Company and BYD entered into another supplementary agreements to the Supply Framework Agreement on 26 May 2020 and 6 August 2020 respectively to adjust the existing annual cap and payment terms stipulated in related agreement for the year ended 31 December 2020. Except the aforesaid adjustment, all other terms and conditions under the original Supply Framework Agreement remain unchanged.

The annual cap for the total amount of the products supplied to BYD Group for the year ended 31 December 2020 was RMB25,653,811,000, and the actual aggregate amount was approximately RMB14,433,885,000.

The Directors (including the independent non-executive Directors) have reviewed the above continuing connected transactions and confirmed that the transactions are:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms; and
- (3) in accordance with the relevant agreements entered into on terms which are fair and reasonable and in the interests of the Shareholders as a whole.

The auditors of the Company have provided a letter and confirmed that the aforesaid continuing connected transactions:

1. nothing has come to their attention that causes the auditors to believe that the disclosed continuing connected transactions have not been approved by the Board;
2. for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes the auditors to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;

由於比亞迪是本公司的控股股東，故比亞迪及其附屬公司（本集團除外）為本公司的關連人士。

根據本公司與比亞迪於二零二零年三月十九日簽訂的供應框架協議，本集團須於二零二零年三月十九日至二零二零年十二月三十一日向比亞迪集團提供醫用口罩，除非根據供應框架協議的條款提前終止。繼有關協議，本公司與比亞迪分別於二零二零年五月二十六日及二零二零年八月六日再簽訂的供應框架協議之補充協議，以修訂有關協議中截至二零二零年十二月三十一日止年度的現有年度上限及付款條款。除前述修訂外，原有供應框架協議項下的所有其他條款及條件保持不變。

截至二零二零年十二月三十一日止年度，為比亞迪集團供應產品的總金額的年度上限為人民幣25,653,811,000元，實際發生總金額約為人民幣14,433,885,000元。

董事（包括獨立非執行董事）已審閱上述持續關連交易，並確認有關交易：

- (1) 乃於在本集團日常及一般業務過程中進行；
- (2) 乃按一般商業條款進行；及
- (3) 根據按公平合理之條款，且符合本公司股東整體利益而訂立的相關協議進行。

本公司核數師已提供函件，並確認上述持續關連交易：

1. 彼等概無注意到任何事宜，致使核數師認為所披露的持續關連交易並無獲得董事會批准；
2. 就涉及本集團提供貨品或服務之交易而言，彼等並無察悉任何事項致使核數師認為該等交易在所有重大方面並未按照本集團的定價政策進行；



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- nothing has come to their attention that causes the auditors to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- with respect to the aggregate amount of each of the continuing connected transactions set out in the attached list of continuing connected transactions, nothing has come to their attention that causes the auditors to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

Mr. Wang Chuan-fu, a non-executive Director of the Company, has also been an executive director and chairman of the board of directors of BYD. As Mr. Wang Chuan-fu held certain interests in the shares of BYD as at the dates of the aforesaid connected transactions and continuing connected transactions, Mr. Wang Chuan-fu, being the Director who may have a material interest in the aforesaid transactions, has voluntarily abstained from voting on the board resolutions of the Company concerning the aforesaid transactions.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem any of its shares during the period from 1 January 2020 to 31 December 2020. During the Year, neither the Company nor any of its subsidiaries purchased or sold any of the Company's shares.

DIRECTORS' INTEREST IN CONTRACTS

Save for the connected transactions and continuing connected transactions described in this report, no Directors or entities connected to the Directors have direct or indirect material interests in any material transactions or arrangements conducted or material contracts entered into by the Company or any of its subsidiaries at any time during or at the end of the Year.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained sufficient public float during the year ended 31 December 2020.

- 彼等概無注意到任何事宜，致使核數師認為該等交易並非在所有重大方面按照規管該等交易的相關協議訂立；及
- 就隨附持續關連交易清單所載各項持續關連交易的總金額而言，彼等概無注意到任何事宜，致使核數師認為所披露的持續關連交易超過了本公司設定的年度上限。

王傳福先生為本公司的非執行董事，亦為比亞迪的執行董事及董事會主席。由於王傳福先生於上述關連交易及持續關連交易的日期持有比亞迪股份的若干權益，王傳福先生作為在上述交易中可能擁有重大權益的董事，自願於就上述交易的本公司董事會決議投票中避席。

購買、出售或購回股份

於二零二零年一月一日起至二零二零年十二月三十一日止，本公司並無贖回其任何股份。年內，本公司或其任何附屬公司概無購買或出售任何本公司股份。

董事合約權益

除本報告中所述關連交易及持續關連交易外，董事及與董事有關連的實體於本公司或其任何附屬公司在年內或年末任何時間所進行的重大交易或安排，或訂立的重大合約中概無直接或間接擁有重大權益。

公眾持股量的足夠性

於本報告日期，根據本公司可公開獲取的信息及就董事所知，本公司於截至二零二零年十二月三十一日止年度維持足夠的公眾持股水平。

CONFIRMATION OF INDEPENDENCE

Each independent non-executive Director has provided a statement confirming his/her independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Company assessed that each independent non-executive Director continues to be independent.

INDEPENDENT INTERNATIONAL AUDITOR

Since the incorporation of the Company, all its financial statements have been audited by Ernst & Young. A resolution will be proposed regarding the re-appointment of Ernst & Young as the Company's independent international auditor for 2021 at the forthcoming annual general meeting.

By the order of the Board

Director

Wang Nian-qiang

29 March 2021

確認獨立性

每位獨立非執行董事均已根據上市規則第3.13條的規定就其獨立性向本公司提供確認書。本公司經評估後認為各獨立非執行董事繼續為獨立人士。

獨立國際核數師

自本公司註冊成立後，其財務報表均由安永會計師事務所審核。本公司將於應屆股東週年大會上提呈續聘安永會計師事務所為本公司二零二一年度獨立國際核數師的決議案。

承董事會命

董事

王念強

二零二一年三月二十九日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

To the members of

BYD Electronic (International) Company Limited

(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of BYD Electronic (International) Company Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 116 to 227, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, 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 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 are independent of the Group in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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比亞迪電子(國際)有限公司股東

(於香港註冊成立的有限公司)

意見

我們已審核比亞迪電子(國際)有限公司(「貴公司」)及其附屬公司(「貴集團」)載於第116頁至第227頁的合併財務報表，此合併財務報表包括二零二零年十二月三十一日的合併財務狀況表、截至該日止年度的合併損益表、合併綜合收益表、合併權益變動表及合併現金流量表，以及合併財務報表附註，包括主要會計政策概要。

我們認為，合併財務報表已按照香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「《香港財務報告準則》」)真實公允地反映 貴集團於二零二零年十二月三十一日的合併財務狀況，以及 貴集團截至該日止年度的合併財務業績及合併現金流量，並已根據《香港公司條例》妥為編製。

意見基礎

我們乃根據香港會計師公會頒佈的《香港審核準則》進行審核。我們就該等準則須承擔的責任在本報告之核數師就審核合併財務報表須承擔的責任一節中詳述。根據香港會計師公會的《專業會計師職業道德守則》(「《守則》」)，我們獨立於 貴集團，並已根據《守則》履行其他道德責任。我們相信，我們已取得充分而恰當的審核憑證，足以為我們的審核意見提供基礎。

KEY AUDIT MATTERS

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

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

關鍵審核事項

根據我們的專業判斷，關鍵審核事項為我們審核本年度合併財務報表中最重要的事項。我們在整體上審核合併財務報表及就此形成意見時處理該等事項，且不會就該等事項單獨發表意見。就以下各事項而言，我們亦於上述情況下提供有關核數師如何處理該事項的說明。

我們已履行本報告之核數師就審核合併財務報表須承擔的責任一節中所述的責任（包括有關該等事項）。相應地，我們審核中包括執行有關程序，旨在對合併財務報表的重大錯誤陳述的風險評估作出反應。審核程序的結果（包括用於處理以下事項的程序）為隨附合併財務報表的審核意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter 關鍵審核事項

How our audit addressed the key audit matter 該事項在審核中是如何應對

Provision for impairment on trade receivables 應收貿易賬款的減值撥備

As at 31 December 2020, the Group recorded trade receivables of RMB14,502,826,000 and provision of RMB111,360,000 in the consolidated financial statements account.

於二零二零年十二月三十一日，貴集團於合併財務報表中錄得人民幣14,502,826,000元的應收貿易賬款及人民幣111,360,000元的撥備。

The management uses a provision matrix to calculate expected credit losses for trade receivables. The application of provision matrix requires to consider all reasonable and reliable information, including customers' credit risks, aging of receivables, existence of disputes and historic payments, as well as forecasts of future economic conditions. The groupings of various customer segments and the estimation of expected credit loss rate involve significant judgements and estimate.

管理層使用撥備矩陣計算應收貿易賬款之預期信貸虧損。使用撥備矩陣須考慮所有合理及可靠資料，包括客戶的信貸風險、應收賬款賬齡、是否存在糾紛及以往付款以及未來經濟狀況預測。各客戶分部的分類及預期信貸虧損率的估計涉及重大判斷及估計。

Details of provision for expected credit losses on trade receivables are disclosed in notes 2.4, 3 and 19 to the consolidated financial statements.

應收貿易賬款的預期信貸虧損撥備詳情披露於合併財務報表附註2.4、3及19。

We performed the following procedures, among others, in related to expected credit losses of trade receivables:

我們對應收貿易賬款的預期信貸虧損執行（其中包括）以下程序：

- Obtained an understanding of the key internal controls of provision for expected credit losses and its design and operating effectiveness;
- 了解預期信貸虧損撥備的關鍵內部控制及其設計和運行有效性；
- Discussed with management on the identification of customer segments and estimates on expected credit losses, reviewed its accuracy based on historical incurred losses, and evaluated the reasonableness of management's expected credit loss model considering current economic conditions;
- 與管理層討論客戶分部識別及預期信貸虧損估計，根據過往產生的虧損檢討其準確性及根據目前經濟狀況評估管理層的預期信貸虧損模式的合理性；
- For trade receivables with individually assessed credit risk exposure, discussed with management on the reasonableness of identification and analysed the recoverability of such receivables;
- 就單獨評估信貸風險的應收貿易賬款而言，與管理層討論識別有關應收賬款的合理性及分析有關應收賬款的可收回性；
- For trade receivables with credit risk exposure assessed based on provision matrix, evaluated the reasonableness of estimates on the expected credit loss model based on type of customers, historical incurred losses and expected credit loss rates of comparable companies;
- 就根據撥備矩陣評估信貸風險的應收貿易賬款而言，評估根據客戶類型、過往產生的虧損及可資比較公司的預期信貸虧損率作出的預期信貸虧損模式估計的合理性；
- Recalculated the management's impairment provision of trade receivables to ensure mathematical accuracy.
- 重新計算管理層對應收貿易賬款所作的減值撥備以確保算術準確性。

Key audit matter

關鍵審核事項

Inventory provision 存貨撥備

As at 31 December 2020, inventories and related provision amounted to RMB6,985,093,000 and RMB93,736,000, respectively, which were material to the consolidated financial statements.

於二零二零年十二月三十一日，存貨及相關撥備分別為人民幣6,985,093,000元及人民幣93,736,000元，對合併財務報表而言屬重大。

Inventories are stated at the lower of cost and net realisable value. The inventories of the Group are mobile intelligent terminals and other products which are subject to rapid product innovations and technological upgrade and therefore have a high risk of obsolescence. Management assessment on inventory provision is judgmental and is based on assumptions, specifically the forecasted inventory usage, estimated selling prices and cost to be incurred to completion and disposal, which are affected by expected future market and sales orders.

存貨按成本與可變現淨值兩者中的較低者列賬。貴集團存貨主要為產品革新及技術升級迅速的移動智能終端及其他產品，故廢棄風險極高。管理層對存貨撥備的評估為主觀判斷，乃基於預測存貨用途、預計售價及完成及出售產生的成本所作之假設，而該等假設受預期未來市場及銷售訂單所影響。

The accounting policies and disclosures for inventory provision are included in note 2.4, 3 and 18 to the consolidated financial statements.

存貨撥備之會計政策及披露載於合併財務報表附註2.4、3及18。

How our audit addressed the key audit matter

該事項在審核中是如何應對

We performed the following procedures, among others, on the inventory provision:

我們就存貨撥備進行(其中包括)以下程序：

- Checked management's methodology and estimates used in inventory provision calculation;
- 檢查計算存貨撥備時管理層所用的方法及估計；
- Assessed the reasonableness of the inventory provision by comparing to historical write-downs, actual selling prices and costs to sale;
- 與過往撇減、實際售價及銷售成本進行比較，評估存貨撥備是否合理；
- Tested the aging of inventories and discussed the long aging inventories with management to identify any slow-moving, excess or obsolete items;
- 測試存貨的賬齡及與管理層討論賬齡較長的存貨，以識別出任何滯銷、多餘或廢棄產品；
- Observed the stocktaking process at the end of the year;
- 觀察年末資產盤點過程；
- Performed subsequent sales review of inventories
- 對存貨進行期後銷售審閱

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and 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 of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

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

年度報告所包含的其他信息

貴公司董事對其他信息承擔責任。其他信息包括年度報告中除合併財務報表及本核數師報告之外的信息。

我們對合併財務報表作出的意見並未涵蓋其他信息，且我們不對其他信息發表任何形式的核證結論。

就審核合併財務報表而言，我們的責任是閱讀其他信息，從而考慮其他信息是否與合併財務報表或我們在審核過程中獲悉的情況存在重大不符，或存在重大錯誤陳述。倘我們基於已完成的工作，認為其他信息出現重大錯誤陳述，我們須報告該事實。我們就此無須報告任何事項。

董事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》真實公允地編製合併財務報表，以及維持董事認為必要的有關內部控制，以確保編製合併財務報表時不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製合併財務報表時，貴公司董事須負責評估貴集團持續經營的能力，並披露（如適用）與持續經營有關的事項，以及使用以持續經營為基礎的會計法，除非貴公司董事有意將貴集團清盤或停止營運，或並無其他實際可行的替代方案。

審核委員會協助貴公司董事履行監督貴集團的財務報告過程的責任。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

核數師就審核合併財務報表須承擔的責任

我們的目標是對整體合併財務報表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核證，並出具包含我們意見的核數師報告。根據《香港公司條例》第405條的規定，我們的報告僅為全體股東編製，而並不可作其他目的。我們不會就本報告的內容向任何其他人士負責或承擔責任。

合理核證屬高層次的核證，但不能保證按《香港審核準則》進行的審核始終能夠發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘合理預期其個別或整體影響合併財務報表使用者作出的經濟決定，則有關的錯誤陳述可視為重大。

作為我們根據《香港審核準則》進行審核的一部分，我們在整個審核過程中作出專業判斷並保持職業懷疑態度。我們亦：

- 識別及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，設計及執行審核程序以應對該等風險，以及獲得充足及適當的審核憑證，以為我們的意見提供基礎。由於欺詐可能涉及串謀、偽造、故意遺漏、虛假陳述或凌駕於內部控制之上，因此未能發現由此造成的重大錯誤陳述比未能發現因錯誤而導致的重大錯誤陳述的風險更高。
- 了解與審核有關的內部控制，以設計適當的審核程序，但並非旨在對貴集團內部控制的有效性發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估董事採用會計政策的恰當性，以及作出會計估計及相關披露的合理性。
- 對董事採用以持續經營為基礎的會計法的恰當性作出結論，並根據已獲取的審核憑證，就可能導致對 貴集團持續經營能力產生重大疑慮的事項或情況是否存在重大不確定因素得出結論。倘我們認為存在重大不確定因素，則我們須在核數師報告中注意合併財務報表的相關資料披露，或倘相關資料披露不足，則修訂我們的意見。我們的結論是基於截至核數師報告日止所取得的審核憑證。然而，未來事件或情況可能導致 貴集團不再持續經營。
- 評估合併財務報表（包括資料披露）的整體列報方式、架構及內容，以及合併財務報表是否已公允地反映及列報相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足適當的審核憑證，以就合併財務報表發表意見。我們須負責指導、監督和執行 貴集團的審核工作。我們須為我們的審核意見承擔全部責任。

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

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

我們就審核工作的計劃範圍和時間及審核過程中識別的重大審核發現（包括任何內部控制的重大缺失）及其他事項與審核委員會進行溝通。

我們亦向審核委員會作出聲明，確認我們已遵守有關獨立性的道德要求，並就所有被合理認為可能影響我們獨立性的關係和其他事宜以及所採取的消除威脅的行動或所應用的保障措施（如適用）與彼等進行溝通。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year 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 M.L. Chau.

Ernst & Young
Certified Public Accountants
Hong Kong

29 March 2021

我們通過與審核委員會溝通，確定哪些是本年度合併財務報表審核工作的最重要事項，即關鍵審核事項。除非法律或法規不容許公開披露此等事項或在極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超過公眾知悉此等事項的利益而不應在報告中予以披露，否則我們會在核數師報告中描述此等事項。

本獨立核數師報告的審核項目合夥人是周文樂。

安永會計師事務所
執業會計師
香港

二零二一年三月二十九日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

合併損益表

YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
REVENUE 收入	5	73,121,075	53,028,376
Cost of sales 銷售成本		(63,492,232)	(49,071,048)
Gross profit 毛利		9,628,843	3,957,328
Other income and gains 其他收入及收益	5	485,118	561,599
Government grants and subsidies 政府補助及補貼	7	391,757	236,979
Research and development expenses 研究及開發費用		(2,913,274)	(2,087,846)
Selling and distribution expenses 銷售及分銷開支		(236,855)	(256,786)
Administrative expenses 行政開支		(673,164)	(619,132)
Impairment losses on financial assets, net 金融資產減值虧損淨值		1,694	(15,961)
Loss on disposal of financial assets measured at amortised cost 出售以攤銷成本計量的金融資產的虧損		(896)	(21,195)
Other expenses 其他開支		(391,088)	(27,568)
Finance costs 融資成本	8	(71,333)	(31,218)
PROFIT BEFORE TAX 除稅前溢利	6	6,220,802	1,696,200
Income tax expense 所得稅開支	11	(779,431)	(98,555)
PROFIT FOR THE YEAR 年度溢利			
Attributable to owners of the parent 母公司擁有人應佔		5,441,371	1,597,645
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT 母公司普通股權益持有人應佔的每股盈利			
– Basic and diluted 基本及攤薄			
– For profit for the year 年度溢利	12	RMB人民幣2.41元	RMB人民幣0.71元

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併綜合收益表

YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
PROFIT FOR THE YEAR 年度溢利	5,441,371	1,597,645
OTHER COMPREHENSIVE INCOME 其他綜合收益		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods: 其後期間可重新分類至損益的其他綜合收益：		
Trade receivable financing: 應收款項融資：		
Changes in fair value, net of tax 公允價值變動，扣除稅項	(140)	(13)
Impairment losses, net of tax 減值虧損，扣除稅項	90	(80)
Exchange differences on translation of foreign operations 換算境外業務產生的匯兌差額	1,477	5,964
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods 其後期間可重新分類至損益的其他綜合收益淨值	1,427	5,871
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX 本年度其他綜合收益，扣除稅項	1,427	5,871
TOTAL COMPREHENSIVE INCOME FOR THE YEAR 本年度綜合收益總額	5,442,798	1,603,516
Attributable to owners of the parent 母公司擁有人應佔	5,442,798	1,603,516

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
NON-CURRENT ASSETS 非流動資產			
Property, plant and equipment 物業、廠房及設備	13	9,692,721	8,617,418
Right-of-use assets 使用權資產	14(a)	1,201,507	1,183,290
Prepayments, other receivables and other assets 預付款項、其他應收賬款及其他資產	15	589,473	566,805
Other intangible assets 其他無形資產	16	8,914	10,866
Loans to the ultimate holding company 貸款予最終控股公司	31	400,000	399,160
Deferred tax assets 遞延稅項資產	26	–	159,052
Other non-current financial assets 其他非流動金融資產	17	14,593	8,305
Total non-current assets 非流動資產總值		11,907,208	10,944,896
CURRENT ASSETS 流動資產			
Inventories 存貨	18	6,891,357	5,400,912
Trade receivables 應收貿易賬款	19	14,391,466	9,567,370
Trade receivable financing 應收款項融資		88,400	45,230
Prepayments, other receivables and other assets 預付款項、其他應收賬款及其他資產	15	1,231,281	381,766
Derivative financial instruments 衍生金融工具	23	–	15,520
Due from related parties 應收關聯方款項		–	236
Pledged deposits 已抵押存款	20	487	20,314
Cash and cash equivalents 現金及現金等價物	20	3,465,889	1,650,730
Total current assets 流動資產總值		26,068,880	17,082,078
Total assets 資產總值		37,976,088	28,026,974

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
CURRENT LIABILITIES 流動負債			
Trade and bills payables 應付貿易賬款及應付票據	21	8,145,851	7,339,882
Other payables and accruals 其他應付賬款及應計費用	22	4,295,401	2,679,785
Lease liabilities 租賃負債	14(b)	330,984	253,840
Derivative financial instruments 衍生金融工具	23	587	17,055
Tax payable 應付稅項		57,459	108,256
Interest-bearing bank and other borrowings 計息銀行及其他借款	25	2,009,247	–
Total current liabilities 流動負債總額		14,839,529	10,398,818
NET CURRENT ASSETS 流動資產淨值			
		11,229,351	6,683,260
TOTAL ASSETS LESS CURRENT LIABILITIES 資產總值減流動負債			
		23,136,559	17,628,156
NON-CURRENT LIABILITIES 非流動負債			
Deferred tax liabilities 遞延稅項負債	26	312,616	18,377
Lease liabilities 租賃負債	14(b)	404,596	498,252
Deferred income 遞延收入	24	147,054	122,054
Total non-current liabilities 非流動負債總額		864,266	638,683
Net assets 資產淨值			
		22,272,293	16,989,473
EQUITY 權益			
Share capital 股本	27	4,052,228	4,052,228
Other reserves 其他儲備	28	18,220,065	12,937,245
Total equity 權益總額		22,272,293	16,989,473

Wang Chuan-fu

王傳福

Director

董事

Wang Nian-qiang

王念強

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	Share capital	Fair value reserve of financial assets at fair value through other comprehensive income	Contributed surplus	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Total
	股本	以公允價值計量並計入其他綜合收益的公允價值儲備	實繳盈餘	法定盈餘儲備	外匯波動儲備	留存溢利	總計
	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
	(note 27)			(note (a))			
	(附註27)			(附註(a))			
At 1 January 2019 於二零一九年一月一日	4,052,228	(61)	(46,323)	919,972	(181,908)	11,081,424	15,825,332
Profit for the year 年度溢利	-	-	-	-	-	1,597,645	1,597,645
Changes in fair value of trade receivable financing							
應收款項融資公允價值變動	-	(93)	-	-	-	-	(93)
Exchange differences on translation of foreign operations							
換算境外業務產生的匯兌差額	-	-	-	-	5,964	-	5,964
Total comprehensive income for the year 本年度綜合收益總額	-	(93)	-	-	5,964	1,597,645	1,603,516
Final 2018 dividend 二零一八年末期股息	-	-	-	-	-	(439,375)	(439,375)
Transfer to statutory surplus reserve 轉撥至法定盈餘儲備	-	-	-	44,512	-	(44,512)	-
At 31 December 2019 於二零一九年十二月三十一日	4,052,228	(154)*	(46,323)*	964,484*	(175,944)*	12,195,182*	16,989,473
Profit for the year 年度溢利	-	-	-	-	-	5,441,371	5,441,371
Changes in fair value of trade receivable financing							
應收款項融資的公允價值變動	-	(50)	-	-	-	-	(50)
Exchange differences on translation of foreign operations							
換算境外業務產生的匯兌差額	-	-	-	-	1,477	-	1,477
Total comprehensive income for the year 本年度綜合收益總額	-	(50)	-	-	1,477	5,441,371	5,442,798
Final 2019 dividend 二零一九年末期股息	-	-	-	-	-	(159,978)	(159,978)
Transfer to statutory surplus reserve 轉撥至法定盈餘儲備	-	-	-	16,961	-	(16,961)	-
At 31 December 2020 於二零二零年十二月三十一日	4,052,228	(204)*	(46,323)*	981,445*	(174,467)*	17,459,614*	22,272,293

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

Notes:

(a) In accordance with the People's Republic of China (the "PRC") Company Law and the articles of association of the Company's subsidiaries, each of the Company's subsidiaries registered in the PRC is required to appropriate 10% of the annual statutory net profit after tax (after offsetting any prior years' losses) to its statutory surplus reserve. When the balance of this reserve reaches 50% of its capital, any further appropriation is optional. The statutory surplus reserve can be utilised to offset prior years' losses or to increase capital. However, the balance of the statutory surplus reserve must be maintained at a minimum of 25% of capital after this usage.

* These reserve accounts comprise the consolidated other reserves of RMB18,220,065,000 (2019: RMB12,937,245,000) in the consolidated statement of financial position as at 31 December 2020.

附註：

(a) 根據中華人民共和國（「中國」）公司法及本公司附屬公司的組織章程細則，本公司於中國登記的各附屬公司須將每年法定除稅後溢利淨值的10%（抵銷過往年度的虧損後）撥往其法定盈餘儲備。當該儲備的結餘達其資本的50%，則公司可選擇是否繼續作出撥款。法定盈餘儲備可用以抵銷過往年度的虧損或增加股本。然而，將法定盈餘儲備用以增加股本或抵銷過往年度虧損後，法定盈餘儲備的結餘不得少於資本的25%。

* 該等儲備賬包括二零二零年十二月三十一日的合併財務狀況表內的合併其他儲備人民幣18,220,065,000元（二零一九年：人民幣12,937,245,000元）。

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES 經營活動的現金流量			
Profit before tax 除稅前溢利		6,220,802	1,696,200
Adjustments for: 調整：			
Finance costs 融資成本		71,333	31,218
Interest income 利息收入	5	(50,468)	(53,683)
Government grants and subsidies 政府補助及補貼	7	(81,072)	(9,585)
Loss on disposal of items of property, plant and equipment 出售物業、廠房及設備項目的虧損	6	83,536	17,239
Depreciation of property, plant and equipment 物業、廠房及設備折舊	6	1,755,207	2,051,241
Amortisation of intangible assets 無形資產攤銷	6	4,734	7,401
Depreciation of right-of-use assets 使用權資產折舊	6	282,188	217,267
Impairment of trade receivables, net 應收貿易賬款減值淨值	6	698	14,633
Impairment of loans to the ultimate holding company, net 貸款予最終控股公司減值淨值		(840)	(240)
Impairment of trade receivable financing, net 應收款項融資減值淨額	6	90	(80)
Impairment of other receivables, net 其他應收賬款減值淨值		(1,642)	1,648
Write-down of inventories to net realisable value 存貨減值至可變現淨值	6	3,347	24,876
Fair value (gains)/losses, net: 公允價值(收益)/虧損淨額：			
Derivative instruments 衍生工具	6	(948)	1,535
Other non-current financial assets 其他非流動金融資產	6	(6,288)	(1,602)
		8,280,677	3,998,068

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Increase in inventories 存貨增加		(1,493,792)	(657,994)
Increase in trade receivables 應收貿易賬款增加		(4,824,794)	(2,372,778)
Increase in trade receivable financing 應收款項融資增加		(43,310)	(6,417)
Decrease in amounts due from related parties 應收關聯方款項減少		1,900	930
Increase in prepayments, other receivables and other assets 預付款項、其他應收賬款及其他資產增加		(749,537)	(60,964)
Increase/(Decrease) in trade and bills payables 應付貿易賬款及應付票據增加/(減少)		1,649,065	(909,153)
Increase in other payables 其他應付賬款增加		609,133	414,742
Increase/(decrease) in deferred income 遞延收入增加/(減少)		106,072	(4,005)
Cash generated from operations 經營產生的現金		3,535,414	402,429
Interest received 已收利息		50,468	53,683
Tax paid 已付稅項		(376,937)	(77,470)
Net cash flows from operating activities 經營活動的現金流量淨值		3,208,945	378,642
CASH FLOWS FROM INVESTING ACTIVITIES 投資活動的現金流量			
Purchases of items of property, plant and equipment 購買物業、廠房及設備項目		(2,803,954)	(2,744,728)
Purchases of items of leasehold land included in right-of-use assets 購買計入使用權資產的租賃土地項目		(102,856)	(106,301)
Purchases of other intangible assets 購買其他無形資產	16	(2,782)	(4,036)
Proceeds from disposal of items of property, plant and equipment 出售物業、廠房及設備項目的所得款項		9,263	23,135
Decrease/(increase) in pledged deposits 已抵押存款減少/(增加)		19,827	(20,314)
Purchases of financial products 購買金融產品		(100,000)	–
Net cash flows used in investing activities 投資活動所用現金流量淨值		(2,980,502)	(2,852,244)

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
CASH FLOWS FROM FINANCING ACTIVITIES 融資活動的現金流量			
New bank loans 新銀行貸款		2,357,317	–
Repayment of bank loans 銀行貸款還款		(349,055)	–
Interest paid 已付利息		(35,356)	(479)
Lease payments 支付租賃款項	14(b)	(242,698)	(183,149)
Dividend paid 已付股息		(159,978)	(439,375)
Net cash flows from/(used in) financing activities 融資活動所得/(所用)現金流量淨值		1,570,230	(623,003)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS 現金及現金等價物增加/(減少)淨值			
Cash and cash equivalents at beginning of year 年初現金及現金等價物		1,650,730	4,741,377
Effect of foreign exchange rate changes, net 匯率變動的影響，淨值		16,486	5,958
CASH AND CASH EQUIVALENTS AT END OF YEAR 年末現金及現金等價物		3,465,889	1,650,730

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in Hong Kong with limited liability on 14 June 2007.

The Company's shares have been listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 20 December 2007.

The registered office of the Company is located at part of Unit 1712, 17th Floor, Tower 2, Grand Central Plaza, No.138 Shatin Rural Committee Road, Shatin, New Territories, Hong Kong.

The Group provides world renowned customers with new material development, product design and development, parts and components as well as complete machine manufacturing, supply chain management, logistics, after-sales and other one-stop services. Its products cover four major areas including smartphone and PC, new intelligent product, automotive intelligent system and medical and health.

In the opinion of the directors, the immediate holding company of the Company is Golden Link Worldwide Limited, an enterprise incorporated in the British Virgin Islands, and the ultimate holding company of the Company is BYD Company Limited, a company established in the PRC whose H shares are listed on the Stock Exchange and A shares are listed on the Small and Medium Enterprise Board of Shenzhen Stock Exchange.

1. 公司及集團資料

本公司於二零零七年六月十四日在香港註冊成立為有限公司。

本公司股份已於二零零七年十二月二十日在香港聯合交易所有限公司（「聯交所」）上市。

本公司註冊辦事處位於香港新界沙田區沙田鄉事會路138號新城市中央廣場二座17樓1712室一部分。

本公司為全球知名客戶提供新材料開發、產品設計與研發、零組件及整機製造、供應鏈管理、物流及售後等一站式服務，產品覆蓋智能手機及筆電，新型智能產品，汽車智能系統，醫療健康四大領域。

董事認為，本公司的直接控股公司為 Golden Link Worldwide Limited（一間於英屬處女群島註冊成立的企業），本公司的最終控股公司為比亞迪股份有限公司（一家在中國成立的公司，其H股在聯交所上市，及A股在深圳證券交易所中小企業板上上市）。

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財務報表附註

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1. CORPORATE AND GROUP INFORMATION (Continued) INFORMATION ABOUT SUBSIDIARIES

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

Company name 公司名稱	Place of incorporation or registration and operations 註冊成立或 登記及經營地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Lead Wealth International Limited ("Lead Wealth") (領裕國際有限公司)*** 領裕國際有限公司(「領裕」)***	British Virgin Islands 英屬處女群島	US\$50,000 50,000美元	-	100	Investment holding 投資控股
BYD Precision Manufacture Co., Ltd. ("BYD Precision")(比亞迪精密製造有限公司)* 比亞迪精密製造有限公司(「比亞迪精密」)*	PRC/Mainland China 中國/中國內地	US\$145,000,000 145,000,000美元	-	100	Manufacture and sale of mobile handset components, modules and other products 製造及銷售手機零部件、模組及 其他產品
Huizhou BYD Electronic Co., Limited ("Huizhou Electronic")(惠州比亞迪電子有限公司)** 惠州比亞迪電子有限公司(「惠州電子」)**	PRC/Mainland China 中國/中國內地	US\$110,000,000 110,000,000美元	-	100	High-level assembly 高水平組裝
BYD India Private Limited ("BYD India")*** BYD India Private Limited (「BYD India」)***	India 印度	INR2,562,804,780 2,562,804,780盧比	-	100	Manufacture and sale of mobile handset components and modules, manufacture and sale of battery, charger, iron-phosphate batteries used in electric bus, electric truck, electric car, electric forklift and its components & spare parts, building and maintaining monorail projects. 製造及銷售手機零部件和模組、製造 及銷售電動公共汽車、電動貨車、 電動汽車、電動叉車及其零部件所 用電池、充電器、磷酸鐵電池、建 造及維護單軌項目。

1. 公司及集團資料(續)

有關附屬公司的資料

本公司主要附屬公司的詳情如下：

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財務報表附註

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1. CORPORATE AND GROUP INFORMATION (Continued)

INFORMATION ABOUT SUBSIDIARIES (Continued)

Company name 公司名稱	Place of incorporation or registration and operations 註冊成立或 登記及經營地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Xi'an BYD Electronic Co., Limited ("Xi'an Electronic") (西安比亞迪電子有限公司)* 西安比亞迪電子有限公司(「西安電子」)*	PRC/Mainland China 中國/中國內地	RMB100,000,000 人民幣100,000,000元	-	100	Manufacture and sale of mobile handset components 製造及銷售手機零部件
BYD (Changsha) Electronic Co., Limited ("Changsha Electronic") (長沙比亞迪電子有限公司)* 長沙比亞迪電子有限公司(「長沙電子」)*	PRC/Mainland China 中國/中國內地	RMB50,000,000 人民幣50,000,000元	-	100	Manufacture and sale of mobile handset components 製造及銷售手機零部件
BYD (Shaoguan) Electronic Co., Limited ("Shaoguan Electronic") (韶關比亞迪電子有限公司)* 韶關比亞迪電子有限公司(「韶關電子」)*	PRC/Mainland China 中國/中國內地	RMB30,000,000 人民幣30,000,000元	-	100	Manufacture and sale of mobile handset components 製造及銷售手機零部件
* These subsidiaries are registered as wholly-foreign-owned enterprises under PRC law.					* 該等附屬公司根據中國法律註冊為外商獨資企業。
** Huizhou Electronic is registered as a Sino-foreign joint venture under PRC law.					** 惠州電子根據中國法律註冊為中外合資企業。
*** These subsidiaries are registered as wholly-foreign-owned enterprises under foreign law.					*** 該等附屬公司根據境外法律註冊為外商獨資企業。

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

1. 公司及集團資料(續)

有關附屬公司的資料(續)

董事認為，上表所列的本公司附屬公司乃主要影響年度業績或構成本集團資產淨值的重大部分的附屬公司。董事認為，提供其他附屬公司的詳情會導致篇幅過於冗長。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain equity investments designated at fair value through other comprehensive income, financial assets at fair value through profit or loss, trade receivable financing and derivative financial instruments, which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

2.1 編製基準

此等財務報表乃按照由香港會計師公會（「香港會計師公會」）頒佈的《香港財務報告準則》（「香港財務報告準則」）（包括所有《香港財務報告準則》、《香港會計準則》（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例而編製。此等財務報表乃按照歷史成本法編製，惟若干指定為以公允價值計量並計入其他綜合收益的權益投資、以公允價值計量並計入損益的金融資產、應收款項融資及衍生金融工具除外，其乃以公允價值計量。此等財務報表以人民幣（「人民幣」）呈列，除另有指明外，所有價值乃約整至最接近的千位。

合併基準

合併財務報表包括本集團截至二零二零年十二月三十一日止年度之財務報表。附屬公司乃一間由本公司直接或間接控制的實體（包括結構性實體）。當本集團對參與投資對象業務的浮動回報承擔風險或享有權利以及能透過對投資對象的權力（即本集團獲賦予現有能以主導投資對象相關活動的既存權利）影響該等回報時，即取得控制權。

倘本公司直接或間接擁有少於投資對象大多數投票權或類似權利，則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

- (a) 與投資對象其他投票持有人的合同安排；
- (b) 其他合同安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

2.1 BASIS OF PREPARATION (Continued)

BASIS OF CONSOLIDATION (Continued)

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

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

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

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

2.1 編製基準 (續)

合併基準 (續)

附屬公司與本公司的財務報表的報告期間相同，並採用一致會計政策編製。附屬公司的業績由本集團取得控制權之日起計合併入賬，並繼續合併入賬至該等控制權終止之時為止。

損益及其他綜合收益各組成部分乃歸屬於本集團母公司擁有人及非控股權益，即使此舉引致非控股權益結餘為負數。有關本集團成員公司之間交易的所有集團內公司間資產及負債、權益、收入、開支及現金流量均於合併賬目時全數抵銷。

倘有事實及情況顯示上述的三個控制因素中有一個或以上出現變動，則本集團將重新評估是否仍控制投資對象。附屬公司的所有權權益發生變動（並未失去控制權），則按權益交易入賬。

倘本集團失去對附屬公司的控制權，則其撤銷確認(i)該附屬公司的資產（包括商譽）及負債；(ii)任何非控股權益的賬面值及(iii)於權益內記錄的累計交易差額；並於損益確認(i)所收代價的公允價值；(ii)所保留任何投資的公允價值及(iii)任何因此產生的盈餘或虧損。先前於其他綜合收益內確認的本集團應佔部分重新分類為損益或留存溢利（如適用），所依據的基準與倘本集團直接出售相關資產或負債所需依據者相同。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the *Conceptual Framework for Financial Reporting 2018* and the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i>
Amendment to HKFRS 16	<i>Covid-19-Related Rent Concessions (early adopted)</i>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i>

The nature and the impact of the *Conceptual Framework for Financial Reporting 2018* and the revised HKFRSs are described below:

- (a) *Conceptual Framework for Financial Reporting 2018* (the "Conceptual Framework") sets out a comprehensive set of concepts for financial reporting and standard setting, and provides guidance for preparers of financial statements in developing consistent accounting policies and assistance to all parties to understand and interpret the standards. The Conceptual Framework includes new chapters on measurement and reporting financial performance, new guidance on the derecognition of assets and liabilities, and updated definitions and recognition criteria for assets and liabilities. It also clarifies the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The Conceptual Framework did not have any significant impact on the financial position and performance of the Group.

2.2 會計政策及披露的變動

本集團已就本年度的財務報表首次採納二零一八年財務報告概念框架及下列經修訂《香港財務報告準則》。

《香港財務報告準則》第3號的修訂	業務的定義
《香港財務報告準則》第9號、《香港會計準則》第39號及《香港財務報告準則》第7號的修訂	利率基準改革
《香港財務報告準則》第16號的修訂	新冠肺炎相關的租金優惠(提早採納)
《香港會計準則》第1號及《香港會計準則》第8號的修訂	重大的定義

二零一八年財務報告概念框架及經修訂《香港財務報告準則》的性質及影響於下文概述：

- (a) 二零一八年財務報告概念框架(「概念框架」)載列有關財務報告及標準制定的整套概念，且提供指引以供財務報表編製者制定一致的會計政策，並提供協助予各方以理解及詮釋準則。概念框架包括有關計量及報告財務表現的新章節、有關取消確認資產及負債的新指引以及資產及負債的更新定義及確認標準。其亦澄清監管、審慎及計量不確定性於財務報告之角色。概念框架並非為一項準則，且其中包含的概念概無凌駕任何準則的概念或規定。概念框架並無對本集團的財務狀況及表現產生任何重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

- (b) Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 January 2020. The amendments did not have any impact on the financial position and performance of the Group.
- (c) Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate ("RFR"). The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the introduction of the alternative RFR. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any interest rate hedging relationships.

2.2 會計政策及披露的變動(續)

- (b) 《香港財務報告準則》第3號的修訂釐清並規定有關業務的定義之額外指引。該等修訂釐清，倘一系列綜合活動和資產要被視為業務，其須至少包括一項投入及一個實質性過程，兩者共同對創造產出的能力作出重大貢獻。一項業務可不必包括所有創造產量所需的投入與過程而存在。該等修訂移除對市場參與者是否有能力獲得該業務並持續產出之評估，反之，重點聚焦於獲得的投入及實質性過程是否共同對創造產量的能力作出重大貢獻。該等修正亦縮小產出的定義，重點聚焦於向客戶提供的商品或服務、投資收入或來自日常活動的其他收入。此外，該等修訂規定評估收購流程是否具有實質性的指引，並引入可選的公允價值集中測試，以便簡化評估所獲得的一系列活動及資產是否為非業務。本集團將該等修訂追溯應用於二零二零年一月一日或之後發生的交易或其他事件。該等修訂並無對本集團的財務狀況及表現產生任何影響。
- (c) 《香港財務報告準則》第9號、《香港會計準則》第39號及《香港財務報告準則》第7號的修訂處理會影響以替代無風險利率(「無風險利率」)取代現有利率基準之前期間財務報告之問題。該等修訂提供暫時性的解決辦法，使得對沖會計可繼續於推出替代無風險利率之前的不明朗期間進行。此外，該等修訂規定公司向投資者提供有關直接受該等不確定因素影響的對沖關係的更多資料。該等修訂並無對本集團的財務狀況及表現產生任何影響，原因是本集團並無任何利率對沖關係。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(d) Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 1 June 2020 with earlier application permitted and shall be applied retrospectively.

During the year ended 31 December 2020, certain monthly lease payments for the leases of the Group's plant and machinery have been reduced or waived by the lessors upon reducing the scale of production as a result of the pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 January 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the pandemic during the year ended 31 December 2020. No reduction in the lease payments arising from the rent concessions has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the year ended 31 December 2020. The amendment did not have any impact on the financial position and performance of the Group.

(e) Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. The amendments did not have any significant impact on the financial position and performance of the Group.

2.2 會計政策及披露的變動(續)

(d) 《香港財務報告準則》第16號的修訂為承租人提供一個實際權宜方法以選擇就新冠肺炎疫情的直接影響產生的租金減免不應用租賃修改會計處理。實際權宜方法僅適用於疫情的直接影響產生的租金減免，且僅在(i)租賃付款變動導致減讓後的租賃對價較減讓前基本不變或減少；(ii)租賃付款減讓僅影響原先於二零二一年六月三十日或之前到期的款項；及(iii)租賃的其他條款及條件並無重大變動時，方可適用。該修訂於二零二零年六月一日或之後開始的年度期間生效，並允許提前應用及將須追溯應用。

截至二零二零年十二月三十一日止年度，本集團因疫情的影響導致生產規模下降而被出租人減免廠房及機械的若干月租賃付款，而租賃條款並無其他變動。本集團已於二零二零年一月一日提早採納該修訂，並選擇不就截至二零二零年十二月三十一日止年度出租人因疫情而授出的所有租金減免應用租賃修改會計處理。因已透過終止確認部分租賃負債並作為可變租賃付款計入截至二零二零年十二月三十一日止年度損益的方式計入，租金寬免而產生的租賃付款減少並無作為可變租賃付款入賬。該修訂並無對本集團的財務狀況及業績造成任何影響。

(e) 《香港會計準則》第1號及《香港會計準則》第8號的修訂規定重大的新定義。新定義指出，倘可合理預期省略、錯誤陳述或模糊資料將影響通用財務報表的主要用戶以該等財務報表為基礎所作出的決策，該資料即屬重大。該等修訂釐清重大性將取決於資料的性質或程度或兩者。該等修訂並無對本集團的財務狀況及表現產生任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework²</i>
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	<i>Interest Rate Benchmark Reform – Phase 2¹</i>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current^{3, 5}</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use²</i>
Annual Improvements to HKFRSs 2018-2020	<i>Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 4¹</i>

- 1 Effective for annual periods beginning on or after 1 January 2021
- 2 Effective for annual periods beginning on or after 1 January 2022
- 3 Effective for annual periods beginning on or after 1 January 2023
- 4 No mandatory effective date yet determined but available for adoption
- 5 As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion

2.3 已頒佈惟未生效的《香港財務報告準則》

本集團並無於本財務報表內應用下列已頒佈但尚未生效之新訂及經修訂《香港財務報告準則》。

《香港財務報告準則》第3號的修訂	引用概念框架 ²
《香港財務報告準則》第9號、《香港會計準則》第39號、《香港財務報告準則》第7號、《香港財務報告準則》第4號及《香港財務報告準則》第16號的修訂	利率基準改革 – 第2階段 ¹
《香港財務報告準則》第10號及《香港會計準則》第28號 (二零一一年)的修訂	投資者與其聯營公司或合營公司之間的資產出售或注資 ⁴
《香港會計準則》第1號的修訂	將負債分類為流動或非流動 ^{3, 5}
《香港會計準則》第16號的修訂	物業、廠房及設備：作擬定用途前之所得款項 ²
《香港財務報告準則》二零一八年至二零二零年之年度改進	《香港財務報告準則》第1號、《香港財務報告準則》第9號、《香港財務報告準則》第16號相應闡釋範例及《香港會計準則》第41號的修訂 ¹

- 1 於二零二一年一月一日或之後開始之年度期間生效
- 2 於二零二二年一月一日或之後開始之年度期間生效
- 3 於二零二三年一月一日或之後開始之年度期間生效
- 4 並無釐定強制生效日期，惟可採用
- 5 由於《香港會計準則》第1號、香港詮釋第5號財務報表的呈報 – 借款人對載有按要求償還條款的定期貸款的分類於二零二零年十月修訂，以使相應的措詞保持一致，結論不變

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

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

Amendments to HKFRS 3 are intended to replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the Conceptual Framework for Financial Reporting issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈惟未生效的《香港財務報告準則》(續)

有關預期將適用於本集團的該等《香港財務報告準則》的進一步資料說明如下。

《香港財務報告準則》第3號的修訂旨在以二零一八年六月頒佈的引用財務報告概念框架取代引用先前財務報表編製及呈列框架，而毋須大幅度改變其規定。該等修訂亦就《香港財務報告準則》第3號就實體引用概念框架以釐定構成資產或負債之內容之確認原則增設一項例外情況。該例外情況規定，對於可能屬於《香港會計準則》第37號或《香港（國際財務報告詮釋委員會）－詮釋》第21號範圍內的負債及或然負債而言，倘該等負債屬單獨產生而非於業務合併中產生，則應用《香港財務報告準則》第3號的實體應分別參考《香港會計準則》第37號或《香港（國際財務報告詮釋委員會）－詮釋》第21號，而非概念框架。此外，該等修訂澄清或然資產於收購日期不符合確認條件。本集團預計自二零二二年一月一日起提前採納該等修訂。由於該等修訂提前適用於收購日期為首次應用日期或之後的業務合併，因此本集團於過渡日期將不會受該等修訂的影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative RFR. The Phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021 and shall be applied retrospectively, but entities are not required to restate the comparative information. The amendments did not have any impact on the financial position and performance of the Group.

The Group had no interest-bearing bank borrowings denominated in Hong Kong dollars and foreign currencies based on the Hong Kong Interbank Offered Rate and the London Interbank Offered Rate ("LIBOR") as at 31 December 2020. If the interest rates are replaced by RFRs in a future period, the Group will apply this practical expedient upon the modification when the "economically equivalent" criterion is met and expects that no significant modification gain or loss will arise as a result of applying the amendments to these changes. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈惟未生效的《香港財務報告準則》(續)

當現有利率基準被替代無風險利率替代時，《香港財務報告準則》第9號、《香港會計準則》第39號、《香港財務報告準則》第7號、《香港財務報告準則》第4號及《香港財務報告準則》第16號的修訂解決先前影響財務報告之修訂未處理的問題。第2階段之修訂提供對於釐定金融資產及負債之合約現金流量之基準之變動進行會計處理時無需調整賬面值而更新實際利率的可行權宜方法，前提為該變動為利率基準改革之直接後果且釐定合約現金流量的新基準於經濟上等同於緊接變動前的先前基準。此外，該等修訂允許利率基準改革所規定對沖指定及對沖文件進行更改，而不會中斷對沖關係。過渡期間可能產生的任何損益均通過《香港財務報告準則》第9號的正常規定進行處理，以衡量及確認對沖無效性。倘無風險利率被指定為風險組成部分時，該等修訂亦暫時減輕了實體必須滿足可單獨識別的要求。倘實體合理地預期無風險利率風險組成部分於未來24個月內將變得可單獨識別，則該減免允許實體於指定對沖後假定已滿足可單獨識別之規定。此外，該等修訂亦規定實體須披露額外資料，以使財務報表的使用者能夠了解利率基準改革對實體的金融工具及風險管理策略的影響。該等修訂於二零二一年一月一日或之後開始的年度期間生效，並應追溯應用，但實體毋須重述比較資料。該等修訂並無對本集團的財務狀況及業績造成任何影響。

於二零二零年十二月三十一日，本集團無根據香港銀行同業拆借利率及倫敦銀行同業拆借利率（「倫敦銀行同業拆借利率」），以港元及外幣計值的若干計息銀行借款。倘該利率在未來期間被無風險利率所替代，則當滿足「經濟等價」標準時，本集團將在修改時採用該實際權宜方法，並預期不會因對該等更改應用修訂而產生重大的修改損益。該等修訂預期並無對本集團的財務狀況造成任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to HKAS 1 clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈惟未生效的《香港財務報告準則》(續)

《香港財務報告準則》第10號及《香港會計準則》第28號(二零一一年)的修訂針對《香港財務報告準則》第10號與《香港會計準則》第28號(二零一一年)之間有關投資者與其聯營公司或合營公司之間的資產出售或注資兩者規定的不一致性。該等修訂規定，當投資者與其聯營公司或合營公司之間的資產出售或注資構成一項業務時，須悉數確認收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營公司或合營公司的權益為限。該等修訂即將應用。香港會計師公會已於二零一六年一月剔除以往對《香港財務報告準則》第10號及《香港會計準則》第28號(二零一一年)的修訂的強制生效日期，新的強制生效日期將於聯營公司及合營公司會計的進一步審閱完成後釐定。然而，該等修訂目前可採納。

《香港會計準則》第1號的修訂澄清將負債分類為流動或非流動的規定。該等修訂指明，倘實體延遲償還負債的權利受限於實體符合特定條件，則倘該實體符合當日之條件，其有權於報告期末延遲償還負債。負債的分類不受該實體行使其延遲償還負債權利的可能性的影響。該等修訂亦澄清被視為償還負債的情況。該等修訂於二零二三年一月一日或之後開始的年度期間生效，並應追溯應用。允許提早應用。該等修訂預期不會對本集團的財務報表產生任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to HKFRSs 2018-2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's financial statements.
- HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

2.3 已頒佈惟未生效的《香港財務報告準則》(續)

《香港會計準則》第16號的修訂禁止實體從物業、廠房及設備的成本中扣除資產達到管理層預定的可使用狀態(包括位置與條件)過程中產生的任何出售項目所得款項。相反,實體必須將任何該等項目的出售所得款項及該等項目的成本於損益確認。該等修訂於二零二二年一月一日或之後開始的年度期間生效,並僅追溯應用實體於首次採用該等修訂的財務報表所呈列的最早期間的期初或之後可供使用的物業、廠房及設備項目。允許提前應用。該等修訂預期不會對本集團的財務報表造成任何重大影響。

《香港財務報告準則》二零一八年至二零二零年之年度改進載列《香港財務報告準則》第1號、《香港財務報告準則》第9號、《香港財務報告準則》第16號相應闡釋範例及《香港會計準則》第41號的修訂預期將適用於本集團的修訂的詳情如下:

- 《香港財務報告準則》第9號金融工具: 澄清實體在評估新的或修改的金融負債的條款與原始金融負債的條款是否存在實質性差異時所包含的費用。該等費用僅包括在借款人與貸方之間支付或收取的費用,包括由借款人或貸方代表對方支付或收取的費用。實體將修訂應用於在實體首次應用修訂的年度報告期開始日或之後修改或交換的金融負債。該等修訂自二零二二年一月一日或之後開始之年度期間生效,允許提前應用。該等修訂預期不會對本集團的財務報表產生重大影響。
- 《香港財務報告準則》第16號租賃: 於《香港財務報告準則》第16號隨附闡釋範例13中刪除出租人與租賃物業裝修有關的付款闡釋。此消除應用《香港財務報告準則》第16號時對租賃激勵處理的潛在混淆。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BUSINESS COMBINATIONS

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

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

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

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

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

2.4 重要會計政策摘要

業務合併

業務合併乃以收購法入賬。轉讓的代價乃以收購日期的公允價值計算，該公允價值為本集團轉讓的資產、本集團自被收購方的前擁有人承擔的負債及本集團發行以換取被收購方控制權的股本權益於收購日期的公允價值總和。於各業務合併中，本集團選擇是否以公允價值或被收購方可識別資產淨值的應佔比例，計量於被收購方的非控股權益（屬現時擁有人權益並賦予擁有人權利於清盤時按比例分佔其資產淨值）。非控股權益的所有其他組成部分乃以公允價值計量。收購相關成本於產生時列為開支。

當所購入的一系列業務及資產包括一項投入及一項實質性流程，共同對創造產出的能力作出重大貢獻時，本集團確定其已收購一項業務。

當本集團收購一項業務時，會根據合同條款、於收購日期的經濟環境及相關條件，評估將承擔的金融資產及負債，以作出適合的分類及指定，其中包括將被收購方主合同中的嵌入式衍生工具進行分離。

倘業務合併分階段進行，先前持有的股權按收購日期的公允價值重新計量，而任何所得收益或虧損則於損益中確認。

收購方所轉讓的任何或然代價按於收購日期的公允價值確認。分類為資產或負債的或然代價以公允價值計量，公允價值變動確認於損益內。分類為權益的或然代價並無重新計量，而其後結算於權益中入賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FAIR VALUE MEASUREMENT

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

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

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

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

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.4 重要會計政策摘要(續)

公允價值計量

本集團於各報告期末以公允價值計量其上市股本投資及衍生金融工具。公允價值指市場參與者於計量日期在有序交易中出售資產所收取或轉讓負債所支付的價格。公允價值計量所依據的假設為，出售資產或轉讓負債的交易乃於該資產或負債的主要市場進行，或如無主要市場，則於對該資產或負債最為有利的市場進行。本集團必須可進入該主要或最為有利的市場。計量資產或負債的公允價值使用市場參與者於為該資產或負債定價時所依據的假設，即假設市場參與者按其最佳經濟利益行事。

非金融資產公允價值的計量參考市場參與者可從使用該資產得到的最高及最佳效用，或把該資產售予另一可從使用該資產得到最高及最佳效用的市場參與者所產生的經濟效益。

本集團使用適用於不同情況的估值方法，而其有足夠數據計量公允價值，並盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

於財務報表中以公允價值計量或披露的所有資產及負債，均以對整體公允價值計量屬重要的最低水平輸入數據為基礎以公允價值等級分類如下：

第一級 – 以相同資產或負債的活躍市場報價(未經調整)為基礎進行計量

第二級 – 根據估值方法(對公允價值計量屬重要的最低水平輸入數據可直接或間接觀察)進行計量

第三級 – 根據估值方法(對公允價值計量屬重要的最低水平輸入數據不可觀察)進行計量

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FAIR VALUE MEASUREMENT (Continued)

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

IMPAIRMENT OF NON-FINANCIAL ASSETS

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

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 重要會計政策摘要(續)

公允價值計量(續)

就按經常性基準於財務報表確認的資產及負債而言，本集團於各報告期末透過重新評估分類(基於對整體公允價值計量屬重要的最低水平輸入數據)而確定各等級之間是否已進行轉撥。

非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(存貨、遞延稅項資產及金融資產除外)，則會估計資產的可收回金額。資產的可收回金額按資產或現金產生單位的使用價值與公允價值減出售成本二者之間的較高者計算，並就個別資產而釐定，除非有關資產並無產生大致獨立於其他資產或資產類別的現金流入，在此情況下，可收回金額就資產所屬的現金產生單位而釐定。

減值虧損僅於資產賬面值超逾可收回金額時確認。於評估使用價值時，估計未來現金流量按可反映現時市場對貨幣時間價值的評估及資產特定風險的稅前折現率折現至現值。減值虧損於產生期間於損益表內與減值資產功能一致的開支類別中扣除。

於每個報告期末會就是否有任何跡象顯示過往確認的減值虧損不再存在或已可能減少作出評估。倘存有一種該等跡象，便估計可收回金額。除商譽外，僅於釐定資產的可收回金額的估計出現變動時，於過往確認的資產減值虧損方予以撥回。估計之可收回金額不得高於假定過往年度並無就該資產確認任何減值虧損所釐定的賬面值(扣除任何折舊／攤銷)。減值虧損撥回於產生期間計入損益表內。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

RELATED PARTIES

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

2.4 重要會計政策摘要(續)

關聯方

任何一方如屬以下情況，即視為本集團的關聯方：

- (a) 該方為一名人士或該人士家族的近親，而該名人士：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理成員；

或

- (b) 該方屬於符合下列任何條件的實體：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一實體（或另一實體的母公司、附屬公司或同系附屬公司）的聯營公司或合營公司；
 - (iii) 該實體及本集團均為同一第三方的合營公司；
 - (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體為離職後福利計劃，該計劃的受益人為本集團或與本集團有關聯的實體的僱員；

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

RELATED PARTIES (Continued)

(b) (Continued)

- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 重要會計政策摘要 (續)

關聯方 (續)

(b) (續)

- (vi) 該實體由(a)項所述人士控制或共同控制；
- (vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理成員；及
- (viii) 實體或一間集團之任何成員公司(為集團之一部分)向本集團或本集團的母公司提供主要管理人員服務。

物業、廠房及設備和折舊

物業、廠房及設備(在建工程除外)乃按成本值減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本指其購買價及使資產達到可使用狀況及運送至其計劃中使用地點的任何直接應佔成本。物業、廠房及設備項目開始運作後產生的開支，例如維修保養的成本，一般於產生期內在損益表中列支。在達到確認標準的情況下，主要檢測所產生的開支在資產賬面值中資本化為重置。倘大部分物業、廠房及設備須不時重置，則本集團會將有關部分確認為具特定使用年期的個別資產並會作出相應折舊。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal estimated useful lives and residual value are as follows:

	Estimated useful lives 估計可使用年期	Residual value 剩餘價值
Freehold land 永久業權土地	Not depreciated 並無折舊	—
Buildings 樓宇	10 to 70 years 10至70年	5%
Leasehold improvements 租賃物業裝修	Over the shorter of the lease terms and 5 years 於租賃年期內或5年(以較短者為準)	—
Machinery and equipment 機器及設備	5 to 12 years 5至12年	5%
Office equipment and fixtures 辦公室設備及傢俱	5 years and below 5年及以下	5%
Motor vehicles 車輛	3 to 5 years 3至5年	5%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 重要會計政策摘要(續)

物業、廠房及設備和折舊(續)

每項物業、廠房及設備項目的折舊乃以直線法按其估計可使用年期攤銷其成本至其剩餘價值計算。主要估計可使用年期及剩餘價值如下：

倘物業、廠房及設備項目各部分的可使用年期並不相同，該項目各部分的成本將按合理基礎分配，而每部分將作個別折舊。剩餘價值、可使用年期及折舊方法至少於各財政年度年底審核，並在適當情況下加以調整。

包括已初步確認的任何重要部分的物業、廠房及設備項目於被出售或預計其使用或出售不再產生未來經濟利益時終止確認。於資產終止確認年度因其出售或報廢並在損益表確認的任何盈虧乃有關資產的出售所得款項淨額與賬面值的差額。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION (Continued)

Construction in progress representing property, plant and equipment under construction is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

INTANGIBLE ASSETS (OTHER THAN GOODWILL)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Computer software

Purchased computer software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of five years.

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

2.4 重要會計政策摘要(續)

物業、廠房及設備和折舊(續)

在建工程指在建中的物業、廠房及設備，以成本減任何減值虧損列賬，且並未計算折舊。成本包括於興建期間的直接建築成本及有關借款的資本化借款成本。在建工程在竣工及達到可使用狀況時重新歸類至適當的物業、廠房及設備類別。

無形資產(商譽除外)

單獨收購的無形資產於初步確認時按成本計量。業務合併中所收購無形資產的成本為收購日期的公允價值。無形資產的可使用年期乃評估為有限或無限。具有有限年期的無形資產其後於可使用經濟年期攤銷，並於該無形資產出現減值跡象時作減值評估。具有有限可使用年期的無形資產的攤銷年期及攤銷方法須至少於每個財政年度年底審核。

電腦軟件

已購買的電腦軟件按成本減任何減值虧損列賬，並按直線法於其估計可使用年期五年內攤銷。

研究與開發成本

所有研究成本均於產生時自損益表扣除。

開發新產品項目所產生的開支僅在下列情況下資本化並作遞延處理：本集團可確定完成該項無形資產以作使用或出售用途在技術上為可行；本集團有意完成該項無形資產，並能夠使用或出售該項資產；本集團可證明該項資產日後將如何產生經濟利益；完成該項目的可用資源充足；以及有能力在開發過程中可靠地計量開支。不符合此等標準的產品開發開支在產生時支銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LEASES

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	44 to 99 years
Buildings	1 to 20 years
Machinery and other equipment	1 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 重要會計政策摘要(續)

租賃

本集團於合同開始時評估合同是否屬於或包含租賃。倘合同為換取代價而給予可在一段時間內控制使用可識別資產的權利，則該合同屬於或包含租賃。

本集團作為承租人

本集團就所有租賃採用單一確認及計量方法，惟短期租賃及低價值資產租賃除外。本集團確認租賃付款的租賃負債及使用權資產(即使用相關資產的權利)。

(a) 使用權資產

於租賃開始日期(即相關資產可供使用的日期)確認使用權資產。使用權資產按成本計量，扣除任何累計折舊及任何減值虧損，並就重新計量租賃負債作出調整。使用權資產的成本包括已確認的租賃負債金額、已發生的初始直接成本、以及於開始日期或之前作出的租賃款項付款減已收取的租賃優惠。使用權資產按直線基準於租賃期及該資產的估計可使用年期兩者中較短者折舊如下：

租賃土地	44至99年
樓宇	1至20年
機器及其他設備	1至5年

倘租賃資產的所有權於租賃期結束前轉移至本集團或成本反映購買選擇權的行使，折舊則以資產的估計可使用年期計算。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LEASES (Continued)

Group as a lessee (Continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

2.4 重要會計政策摘要 (續)

租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

於租賃開始日期按租賃期內將予作出的租賃付款現值確認租賃負債。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠,取決於指數或比率的可變租賃付款及預期根據剩餘價值擔保將予支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價,並且倘租賃期反映本集團行使終止租賃選擇權,則須就終止租賃支付罰款。不取決於某一指數或比率的可變租賃付款於觸發付款的事件或狀況出現期間確認為開支。

計算租賃付款的現值時,由於租賃中所隱含的利率不易釐定,故本集團於租賃開始日期使用其遞增借貸利率。於開始日期後,租賃負債金額增加,以反映利息的增加及就所作出的租賃付款減少。此外,倘存在修改、租期變動、租賃付款變動(例如:由指數或比率變動引起的未來租賃付款變動)或購買相關資產的選擇權的評估變動,則重新計量租賃負債的賬面值。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LEASES (Continued)

Group as a lessee (Continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, are accounted for as finance leases.

2.4 重要會計政策摘要 (續)

租賃 (續)

本集團作為承租人 (續)

(c) 短期租賃及低價值資產租賃

本集團將短期租賃 (即租期自開始日期起計為期12個月或以內並不包含購買選擇權的租賃) 應用短期租賃確認豁免。其亦對被認為屬低價值的辦公設備及筆記本電腦的租賃應用低價值資產租賃確認豁免。

短期租賃及低價值資產租賃的租賃付款於租期內按直線法確認為開支。

本集團作為出租人

當本集團作為出租人時，於租賃開始時 (或發生租賃修改時) 將其各項租賃分類為經營租賃或融資租賃。

本集團並無轉讓資產所有權所附帶的絕大部分風險及回報的租賃分類為經營租賃。倘合同包括租賃及非租賃部分，本集團根據相對獨立的售價基準將合同代價分配予各部分。租金收入於租期內按直線法入賬，並根據其經營性質計入損益表內的收入。協商及安排經營租賃的初始直接成本計入租賃資產的賬面值，並按與租金收入相同之基準確認。或然租金於賺取期間確認為收入。

將相關資產所有權所附帶的絕大部分風險及回報轉讓予承租人的租賃入賬列作融資租賃。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVESTMENTS AND OTHER FINANCIAL ASSETS

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

2.4 重要會計政策摘要(續)

投資及其他金融資產

初步確認及計量

金融資產於初步確認時分類為其後以攤銷成本、以公允價值計量並計入其他綜合收益及以公允價值計量並計入損益計量。

金融資產於初始確認時之分類乃視乎該等金融資產的合同現金流量特點及本集團管理該等金融資產的業務模式而定。除並不包含重大融資成分或本集團已就此應用不調整重大融資成分影響的實際權宜方法之應收貿易賬款外，本集團初始以公允價值加上(倘金融資產並非以公允價值計量並計入損益)交易成本計量金融資產。並不包含重大融資成分或本集團已應用實際權宜方法之應收貿易賬款，乃按根據《香港財務報告準則》第15號按下文「收入確認」所載政策釐定之交易價格計量。

為使金融資產以攤銷成本或以公允價值計量並計入其他綜合收益進行分類及計量，需產生僅為支付本金及未償還本金利息(「SPPI」)的現金流量。現金流量並非SPPI的金融資產以公允價值計量並計入損益分類及計量，不論其業務模式如何。

本集團管理金融資產的業務模式指其管理其金融資產以產生現金流量的方式。業務模式釐定現金流量是否來自收集合同現金流量、出售金融資產，或兩者兼有。以攤銷成本分類及計量的金融資產於旨在持有金融資產於以收取合同現金流量的業務模式中持有，而以公允價值分類及計量並計入其他綜合收益的金融資產於旨在持有以收取合同現金流量及銷售的業務模式中持有。並非於上述業務模式持有的金融資產以公允價值分類及計量並計入損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVESTMENTS AND OTHER FINANCIAL ASSETS (Continued)

Initial recognition and measurement (Continued)

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For trade receivable financing, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

2.4 重要會計政策摘要(續)

投資及其他金融資產(續)

初步確認及計量(續)

所有一般買賣的金融資產概於交易日(即本集團承諾買賣該資產的日期)予以確認。一般買賣乃指按照一般市場規定或慣例須在一定期間內交付資產的金融資產買賣。

後續計量

金融資產的後續計量視乎其以下分類而定：

以攤銷成本計量的金融資產(債務工具)

以攤銷成本計量的金融資產其後使用實際利率法計量，並受限於減值。當資產終止確認、修訂或減值時，收益及虧損於損益表中確認。

以公允價值計量並計入其他綜合收益的金融資產(債務工具)

就應收款項融資而言，匯兌重估及減值虧損或撥回於損益表中確認，並按與以攤銷成本計量的金融資產相同的方式計量。其餘公允價值變動於其他綜合收益中確認。終止確認時，於其他綜合收益中確認的累計公允價值變動將重新計入損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVESTMENTS AND OTHER FINANCIAL ASSETS (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

DERECOGNITION OF FINANCIAL ASSETS

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.4 重要會計政策摘要(續)

投資及其他金融資產(續)

以公允價值計量並計入損益的金融資產

以公允價值計量並計入損益的金融資產乃以公允價值於財務狀況表列賬，並將公允價值的變動淨額於損益表確認。

該類別包括本集團並無不可撤銷地選擇以公允價值計量並計入其他綜合收益進行分類的衍生工具及股本投資。分類為以公允價值計量並計入損益之股本投資的股息在支付權確立、與股息有關之經濟利益可能流入本集團且股息金額能夠可靠計量時，亦於損益表中確認為其他收入。

混合合同內之含有金融資產主體的嵌入式衍生工具並不會獨立列賬。金融資產主體連同嵌入式衍生工具整體須分類為以公允價值計量並計入損益的金融資產。

終止確認金融資產

金融資產(或如適用，金融資產其中一部分或一組類近金融資產其中部分)主要在下列情況下終止確認(即自本集團的合併財務狀況表移除)：

- 自該資產收取現金流量的權利已屆滿；或
- 本集團已轉讓其收來自該資產的現金流量的權利，或已根據「轉遞」安排就向第三者承擔責任全數支付已收取現金流量，且無重大延誤，並且(a)本集團已轉讓該資產的絕大部分風險及回報，或(b)本集團並無轉讓或保留該資產的絕大部分風險及回報，惟已轉讓該資產的控制權。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

DERECOGNITION OF FINANCIAL ASSETS (Continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2.4 重要會計政策摘要(續)

終止確認金融資產(續)

倘若已轉讓其自資產收取現金流量的權利或訂立轉遞安排，本集團會評估其有否保留該資產所有權的風險及回報以及其程度。當並無轉讓或保留該資產的絕大部分風險及回報，亦無轉讓該資產的控制權，則本集團繼續按其持續參與該資產的程度確認已轉讓資產。就此而言，本集團亦將確認相關負債。已轉讓資產及相關負債的計量基準反映本集團保留的權利及責任。

持續參與指就已轉讓資產作出的一項擔保，按該項資產的原賬面值與本集團或須償還的最高代價的較低者計量。

金融資產減值

本集團確認對並非持作以公允價值計量並計入損益的所有債務工具的預期信貸虧損(「預期信貸虧損」)的一項撥備。預期信貸虧損乃基於根據合同到期的合同現金流量與本集團預期收取的所有現金流量之間的差額而釐定，並以原實際利率的近似值折現。預期現金流量將包括出售所持抵押的現金流量或組成合同條款的其他信貸提升措施的現金流量。

一般方式

預期信貸虧損分兩個階段確認。就初始確認以來信貸風險並無大幅增加的信貸敞口而言，會為未來12個月內(12個月預期信貸虧損)可能發生的違約事件所產生的信貸虧損計提預期信貸虧損撥備。就初始確認以來信貸風險大幅增加的信貸敞口而言，須就預期於敞口的餘下年期產生的信貸虧損計提虧損撥備，不論違約的時間(年限內預期信貸虧損)。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

IMPAIRMENT OF FINANCIAL ASSETS (Continued)

General approach (Continued)

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

For trade receivable financing, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the trade receivable financing is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the trade receivable financing. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 重要會計政策摘要(續)

金融資產減值(續)

一般方式(續)

於各報告日期，本集團評估於初始確認時金融工具的信貸風險是否顯著增加。於進行評估時，本集團將金融工具於報告日期發生的違約風險與金融工具於初始確認日期發生的違約風險進行比較，並考慮無需過多成本或努力即可得之合理且可證明的資料，包括歷史及前瞻性資料。

就應收款項融資而言，本集團應用低信貸風險簡化法。於各報告日期，本集團運用一切毋須花費不必要成本或精力即可得之合理且可證明的資料，評估應收款項融資是否被視為具有低信貸風險。於評估時，本集團重新評估應收款項融資的外部信貸評級。此外，倘合同款項逾期未還款，則本集團認為信貸風險大幅上升。

倘合同款項已逾90日未還款，則本集團認為金融資產違約。然而，在若干情況下，倘內部或外部資料反映，在計及本集團持有的任何信貸提升措施前，本集團不大可能悉數收取未償還合同款項，則本集團亦可認為金融資產違約。倘無法合理預期收回合同現金流量，則撇銷金融資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

IMPAIRMENT OF FINANCIAL ASSETS (Continued)

General approach (Continued)

Trade receivable financing and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 重要會計政策摘要(續)

金融資產減值(續)

一般方式(續)

應收款項融資及以攤銷成本計量的金融資產根據一般方式須予減值，並按以下為計量預期信貸虧損的階段分類，惟應用簡化法(於下文詳述)的應收貿易賬款及合同資產除外。

階段1 – 金融工具的信貸風險自初步確認後並未顯著增加，且虧損撥備按相等於12個月預期信貸虧損金額計量

階段2 – 金融工具的信貸風險自初步確認後顯著增加，惟其並非已發生信貸減值的金融資產，且虧損撥備按相等於年限內預期信貸虧損金額計量

階段3 – 金融資產於報告日期為信貸減值(惟其並非購買或原已發生信貸減值的金融工具)，且虧損撥備按相等於年限內預期信貸虧損金額計量

簡化法

就不包含顯著融資組成部分或倘本集團應用不調整顯著融資組成部分影響的實際權宜方法的應收貿易賬款，本集團應用簡化法計算預期信貸虧損。根據簡化法，本集團並無追蹤信貸風險的變動，反而於各報告日期根據年限內預期信貸虧損確認虧損撥備。本集團已根據其以往信貸虧損經驗，建立撥備矩陣，並就債務人及經濟環境的特定前瞻性因素作出調整。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL LIABILITIES

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payable, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, and interest-bearing bank, and other borrowings and derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

2.4 重要會計政策摘要(續)

金融負債

初步確認及計量

集團實體發行的金融負債根據合同安排的內容以及金融負債及股本工具的釋義分類為金融負債或股本工具。

所有金融負債於初步以公允價值確認，而貸款及借貸及應付賬款則於扣除直接應佔交易成本後確認。

本集團的金融負債包括應付貿易賬款及其他應付賬款、計息銀行、及其他借款以及衍生金融工具。

後續計量

金融負債的後續計量視乎其以下分類而定：

以公允價值計量並計入損益的金融負債

以公允價值計量並計入損益的金融負債包括持作買賣金融負債及於初步確認時被指定為以公允價值計量並計入損益的金融負債。

倘為於短期購回而產生金融負債，則有關金融負債分類為持作買賣金融負債。此分類亦包括由本集團訂立的衍生金融工具，並非《香港財務報告準則》第9號界定對沖關係所指定的對沖工具。個別嵌入式衍生工具亦分類為持作買賣，惟其被指定為有效對沖工具則除外。持作買賣負債的收益或虧損於損益表中確認。於損益表中確認的公允價值盈虧淨額並不包括該等金融負債的任何已收取利息。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL LIABILITIES (Continued)

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

DERECOGNITION OF FINANCIAL LIABILITIES

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.4 重要會計政策摘要(續)

金融負債(續)

以攤銷成本計量的金融負債(貸款及借貸)

初步確認後，計息貸款及借貸其後採用實際利率法以攤銷成本計量，惟折現影響甚微，就此而言則按成本列賬。收益與虧損於負債終止確認時採用實際利率攤銷程序於損益表內予以確認。

計量攤銷成本時，計及收購的任何折現或溢價及屬實際利率不可分割部分的費用或成本。實際利率攤銷入賬損益表內融資成本。

終止確認金融負債

金融負債於負債的責任已解除或註銷或屆滿時終止確認。

當現有金融負債為同一貸款人以實質上不同條款的負債取代時，或現有負債的條款有重大修改時，有關交換或修改則被視為終止確認原有負債及確認一項新負債，而有關賬面值的差額乃於損益表確認。

抵銷金融工具

倘於現時具有可強制執行的法定權利可抵銷已確認金額及有意按淨額基準結算，或同時變現資產及清償負債時，金融資產及金融負債方會予以抵銷並於財務狀況表內呈報淨額。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

DERIVATIVE FINANCIAL INSTRUMENTS

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risk. Those derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Cost of moulds is determined at the actual cost incurred in the production process. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.4 重要會計政策摘要 (續)

衍生金融工具

初步確認及後續計量

本集團使用遠期外幣合同等衍生金融工具對沖其外幣風險。該等衍生金融工具初步按訂立衍生合同當日的公允價值確認，其後以公允價值重新計量。衍生工具在公允價值為正數時以資產列賬，而為負數時則以負債列賬。

衍生工具公允價值變動產生的任何盈虧直接計入損益表，而現金流對沖的實際部分則除外，其乃於其他綜合收益確認及其後於對沖項目影響損益時重新分類至損益。

存貨

存貨按成本與可變現淨值兩者中的較低者列賬。成本按加權平均基準釐定，而倘為在製品及製成品，則包括直接原料、直接人工及適當比例的經常費用。模具成本按生產過程產生的實際成本釐定。可變現淨值根據估計售價減完成及出售所產生的任何估計成本釐定。

現金及現金等價物

就合併現金流量表而言，現金及現金等價物包括手頭現金及活期存款，及可隨時轉換為已知金額現金但價值變動風險不大且到期日較短（通常於要求時三個月內到期）的短期高變現能力投資，減須按要求償還的銀行透支，並構成本集團現金管理的組成部分。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CASH AND CASH EQUIVALENTS (Continued)

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits and assets similar in nature to cash, which are not restricted as to use.

INCOME TAX

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 重要會計政策摘要(續)

現金及現金等價物(續)

就合併財務狀況表而言，現金及現金等價物包括手頭現金及銀行存款(包括定期存款及性質與現金相似而其使用不受限制的資產)。

所得稅

所得稅包括本期及遞延稅項。損益外確認項目相關的所得稅於損益外確認，或於其他綜合收益內確認，或直接於權益確認。

本期稅項資產及負債乃根據報告期末已實施或大致上已實施的稅率(及稅法)，並計及本集團經營所在國家現行詮釋及慣例，按預期可自稅務機關收回或向稅務機關繳付的金額計量。

於報告期末的資產及負債的稅基與其在財務報告賬面值之間的所有暫時性差異，須按負債法計提遞延稅項撥備。

除下述者外，本集團均會就所有應課稅暫時性差異確認遞延稅項負債：

- 倘若遞延稅項負債產生自一項交易(並非業務合併)初始確認的商譽或資產或負債，而於該項交易進行時對會計溢利或應課稅溢利或虧損均無影響；及
- 就有關於附屬公司、合營公司及聯營公司的投資的應課稅暫時性差異而言，倘若撥回暫時性差異的時間可以控制，以及暫時性差異不大可能在可見將來撥回。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INCOME TAX (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, joint ventures and associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 重要會計政策摘要 (續)

所得稅 (續)

除下述者外，本集團均會就所有可扣稅暫時性差異、承前未用稅收抵免及未用稅項虧損確認遞延稅項資產。遞延稅項資產僅限於日後很大可能出現應課稅溢利，用作抵銷該等可扣稅暫時性差異，以及可動用承前未用稅收抵免及未用稅項虧損時，方會確認：

- 倘若有關可扣稅暫時性差異的遞延稅項資產產生自一項交易（並非業務合併）初始確認的資產或負債，而於該項交易進行時對會計溢利或應課稅溢利或虧損均無影響；及
- 就有關於附屬公司、合營公司及聯營公司的投資的可扣稅暫時性差異而言，僅會在暫時性差異很有可能在可見將來撥回，以及出現應課稅溢利可對銷該等暫時性差異時，方會確認遞延稅項資產。

遞延稅項資產及負債按變現資產或償還負債期間的預期適用稅率，以於報告期末已實施或大致上已實施的稅率（及稅法）為基準計算。

僅於本集團擁有依法執行權利，可抵銷本期稅項資產、本期稅項負債與遞延稅項資產及遞延稅項負債，而有關所得稅由同一稅務機關就同一稅務實體或不同稅務實體徵收，且該不同稅務實體計劃在日後每個預計有大額遞延稅項負債需清償或有大額遞延稅項資產可以收回的期間內，按淨額基準結算本期稅項負債及資產，或同時變現資產及清償負債時，遞延稅項資產及遞延稅項負債予以對銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT GRANTS

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

REVENUE RECOGNITION

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group sells products to a customer who is also the supplier of key materials used in the manufacturing of products. The Group obtains the control of the materials purchased from the customer and provides significant services to integrate materials with other goods and services into a portfolio of outputs. The Group considered itself as a principal in the arrangement and accordingly recognises revenue on a gross basis.

(a) Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery and acceptance of the goods.

(b) Provision for services

Revenue from the provision of services is recognised over the scheduled period on an input method because the customer simultaneously receives and consumes the benefits provided by the Group.

2.4 重要會計政策摘要 (續)

政府補貼

政府補貼是在合理確保將可收取補貼及符合所有附帶條件時按其公允價值予以確認。倘補貼與一項開支項目有關，則該等補貼於擬用作補償的成本支出期間內按系統基礎確認為收入。

倘補貼與一項資產有關，則其公允價值會計入遞延損益賬，並按均等年度分期，於有關資產的預期可使用年期調撥至損益表，或自該項資產的賬面值中扣除並透過減少折舊開支方式調撥至損益表。

收入確認

客戶合同收入

當貨品或服務控制權按反映本集團預期待有權獲得以交換該等貨品或服務的代價金額轉移至客戶時，確認客戶合同收入。

本集團向特定客戶銷售商品，該客戶同時也是商品製造過程中使用的關鍵材料的供應商。本集團取得自客戶採購的材料的控制權並提供重要服務，從而將材料與其他商品及服務綜合為一個產出組合。本集團在該安排中視其為主要責任人，因此按總額基準確認收入。

(a) 銷售商品

來自銷售商品的收入在資產控制權轉移至客戶時（一般為交接該等商品時）確認。

(b) 提供服務

來自提供服務的收入按輸入法在計劃期間確認，因為客戶在收到本集團提供的利益的同時消耗有關利益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

REVENUE RECOGNITION (Continued)

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Rental income is recognised on a time proportion basis over the lease terms.

CONTRACT LIABILITIES

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

EMPLOYEE BENEFITS

Medical benefits

The Group's contributions to various defined contribution medical benefit plans organised by the relevant municipal and provincial governments in the PRC are expensed as incurred.

Pension scheme – Mainland China

The employees of the Group's subsidiaries, which operate in Mainland China, are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

2.4 重要會計政策摘要(續)

收入確認(續)

其他收入

利息收入按應計基準以實際利率方法將金融工具在預期可使用年期或較短期間(倘適用)的估計未來現金收入準確折現至金融資產的賬面淨值的利率確認。

租金收入按租賃年期的時間比例基準確認。

合同負債

於本集團轉讓相關貨品或服務前在收到客戶付款或付款到期時(以較早者為準)確認合同負債。合同負債於本集團履行合同(即向客戶轉讓相關貨品或服務的控制權)時確認為收入。

僱員福利

醫療福利

本集團向多個中國有關市級及省級政府安排的定額供款醫療福利計劃供款，有關供款於產生時支銷。

退休金計劃 – 中國內地

本集團於中國內地經營的附屬公司的僱員須參與由當地市政府設立的中央退休金計劃。該等附屬公司須按其工資成本若干比例向中央退休金計劃供款。根據中央退休金計劃規則，有關供款將於支付時在損益表中扣除。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

EMPLOYEE BENEFITS (Continued)

Pension scheme – outside Mainland China

The Group contributes on a monthly basis to various defined contribution plans organised by the relevant governmental authorities in various areas other than Mainland China. The Group's liability in respect of these plans is limited to the contributions payable at the end of each period. Contributions to these plans are expensed as incurred.

Housing fund – Mainland China

The Group contributes on a monthly basis to a defined contribution housing fund plan operated by the local municipal government. Contributions to this plan by the Group are expensed as incurred.

BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

DIVIDENDS

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the note 36 to the financial statements.

2.4 重要會計政策摘要(續)

僱員福利(續)

退休金計劃 – 中國內地以外地區

本集團每月向中國內地以外各地區的相關政府機構設立的各定額供款計劃供款。本集團有關該等計劃的責任僅限於各期末的應付供款。該等計劃的供款乃於產生時支銷。

住房公積金 – 中國內地

本集團以每月供款形式參與當地市政府所設立的定額供款住房公積金計劃。本集團的計劃供款乃於產生時支銷。

借款成本

收購、建造或生產合資格資產(即有需要投入大量時間準備其擬定用途或出售的資產)直接應佔的借款成本撥作資本,作為該等資產的部分成本。該等借款成本在資產大致可用作其擬定用途或出售時不再撥作資本。擬用作合資格資產開支的特定借款作暫時投資所賺取的投資收益自撥作資本的借款成本中扣除。全部其他借款成本於其產生期間支銷。借款成本包括實體因借款資金產生的利息及其他費用。

股息

末期股息獲股東於股東大會批准宣派後確認為負債。建議末期股息披露於財務報表附註36。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FOREIGN CURRENCIES

These financial statements are presented in RMB, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

The Group treats specific inter-company loan balances, which are not intended to be repaid in the foreseeable future, as part of its net investment. When a foreign operation is sold, such exchange differences are recognised in the statement of profit or loss as part of the gain or loss on sale.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 重要會計政策摘要(續)

外幣

此等財務報表乃以本公司的功能及呈報貨幣人民幣列報。本集團內各實體均自行決定其功能貨幣，而各實體的財務報表所包含的項目均採用該功能貨幣計量。本集團內各實體所錄得外幣結算交易最初以交易當日各自的功能貨幣匯率記錄。以外幣計算的貨幣資產及負債按報告期末的功能貨幣匯率換算。結算或換算貨幣項目時產生的差額於損益表中確認。

本集團將特定公司間貸款結餘(並未計劃於可見將來預付)視為其投資淨值的一部分。當出售境外業務時，此匯兌差額將於損益表確認為銷售收益或虧損的一部分。

以外幣歷史成本計算的非貨幣項目按首次交易當日的匯率換算。以外幣公允價值計算的非貨幣項目按計量公允價值當日的匯率換算。換算非貨幣項目而產生的收益或虧損以公允價值計量，按確認該項目的公允價值變動的收益或虧損一致的方法處理(即其他綜合收益或損益已確認的項目的公允價值收益或虧損，其匯兌差額亦分別於其他綜合收益或損益確認)。

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財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FOREIGN CURRENCIES (Continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.4 重要會計政策摘要(續)

外幣(續)

為釐定初步確認有關資產的匯率、終止確認非貨幣性資產或與預收代價相關的非貨幣性負債時的開支或收入，初步交易日期是指本集團初步確認非貨幣性資產或預收代價產生的非貨幣性負債的日期。如有多個預付或預收款項，則本集團須釐定各支付預付款項或收到預收款項的交易日期。

若干境外附屬公司的功能貨幣為人民幣以外之貨幣。於報告期末，該等實體的資產與負債按報告期末的匯率換算為人民幣，而其損益表則按年度的加權平均匯率換算為人民幣。

換算產生的匯兌差額於其他綜合收益確認，並累計入匯兌波動儲備。出售境外業務時，有關該特定境外業務的其他綜合收益部分已於損益表確認。

收購境外業務產生的任何商譽及對因收購產生的資產及負債賬面值作出的任何公允價值調整，均視作境外業務的資產及負債，並按結算匯率換算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

JUDGEMENTS

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Principal versus agent considerations

The Group sells products to a customer who is also the supplier of key materials used in the manufacturing of products. The Group needs to determine whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and therefore records revenue on a gross basis if it controls promised goods before transferring the goods to the customer. Otherwise, the Group is an agent and records as revenue the net amount that it retains for its agency services if its role is to arrange to provide the goods. To assess whether the Group controls the goods before they are transferred to the customer, the Group has considered various factors, including but not limited to whether the Group is (i) the primary obligor in the arrangement, (ii) has general inventory risk, (iii) has latitude in establishing the selling price and (iv) has significant involvement in the determination of product and service specifications.

Deferred tax on withholding tax arising from the distributions of dividends

The Group's determination as to whether to accrue for withholding taxes arising from the distributions of dividends from certain subsidiaries levied in the relevant tax jurisdiction is subject to judgement on the timing of the payment of the dividends. Further details are included in note 26 to the financial statements.

3. 主要會計判斷及估計

編製本集團的財務報表要求管理層作出影響收入、開支、資產及負債的報告金額及其附帶披露以及或然負債披露的判斷、估計及假設。該等假設及估計並不明確，可能會導致出現需要對將來受影響的資產或負債的賬面值作出重大調整。

判斷

於應用本集團會計政策的過程中，除涉及對財務報表內已確認金額構成最重大影響的估計項目外，管理層已作出以下判斷：

主要責任人與代理人考慮事項

本集團向特定客戶銷售商品，該客戶同時也是商品製造過程中使用的關鍵材料的供應商。本集團需要通過評估其對客戶的承諾的性質來判斷其在該類交易中是主要責任人還是代理人。倘本集團於向客戶轉讓商品前控制所承諾商品，則為主要責任人，故須按總額基準記錄收入。否則，本集團為代理人，將收入列為就其代理服務而保留的淨額（倘其責任為安排提供商品）。為評估本集團是否在商品轉移給客戶之前控制商品，本集團已考慮各種因素，包括但不限於本集團是否(i)是交易安排中的主要責任人，(ii)承擔存貨的一般風險，(iii)有權自主決定售價和(iv)對商品的產出和服務規範有重大投入。

分派股息產生的預扣稅遞延稅

本集團乃根據派付股息的時間判斷釐定是否應計若干附屬公司分派的股息產生的預扣稅（由相關稅務司法權區徵收）。進一步詳情載於財務報表附註26。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on aging for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 19 to the financial statements.

3. 主要會計判斷及估計(續)

估計不確定因素

有關未來之主要假設以及於報告期末其他主要估計項目不確定因素之來源(其具導致下個財政年度內資產及負債賬面值須作出重大調整之重大風險)闡述如下。

應收貿易賬款的預期信貸虧損撥備

本集團使用撥備矩陣來計算應收貿易賬款的預期信貸虧損。撥備率乃基於具有類似虧損模式的各個客戶群的分組的賬齡。

撥備矩陣初步基於本集團的過往觀察違約率作出。本集團將使用前瞻性信息校準該矩陣以調整過往信貸虧損經歷。例如，倘預測經濟狀況(即國內生產總值)預計將於下一年惡化(其可能導致製造行業違約數量增加)，則將調整過往違約率。於各報告日期，本集團會更新過往觀察違約率並分析前瞻性估計值的變化。

對過往觀察違約率、預測經濟狀況及預期信貸虧損之間相關性的評估乃為一項重要估計。預期信貸虧損的數量對環境變化及預測經濟條件較為敏感。本集團的過往信貸虧損經驗及經濟狀況預測亦可能無法代表客戶未來的實際違約情況。有關本集團應收貿易賬款的預期信貸虧損的資料於財務報表附註19中披露。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

ESTIMATION UNCERTAINTY (Continued)

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Depreciation

The Group calculates the depreciation of items of property, plant and equipment on the straight-line basis over their estimated useful lives after taking into account their estimated residual value, estimated useful lives, commencing from the date the items of property, plant and equipment are placed into use. The estimated useful lives reflect the directors' estimate of the period that the Group intends to derive future economic benefits from the use of the Group's items of property, plant and equipment.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing, and level of future taxable profits together with future tax planning strategies. Further details are included in note 26 to the financial statements.

3. 主要會計判斷及估計 (續)

估計不確定因素 (續)

非金融資產 (商譽除外) 減值

本集團會於各報告期末評估所有非金融資產 (包括使用權資產) 有否出現任何減值跡象。年期無限的無形資產將於每年及出現該跡象時進行減值測試。其他非金融資產則於出現賬面值可能不可收回的跡象時進行減值測試。資產或現金產生單位的賬面值超逾可收回金額 (即其公允價值減出售成本及使用價值兩者中之較高者) 時, 則出現減值。計量公允價值減出售成本時, 按約束銷售交易根據公平合理基準交易類似資產可得數據, 或可得市價減出售資產所產生的應計費用而得出。當計算使用價值時, 管理層必須估計來自資產或現金產生單位的預期未來現金流量, 並選擇合適的折現率以計算該等現金流量的現值。

折舊

本集團計量物業、廠房及設備項目的折舊時, 乃於物業、廠房及設備項目投入使用當日起計, 根據其估計可使用年期按直線法基準計算, 並計及其估計剩餘價值、估計可使用年期後計算而得出。估計可使用年期反映董事期內估計本集團擬將透過其使用物業、廠房及設備項目而獲取未來經濟利益。

遞延稅項資產

僅在可能取得未來應課稅溢利作扣減虧損的情況下, 方確認由未動用稅項虧損產生之遞延稅項資產。在釐定可予確認之遞延稅項資產的金額時, 須根據可能的時間、未來應課稅溢利水平連同未來稅項計劃策略作出重大管理層判斷。進一步詳情載於財務報表附註26。

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財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

ESTIMATION UNCERTAINTY (Continued)

Write-down of inventories based on the lower of cost and net realisable value

The Group, pursuant to the accounting policy for inventories, writes down inventories from cost to net realisable value and makes provision for slow-moving items and obsolescence by using the lower of cost and net realisable value rule. The Group makes estimates of the selling prices, the costs of completion, and the costs to be incurred in disposal based on the historical experience and the prevailing market conditions.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

3. 主要會計判斷及估計(續)

估計不確定因素(續)

根據成本及可變現淨值兩者中之較低者撇銷存貨

根據存貨會計政策，本集團自成本中將存貨撇銷至可變現淨值，並利用成本及可變現淨值兩者中較低者對滯銷及廢棄產品作出撥備。本集團基於過往經驗及現行市況，估計售價、完成成本及出售產生的成本。

租賃 – 估算增量借款利率

本集團無法輕易釐定租賃內所隱含的利率，因此，使用增量借款利率（「增量借款利率」）計量租賃負債。增量借款利率為本集團於類似經濟環境中為取得與使用權資產價值相近之資產，而以類似抵押品於類似期間借入所需資金應支付之利率。因此，增量借款利率反映了本集團「應支付」的利率，當無可觀察的利率時（如就並無訂立融資交易之附屬公司而言）或當須對利率進行調整以反映租賃之條款及條件時（如當租賃並非以附屬公司之功能貨幣訂立時），則須作出利率估計。當可觀察輸入數據可用時，本集團使用可觀察輸入數據（如市場利率）估算增量借款利率並須作出若干實體特定的估計（如附屬公司之獨立信貸評級）。

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4. OPERATING SEGMENT INFORMATION

The Group's primary business is the manufacture, assembly and sale of mobile handset components, modules and other products. For management purposes, the Group is organised into one operating segment based on industry practice and management's vertical integration strategy. Management monitors the results of the Group as a whole for the purpose of making decisions about resource allocation and performance assessment. No further analysis thereof is presented. Segment performance is evaluated based on the revenue and profit before tax which is consistent with the Group's revenue and profit before tax.

GEOGRAPHICAL INFORMATION

(a) Revenue from external customers

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
PRC (including Hong Kong, Macau and Taiwan) 中國(包括香港、澳門及台灣)	51,105,296	43,600,079
Overseas 海外	22,015,779	9,428,297
	73,121,075	53,028,376

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
PRC (including Hong Kong, Macau and Taiwan) 中國(包括香港、澳門及台灣)	11,231,125	10,176,689
Overseas 海外	261,490	201,690
	11,492,615	10,378,379

The non-current asset information above is based on the locations of the assets and excludes financial instruments, loans to the ultimate holding company and deferred tax assets.

4. 經營分部資料

本集團的主要業務為製造、組裝及銷售手機部件、模組及其他產品。為進行管理，本集團按行業慣例及管理垂直整合策略組成一個經營分部。管理層監察本集團的整體業績以就資源分配及表現評估作出決策。概無進一步就此呈報分析。分部表現根據收入及除稅前溢利(與本集團的收入及除稅前溢利一致)評估。

地區信息

(a) 來自外界客戶的收入

上述收入資料乃按客戶地區劃分。

(b) 非流動資產

上述非流動資產資料乃按資產地區劃分，惟未計及金融工具、向最終控股公司提供貸款及遞延稅項資產。

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4. OPERATING SEGMENT INFORMATION (Continued)

INFORMATION ABOUT MAJOR CUSTOMERS

Revenue from customers of the corresponding years accounting for over 10% of the total sales of the Group is as follows:

	2020 二零二零年 RMB' 000 人民幣千元
Customer A ¹ 客戶A ¹	19,236,410
Customer B ¹ 客戶B ¹	14,541,686
Customer C ¹ 客戶C ¹	13,995,132
Customer D ¹ 客戶D ¹	7,567,356
	55,340,584

	2019 二零一九年 RMB' 000 人民幣千元
Customer A ¹ 客戶A ¹	27,198,937
	27,198,937

¹ Revenue from major customers comes from the sale of mobile handset components, modules and other products.

¹ 主要客戶的收入來自於銷售手機部件、模組及其他產品。

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Revenue from contracts with customers 客戶合同收入	73,121,075	53,028,376

4. 經營分部資料(續)

主要客戶資料

有關年度，收入佔本集團總銷售逾10%的客戶如下：

5. 收入、其他收入及收益

收入的分析如下：

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5. REVENUE, OTHER INCOME AND GAINS (Continued)

REVENUE FROM CONTRACTS WITH CUSTOMERS

(i) Disaggregated revenue information

Segments 分部	For the year ended 31 December 2020 截至二零二零年 十二月三十一日止年度	
	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Types of goods or services 貨品或服務類別		
Sale of mobile handset components, modules and other products* 手機部件、模組及其他產品銷售*	73,058,147	53,028,376
Rendering of services 服務提供	62,928	–
Total revenue from contracts with customers 客戶合同收入總額	73,121,075	53,028,376
Geographical markets 地理市場		
PRC (including Hong Kong, Macau, and Taiwan) 中國(包括香港、澳門及台灣)	51,105,296	43,600,079
Overseas 海外其他國家	22,015,779	9,428,297
Total revenue from contracts with customers 客戶合同收入總額	73,121,075	53,028,376
Timing of revenue recognition 收入確認時間		
Goods transferred at a point in time 按時間點轉讓之貨品	73,058,147	53,028,376
Services transferred over time 於一段時間轉移之服務	62,928	–
Total revenue from contracts with customers 客戶合同收入總額	73,121,075	53,028,376

* The sale of medical protection products is included in the sale of mobile handsets components, modules and other products.

5. 收入、其他收入及收益(續)

客戶合同收入

(i) 分類收入資料

* 醫療防護產品的銷售包含在手機部件、模組及其他產品的銷售中。

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

下表顯示出本報告期間之收入確認金額，其於報告期初計入合同負債及於過往期間內已完成之履約責任中確認：

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period: 於報告期初計入合同負債之收入確認：		
Sale of mobile handset components and modules 手機部件及模組銷售	412,913	247,115

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5. REVENUE, OTHER INCOME AND GAINS (Continued)

REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2020 are as follows:

	2020 二零二零年 RMB' 000 人民幣千元 VAT inclusive 含增值稅	2019 二零一九年 RMB' 000 人民幣千元 VAT inclusive 含增值稅
Within one year 一年內	336,545	455,057
More than one year 一年以上	69,210	11,535
	405,755	466,592

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Other income 其他收入		
Bank interest income 銀行利息收入	32,418	34,419
Other interest income 其他利息收入	18,050	19,264
Sale of scrap and materials 出售廢料及物料	286,252	336,166
Compensation from suppliers and customers 供應商及客戶的賠償	65,066	46,809
Foreign exchange gain, net 匯兌收益，淨值	-	78,411
Others 其他	83,332	46,530
	485,118	561,599

5. 收入、其他收入及收益(續)

客戶合同收入(續)

(ii) 履約責任

本集團之履約責任資料概述如下：

於二零二零年十二月三十一日分配至餘下履約責任(未達成或部分未達成)的交易價如下：

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6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

6. 除稅前溢利

本集團除稅前溢利已扣除／(計入)下列各項：

		2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Cost of inventories sold# 所出售存貨的成本#		63,488,885	49,046,172
Depreciation of property, plant and equipment 物業、廠房及設備折舊	13	1,755,207	2,051,241
Depreciation of right-of-use assets 使用權資產折舊	14(a)	282,188	217,267
Research and development costs: 研究與開發成本：			
Current year expenditure 本年度開支		2,913,274	2,087,846
Lease payments not included in the measurement of lease liabilities 並未計入租賃負債計量的租賃款項	14(c)	157,096	131,764
Auditors' remuneration 核數師薪酬		1,440	1,490
Amortisation of intangible assets## 無形資產攤銷##	16	4,734	7,401
Employee benefit expense (excluding directors', supervisors' and senior executive officers' remuneration (note 32(c))) 僱員福利開支(不包括董事、監事及高級行政人員薪酬(附註32(c)))			
Wages and salaries 工資及薪酬		9,575,879	7,176,850
Retirement benefit scheme contributions 退休福利計劃供款		409,833	428,452
		9,985,712	7,605,302
Impairment of trade receivables, net### 應收貿易賬款減值淨值###	19	698	14,633
Write-down of inventories to net realisable value#### 存貨撇減至可變現淨值####		3,347	24,876
Impairment of other receivables, net 其他應收賬款減值淨額		(1,642)	1,648
Impairment of trade receivable financing, net 應收款項融資的減值淨額		90	(80)
Loss on disposal of items of property, plant and equipment 出售物業、廠房及設備項目的虧損		83,536	17,239
Fair value (gains)/losses, net: 公允價值(收益)／虧損，淨值：			
Derivative instruments 衍生工具		(948)	1,535
Other non-current financial assets 其他非流動金融資產		(6,288)	(1,602)
Foreign exchange losses/(gains), net 匯兌虧損／(收益)，淨值		243,450	(78,411)

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6. PROFIT BEFORE TAX (Continued)

- # Cost of inventories sold represents “Cost of sales” in the consolidated statement of profit or loss after excluding write-down of inventories to net realisable value
- ## Included in “Administrative expenses” in the consolidated statement of profit or loss
- ### Included in “Impairment losses on financial assets, net” in the consolidated statement of profit or loss
- #### Included in “Cost of sales” in the consolidated statement of profit or loss

6. 除稅前溢利 (續)

- # 銷售存貨的成本指合併損益表中「銷售成本」，不包括存貨撇減至可變現淨值
- ## 已計入合併損益表的「行政開支」
- ### 已計入合併損益表的「金融資產減值虧損淨額」
- #### 已計入合併損益表的「銷售成本」

7. GOVERNMENT GRANTS AND SUBSIDIES

7. 政府補助及補貼

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Related to assets 與資產相關		
Others 其他	81,072	9,585
Related to income 與收入相關		
Support fund for industrial co-construction (note (a)) 產業共建扶持基金(附註(a))	2,851	98,696
Subsidies on research (note (b)) 研發補貼(附註(b))	90,175	10,645
Subsidies on employee stability (note (c)) 僱員穩定補貼(附註(c))	5,724	7,129
Employee related subsidies (note (d)) 僱員相關補貼(附註(d))	89,996	-
Subsidies on operating expense 營運開支補貼	71,485	92,680
Others 其他	50,454	18,244
	391,757	236,979

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財務報表附註

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7. GOVERNMENT GRANTS AND SUBSIDIES (Continued)

Notes:

- (a) The item represents subsidy income obtained by subsidiaries of the Group from the government for industrial development. Relevant expenditures incurred during the reporting period were recognised as government subsidies.
- (b) The item represents subsidy income obtained by subsidiaries of the Group from the government for the use of R&D expenses. Relevant expenditures incurred during the reporting period were recognised as government subsidies.
- (c) The item represents subsidy income obtained by subsidiaries of the Group from the government on employee stability. Relevant expenditures incurred during the reporting period were recognised as government subsidies.
- (d) The items represent subsidy income obtained by subsidiaries of the Group from the government for maintaining employee stability and expansion and training. Relevant expenditures incurred during the reporting periods were recognised as government subsidies.

8. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Interest on bank borrowings 銀行借款利息	35,356	479
Interest on lease liabilities 租賃負債利息	35,977	30,739
	71,333	31,218

7. 政府補助及補貼(續)

附註：

- (a) 該項目指本集團多間附屬公司自政府處取得的補貼收入，用於產業開發。於報告期間產生的相關開支已確認為政府補貼。
- (b) 該項目指本集團多間附屬公司自政府處取得的補貼收入，用於研發開支。於報告期間產生的相關開支已確認為政府補貼。
- (c) 該項目指本集團多間附屬公司自政府處取得的補貼收入，作為穩崗補貼。於報告期間產生的相關開支已確認為政府補貼。
- (d) 該項目指本集團多間附屬公司自政府取得的補貼收入，作為穩崗擴崗以工代訓補貼。報告期間產生的相關開支確認為政府補貼。

8. 融資成本

來自持續經營的融資成本分析如下：

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9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executives' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Fees 袍金	600	600
Other emoluments: 其他薪酬：		
Salaries, allowances and benefits in kind 薪金、津貼及實物利益	15,432	11,167
Pension scheme contributions 退休金計劃供款	44	64
	15,476	11,231
	16,076	11,831

There were no discretionary bonuses or compensation paid for loss of office or as inducement to join the Company for directors during the year (2019: Nil).

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Mr. Mampilly, Antony Francis Antony Francis Mampilly 先生	200	200
Mr. Chung Kwok Mo John 鍾國武先生	200	200
Mr. Qian Jing-jie 錢靖捷先生	200	200
	600	600

There was no other emolument payable to the independent non-executive directors during the year (2019: Nil).

9. 董事及最高行政人員薪酬

年內董事及最高行政人員的薪酬根據上市規則、《香港公司條例》第383(1)(a)、(b)、(c)及(f)條，以及公司（披露董事利益資料）規例第2部披露如下：

年內概無向董事分配任何酌情花紅或離職補償或加入本公司的獎勵（二零一九年：無）。

(a) 獨立非執行董事

於年內支付予獨立非執行董事的袍金載列如下：

於本年度，概無應向獨立非執行董事支付其他薪酬（二零一九年：無）。

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9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(b) Executive directors and non-executive directors

9. 董事及最高行政人員薪酬(續)

(b) 執行董事及非執行董事

	Fees 袍金 RMB' 000 人民幣千元	Salaries, allowances and benefits in kind 薪金、津貼及 實物利益 RMB' 000 人民幣千元	Pension scheme contributions 退休金 計劃供款 RMB' 000 人民幣千元	Total remuneration 薪酬總額 RMB' 000 人民幣千元
31 December 2020 二零二零年十二月三十一日				
Executive directors: 執行董事：				
Mr. Wang Nian-qiang 王念強先生	-	10,491	22	10,513
Mr. Jiang Xiang-rong* 江向榮先生*	-	4,941	22	4,963
Mr. Wang Bo** 王渤先生**	-	-	-	-
	-	15,432	44	15,476
Non-executive directors: 非執行董事：				
Mr. Wang Chuan-fu 王傳福先生	-	-	-	-
Mr. Wang Bo** 王渤先生**	-	-	-	-
31 December 2019 二零一九年十二月三十一日				
Executive directors: 執行董事：				
Mr. Wang Nian-qiang 王念強先生	-	8,715	26	8,741
Mr. Jiang Xiang-rong* 江向榮先生*	-	1,303	27	1,330
Mr. Wang Bo** 王渤先生**	-	1,149	11	1,160
	-	11,167	64	11,231
Non-executive directors: 非執行董事：				
Mr. Wang Chuan-fu 王傳福先生	-	-	-	-
Mr. Wang Bo** 王渤先生**	-	-	-	-
	-	-	-	-

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9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(b) Executive directors and non-executive directors (Continued)

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

- * Mr. Jiang Xiang-rong was appointed as an executive director on 6 June 2019. His remuneration of 2019 covered the period from 6 June to 31 December.
- ** Mr. Wang Bo was changed from executive director to non-executive director on 6 June 2019. His remuneration as the executive director of 2019 covered the period from 1 January to 6 June.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2019: two) directors, details of whose remuneration are set out in note 9 above. Details of the remuneration for the year of the remaining three (2019: three) non-director and highest paid employees are as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Salaries, allowances and benefits in kind 薪金、津貼及實物利益	8,715	4,836
Pension scheme contributions 退休金計劃供款	47	67
	8,762	4,903

There were no discretionary bonuses or compensation paid for loss of office or as inducement to join the Company for the above highest paid employees during the year (2019: Nil).

9. 董事及最高行政人員薪酬(續)

(b) 執行董事及非執行董事(續)

於本年度概無董事或最高行政人員放棄或同意放棄任何薪酬的安排。

- * 江向榮先生於二零一九年六月六日獲委任為執行董事，其二零一九年薪酬涵蓋六月六日至十二月三十一日期間。
- ** 王渤先生於二零一九年六月六日由執行董事調任為非執行董事。其二零一九年作為執行董事的薪酬涵蓋一月一日至六月六日期間。

10. 五名最高薪酬僱員

於本年度內，五名最高薪酬僱員包括兩名(二零一九年：兩名)董事，其薪酬詳情載於上述附註9。本年度其餘三名(二零一九年：三名)非董事及最高薪酬僱員的薪酬詳情載列如下：

年內概無向上述最高薪酬僱員支付任何酌情花紅或離職補償或加入本公司的獎勵(二零一九年：無)。

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10. FIVE HIGHEST PAID EMPLOYEES (Continued)

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

	Number of employees 僱員人數	
	2020 二零二零年	2019 二零一九年
RMB2,500,001 to RMB3,000,000 人民幣2,500,001元至人民幣3,000,000元	3	–
RMB2,000,001 to RMB2,500,000 人民幣2,000,001元至人民幣2,500,000元	–	1
RMB1,500,001 to RMB2,000,000 人民幣1,500,001元至人民幣2,000,000元	–	–
RMB1,000,001 to RMB1,500,000 人民幣1,000,001元至人民幣1,500,000元	–	2
	3	3

11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Under the relevant income tax law, the PRC subsidiaries are subject to corporate income tax (“CIT”) at a statutory rate of 25% on their respective taxable income during the year.

BYD Precision renewed its status of a high and new technology enterprise in 2018, and was entitled to a reduced enterprise income tax rate of 15% from 2018 to 2020.

Huizhou Electronic renewed its status of a high and new technology enterprise in 2018, and was entitled to a reduced enterprise income tax rate of 15% from 2018 to 2020.

Shaoguan Electronic was approved to be a high and new technology enterprise in 2018, and was entitled to a reduced enterprise income tax rate of 15% from 2018 to 2020.

10. 五名最高薪酬僱員 (續)

屬以下薪酬範圍的非董事最高薪酬僱員人數如下：

11. 所得稅

本集團須就本集團成員公司所處及經營的司法權區所產生或賺取的溢利，按實體基準支付所得稅。

根據相關所得稅法，年內，中國附屬公司須就其各自的應課稅收入按法定稅率25%繳納企業所得稅（「企業所得稅」）。

比亞迪精密於二零一八年重續為高新技術企業，並自二零一八年至二零二零年期間有權享有企業所得稅稅率減至15%。

惠州電子於二零一八年重續為高新技術企業，並自二零一八年至二零二零年期間有權享有企業所得稅稅率減至15%。

韶關電子於二零一八年獲批准為高新技術企業，並自二零一八年至二零二零年期間有權享有企業所得稅稅率減至15%。

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財務報表附註

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11. INCOME TAX (Continued)

Xi'an Electronic which operates in Mainland China was entitled to a reduced enterprise income tax rate of 15% of the estimated assessable profits for the year pursuant to the Western Development Policy.

Shantou Electronic was approved to be a high and new technology enterprise in 2020, and was entitled to a reduced enterprise income tax rate of 15% from 2020 to 2022.

BYD India is subject to income tax at a rate of 26% (2019: 26%).

No Hong Kong profits tax has been provided since no assessable profit arose in Hong Kong during the year.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. No provision has been made for profits tax in jurisdictions other than Mainland China and Hong Kong as the Group had no assessable profits derived from these countries.

The major components of the income tax expense for the year are as follows:

11. 所得稅 (續)

西安電子於中國內地經營業務，有權根據西部大開發政策按減至年內估計應課稅溢利15%的稅率繳納企業所得稅。

比亞迪汕頭電子於二零二零年被認定為高新技術企業，有權自二零二零年至二零二二年享受15%的優惠企業所得稅稅率。

BYD India須按26% (二零一九年：26%)的所得稅稅率繳納稅項。

由於年內並未於香港產生應課稅溢利，因此並無作出香港利得稅撥備。

其他地區的應課稅溢利已按本集團經營業務所在司法權區通行的稅率，並根據其現有法律、詮釋及慣例計算稅項。由於本集團並未於中國大陸及香港以外的司法權區產生應課稅溢利，因此並無就上述國家作出利得稅撥備。

年內所得稅開支的主要組成部分載列如下：

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Current – Mainland China 即期 – 中國內地		
Charge for the year 年內支出	326,041	155,517
Current – Elsewhere 即期 – 其他地區	100	–
Deferred (note 26) 遞延 (附註26)	453,290	(56,962)
Total tax charge for the year 年內稅項支出總額	779,431	98,555

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31 DECEMBER 2020 二零二零年十二月三十一日

11. INCOME TAX (Continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

	2020 二零二零年		2019 二零一九年	
	RMB' 000 人民幣千元	%	RMB' 000 人民幣千元	%
Profit before tax 除稅前溢利	6,220,802		1,696,200	
Tax at the applicable tax rate 按適用稅率計算的稅項	1,555,201	25.0	424,050	25.0
Expenses not deductible for tax 不可扣稅的開支	17,748	0.3	4,795	0.3
Lower tax rate for specific provinces or enacted by local authority 指定省份或當地機關實施之較低稅率	(585,129)	(9.4)	(159,489)	(9.4)
Super-deduction of research and development costs 研究與開發成本超額抵扣	(210,455)	(3.4)	(169,696)	(10.0)
Tax losses utilised from previous periods 使用的以往期間稅項虧損	(9,644)	(0.2)	(1,880)	(0.1)
Tax losses and deductible differences not recognised 未確認稅項虧損及可扣稅差異	11,710	0.2	775	–
Tax charge at the Group's effective rate 按本集團實際稅率計算的稅項支出	779,431	12.5	98,555	5.8

11. 所得稅 (續)

適用於本公司及其大部分附屬公司於所在司法權區按法定稅率計算的除稅前溢利的稅項支出與按實際稅率計算的稅項支出對賬，以及適用稅率（即法定稅率）與實際稅率對賬如下：

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12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount for the year is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,253,204,500 (2019: 2,253,204,500) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2020 and 2019 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those years.

The calculation of basic earnings per share is based on:

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Earnings 盈利		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation 用於計算每股基本盈利的母公司普通股權益持有人應佔溢利	5,441,371	1,597,645

	Number of shares 股份數目	
	2020 二零二零年	2019 二零一九年
Shares 股份		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation 用於計算每股基本盈利的年內已發行普通股加權平均數	2,253,204,500	2,253,204,500

12. 母公司普通股權益持有人應佔每股盈利

年內每股基本盈利乃按年內母公司普通股權益持有人應佔溢利及年內已發行普通股加權平均數2,253,204,500股(二零一九年: 2,253,204,500股)計算。

截至二零二零年及二零一九年十二月三十一日止年度，就攤薄而言概無調整呈列之每股基本盈利，乃因本集團於該等年度並無任何具潛在攤薄影響的已發行普通股。

每股基本盈利按以下基準計算：

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

	Freehold land and buildings 永久業權 土地及樓宇 RMB' 000 人民幣千元	Leasehold improvements 租賃物業裝修 RMB' 000 人民幣千元	Machinery and equipment 機器及設備 RMB' 000 人民幣千元	Office equipment and fixtures 辦公室 設備及傢俱 RMB' 000 人民幣千元	Motor vehicles 車輛 RMB' 000 人民幣千元	Construction in progress 在建工程 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
31 December 2020 二零二零年十二月三十一日							
At 31 December 2019 and at 1 January 2020: 於二零一九年十二月三十一日及二零二零年一月一日:							
Cost 成本	1,509,122	820,340	15,419,262	1,302,629	40,082	358,566	19,450,001
Accumulated depreciation and impairment 累計折舊及減值	(296,033)	(212,684)	(9,398,507)	(900,809)	(24,550)	-	(10,832,583)
Net carrying amount 賬面淨值	1,213,089	607,656	6,020,755	401,820	15,532	358,566	8,617,418
At 1 January 2020, net of accumulated depreciation and impairment 於二零二零年一月一日，扣除累計折舊及減值							
Additions 增添	16,393	285,958	2,008,780	388,926	8,619	235,997	2,944,673
Disposals 出售	-	-	(86,822)	(14,034)	(345)	(923)	(102,124)
Depreciation provided during the year 年內折舊撥備	(45,082)	(144,405)	(1,332,569)	(227,613)	(5,538)	-	(1,755,207)
Exchange realignment 匯兌調整	(12,159)	-	689	(111)	(74)	(384)	(12,039)
Transfers 轉讓	32,235	-	118,435	10,274	-	(160,944)	-
At 31 December 2020, net of accumulated depreciation and impairment 於二零二零年十二月三十一日，扣除累計折舊及減值							
	1,204,476	749,209	6,729,268	559,262	18,194	432,312	9,692,721
At 31 December 2020: 於二零二零年十二月三十一日:							
Cost 成本	1,539,435	1,106,298	16,755,545	1,421,264	46,778	432,312	21,301,632
Accumulated depreciation and impairment 累計折舊及減值	(334,959)	(357,089)	(10,026,277)	(862,002)	(28,584)	-	(11,608,911)
Net carrying amount 賬面淨值	1,204,476	749,209	6,729,268	559,262	18,194	432,312	9,692,721

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31 DECEMBER 2020 二零二零年十二月三十一日

13. PROPERTY, PLANT AND EQUIPMENT (Continued) 13. 物業、廠房及設備(續)

	Freehold land and buildings 永久業權 土地及樓宇 RMB' 000 人民幣千元	Leasehold improvements 租賃物業裝修 RMB' 000 人民幣千元	Machinery and equipment 機器及設備 RMB' 000 人民幣千元	Office equipment and fixtures 辦公室 設備及傢俱 RMB' 000 人民幣千元	Motor vehicles 車輛 RMB' 000 人民幣千元	Construction in progress 在建工程 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
31 December 2019 二零一九年十二月三十一日							
At 31 December 2018 and at 1 January 2019: 於二零一八年十二月三十一日及二零一九年一月一日:							
Cost 成本	1,410,254	496,186	13,197,912	1,160,913	37,767	315,510	16,618,542
Accumulated depreciation and impairment 累計折舊及減值	(247,197)	(118,060)	(7,809,035)	(788,527)	(22,173)	-	(8,984,992)
Net carrying amount 賬面淨值	1,163,057	378,126	5,388,877	372,386	15,594	315,510	7,633,550
At 1 January 2019, net of accumulated depreciation and impairment 於二零一九年一月一日，扣除累計折舊及減值							
Additions 增添	38,745	324,154	2,129,609	194,080	6,278	382,497	3,075,363
Disposals 出售	-	-	(29,173)	(10,797)	(404)	-	(40,374)
Depreciation provided during the year 年內折舊撥備	(49,154)	(94,624)	(1,733,994)	(167,535)	(5,934)	-	(2,051,241)
Exchange realignment 匯兌調整	88	-	53	3	(2)	(22)	120
Transfers 轉讓	60,353	-	265,383	13,683	-	(339,419)	-
At 31 December 2019, net of accumulated depreciation and impairment 於二零一九年十二月三十一日，扣除累計折舊及減值							
	1,213,089	607,656	6,020,755	401,820	15,532	358,566	8,617,418
At 31 December 2019: 於二零一九年十二月三十一日:							
Cost 成本	1,509,122	820,340	15,419,262	1,302,629	40,082	358,566	19,450,001
Accumulated depreciation and impairment 累計折舊及減值	(296,033)	(212,684)	(9,398,507)	(900,809)	(24,550)	-	(10,832,583)
Net carrying amount 賬面淨值	1,213,089	607,656	6,020,755	401,820	15,532	358,566	8,617,418

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14. LEASES

THE GROUP AS A LESSEE

The Group has lease contracts for various items of buildings, leasehold land, machinery and other equipment used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 44 to 99 years, and no ongoing payments will be made under the terms of these land leases. Leases of buildings generally have lease terms between 1 and 20 years. Machinery and other equipment generally have lease terms of 1 to 5 years and/or are individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group. There are several lease contracts that include extension options, which are further discussed below.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Leasehold land 租賃土地 RMB' 000 人民幣千元	Buildings 樓宇 RMB' 000 人民幣千元	Machinery and other equipment 機器及其他設備 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
As at 1 January 2019 於二零一九年一月一日	389,868	46,332	-	436,200
Additions 增添	106,301	852,777	5,393	964,471
Depreciation charge 折舊開支	(10,413)	(205,955)	(899)	(217,267)
Exchange realignment 外匯調整	(114)	-	-	(114)
As at 31 December 2019 and 1 January 2020 於二零一九年十二月三十一日及二零二零年一月一日	485,642	693,154	4,494	1,183,290
Additions 增添	102,856	208,321	-	311,177
Disposals 出售	-	(8,787)	-	(8,787)
Depreciation charge 折舊開支	(12,424)	(268,656)	(1,108)	(282,188)
Exchange realignment 匯兌調整	(1,961)	(142)	118	(1,985)
As at 31 December 2020 於二零二零年十二月三十一日	574,113	623,890	3,504	1,201,507

14. 租賃

本集團作為承租人

本集團擁有多個用於其經營活動中的樓宇、租賃土地、機器及其他設備項目的租賃合同。向土地擁有人收購租賃土地前已作出一次性付款，租賃期為44至99年，且根據該等土地租賃條款並無正在進行的款項。樓宇租賃一般擁有1至20年的租賃期。機器及其他設備一般擁有一至五年的租賃期及／或單個設備價值較低。一般而言，本集團受限制於在集團外部轉撥或分租租賃資產。多項租賃合同包含延期選擇權，下文將對其進一步討論。

(a) 使用權資產

於年內，本集團使用權資產的賬面值及變動如下：

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14. LEASES (Continued)

THE GROUP AS A LESSEE (Continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Carrying amount at 1 January 於一月一日的賬面值	752,092	46,332
New leases 新租賃	190,209	858,170
Accretion of interest recognised during the year 年內確認利息的增加	35,977	30,739
Payments 付款	(242,698)	(183,149)
Carrying amount at 31 December 於十二月三十一日的賬面值	735,580	752,092
Analysed into: 分析為：		
Current portion 流動部分	330,984	253,840
Non-current portion 非流動部分	404,596	498,252

The maturity analysis of lease liabilities is disclosed in note 35 to the financial statements.

租賃負債的到期日分析於財務報表附註35內披露。

(c) The amounts recognised in profit or loss in relation to leases are as follows:

(c) 與租賃有關的於損益確認的金額如下：

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Interest on lease liabilities 租賃負債的利息	35,977	30,739
Depreciation charge of right-of-use assets 使用權資產的折舊開支	282,188	217,267
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December 2019 (included in cost of sales) 與短期租賃有關的開支及剩餘租賃期於二零一九年十二月三十一日或之前終止的其他租賃(計入銷售成本)	156,529	131,486
Expense relating to leases of low-value assets (included in administrative expenses) 與低價值資產租賃有關的開支(計入行政開支)	567	278
Total amount recognised in profit or loss 於損益確認的總金額	475,261	379,770

(d) The total cash outflow for leases is disclosed in note 30 to the financial statements.

(d) 租賃的總現金流出於財務報表附註30披露。

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14. LEASES (Continued)

THE GROUP AS A LESSOR

The Group leases its equipment under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB13,079,000 (2019: RMB11,777,000).

At 31 December 2020, the undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

	2020 二零二零年 RMB' 000 人民幣千元 VAT not inclusive (不包括增值稅)	2019 二零一九年 RMB' 000 人民幣千元 VAT not inclusive (不包括增值稅)
Within one year 一年內	13,912	5,482
After one year but within five years 一年後但五年內	8,227	1,428
	22,139	6,910

14. 租賃(續)

本集團作為出租人

本集團根據經營租賃安排出租其設備。租賃條款一般要求租戶繳付押金，並根據當時現行市場狀況提供定期租金調整。本集團於年內確認的租金收入為人民幣13,079,000元(二零一九年：人民幣11,777,000元)。

於二零二零年十二月三十一日，本集團根據與其租戶的不可撤銷經營租賃於未來期間的未折現應收租賃付款如下：

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15. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

15. 預付款項、其他應收賬款及其他資產

	31 December 2020 二零二零年 十二月三十一日 RMB' 000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 RMB' 000 人民幣千元
Non-current portion: 非流動部分：		
Prepayments for items of property, plant and equipment 物業、廠房及設備項目預付款項	582,774	550,049
Prepayments for others 其他預付款項	6,699	16,756
Current portion: 流動部分		
Deposits and other receivables 按金及其他應收賬款	1,197,704	375,029
Impairment allowance 減值撥備	(45)	(20)
Prepayments – Current 預付款項 – 流動	1,197,659	375,009
	33,622	6,757
	1,231,281	381,766

At 31 December 2020, an impairment loss of RMB45,000 (2019: RMB20,000) has been provided.

於二零二零年十二月三十一日，已計提減值虧損人民幣45,000元（二零一九年：人民幣20,000元）。

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16. OTHER INTANGIBLE ASSETS

16. 其他無形資產

	Computer software 電腦軟件 RMB'000 人民幣千元
31 December 2020 二零二零年十二月三十一日	
Cost at 1 January 2020, net of accumulated amortisation 於二零二零年一月一日的成本，扣除累計攤銷	10,866
Additions 增添	2,782
Amortisation provided during the year 年內攤銷撥備	(4,734)
At 31 December 2020 於二零二零年十二月三十一日	8,914
At 31 December 2020: 於二零二零年十二月三十一日：	
Cost 成本	39,673
Accumulated amortisation 累計攤銷	(30,759)
Net carrying amount 賬面淨值	8,914

	Computer software 電腦軟件 RMB'000 人民幣千元
31 December 2019 二零一九年十二月三十一日	
Cost at 1 January 2019, net of accumulated amortisation 於二零一九年一月一日的成本，扣除累計攤銷	14,231
Additions 增添	4,036
Amortisation provided during the year 年內攤銷撥備	(7,401)
At 31 December 2019 於二零一九年十二月三十一日	10,866
At 31 December 2019: 於二零一九年十二月三十一日：	
Cost 成本	45,858
Accumulated amortisation 累計攤銷	(34,992)
Net carrying amount 賬面淨值	10,866

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17. OTHER NON-CURRENT FINANCIAL ASSETS

17. 其他非流動金融資產

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
listed equity investments, at fair value 上市股本投資，以公允價值計量	14,593	8,305
	14,593	8,305

The above equity investments at 31 December 2020 were classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

上述於二零二零年十二月三十一日的股本投資分類為以公允價值計量並計入損益的金融資產，此乃由於本集團並未選擇確認計入其他綜合收益的公允價值收益或虧損。

18. INVENTORIES

18. 存貨

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Raw materials 原材料	1,331,479	1,403,925
Work in progress 在製品	38,505	114,119
Finished goods 製成品	5,515,263	3,810,377
Moulds held for production 持有供生產用模具	6,110	72,491
	6,891,357	5,400,912

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19. TRADE RECEIVABLES

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Trade receivables 應收貿易賬款	14,502,826	9,684,530
Impairment 減值	(111,360)	(117,160)
	14,391,466	9,567,370

The Group's trading terms with its customers are mainly on credit. The credit period is generally two to three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. At the end of the reporting period, the Group had a certain concentration of credit risk as 32% (2019: 34%) and 59% (2019: 66%) of the Group's trade receivables were due from the Group's largest customer and the five largest customers, respectively. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Within 90 days 90日內	13,787,063	9,011,492
91 to 180 days 91日至180日	587,382	511,649
181 to 360 days 181日至360日	17,021	43,899
Over 360 days 超過360日	-	330
	14,391,466	9,567,370

19. 應收貿易賬款

本集團與其客戶的貿易條款大多屬賒賬形式。信貸期通常為兩至三個月。每名客戶均設有最高信用額。本集團務求對未收回的應收賬款維持嚴緊監管，並設有信用控制部門以減少信貸風險。高級管理層定期審閱逾期結餘。於報告期末，由於本集團32%（二零一九年：34%）及59%（二零一九年：66%）的應收貿易賬款分別為本集團最大客戶及五大客戶欠款，故本集團承受若干信貸集中風險。本集團並無就其應收貿易賬款結餘持有任何抵押或其他額外信貸。應收貿易賬款乃不計利息。

於報告期末，應收貿易賬款按發票日期及扣除虧損撥備後的賬齡分析如下：

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19. TRADE RECEIVABLES (Continued)

The movements in the loss allowance for impairment of trade receivables are as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
At beginning of year 於年初	117,160	102,527
Impairment losses 減值虧損	17,400	19,973
Impairment losses reversed 轉回減值虧損	(16,702)	(5,340)
Amount written off as uncollectible 沖銷無法收回的款項	(6,498)	-
At end of the year 於年末	111,360	117,160

There are no significant changes in the loss allowance.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns by product type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

19. 應收貿易賬款(續)

應收貿易賬款減值的虧損撥備變動載列如下：

虧損撥備概無重大變動。

於各報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率基於具有類似虧損模式的各客戶群按產品類型分組的逾期天數。該計算反映了概率加權結果、貨幣時間價值及於報告日可獲得的有關過去事件、當前狀況及未來經濟狀況預測的合理可支持性資料。一般而言，應收貿易賬款如逾期超過一年且不受執法活動影響，則予以撇銷。

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19. TRADE RECEIVABLES (Continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2020

	Aging as at 31 December 2020 於二零二零年十二月三十一日的賬齡				Total 總計
	Within 90 days 90日內	91 to 180 days 91日至180日	181 to 360 days 181日至360日	Over 1 year 1年以上	
Expected credit loss rate 預期信貸虧損率	0.15%	0.18%	0.19%	100.00%	0.77%
Gross carrying amount (RMB' 000) 賬面總值(人民幣千元)	13,808,229	588,442	17,053	89,102	14,502,826
Expected credit losses (RMB' 000) 預期信貸虧損(人民幣千元)	21,166	1,060	32	89,102	111,360

As at 31 December 2019

	Aging as at 31 December 2019 於二零一九年十二月三十一日的賬齡				Total 總計
	Within 90 days 90日內	91 to 180 days 91日至180日	181 to 360 days 181日至360日	Over 1 year 1年以上	
Expected credit loss rate 預期信貸虧損率	0.18%	0.21%	0.21%	99.67%	1.21%
Gross carrying amount (RMB' 000) 賬面總值(人民幣千元)	9,027,942	512,726	43,991	99,871	9,684,530
Expected credit losses (RMB' 000) 預期信貸虧損(人民幣千元)	16,450	1,077	92	99,541	117,160

The net carrying amount of due from the holding companies and fellow subsidiaries included in the above are as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Due from the ultimate holding company 應收最終控股公司款項	156,295	157,760
Due from the intermediate holding company 應收中介控股公司款項	132,893	164,230
Due from fellow subsidiaries 應收同系附屬公司款項	3,559,639	396,975
Due from other related parties 應收其他關聯方款項	6,390	–
	3,855,217	718,965

The balances are unsecured, non-interest-bearing and on credit terms similar to those offered to the major customers of the Group.

19. 應收貿易賬款(續)

以下載列本集團應收貿易賬款使用撥備矩陣的信貸風險資料：

於二零二零年十二月三十一日

於二零一九年十二月三十一日

上文所載應收控股公司及同系附屬公司之賬面淨值如下：

該等結餘乃無抵押、免息且其信貸條款與向本集團主要客戶提供者相若。

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20. CASH AND BANK BALANCES AND RESTRICTED BANK DEPOSITS

20. 現金及銀行結餘以及受限制銀行存款

	Notes 附註	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Cash and bank balances 現金及銀行結餘		3,465,889	1,650,730
Time deposits 定期存款		487	20,314
		3,466,376	1,671,044
Less: Restricted bank deposits: 減：受限制銀行存款：			
Pledged deposit 已抵押存款	(i)	(487)	(20,314)
Cash and cash equivalents 現金及現金等價物	(ii)	3,465,889	1,650,730

Notes:

- (i) At 31 December 2020, bank deposits of RMB487,000 (2019: RMB20,314,000) were pledged for guarantee credit.
- (ii) At the end of the reporting period, the cash and cash equivalents of the Group denominated in Renminbi ("RMB") amounted to RMB2,338,394,000 (2019: RMB310,613,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

附註：

- (i) 於二零二零年十二月三十一日，銀行存款人民幣487,000元（二零一九年：人民幣20,314,000元）已抵押取得擔保信用證。
- (ii) 於報告期末，本集團以人民幣（「人民幣」）計值的現金及現金等價物為人民幣2,338,394,000元（二零一九年：人民幣310,613,000元）。人民幣不可自由兌換為其他貨幣，惟根據中國內地的外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

銀行存款按每日銀行存款利率賺取按浮動利率計算的利息。銀行結餘及已抵押存款存放於無近期違約記錄且信譽良好的銀行。

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21. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Within 90 days 90日內	7,461,850	6,405,173
91 to 180 days 91日至180日	534,718	780,576
181 to 360 days 181日至360日	139,870	51,550
1 to 2 years 1至2年	6,532	95,005
Over 2 years 2年以上	2,881	7,578
	8,145,851	7,339,882

The trade payables are non-interest-bearing and normally settled within terms of 30 to 180 days.

The balances due to the holding companies, fellow subsidiaries and other related companies included in the above are as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Due to the ultimate holding company 應付最終控股公司款項	57,509	150,210
Due to the intermediate holding company 應付中介控股公司款項	3,559,689	1,377,758
Due to fellow subsidiaries 應付同系附屬公司款項	3,131,627	3,546,888
Due to other related parties 應付其他關聯方款項	156	–
	6,748,981	5,074,856

The balances are unsecured, non-interest-bearing and repayable on demand.

21. 應付貿易賬款及應付票據

於報告期末，應付貿易賬款及應付票據按發票日期的賬齡分析如下：

應付貿易賬款乃免息，一般按30日至180日限期支付。

上文所載應付控股公司、同系附屬公司及其他關聯公司結餘如下：

該等結餘乃無抵押、免息且須按要求償還。

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22. OTHER PAYABLES AND ACCRUALS

22. 其他應付賬款及應計費用

	Notes 附註	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Contract liabilities 合同負債	(a)	405,755	466,592
Advance from customers 預收客戶墊款		10,883	–
Other payables 其他應付賬款	(b)	2,136,892	925,900
Accrued payroll 應付工資		1,741,871	1,287,293
		4,295,401	2,679,785

Notes:

附註：

- (a) Details of contract liabilities as at 31 December 2020 and 2019 are as follows:

- (a) 於二零二零年及二零一九年十二月三十一日合同負債的詳情載列如下：

	31 December 2020 二零二零年 十二月三十一日 RMB' 000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 RMB' 000 人民幣千元
Short-term advances received from customers 已收客戶短期墊款		
Sale of goods 貨物銷售	405,755	466,592
Total contract liabilities 合同負債總額	405,755	466,592

Contract liabilities include short-term advances received to deliver goods.

合同負債包括為交付商品的已收短期墊款。

- (b) Other payables are non-interest-bearing and have an average term of three months.

- (b) 其他應付賬款並不計息，平均年期為三個月。

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23. DERIVATIVE FINANCIAL INSTRUMENTS

23. 衍生金融工具

	2020 二零二零年		2019 二零一九年	
	Assets 資產 RMB' 000 人民幣千元	Liabilities 負債 RMB' 000 人民幣千元	Assets 資產 RMB' 000 人民幣千元	Liabilities 負債 RMB' 000 人民幣千元
Foreign currency forward contracts 外幣遠期合同	-	587	15,520	17,055
Current portion 流動部分	-	587	15,520	17,055

24. DEFERRED INCOME

24. 遞延收入

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
At 1 January 於一月一日	122,054	135,644
Received during the year 年內已收	425,626	232,847
Returned during the year 年內退還	-	(7,360)
Released to the statement of profit or loss 轉回損益表	(400,626)	(239,077)
At 31 December 於十二月三十一日	147,054	122,054
Less: Portion classified as current liabilities 減：分類為流動負債部分	-	-
Non-current portion 非流動部分	147,054	122,054

Various government grants have been received for basic research and development activities. Government grants received for which related expenditure has not yet been undertaken are included in deferred income in the statement of financial position. A certain grant received relating to an asset is also credited to deferred income and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

已就基本研究及開發活動收取多項政府補助。與尚未動用開支有關之已收政府補助已計入財務狀況表的遞延收入。若干與資產相關之已收補助亦已計入遞延收入，並在相關資產預期使用年期內每年按等額分期轉回損益表。

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25. INTEREST-BEARING BANK BORROWINGS

25. 計息銀行貸款

	31 December 2020 二零二零年十二月三十一日		
	Effective interest rate (%) 實際利率 (%)	Maturity 到期日	RMB' 000 人民幣千元
Current 即期 Bank loans – unsecured 銀行貸款 – 無抵押	1.85-3.72	2021	2,009,247
			2,009,247

(a) The carrying amounts of the Group's and the Company's bank borrowings approximate to their fair values.

(a) 本集團及本公司銀行借款之賬面值與其公平值相若。

(b) All borrowings are denominated in RMB.

(b) 所有借款均以人民幣計值。

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26. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

DEFERRED TAX LIABILITIES

	Withholding taxes on the earnings anticipated to be remitted by subsidiaries 預期將由附屬公司匯出的盈利預扣稅 RMB' 000 人民幣千元	Depreciation in excess of depreciation allowance 折舊撥備的超額折舊 RMB' 000 人民幣千元	Fair value adjustment arising from trading financial assets 買賣金融資產產生的公允價值調整 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
At 1 January 2020 於二零二零年一月一日	15,957	232,897	684	249,538
Deferred tax (credited)/charged to the statement of profit or loss during the year 年內於損益表(計入)/扣除的遞延稅項	(15,957)	336,138	(684)	319,497
Gross deferred tax liabilities 遞延稅項負債總額 At 31 December 2020 於二零二零年十二月三十一日	-	569,035	-	569,035
At 1 January 2019 於二零一九年一月一日	44,648	141,596	-	186,244
Deferred tax (credited)/charged to the statement of profit or loss during the year 年內於損益表(計入)/扣除的遞延稅項	(28,691)	91,301	684	63,294
Gross deferred tax liabilities 遞延稅項負債總額 At 31 December 2019 於二零一九年十二月三十一日	15,957	232,897	684	249,538

26. 遞延稅項

年內的遞延稅項資產及負債變動如下：

遞延稅項負債

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26. DEFERRED TAX (Continued)

DEFERRED TAX ASSETS

26. 遞延稅項 (續)

遞延稅項資產

	Depreciation in excess of depreciation allowance 折舊撥備的超額折舊 RMB' 000 人民幣千元	Impairment of assets 資產減值 RMB' 000 人民幣千元	Government grants 政府補貼 RMB' 000 人民幣千元	Tax losses 稅項虧損 RMB' 000 人民幣千元	Fair value adjustment arising from trading financial liabilities 買賣金融負債產生的公允價值調整 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
At 1 January 2020 於二零二零年一月一日	250,290	34,763	12,979	91,980	201	390,213
Deferred tax credited/(charged) to the statement of profit or loss during the year (note 11) 年內於損益表計入/(扣除)的遞延稅項(附註11)	(34,657)	(8,355)	1,399	(91,980)	(201)	(133,794)
At 31 December 2020 於二零二零年十二月三十一日	215,633	26,408	14,378	-	-	256,419
At 1 January 2019 於二零一九年一月一日	231,905	23,298	14,613	141	-	269,957
Deferred tax credited/(charged) to the statement of profit or loss during the year (note 11) 年內於損益表計入/(扣除)的遞延稅項(附註11)	18,385	11,465	(1,634)	91,839	201	120,256
At 31 December 2019 於二零一九年十二月三十一日	250,290	34,763	12,979	91,980	201	390,213

For presentation purposes, certain deferred tax assets and liabilities have been offset with an amount of RMB256,419,000 (2019: RMB231,161,000) in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

為呈列用途，若干遞延稅項資產及負債已於財務狀況表中與人民幣256,419,000元的金額抵銷(二零一九年：人民幣231,161,000元)。下列為就財務報告用途的本集團遞延稅項結餘分析：

	RMB' 000 人民幣千元
Net deferred tax assets recognised in the consolidated statement of financial position 於合併財務狀況表中確認的遞延稅項資產淨值	-
Net deferred tax liabilities recognised in the consolidated statement of financial position 於合併財務狀況表中確認的遞延稅項負債淨值	312,616

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26. DEFERRED TAX (Continued)

DEFERRED TAX ASSETS (Continued)

Deferred tax assets have not been recognised in respect of the following items:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Tax losses 稅項虧損	144,598	130,312
Deductible temporary differences 可扣稅暫時性差異	326,028	452,054
	470,626	582,366

The above tax losses will expire in one to five years for offsetting against future taxable profits in which the losses arose. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

As at 31 December 2020, there were no deferred tax liabilities recognised on earnings anticipated to be remitted by certain subsidiaries in foreseeable future (2019: RMB15,957,000). No withholding tax has been provided for the earnings of approximately RMB17,934,013,000 at 31 December 2020 (2019: RMB12,633,329,000) expected to be retained by the PRC subsidiaries and not to be remitted to a foreign investor in the foreseeable future based on several factors, including management's estimation of overseas funding requirements.

26. 遞延稅項 (續)

遞延稅項資產 (續)

並未就以下項目確認遞延稅項資產：

上述稅項虧損可於一至五年內用以抵銷產生虧損的未來應課稅溢利。由於認為不太可能產生用於抵銷應課稅溢利以沖銷上述可動用項目，故並未就上述項目確認遞延稅項資產。

於二零二零年十二月三十一日，概無就若干附屬公司於可預見未來預計將匯出的盈利確認遞延稅項負債（二零一九年：人民幣15,957,000元）。於二零二零年十二月三十一日，根據包括管理層對境外資金需求估計在內的多項因素，本集團並無就預期由中國附屬公司保留且不會於可預見未來匯給境外投資者的盈利約人民幣17,934,013,000元（二零一九年：人民幣12,633,329,000元）撥備預扣稅。

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27. SHARE CAPITAL SHARES

27. 股本 股份

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Issued and fully paid 已發行及繳足 2,253,204,500 (2019: 2,253,204,500) ordinary shares 2,253,204,500股(二零一九年: 2,253,204,500股)普通股	4,052,228	4,052,228

A summary of movements in the Company's share capital is as follows:

本公司股本變動概述如下：

	Number of shares in issue 已發行股份數目	Share capital 股本 RMB' 000 人民幣千元
At 1 January 2019 於二零一九年一月一日	2,253,204,500	4,052,228
At 31 December 2019 and 1 January 2020 於二零一九年十二月三十一日及二零二零年一月一日	2,253,204,500	4,052,228
At 31 December 2020 於二零二零年十二月三十一日	2,253,204,500	4,052,228

28. OTHER RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 120 of the financial statements.

Pursuant to the relevant laws and regulations for business enterprises, a portion of the profits of the Group's entities which are registered in the PRC has been transferred to the statutory surplus reserve, which is restricted as to use.

28. 其他儲備

本集團的儲備金額及於本年度及過往年度的有關金額變動呈列於財務報表第120頁合併權益變動表內。

根據商業企業的相關法例及規定，本集團於中國註冊的實體的部分溢利已轉撥至有限用途的法定盈餘儲備。

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29. CONTINGENT LIABILITIES

ACTION AGAINST FOXCONN

On 11 June 2007, a Hong Kong High Court action (the “June 2007 Action”) was commenced by a subsidiary and an affiliate of Foxconn International Holdings Limited (the “Plaintiffs”) against the Company and certain subsidiaries of the Group (the “Defendants”) for using confidential information alleged to have been obtained improperly from the Plaintiffs. The Plaintiffs discontinued the June 2007 Action on 5 October 2007 with the effect that the June 2007 Action has been wholly discontinued against all the Defendants named in the action and this finally disposed of the June 2007 Action without any liability to the Defendants. On the same day, the Plaintiffs initiated a new set of legal proceedings in the Court (the “October 2007 Action”). The Defendants named in the October 2007 Action are the same as the Defendants in the June 2007 Action, and the claims made by the Plaintiffs in the October 2007 Action are based on the same facts and the same grounds in the June 2007 Action. The remedies sought by the Plaintiffs in the October 2007 Action include an injunction restraining the Defendants from using the alleged confidential information, an order for the disgorgement of profit made by the Defendants through the use of the confidential information, damages based on the loss suffered by the Plaintiffs and exemplary damages. The total damages sought by the Plaintiffs in the October 2007 Action have not been quantified.

On 2 October 2009, the Defendants instituted a counter-action against Foxconn International Holdings Limited and certain of its affiliates for their intervention, by means of illegal measures, in the operations involving the Company and certain of its subsidiaries, collusions, written and verbal defamation, and the economic loss as a result of the said activities.

As at the reporting date, the case remains in the process of legal proceedings. After consulting the Company’s legal counsel representing the Company for the case, the board is of the view that the estimate of ultimate outcome and amount to settle the obligation, if any, of the litigation cannot be made reliably up to date.

29. 或然負債

富士康訴訟案件

於二零零七年六月十一日，富士康國際控股有限公司旗下一間附屬公司及一間聯屬公司（「原告」）向香港高等法院展開訴訟（「二零零七年六月訴訟」），指控本公司及本集團若干附屬公司（「被告」）使用指稱自原告處非法獲得的機密資料。隨著針對被告的二零零七年六月訴訟被全面撤銷以及該訴訟未判令被告承擔任何責任，原告已於二零零七年十月五日停止二零零七年六月訴訟。同日，原告向法院提起新一輪的法律程序（「二零零七年十月訴訟」）。二零零七年十月訴訟的被告與二零零七年六月訴訟的被告相同，且原告在二零零七年十月訴訟中提出的申索均基於二零零七年六月訴訟中的相同事實及理由。原告在二零零七年十月訴訟中提出的補救方法包括強令禁止被告使用有關機密資料、強令被告交出因使用機密資料所獲得的利潤以及賠償原告遭受的損失及支付懲罰性賠償金。原告在二零零七年十月訴訟中主張的全部賠償金數額尚未確定。

於二零零九年十月二日，被告對富士康國際控股有限公司及其若干聯屬公司利用不合法手段干涉本公司及其若干附屬公司的經營、共謀行為、書面及口頭誹謗，導致經濟損失的行為提起反訴。

於本報告日期，該訴訟案仍處於法律訴訟階段。經諮詢於案件中代表本公司的本公司法律顧問，董事會認為直至目前為止尚難以可靠估計該訴訟的最終結果及了結訴訟須支付的有關款項金額（如有）。

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30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB208,321,000 (2019: RMB697,648,000) and RMB208,321,000 (2019: additions of RMB752,092,000), respectively, in respect of lease arrangements for leasehold land, buildings, machinery and other equipment.

(b) Changes in liabilities arising from financing activities

2020

	Interest-bearing bank borrowings 計息銀行借款	Lease liabilities 租賃負債 RMB' 000 人民幣千元
At 1 January 2020 於二零二零年一月一日	-	752,092
Changes from financing cash flows 融資現金流量變動	1,972,906	(242,698)
New leases 新租賃	-	190,209
Interest expense 利息開支	35,356	35,977
Foreign exchange movement 外匯變動	985	-
At 31 December 2020 於二零二零年十二月三十一日	2,009,247	735,580

2019

	Lease liabilities 租賃負債 RMB' 000 人民幣千元
At 1 January 2019 於二零一九年一月一日	46,332
Changes from financing cash flows 融資現金流量變動	(183,149)
New leases 新租賃	858,170
Interest expense 利息開支	30,739
At 31 December 2019 於二零一九年十二月三十一日	752,092

30. 合併現金流量表附註

(a) 重大非現金交易

年內，本集團就租賃土地、樓宇、機器及其他設備的租賃安排的使用權資產及租賃負債的非現金添置分別為人民幣208,321,000元（二零一九年：人民幣697,648,000元）及人民幣208,321,000元（二零一九年：添置人民幣752,092,000元）。

(b) 融資活動所產生的負債變動

二零二零年

二零一九年

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30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statement of cash flows is as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Within operating activities 經營活動內	157,096	131,764
Within investing activities 投資活動內	102,856	106,301
Within financing activities 融資活動內	242,698	183,149

31. COMMITMENTS

(a) The Group had the following capital commitments at the end of the reporting period:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Contracted, but not provided for: 已訂約，但未計提撥備：		
Plant and machinery 廠房及機器	365,686	453,224
Building 樓宇	174,498	74,523
	540,184	527,747

30. 合併現金流量表附註(續)

(c) 租賃現金流出總額

載於合併現金流量表內的租賃現金流出總額載列如下：

31. 承擔

(a) 本集團於報告期末擁有下列資本承擔：

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32. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

32. 關聯方交易

(a) 除本財務報表其他部分詳述的交易外，本集團與關聯方於年內亦進行以下重大交易：

Nature of transactions 交易性質	Notes 附註	Related parties 關聯方	Year ended 31 December 截至十二月三十一日止年度	
			2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Sales of plant and machinery 出售廠房及機器	(i)	Ultimate holding company 最終控股公司	5,728	2,270
		Fellow subsidiaries 同系附屬公司	2,174	10,996
Purchases of plant and machinery 購買廠房及機器	(i)	Ultimate holding company 最終控股公司	31,827	6,231
		Fellow subsidiaries 同系附屬公司	60,996	34,371
Purchases of inventories 採購存貨	(ii)	Ultimate holding company 最終控股公司	93,563	210,511
		Intermediate holding company 中介控股公司		118,829
		Fellow subsidiaries 同系附屬公司	756,100	578,741
Sales of inventories 出售存貨	(ii)	Ultimate holding company 最終控股公司	80,739	32,774
		Fellow subsidiaries 同系附屬公司	14,353,146	986,419
Lease and ancillary services payments 租賃及配套服務付款	(iii)	Ultimate holding company 最終控股公司	125,845	89,238
		Fellow subsidiaries 同系附屬公司	810,076	744,425
Exclusive processing services received 獲提供獨家加工服務	(iv)	Ultimate holding company 最終控股公司	195,587	263,874
		Fellow subsidiaries 同系附屬公司	674,931	110,786

NOTES TO FINANCIAL STATEMENTS

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32. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued):

Nature of transactions 交易性質	Notes 附註	Related parties 關聯方	Year ended 31 December 截至十二月三十一日止年度	
			2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Exclusive processing services provided 提供獨家加工服務	(iv)	Ultimate holding company 最終控股公司	14,063	12,751
		Fellow subsidiaries 同系附屬公司	119,219	119,799
Agent fee for procurement service 採購服務的代理費	(v)	Intermediate holding company 中介控股公司	33,276	32,778
		Fellow subsidiaries 同系附屬公司	22,160	19,690
Sales of glass casing products 銷售玻璃機殼產品	(vi)	Fellow subsidiaries 同系附屬公司	49,107	112,295
Purchases automotive core components and special-purpose electric vehicles 採購汽車核心零部件及電動專用車	(vii)	Fellow subsidiaries 同系附屬公司	21,811	124,272
Electricity fee received 收取電費	(viii)	Ultimate holding company 最終控股公司	2,824	2,591
		Fellow subsidiaries 同系附屬公司	72,486	75,301
Construction service received 獲提供建築服務	(ix)	Fellow subsidiaries 同系附屬公司	–	39,046
Purchases of batteries 購買電池	(x)	Ultimate holding company 最終控股公司	61,233	–
		Fellow subsidiaries 同系附屬公司	780,014	–

32. 關聯方交易 (續)

(a) (續):

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31 DECEMBER 2020 二零二零年十二月三十一日

32. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued):

Notes:

- (i) The sales and purchases of plant and machinery were made at net book values.
- (ii) The sales and purchases of inventories were conducted in accordance with prices and terms mutually agreed between the parties. In the opinion of the directors, the transactions were conducted in the ordinary and usual course of business.
- (iii) The payments were charged on an actually incurred basis or in accordance with terms mutually agreed between the parties. In the opinion of the directors, the transactions were conducted in the ordinary and usual course of business.
- (iv) The processing service fees and revenue were charged and received for the depreciation of the relevant machinery and equipment during the year ended 31 December 2020.
- (v) The agent fee for the procurement service was charged at a certain percentage of the total amount of procurement provided by the fellow subsidiaries on behalf of the Group.
- (vi) The sales of glass casing products were made in accordance with prices and terms mutually agreed between the parties. In the opinion of the directors, the transactions were conducted in the ordinary and usual course of business.
- (vii) The purchases of automotive core components and special purpose electric vehicles were made in accordance with prices and terms mutually agreed between the parties. In the opinion of the directors, the transactions were conducted in the ordinary and usual course of business.
- (viii) The sales of power supply services were made in accordance with prices and terms mutually agreed between the parties. In the opinion of the directors, the transactions were conducted in the ordinary and usual course of business.
- (ix) The service fees were conducted in accordance with prices and terms mutually agreed between the parties. In the opinion of the directors, the transactions were conducted in the ordinary and usual course of business.
- (x) The Purchases of batteries were conducted in accordance with prices and terms mutually agreed between the parties. In the opinion of the directors, the transactions were conducted in the ordinary and usual course of business.

32. 關聯方交易 (續)

(a) (續):

附註:

- (i) 出售及購買廠房及機器按賬面淨值進行。
- (ii) 出售及購買存貨乃按各方一致同意的價格及條款進行。董事認為，該等交易均屬日常業務過程中進行的交易。
- (iii) 付款按實際產生金額或按各方一致同意的條款支付。董事認為，該等交易均屬日常業務過程中進行的交易。
- (iv) 於截至二零二零年十二月三十一日止年度內就有關機器及設備的折舊而支付及收取的加工服務費及收入。
- (v) 採購服務代理費乃按同系附屬公司代表本集團提供的採購總金額之若干百分比收取。
- (vi) 銷售玻璃機殼產品乃按各方一致同意的價格及條款進行。董事認為，該等交易均屬日常業務過程中進行的交易。
- (vii) 採購汽車核心零部件及電動專用車乃按各方一致同意的價格及條款進行。董事認為，該等交易均屬日常業務過程中進行的交易。
- (viii) 銷售能源供應服務乃按各方一致同意的價格及條款進行。董事認為，該等交易均屬日常業務過程中進行的交易。
- (ix) 服務費乃按各方一致同意的價格及條款進行。董事認為，該等交易均屬日常業務過程中進行的交易。
- (x) 購買電池乃根據各方共同協定的價格及條款進行。董事認為，該等交易乃於日常業務過程中進行。

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32. RELATED PARTY TRANSACTIONS (Continued)

(b) Outstanding balances with related parties:

BYD Precision, a wholly-owned subsidiary of the Company provided entrusted loan of RMB400,000,000 to BYD Co., Ltd. ("BYD") through China Merchants Bank. The loans were unsecured, bear a fixed interest rate of 3.5% and due in 2023.

Except for the entrusted loan to the ultimate holding company, the balances with related parties are unsecured, interest-free and have no fixed terms of repayment.

Details of the Group's trade balances with the holding companies, fellow subsidiaries and other related companies as at the end of the reporting period are disclosed in notes 19 and 21 to the financial statements.

32. 關聯方交易 (續)

(b) 與關聯方的結餘：

本公司全資附屬公司比亞迪精密通過中國招商銀行向比亞迪股份有限公司(「比亞迪」)提供委託貸款人民幣400,000,000元。該貸款為無抵押、固定利率為3.5%並於二零二三年到期。

除最終控股公司的委託貸款外，與關聯方的結餘為無抵押、免息及無固定還款期限。

本集團於報告期末與控股公司、同系附屬公司及其他關聯公司的貿易結餘之詳情披露於財務報表附註19及附註21。

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32. RELATED PARTY TRANSACTIONS (Continued)

(b) Outstanding balances with related parties: (Continued)

As at 31 December 2020, the Group had total lease liabilities with these related companies under non-cancellable leases falling due as follows:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Lease liabilities – current 租賃負債 – 流動		
Ultimate holding company 最終控股公司	94,528	28,264
Fellow subsidiaries 同系附屬公司	228,128	48,301
Lease liabilities – non-current 租賃負債 – 非流動		
Ultimate holding company 最終控股公司	14,371	112,095
Fellow subsidiaries 同系附屬公司	47,221	274,789
	384,248	463,449

As at 31 December 2020, the net carrying amount of right-of-use assets relating to such rental contracts amounted to RMB314,112,000 (31 December 2019: RMB423,215,000).

(c) Compensation of key management personnel of the Group:

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Short-term employee benefits 短期僱員福利	19,036	14,051
Pension scheme contributions 退休金計劃供款	63	90
	19,099	14,141

Further details of directors' emoluments are included in note 9 to the financial statements.

The related party transactions in respect of items set out in (a) above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

32. 關聯方交易 (續)

(b) 與關聯方的結餘：(續)

於二零二零年十二月三十一日，本集團根據不可撤銷租賃與該等關聯公司的到期應付租賃負債總額如下：

於二零二零年十二月三十一日，有關該等租金合約的使用權資產的賬面淨值為人民幣314,112,000元（二零一九年十二月三十一日：人民幣423,215,000元）。

(c) 本集團主要管理人員的報酬：

董事酬金的進一步詳情載於財務報表附註9。

與上文(a)所載項目有關的關聯方交易根據上市規則第14A章所界定涵義亦構成關連交易或持續關連交易。

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財務報表附註

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33. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2020

FINANCIAL ASSETS

33. 金融工具分類

於報告期末，各金融工具分類的賬面值如下：

二零二零年

金融資產

	Financial assets at fair value through profit or loss 以公允價值計量 並計入損益的 金融資產 Mandatorily designated as such 強制指定為上述	Financial assets at fair value through other comprehensive income 以公允價值計量 並計入其他綜合 收益的金融資產 Debt investments 債務投資	Financial assets at amortised cost 以攤銷成本計量 的金融資產	Total 總計
	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Other non-current financial assets 其他非流動金融資產	14,593	-	-	14,593
Trade receivables 應收貿易賬款	-	-	14,391,466	14,391,466
Loans to the ultimate holding company 向最終控股公司提供貸款	-	-	400,000	400,000
Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收賬款及其他資產 的金融資產	100,000	-	44,640	144,640
Trade receivable financing 應收款項融資	-	88,400	-	88,400
Pledged deposits 已抵押存款	-	-	487	487
Cash and cash equivalents 現金及現金等價物	-	-	3,465,889	3,465,889
	114,593	88,400	18,302,482	18,505,475

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33. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

2020 (Continued)

FINANCIAL LIABILITIES

33. 金融工具分類 (續)

二零二零年 (續)

金融負債

	Financial liabilities at fair value through profit or loss 以公允價值計量並計入損益的金融負債 RMB' 000 人民幣千元	Financial liabilities at amortised cost 以攤銷成本計量的金融負債 RMB' 000 人民幣千元	Total 合計 RMB' 000 人民幣千元
Trade and bills payables 應付貿易賬款及應付票據	-	8,145,851	8,145,851
Derivative financial instruments 衍生金融工具	587	-	587
Lease liabilities 租賃負債	-	735,580	735,580
Interest-bearing bank and other borrowings 計息銀行及其他借款	-	2,009,247	2,009,247
Financial liabilities included in other payables 計入其他應付賬款的金融負債	-	2,331,998	2,331,998
	587	13,222,676	13,223,263

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

33. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

2019

FINANCIAL ASSETS

33. 金融工具分類(續)

二零一九年

金融資產

	Financial assets at fair value through profit or loss 以公允價值計量 並計入損益的 金融資產 Mandatorily designated as such 強制指定為上述 RMB' 000 人民幣千元	Financial assets at fair value through other comprehensive income 以公允價值計量 並計入其他綜合 收益的金融資產 Debt investments 債務投資 RMB' 000 人民幣千元	Financial assets at amortised cost 以攤銷成本計量 的金融資產 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Other non-current financial assets 其他非流動金融資產	8,305	–	–	8,305
Trade receivables 應收貿易賬款	–	–	9,567,370	9,567,370
Due from other related parties 應收其他關聯方款項	–	–	236	236
Loans to the ultimate holding company 向最終控股公司提供貸款	–	–	399,160	399,160
Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收賬款及其他資產 的金融資產	–	–	19,791	19,791
Derivative financial instruments 衍生金融工具	15,520	–	–	15,520
Trade receivable financing 應收款項融資	–	45,230	–	45,230
Pledged deposits 已抵押存款	–	–	20,314	20,314
Cash and cash equivalents 現金及現金等價物	–	–	1,650,730	1,650,730
	23,825	45,230	11,657,601	11,726,656

NOTES TO FINANCIAL STATEMENTS

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33. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

2019 (Continued)

FINANCIAL LIABILITIES

	Financial liabilities at amortised cost 以攤銷成本計量 的金融負債 RMB' 000 人民幣千元
Trade and bills payables 應付貿易賬款及應付票據	7,339,882
Derivative financial instruments 衍生金融工具	17,055
Lease liabilities 租賃負債	752,092
Financial liabilities included in other payables 計入其他應付賬款的金融負債	925,900
	9,034,929

34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

There are no significant differences between the carrying amounts and the fair values of the Group's financial instruments.

Management has assessed that the fair values of short-term deposits, cash and cash equivalents, pledged deposits, trade receivables, trade receivable financing, trade and bills payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables, amounts due from/to subsidiaries, amounts due from/to the ultimate holding company and the immediate holding company approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the chief financial officer and the audit committee. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

33. 金融工具分類 (續)

二零一九年 (續)

金融負債

34. 金融工具的公允價值及公允價值層級

本集團金融工具的賬面值及公允價值並無重大差異。

管理層已評估短期定期存款、現金及現金等價物、已抵押存款、應收貿易賬款、應收款項融資、應付貿易賬款及應付票據、計入預付款項、按金及其他應收賬款的金融資產、計入其他應付賬款的金融負債、應收／應付附屬公司款項、應收／應付最終控股公司及直接控股公司款項公允價值與其賬面值相若，此乃主要由於該等工具屬於短期性質。

財務經理領導的本集團公司財務團隊負責制定金融工具公允價值計量的政策和程序。公司財務團隊直接向財務總監和審計委員會報告。於各報告日期，公司財務團隊分析金融工具價值的變動，並確定在估值中應用的主要輸入值。估值由財務總監審核及批准。審計委員會每年兩次討論估值流程及結果，以編製中期及年度財務報告。

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34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of listed equity investments are based on quoted market prices.

The fair values of the interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2020 were assessed to be insignificant.

The Group enters into derivative financial instruments and trade receivable financing with various counterparties. The carrying amounts of these derivative financial instruments and trade receivable financing are the same as their fair values. The derivative financial instruments and trade receivable financing are measured using valuation techniques similar to forward pricing, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties and foreign exchange spot and forward rates. The carrying amounts of derivative financial instruments and trade receivable financing are the same as their fair values.

34. 金融工具的公允價值及公允價值層級 (續)

金融資產及負債的公允價值以該工具於自願交易方(而非強迫或清盤銷售)當前交易下的可交易金額入賬。下述方法及假設用於評估公允價值：

上市股本投資的公允價值乃按市場報價釐定。

計息銀行及其他借款的公允價值是通過使用具有類似條款、信貸風險和剩餘到期日的工具的當前可得利率折現預期未來現金流量來計算。於二零二零年十二月三十一日，由於本集團對計息銀行及其他借款的非履約風險而導致的公允價值變動評估為並不重大。

本集團與多個對手方訂立衍生金融工具及應收款項融資。該等衍生金融工具及應收款項融資的賬面值與彼等的公允價值相同。衍生金融工具及應收款項融資以現值計算並按遠期價格相似之估值技巧計量。此等模式計入不同市場可觀察輸入數據，包括對手方信貸質素，以及外匯即期及遠期匯率。該等衍生金融工具及應收款項融資的賬面值與其公允價值相同。

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34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

FAIR VALUE HIERARCHY

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2020

	Fair value measurement using 公允價值計量使用的輸入值			
	Quoted prices in active markets 活躍市場的 報價 (Level 1) (第一級) RMB' 000 人民幣千元	Significant observable inputs 重大可觀察 的輸入值 (Level 2) (第二級) RMB' 000 人民幣千元	Significant unobservable inputs 重大不可觀察 的輸入值 (Level 3) (第三級) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Trade receivable financing 應收款項融資 Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收賬款及其他資產 的金融資產	-	88,400	-	88,400
Other non-current financial assets 其他非流動金融資產	14,593	-	-	14,593
	14,593	188,400	-	202,993

As at 31 December 2019

於二零一九年十二月三十一日

	Fair value measurement using 公允價值計量使用的輸入值			
	Quoted prices in active markets 活躍市場的 報價 (Level 1) (第一級) RMB' 000 人民幣千元	Significant observable inputs 重大可觀察 的輸入值 (Level 2) (第二級) RMB' 000 人民幣千元	Significant unobservable inputs 重大不可觀察 的輸入值 (Level 3) (第三級) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Trade receivable financing 應收款項融資	-	45,230	-	45,230
Derivative financial instruments 衍生金融工具	-	15,520	-	15,520
Other non-current financial assets 其他非流動金融資產	8,305	-	-	8,305
	8,305	60,750	-	69,055

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34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

FAIR VALUE HIERARCHY (Continued)

Liabilities measured at fair value:

As at 31 December 2020

	Fair value measurement using 公允價值計量使用的輸入值			
	Quoted prices in active markets 活躍市場 的報價 (Level 1) (第一級) RMB' 000 人民幣千元	Significant observable inputs 重大可觀察 的輸入值 (Level 2) (第二級) RMB' 000 人民幣千元	Significant unobservable inputs 重大不可觀察 的輸入值 (Level 3) (第三級) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Derivative financial instruments 衍生金融工具	–	587	–	587
	–	587	–	587

As at 31 December 2019

於二零一九年十二月三十一日

	Fair value measurement using 公允價值計量使用的輸入值			
	Quoted prices in active markets 活躍市場 的報價 (Level 1) (第一級) RMB' 000 人民幣千元	Significant observable inputs 重大可觀察 的輸入值 (Level 2) (第二級) RMB' 000 人民幣千元	Significant unobservable inputs 重大不可觀察 的輸入值 (Level 3) (第三級) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Derivative financial instruments 衍生金融工具	–	17,055	–	17,055
	–	17,055	–	17,055

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34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

FAIR VALUE HIERARCHY (Continued)

Assets for which fair values are disclosed:

As at 31 December 2020

34. 金融工具的公允價值及公允價值層級 (續)

公允價值層級 (續)

已披露公允價值的資產：

於二零二零年十二月三十一日

	Fair value measurement using 公允價值計量使用的輸入值			
	Quoted prices in active markets 活躍市場 的報價 (Level 1) (第一級) RMB' 000 人民幣千元	Significant observable inputs 重大可觀察 的輸入值 (Level 2) (第二級) RMB' 000 人民幣千元	Significant unobservable inputs 重大不可觀察 的輸入值 (Level 3) (第三級) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Loans to the ultimate holding company 貸款予最終控股公司	–	400,000	–	400,000
	–	400,000	–	400,000

As at 31 December 2019

於二零一九年十二月三十一日

	Fair value measurement using 公允價值計量使用的輸入值			
	Quoted prices in active markets 活躍市場 的報價 (Level 1) (第一級) RMB' 000 人民幣千元	Significant observable inputs 重大可觀察 的輸入值 (Level 2) (第二級) RMB' 000 人民幣千元	Significant unobservable inputs 重大不可觀察 的輸入值 (Level 3) (第三級) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Loans to the ultimate holding company 貸款予最終控股公司	–	399,160	–	399,160
	–	399,160	–	399,160

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34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

FAIR VALUE HIERARCHY (Continued)

Liabilities for which fair values are disclosed:

	Fair value measurement using 公允價值計量使用的輸入值			
	Quoted prices in active markets 活躍市場 的報價 (Level 1) (第一級) RMB' 000 人民幣千元	Significant observable inputs 重大可觀察 的輸入值 (Level 2) (第二級) RMB' 000 人民幣千元	Significant unobservable inputs 重大不可觀察 的輸入值 (Level 3) (第三級) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Interest-bearing bank borrowings 計息銀行借款	-	2,009,247	-	2,009,247
	-	2,009,247	-	2,009,247

There were no financial liabilities disclosed at fair value as at 31 December 2019.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2019: Nil).

34. 金融工具的公允價值及公允價值層級 (續)

公允價值層級 (續)

已披露公允價值的負債：

於二零一九年十二月三十一日，並無按公允價值披露金融負債。

年內，第一級與第二級之間並無公允價值計量轉撥，亦無自第三級轉入或轉出(二零一九年：無)。

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35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise bank loans, balances with related companies and cash and bank balances. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

INTEREST RATE RISK

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts. At 31 December 2020, approximately 35% (2019: nil) of the Group's interest-bearing bank and other borrowings bore interest at fixed rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings) and the Group's equity.

		Increase/ (decrease) in basis points 基點的 增加/(減少)	Increase/ (decrease) in profit before tax 除稅前溢利的 增加/(減少)	Increase/ (decrease) in equity* 權益*的 增加/(減少)
2020	二零二零年			
RMB	人民幣	25	(13,939)	(13,939)
RMB	人民幣	(25)	13,939	13,939
2019	二零一九年			
RMB	人民幣	25	—	—
RMB	人民幣	(25)	—	—

* Excluding retained profits and exchange fluctuation reserve

35. 財務風險管理目標及政策

本集團的主要金融工具(衍生工具除外)包括銀行貸款、與關聯公司的結餘以及現金及銀行結餘。此等金融工具的主要用途乃為本集團的業務籌集資金。本集團有其他不同金融資產及負債，如直接自其業務產生的應收貿易賬款及應付貿易賬款。

本集團金融工具所產生的主要風險為外匯風險、信貸風險及流動資金風險。董事會審閱並同意下文所概述管理各項此等風險的政策。

利率風險

本集團面對的市場利率變動風險主要與本集團的浮息長期債務責任有關。

本集團的政策是利用定息及浮息債務組合管理其利息成本。於二零二零年十二月三十一日，本集團約35%(二零一九年：無)的計息銀行及其他借款乃以定息計息。

下表列示在所有其他變數維持不變的情況下，本集團的除稅前溢利(透過對浮息借款的影響)及本集團的權益對利率出現合理可能變動時的敏感度。

* 不包括留存溢利及外匯波動儲備

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31 DECEMBER 2020 二零二零年十二月三十一日

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

FOREIGN CURRENCY RISK

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. In addition, certain portions of the loans from related companies are denominated in currencies other than the RMB. The Group tends to accept foreign currency exchange risk avoidance or allocation terms when arriving at purchase and sale contracts. The Group takes rolling forecast on the foreign currency revenue and expenses and matches the currency and the amount incurred so as to alleviate the impact on business due to exchange rate fluctuations.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the United States dollar exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair values of monetary assets and liabilities) and the Group's equity.

	Increase/ (decrease) in United States dollar exchange rate 美元匯率 增加/(減少) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB' 000 人民幣千元	Increase/ (decrease) in equity* 權益* 增加/(減少) RMB' 000 人民幣千元
2020 二零二零年			
If RMB weakens against United States dollar 倘人民幣兌美元貶值	5	192,174	192,174
If RMB strengthens against United States dollar 倘人民幣兌美元升值	(5)	(192,174)	(192,174)
2019 二零一九年			
If RMB weakens against United States dollar 倘人民幣兌美元貶值	5	196,696	196,696
If RMB strengthens against United States dollar 倘人民幣兌美元升值	(5)	(196,696)	(196,696)

* Excluding retained profits and exchange fluctuation reserve

35. 財務風險管理目標及政策 (續)

外匯風險

本集團有交易貨幣風險。有關風險來自經營單位以並非該單位的功能貨幣進行的買賣。此外，若干來自關聯公司的貸款以人民幣以外的貨幣列值。本集團傾向於在訂立買賣合同時接納避免外匯風險或分配條款。本集團對外匯收入及開支實行滾動預測，將貨幣與費用金額匹配，以減輕匯率波動對業務產生的影響。

下表列示在所有其他變數保持不變的情況下，本集團除稅前溢利(因貨幣資產及負債的公允價值變動)及本集團權益於報告期末對美元匯率可能合理波動的敏感度。

* 不包括留存溢利與外匯波動儲備

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

CREDIT RISK

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

MAXIMUM EXPOSURE AND YEAR-END STAGING

The tables below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. For listed trade receivable financing, the Group also monitors them by using external credit ratings. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2020

35. 財務風險管理目標及政策(續)

信貸風險

本集團僅與認可及信譽超著的第三方進行買賣。本集團的政策為對所有有意以信貸期交易的客戶進行信貸審核程序。此外，應收賬款結餘持續受監察，而本集團壞賬的風險並不重大。

最大敞口及年末階段

下表列示基於本集團信貸政策的信貸質素及信貸風險最大敞口，其乃主要基於逾期資料(除非有其他毋須付出過多成本或努力即可獲得的資料)，以及於十二月三十一日的年末階段分類。就上市應收款項融資而言，本集團亦透過使用外部信貸評級進行監督。所呈列的金額為金融資產的賬面值總額。

於二零二零年十二月三十一日

	12-month ECLs	Lifetime ECLs			Total
	十二個月 預期信貸虧損	年限內預期信貸虧損			
		Stage 1 第一階段	Stage 2 第二階段	Stage 3 第三階段	
	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
Trade receivables* 應收貿易賬款*	-	-	-	14,502,826	14,502,826
Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收賬款及其他資產的金 融資產	-	-	-	-	-
- Normal** 正常**	44,685	-	-	-	44,685
Trade receivable financing 應收款項融資	88,777	-	-	-	88,777
Loans to the ultimate holding company 貸款予最終控股公司	400,000	-	-	-	400,000
Pledged deposit 抵押存款	487	-	-	-	487
Cash and cash equivalents 現金及現金等價物	3,465,889	-	-	-	3,465,889
	3,999,838	-	-	14,502,826	18,502,664

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

MAXIMUM EXPOSURE AND YEAR-END STAGING (Continued)

As at 31 December 2019

35. 財務風險管理目標及政策(續)

最大敞口及年末階段(續)

於二零一九年十二月三十一日

	12-month ECLs 十二個月 預期信貸虧損	Lifetime ECLs			Total 總計 RMB' 000 人民幣千元
		Stage 2 第二階段 RMB' 000 人民幣千元	Stage 3 第三階段 RMB' 000 人民幣千元	Simplified approach 簡化法 RMB' 000 人民幣千元	
Trade receivables* 應收貿易賬款*	-	-	-	9,684,530	9,684,530
Due from related parties 應收關聯方款項	-	-	-	1,900	1,900
Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收賬款及其他資產的金 融資產					
- Normal** 正常**	19,811	-	-	-	19,811
Trade receivable financing 應收款項融資	45,467	-	-	-	45,467
Loans to the ultimate holding company 貸款予最終控股公司	400,000	-	-	-	400,000
Pledged deposit 抵押存款	20,314	-	-	-	20,314
Cash and cash equivalents 現金及現金等價物	1,650,730	-	-	-	1,650,730
	2,136,322	-	-	9,686,430	11,822,752

* For trade receivables the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 19 to the financial statements.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

* 本集團就應收貿易賬款的減值應用簡化法，有關撥備矩陣的資料於財務報表附註19披露。

** 於未逾期且未有資料指明有關金融資產自初步確認以來信貸風險大幅增加時，計入預付款項、其他應收賬款及其他資產的金融資產信貸質素被視為「正常」。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

LIQUIDITY RISK

The Group policy is to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed facilities from banks and related companies to meet its commitments over the foreseeable future in accordance with its strategic plan. At the end of the reporting period, all of the Group's financial instruments would mature in less than one year.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

Financial liabilities

	2020 二零二零年					
	On demand 應要求 RMB' 000 人民幣千元	Less than 3 months 少於三個月 RMB' 000 人民幣千元	3 to less than 12 months 三個月以上但少於十二個月 RMB' 000 人民幣千元	1 to 5 years 一至五年 RMB' 000 人民幣千元	Over 5 years 超過五年 RMB' 000 人民幣千元	Total 總額 RMB' 000 人民幣千元
Interest-bearing bank and other borrowings 計息銀行及其他借款		456,232	1,569,507			2,025,739
Trade and bills payables 應付貿易賬款及應付票據	9,413	7,461,850	674,588	-	-	8,145,851
Lease liabilities 租賃負債	-	135,132	221,514	168,348	427,344	952,338
Other payables 其他應付賬款	126,686	1,608,918	596,394	-	-	2,331,998
	136,099	9,662,132	3,062,003	168,348	427,344	13,455,926

35. 財務風險管理目標及政策(續)

流動資金風險

本集團的政策是透過充裕的銀行及關聯公司承諾的信貸融資，保持足夠的現金及現金等價物或具備足夠資金，以根據其策略計劃在可預見未來履行其承諾。於報告期末，本集團所有的金融工具將於一年內到期。

本集團於報告期末的金融負債根據合同未折現付款的到期日如下：

金融負債

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

LIQUIDITY RISK (Continued)

Financial liabilities (Continued)

	2019 二零一九年					Total 總額 RMB' 000 人民幣千元
	On demand 應要求 RMB' 000 人民幣千元	Less than 3 months 少於三個月 RMB' 000 人民幣千元	3 to less than 12 months 三個月以上但少於十二個月 RMB' 000 人民幣千元	1 to 5 years 一至五年 RMB' 000 人民幣千元	Over 5 years 超過五年 RMB' 000 人民幣千元	
Trade and bills payables 應付貿易賬款及應付票據	102,583	6,405,173	832,126	-	-	7,339,882
Lease liabilities 租賃負債	-	64,444	188,851	307,097	203,769	764,161
Other payables 其他應付賬款	344,502	474,334	107,064	-	-	925,900
	447,085	6,943,951	1,128,041	307,097	203,769	9,029,943

CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 and 31 December 2019.

The Group monitors capital using a gearing ratio, which is net debt divided by equity. The Group's policy is to maintain the gearing ratio as low as possible.

35. 財務風險管理目標及政策 (續)

流動資金風險 (續)

金融負債 (續)

資本管理

本集團資本管理的主要目標為確保本集團持續發展的能力及保持良好的資本比率，以支持本集團的業務及盡量提升股東價值。

本集團根據經濟狀況的變化管理其資本架構及作出調整。為保持或調整資本架構，本集團或會調整派付予股東的股息、股東的資本回報或發行新股。截至二零二零年十二月三十一日及二零一九年十二月三十一日止年度，並無對管理資本的目標、政策或程序作出更改。

本集團以資本負債比率(即債務淨值除以權益)監察其資本。本集團的政策為將資本負債比率盡量保持最低。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

36. DIVIDENDS

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
Proposed final RMB0.241 (2019: RMB0.071) per ordinary share 建議末期每股普通股人民幣0.241元(二零一九年：人民幣0.071元)	543,022	159,978
	543,022	159,978

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

37. TRANSFERS OF FINANCIAL ASSETS FINANCIAL ASSETS THAT ARE DERECOGNISED IN THEIR ENTIRETY

In the ordinary course of business, the Group has factored a small amount of receivables measured at amortised cost to financial institutions without recourse for its short-term financing needs, and has entered into non-recourse receivables factoring agreements with a number of banks to transfer certain receivables to those banks (the "Receivable Factoring"). Under certain receivable factoring agreements, the Group is not required to undertake default risks and the delayed repayment risk from the debtors after the transfer of receivables, and all risks and rewards related to the ownership of the receivables are transferred. The definition of termination of financial assets is met. Therefore, the Group derecognised the receivables under the factoring agreements at carrying amount. As at 31 December 2020, the carrying amount of transferred receivables under relevant factoring agreements amounted to RMB1,135,392,000 (31 December 2019: RMB4,260,475,000), and the loss related to derecognition amounted to RMB896,000 (31 December 2019: RMB21,195,000).

38. EVENTS AFTER THE REPORTING PERIOD

A final dividend in respect of the year ended 31 December 2020 of RMB0.241 per share (tax inclusive) was proposed pursuant to a resolution passed by the Board of Directors on 29 March 2021. This intended to distribute cash dividends of RMB543,022,285 in aggregate based on the total share capital of 2,253,204,500 shares of the Company as at 29 March 2021. The proposal of the final dividend is subject to consideration and approval at the Company's forthcoming general meeting. This proposed dividend is not reflected as dividend payable in the consolidated financial statements.

36. 股息

本年度建議末期股息須待本公司股東於應屆股東週年大會批准後方可作實。

37. 金融資產轉移 完全撤銷確認的金融資產

本集團在日常業務中因短期融資需求將少量以攤銷成本計量的應收賬款以無追溯權方式保理給金融機構，並與多家銀行訂立無追溯權的應收賬款保理協議，將若干應收賬款轉讓予該等銀行（「應收賬款保理」）。在若干應收賬款保理協議下，本集團不需要承擔應收賬款轉讓後的債務人違約風險和延遲還款風險，已轉移應收賬款所有權之所有的風險和報酬，符合終止金融資產條件，本集團對該保理協議下的應收賬款按照賬面值撤銷確認。於二零二零年十二月三十一日相關保理協議下已轉讓的應收賬款賬面值為人民幣1,135,392,000元（二零一九年十二月三十一日：人民幣4,260,475,000元），與撤銷確認相關的虧損為人民幣896,000元（二零一九年十二月三十一日：人民幣21,195,000元）。

38. 報告期後事項

根據董事會於二零二一年三月二十九日通過的決議案，建議就截至二零二零年十二月三十一日止年度分派每股人民幣0.241元（含稅）的末期股息。此舉擬基於本公司於二零二一年三月二十九日2,253,204,500股的股本總數分派合共人民幣543,022,285元的現金股息。末期股息的建議須待於本公司應屆股東大會上審議及批准後方可作實。本次建議股息並無在合併財務報表反映為應付股息。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

39. 本公司之財務狀況表

有關本公司於報告期末之財務狀況表的資料如下：

	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元
NON-CURRENT ASSETS 非流動資產		
Investments in subsidiaries 投資於附屬公司	18,408,007	13,120,792
Right-of-use assets 使用權資產	303	-
Total Non-current assets 非流動資產總額	18,408,310	13,120,792
CURRENT ASSETS 流動資產		
Prepayments, deposits and other receivables 預付款項、按金及其他應收賬款	13	14
Due from subsidiaries 應收附屬公司款項	3,878,312	3,876,180
Cash and bank balances 現金及銀行結餘	14,949	6,226
Total current assets 流動資產總值	3,893,274	3,882,420
CURRENT LIABILITIES 流動負債		
Due to subsidiaries 應付附屬公司款項	13,448	12,399
Contract liabilities 合同負債	14,911	-
Trade payables 應付貿易賬款	620	1,340
Total current liabilities 流動負債總額	28,979	13,739
NET CURRENT ASSETS 流動資產淨值	3,864,295	3,868,681
NON CURRENT LIABILITIES 非流動負債		
Lease liabilities 租賃負債	312	-
TOTAL ASSETS LESS CURRENT LIABILITIES 資產總值減流動負債	22,272,605	16,989,473
Net assets 資產淨值	22,272,293	16,989,473
EQUITY 權益		
Share capital 股本	4,052,228	4,052,228
Other reserves 其他儲備	18,220,065	12,937,245
Total equity 權益總額	22,272,293	16,989,473

Wang Chuan-fu 王傳福
Director 董事

Wang Nian-qiang 王念強
Director 董事

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2020 二零二零年十二月三十一日

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

A summary of the Company's other reserves is as follows:

	Fair value reserve of financial assets at fair value through other comprehensive income 以公允價值計量並計入其他綜合收益的金融資產的公允價值儲備 RMB' 000 人民幣千元	Exchange fluctuation reserve 外匯波動儲備 RMB' 000 人民幣千元	Retained profits 留存溢利 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
At 1 January 2019 於二零一九年一月一日	-	(181,908)	11,998,864	11,816,956
Profit for the year 年度溢利	-	-	1,553,854	1,553,854
Exchange differences on translation of foreign operations 換算境外業務產生的匯兌差額	-	5,964	-	5,964
Expected credited loss for trade receivable financing 應收款項融資的預期信貸虧損	(154)	-	-	(154)
Total comprehensive income for the year 本年度綜合收益總額	(154)	5,964	1,553,854	1,559,664
Final 2018 dividend 二零一八年末期股息	-	-	(439,375)	(439,375)
At 31 December 2019 and at 1 January 2020 於二零一九年十二月三十一日及二零二零年一月一日	(154)	(175,944)	13,113,343	12,937,245
Profit for the year 年度溢利	-	-	5,441,371	5,441,371
Exchange differences on translation of foreign operations 換算境外業務產生的匯兌差額	-	1,477	-	1,477
Expected credited loss for trade receivable financing 應收款項融資的預期信貸虧損	(50)	-	-	(50)
Total comprehensive income for the year 本年度綜合收益總額	(50)	1,477	5,441,371	5,441,371
Final 2019 dividend 二零一九年末期股息	-	-	(159,978)	(159,978)
At 31 December 2020 於二零二零年十二月三十一日	(204)	(174,467)	18,394,736	18,220,065

39. 本公司之財務狀況表(續)

附註：

本公司的其他儲備概述如下：

40. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 29 March 2021.

40. 審批財務報表

財務報表已由董事會於二零二一年三月二十九日審批並授權刊發。

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

RESULTS

業績

	Year ended 31 December 截至十二月三十一日止年度				
	2020 二零二零年 RMB' 000 人民幣千元	2019 二零一九年 RMB' 000 人民幣千元	2018 二零一八年 RMB' 000 人民幣千元 (Restated) (經重列)	2017 二零一七年 RMB' 000 人民幣千元	2016 二零一六年 RMB' 000 人民幣千元
REVENUE 收入	73,121,075	53,028,376	41,047,139	38,774,422	36,734,264
Cost of sales 銷售成本	(63,492,232)	(49,071,048)	(36,875,156)	(34,510,484)	(33,934,135)
Gross profit 毛利	9,628,843	3,957,328	4,171,983	4,263,938	2,800,129
Other income and gains 其他收入及收益	485,118	561,599	558,070	493,442	474,005
Government subsidies 政府補貼	391,757	236,979	287,390	240,161	25,502
Research and development costs 研究與開發成本	(2,913,274)	(2,087,846)	(1,588,654)	(1,200,632)	(978,772)
Selling and distribution costs 銷售及分銷成本	(236,855)	(256,786)	(229,238)	(229,098)	(184,698)
Administrative expenses 行政開支	(673,164)	(619,132)	(535,819)	(434,024)	(562,215)
Impairment losses on financial assets, net 金融資產減值虧損淨額	1,694	(15,961)	(57,333)	-	-
Loss on disposal of financial assets at amortised cost 處置按攤銷成本計量的金融資產的虧損	(896)	(21,195)	(42,805)	-	-
Other expenses 其他開支	(391,088)	(27,568)	(27,762)	(97,620)	(113,914)
Finance costs 融資成本	(71,333)	(31,218)	-	(44,040)	(26,953)
PROFIT BEFORE TAX 除稅前溢利	6,220,802	1,696,200	2,535,832	2,992,127	1,433,084
Tax 稅項	(779,431)	(98,555)	(347,212)	(407,259)	(199,593)
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY					
本公司權益持有人應佔年度溢利	5,441,371	1,597,645	2,188,620	2,584,868	1,233,491
ASSETS AND LIABILITIES 資產及負債					
TOTAL ASSETS 資產總值	37,976,088	28,026,974	26,051,172	25,386,326	23,994,987
TOTAL LIABILITIES 負債總值	15,703,795	11,037,501	10,225,840	11,195,013	12,240,765
Total equity 權益總額	22,272,293	16,989,473	15,825,332	14,191,313	11,754,222



Electronics

比亞迪電子(國際)有限公司
BYD ELECTRONIC (INTERNATIONAL) COMPANY LIMITED