

CANGGANG RAILWAY LIMITED

滄港鐵路有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號 : 2169



Annual Report **2020** 年報

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CORPORATE INFORMATION

公司資料

Board of Directors

Executive Directors

Mr. Liu Yongliang (劉永亮) (*Chairman*)
Mr. Yi Weiming (衣維明) (*Chief Executive Officer*)

Non-executive Directors

Mr. Xu Zhihua (徐志華)
Mr. Qin Shaobo (秦少博)

Independent non-executive Directors

Mr. Liu Changchun (劉長春)
Mr. Zhao Changsong (趙長松)
Ms. Lyu Qinghua (呂清華)

Audit committee

Ms. Lyu Qinghua (呂清華) (*Chairman*)
Mr. Xu Zhihua (徐志華)
Mr. Liu Changchun (劉長春)

Remuneration committee

Mr. Liu Changchun (劉長春) (*Chairman*)
Mr. Xu Zhihua (徐志華)
Ms. Lyu Qinghua (呂清華)

Nomination committee

Mr. Liu Yongliang (劉永亮) (*Chairman*)
Mr. Xu Zhihua (徐志華)
Mr. Liu Changchun (劉長春)

Joint company secretaries

Mr. Kwok Che Chung (郭芝聰) (*CPA*)
Mr. Li Juncheng (李俊呈)

Authorized Representatives

Mr. Yi Weiming (衣維明)
Mr. Kwok Che Chung (郭芝聰)

Compliance Advisor

Innovax Capital Limited
Room 2002, 20th Floor
Chinachem Century Tower
178 Gloucester Road
Wanchai
Hong Kong

董事會

執行董事

劉永亮先生 (*主席*)
衣維明先生 (*行政總裁*)

非執行董事

徐志華先生
秦少博先生

獨立非執行董事

劉長春先生
趙長松先生
呂清華女士

審核委員會

呂清華女士 (*主席*)
徐志華先生
劉長春先生

薪酬委員會

劉長春先生 (*主席*)
徐志華先生
呂清華女士

提名委員會

劉永亮先生 (*主席*)
徐志華先生
劉長春先生

聯席公司秘書

郭芝聰先生 (*CPA*)
李俊呈先生

授權代表

衣維明先生
郭芝聰先生

合規顧問

創陞融資有限公司
香港
灣仔
告士打道178號
華懋世紀廣場
20樓2002室

Auditor

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

Legal Advisers as to Hong Kong Laws

Morgan, Lewis & Bockius
Suites 1902-09, 19/F
Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

Principal banks

Hong Kong

Bank of China (Hong Kong) Limited

The PRC

Bank of Cangzhou, Station Branch
Agricultural Bank of China, Cangzhou Yunhe Branch
Cangzhou Rural Commercial Bank

Cayman Islands share registrar and transfer office

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

Hong Kong branch share registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

核數師

畢馬威會計師事務所
執業會計師
根據財務匯報局條例註冊的
公眾利益實體核數師
香港中環
遮打道10號
太子大廈8樓

有關香港法例的法律顧問

摩根路易斯律師事務所
香港
皇后大道中15號
置地廣場
公爵大廈
19樓1902-09室

主要往來銀行

香港

中國銀行(香港)有限公司

中國

滄州銀行車站分行
中國農業銀行滄州運河支行
滄州農村商業銀行

開曼群島股份過戶登記處

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

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心
17樓1712-1716號舖

CORPORATE INFORMATION

公司資料

Registered office

Cricket Square

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

Headquarter and principal place of business in PRC

Yangzhuang Station, Yangerzhuang Town, Huanghua
Cangzhou, Hebei Province, China

Principal place of business in Hong Kong

Room 09-10, 41/F
China Resources Building
26 Harbour Road
Wan Chai
Hong Kong

Company's website

<http://www.czcgtl.com>

Stock Code

2169

註冊辦事處

Cricket Square

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

總部及中國主要營業地點

中國河北省滄州
黃驃市羊二莊鎮楊莊站

香港主要營業地點

香港
灣仔
港灣道26號
華潤大廈
41樓09-10室

公司網站

<http://www.czcgtl.com>

股份代號

2169

DEFINITIONS AND GLOSSARY

釋義及詞彙

In this annual report, the following expressions shall have the following meanings unless the context requires otherwise:

於本年報內，除文義另有所指外，下列詞彙具有以下涵義：

“AGM”	the annual general meeting of the Company	「股東週年大會」	指	本公司股東週年大會
“Articles of Association”	the articles of association of the Company adopted by the written resolution of the Shareholders on 16 June 2020 and as amended, supplemented and otherwise modified from time to time	「章程細則」	指	本公司於2020年6月16日通過股東書面決議案採納的組織章程細則，並經不時修訂、補充及以其他方式修改
“associate”	has the meaning ascribed thereto under the Listing Rules	「聯繫人」	指	具有上市規則賦予該詞的涵義
“Audit Committee”	the audit committee of the Company	「審核委員會」	指	本公司審核委員會
“Board”	the board of directors of the Company	「董事會」	指	本公司董事會
“Canggang BVI”	Canggang Railway International Company Limited (滄港鐵路國際有限公司), a limited liability company incorporated under the laws of the BVI on 29 October 2018 and a wholly-owned subsidiary of our Company	「滄港BVI」	指	滄港鐵路國際有限公司，一間於2018年10月29日根據英屬處女群島法律註冊成立的有限公司，並為本公司的全資附屬公司
“Canggang Company”	Cangzhou Canggang Railway Co., Ltd.* (滄州滄港鐵路有限公司) (previously known as Huanghua Jinghai Logistics Co., Ltd. (黃驊京海物流有限公司), a limited liability company established under the laws of the PRC on 22 October 2009 and a wholly-owned subsidiary of our Company	「滄港公司」	指	滄州滄港鐵路有限公司(前稱黃驊京海物流有限公司)，一間於2009年10月22日根據中國法律成立的有限責任公司，並為本公司的全資附屬公司
“Canggang HK”	Canggang Railway (Hong Kong) Limited (滄港鐵路(香港)有限公司), a limited liability company incorporated in Hong Kong on 5 December 2018 and a wholly-owned subsidiary of our Company	「滄港香港」	指	滄港鐵路(香港)有限公司，一間於2018年12月5日在香港註冊成立的有限公司，並為本公司的全資附屬公司
“Canggang Railway Line”	a local freight railway line in Cangzhou, Hebei Province, which connects Cangzhou and Bohai New Area which contains Port Huanghua, from Cangzhou Station (滄州站) to Gangkou Station (港口站)	「滄港線」	指	位於河北省滄州市的地方貨運鐵路，其將滄州與渤海新區(包括黃驊港)連接，由滄州站起至港口站止
“Chengyu Company”	Chengyu Railway Co., Ltd.* (滄州市驕宇鐵路有限責任公司), a limited liability company established under the laws of the PRC on 22 November 2004 which is 97.5% indirectly owned by Mr. Liu Yongliang and 2.5% owned by Mr. Yi. Weiming	「驕宇公司」	指	滄州市驕宇鐵路有限責任公司，一間於2004年11月22日根據中國法律成立的有限責任公司，由劉永亮先生間接擁有97.5%及由衣維明先生擁有2.5%
“CG Code” or “Code”	corporate governance code contained in Appendix 14 to the Listing Rules	「企業管治守則」或「守則」	指	上市規則附錄十四所載的企業管治守則

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“China” or “PRC”	the People’s Republic of China excluding for the purposes of this annual report only, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan	「中國」	指	中華人民共和國，僅就本年報而言，不包括香港、中華人民共和國澳門特別行政區及台灣
“Company”	Canggang Railway Limited (滄港鐵路有限公司) (stock code: 2169), an exempted company incorporated in the Cayman Islands with limited liability on 19 October 2018	「本公司」	指	滄港鐵路有限公司 (股份代號：2169)，一間於2018年10月19日在開曼群島註冊成立的獲豁免有限公司
“Director(s)”	the director(s) of the Company	「董事」	指	本公司董事
“Greenport BVI”	Greenport Railway Limited, a limited liability company incorporated under the laws of the BVI on 12 October 2018 and wholly owned by Mr. Yi	「Greenport BVI」	指	Greenport Railway Limited，一間於2018年10月12日根據英屬處女群島法律註冊成立的有限公司，並由衣先生全資擁有
“Group”, “our Group”, “we” or “us”	the Company and its subsidiaries from time to time, or where the context so requires in respect of the period before the Company became the holding company of our present subsidiaries, the entities which carried on the business of the present Group at the relevant time	「本集團」或「我們」	指	本公司及其不時的附屬公司，或視乎文義所指，於本公司成為現時附屬公司的控股公司前期間，指於有關時間經營現時集團業務的實體
“HK\$” and “HK cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong	「港元」及「港仙」	分別指	港元及港仙，香港的法定貨幣
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC	「香港」	指	中國香港特別行政區
“Jinghai BVI”	Jinghai Group Investment Limited (京海集團投資有限公司), a limited liability company incorporated under the laws of the BVI on October 12, 2018 and wholly owned by Mr. Liu	「京海BVI」	指	京海集團投資有限公司，一間於2018年10月12日根據英屬處女群島法律註冊成立的有限公司，並由劉先生全資擁有
“Jinghai International”	Hebei Jinghai International Logistics Development Co., Ltd.* (河北京海國際物流發展有限公司), a limited liability company established under the laws of the PRC on July 20, 2017 which is owned as to 51% by our Company and 49% by Tianjin Xinlian International Shipping Agency Co., Ltd.* (天津信聯國際貨運代理有限公司), an Independent Third Party	「京海國際」	指	河北京海國際物流發展有限公司，一間於2017年7月20日根據中國法律成立的有限責任公司，並由本公司擁有51%及由獨立第三方天津信聯國際貨運代理有限公司擁有49%
“Listing”	the Shares were listed on the Main Board of the Stock Exchange	「上市」	指	股份於聯交所主板上市
“Listing Date”	23 October 2020, since which the Shares of the Company have been listed on the Stock Exchange	「上市日期」	指	2020年10月23日，本公司股份自該日起於聯交所上市

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“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange	「上市規則」	指	聯交所主板證券上市規則
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange	「主板」	指	聯交所營運的證券交易所(不包括期權市場),獨立於聯交所GEM且與之並行運作
“Model Code”	the model code for securities transactions by directors of listed issuers as set out in Appendix 10 of the Listing Rules	「標準守則」	指	上市規則附錄十所載的上市發行人董事進行證券交易的標準守則
“Prospectus”	the prospectus of the Company dated 12 October 2020	「招股章程」	指	本公司日期為2020年10月12日的招股章程
“Puji Global”	Puji Global Limited (普濟環球有限公司), a limited liability company incorporated under the laws of the BVI on 18 October 2018 which is wholly-owned by the Company	「普濟環球」	指	普濟環球有限公司,一間於2018年10月18日根據英屬處女群島法律註冊成立的有限公司,並由本公司全資擁有
“Puji HK”	Puji Railway Global Holdings Limited (普濟鐵路環球控股有限公司), a limited liability company incorporated in Hong Kong on 28 December 2018 which is wholly-owned by Puji Global	「普濟香港」	指	普濟鐵路環球控股有限公司,一間於2018年12月28日在香港註冊成立的有限公司,並由普濟環球全資擁有
“Reporting Period”	the year ended 31 December 2020	「報告期」	指	截至2020年12月31日止年度
“RMB”	Renminbi, the lawful currency of the PRC	「人民幣」	指	人民幣,中國的法定貨幣
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company	「股份」	指	本公司股本中每股面值0.01港元的普通股
“Shareholder(s)”	the shareholder(s) of the Company	「股東」	指	本公司股東
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	指	香港聯合交易所有限公司
“subsidiary(ies)”	has the meaning ascribed to it in sections 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)	「附屬公司」	指	具有香港法例第622章《公司條例》第15條賦予該詞的涵義
“WFOE”	Cangzhou Railway Logistics Services Company Limited* (滄州鐵運物流有限公司), a limited liability company established under the laws of the PRC on 14 February 2019 which is wholly owned by Canggang HK	「外商獨資企業」	指	滄州鐵運物流有限公司,一間於2019年2月14日根據中國法律成立的有限責任公司,並由滄港香港全資擁有
“%”	per cent	「%」	指	百分比

CHAIRMAN'S STATEMENT

主席報告



Liu Yongliang
劉永亮
Chairman
主席

Dear Shareholders,

On behalf of the Board, I hereby present the annual report of the Group for the year ended 31 December 2020.

Overview

2020 was a challenging year for the Company. At the beginning of the year, the sudden outbreak of COVID began to spread across the country. Our management team maintained a high level of vigilance and actively implemented various prevention and control arrangements and measures in accordance with the requirements of local governments at all levels. We focus on the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era (“中國特色社會主義思想”). The company thoroughly implements the spirit of our management team, coordinates epidemic prevention and control, adheres to market-oriented, innovation-driven, actively develops markets, and strives to improve service quality.

Despite the volatile market environment, we were exhilarated by the successful listing on the Main Board of the Stock Exchange in 2020 and it has cemented a solid foundation for our Group's development. We were also exploring in trading of construction materials, particularly gravel. We believe this new arrangement will also help us secure additional demand for our railway transportation services.

Market Condition

The consumption of the China markets in 2020 have been adversely affected by the outbreak of the COVID-19. Since March 2020, due to the impact of the outbreak, the enterprises in Hebei Province were seriously under-operation, and coal transportation volume fell sharply; on the other hand, the country implemented a free high-speed policy from February 2020 to May 2020, and road transportation brought fierce competition to our rail transportation business. To this end, we promote our non-coal cargo railway transportation business in order to ensure that the Company is able to generate stable income from its main railway transportation business.

各位股東：

本人謹代表董事會呈列本集團截至2020年12月31日止年度的年度報告。

概覽

2020年對本公司而言是充滿挑戰的一年。COVID於年初突然爆發並蔓延全國，公司管理團隊保持高度警覺，並根據地方各級政府的要求，積極落實各項防控安排和措施。本公司遵從習近平的「中國特色社會主義思想」，並深入貫徹落實管理團隊精神，統籌疫情防控措施，亦堅持以市場為本、以創新驅動，積極開拓市場，努力提高服務質素。

儘管市場環境動盪，但本公司於2020年成功在聯交所主板上市令我們倍感振奮，上市亦為集團發展奠定堅實基礎。我們亦在探索進軍建材（尤其是砂石料）貿易業務的機會。我們相信，此新安排亦將有助我們把握鐵路運輸服務的額外需求。

市場狀況

於2020年，中國市場的消耗量受到COVID-19疫情所不利影響。自2020年3月以來，由於受到疫情影響，河北省企業嚴重開工不足，煤炭運輸量因而急跌；另一方面，國家於2020年2月至2020年5月推出免費高速公路政策，令本集團的鐵路運輸業務面對來自道路運輸的激烈競爭。為此，我們積極開拓非煤品貨物鐵路運輸業務，確保公司維持了鐵路運輸收入主營業務的穩定。

We continue to execute our strategic plan and working closely with our stakeholders to enhance our transportation services in Cangzhou. We stick to the Announcement on Adjusting Transportation Structure in Three Years (國務院辦公廳關於印發推進運輸結構調整三年行動計劃2018-2020的通知) issued by the State Council, for the purpose of protecting the environment, to increase the volume of bulk cargo transported by rail freight and by sea. Our unique position in rail transportation is more important under such policy. We gradually increased our transportation of ore after the Jinghai Ore Freight Yard completed and was put into production; and we also formulated the development of our transportation of gravel business.

We continue to hold different opportunities in the market and were able to achieve admirable result. Our management team's extensive experience and deep knowledge in the transportation and logistics industry has helped us identify and secure business opportunities in the rail freight transportation market and is essential to the continued development of our business.

Please refer to the "Business Review" section of this annual report for the details of the Group's performance and market initiatives in 2020.

Our Performance

Rail freight transportation as our core business has recorded a good performance during the Reporting Period. We have completed transportation of 16.9 million tonnes of cargo for the year ended 31 December 2020 compared to 16.1 million tonnes of cargo for the year ended 31 December 2019 with an increase of 5.1% or 0.8 million tonnes.

Total revenue for the year ended 31 December 2020 was RMB361.5 million, decreased by 4.1% year-on-year from RMB376.9 million in 2019. Despite the decrease in revenue from our ancillary services by 14.4%, which was mainly due to the significant drop in our construction income because the construction projects are delayed under the outbreak of COVID-19, our rail freight transportation services remained constant at RMB260.6 million compared to 2019 at RMB259.1 million. The Group's net profit amounted to approximately RMB64.6 million, representing a decrease of 7.1% compared to that of the year ended 31 December 2019 which was mainly due to the drop in our construction income, partially offset by the reduction of the operating expenses under the effective management policy. Should the listing expenses be excluded, our profit for the year would be RMB78.5 million, representing a slightly decrease of 1.5% or RMB1.2 million compared to RMB79.7 million for the year ended 31 December 2019.

The Board did not recommend the payment of dividend for the year ended 31 December 2020.

我們繼續執行本集團的戰略規劃，並與持份者緊密合作，提升本集團於沧州市的運輸服務質素。我們嚴格遵照《國務院辦公廳關於印發推進運輸結構調整三年行動計劃2018-2020的通知》，以保護環境為目的，增加鐵路貨運及海運大宗貨物運輸量。因著有關政策，本集團在鐵路運輸方面的獨特地位更趨重要。於京海礦石貨場完工及投產後，我們逐步增加礦石運輸量，並已規劃發展砂石料運輸業務。

我們繼續把握不同的市場機遇，並取得令人欣喜的成績。公司管理團隊在運輸及物流行業擁有豐富經驗和深入知識，有助我們於鐵路貨運市場物色及爭取商機，對我們的業務持續發展至關重要。

有關本集團於2020年的表現及市場措施的詳情，請參閱本年報「業務回顧」一節。

我們的表現

本集團的核心鐵路貨運業務於報告期內錄得不俗業績。於截至2020年12月31日止年度，我們完成運送的貨物由截至2019年12月31日止年度的16.1百萬噸增加至16.9百萬噸，升幅為5.1%或0.8百萬噸。

於截至2020年12月31日止年度，總收益為人民幣361.5百萬元，較2019年的人民幣376.9百萬元按年下跌4.1%。雖然輔助服務收益減少14.4%（主要由於我們的工程收入因建設項目在COVID-19疫情期間出現延誤而顯著減少所致），鐵路貨運服務收益仍維持於人民幣260.6百萬元的穩定水平（對比2019年的人民幣259.1百萬元）。本集團純利約為人民幣64.6百萬元，較截至2019年12月31日止年度減少7.1%，這主要是因為我們的管理政策有效地降低了經營開支，從而在某程度上抵銷了工程收入下跌所帶來的影響。倘撇除上市開支，年度溢利將為人民幣78.5百萬元，較截至2019年12月31日止年度的人民幣79.7百萬元微跌1.5%或人民幣1.2百萬元。

董事會不建議就截至2020年12月31日止年度派付股息。

CHAIRMAN'S STATEMENT

主席報告

Corporate Responsibility

We will keep our promise during the global offering of the Shares to strengthen our market position by construction of additional branch lines and new Special Service Lines connecting directly to the factories and premises; and improving our technology for more efficiency and safety transportation. I believe our business strategies will unswervingly lead the Company to ride out the haze of the outbreak. At the same time, I have great confidence that our people will maintain their professionalism to perform our services to keep our Company moving forward.

Outlook

Last but not least, I would like to express my sincerest appreciation to the management team and all fellow colleagues for their extraordinary commitment and cohesive teamwork. They are one of our most valuable assets contributing to our success.

On behalf of the Board, I would like to take this opportunity to express my deepest gratitude to all of our Shareholders, customers and other valued stakeholders for their unwavering support. We are fully committed to upholding our position in Cangzhou as one of the top enterprise and striving for excellence and creating value for our stakeholders.

Liu Yongliang
Chairman

Hong Kong, 25 March 2021

企業責任

於進行股份全球發售時，我們曾承諾透過建設直接連接工廠和經營處所的新支線及新專用線加強市場地位，以及提升技術水平以提高運輸效率和安全性，而我們將會信守有關承諾。本人相信，我們的業務策略將堅定不移地帶領公司渡過疫情的陰霾，同時本人亦對全體員工充滿信心，相信各人將會繼續保持專業的服務態度，支持公司繼續向前發展。

前景

最後，本人謹此向管理團隊及所有員工表示最深摯謝意，感謝公司上下全心投入、團隊緊密合作。員工是為集團取得成功作出貢獻的最寶貴資產之一。

本人謹代表董事會藉此機會衷心感謝所有股東、客戶及其他重要的持份各方對集團一直鼎力支持。我們將全力堅守作為滄州市一流企業的地位，致力追求卓越，為持份者創造價值。

主席
劉永亮

香港，2021年3月25日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS OVERVIEW

The Group is an established and expanding local railway operator based in Hebei Province. During the Reporting Period, we listed on the Main Board of the Stock Exchange. With our Canggang Railway Line, we continued to provide our customers with comprehensive services and one-stop solutions of our freight transportation, extended our leading position in rail freight transportation business and continued to maintain our leading market position in Hebei Province. We are preparing to further expand our railway to enhance our services to our existing customers and to seek potential customers.

2020 was a challenging year for our Group, the outbreak of COVID-19 has impacted China's economy and is having a huge negative effect on consumption. On 23 February 2020, the head of the Coal Department of the National Energy Administration announced that as a result of the measures taken by the government, the impact of the COVID-19 outbreak on coal production has been limited and the level of coal production has resumed to a similar level as compared to the previous year.

Despite the decrease in revenue from our ancillary services by 14.4% in 2020 as compared with 2019, which was mainly due to the significant drop in our construction income because the construction projects were delayed under the outbreak of COVID-19, revenue from our rail freight transportation services remained stable at RMB260.6 million (2019: RMB259.1 million).

Our Directors are of the view that the hygiene measures adopted by our Group can effectively prevent and control the COVID-19 infections, and safeguard the occupational health and safety of our employees. To the best of our Directors' knowledge, during the Reporting Period and up to the date of this report, none of our employees had been infected with COVID-19.

Our Directors considered that, like any other disaster, the outbreak is likely to be temporary and when it is over, the economic in China will return to normal as the general course. Our Directors will continue to closely monitor the effect of the outbreak and evaluate the impact to our business.

業務回顧

本集團為以河北省為基地並正在拓展規模的著名地方鐵路營運商。於報告期內，本公司在聯交所主板上市。我們憑著滄港線持續為客戶提供全面的服務及一站式貨運解決方案，拉開我們於鐵路貨運業務的領先優勢，並繼續維持我們於河北省市場的領先地位。我們正準備進一步擴展鐵路，藉以向現有客戶提供更佳服務並發掘潛在客戶。

對本集團而言，2020年是充滿挑戰的一年。COVID-19爆發拖累了中國經濟，並嚴重打擊消費氣氛。於2020年2月23日，國家能源局煤炭司司長宣佈，由於政府採取措施，爆發COVID-19疫情對煤炭生產的影響已經受控，煤炭生產水平已回復至與上年度相若的水平。

儘管我們2020年的輔助服務收益較2019年下跌14.4%（主要由於我們的建設工程收入因建設項目在COVID-19疫情期間出現延誤而顯著減少所致），我們的鐵路貨運服務收益仍維持於人民幣260.6百萬元的穩定水平（2019年：人民幣259.1百萬元）。

董事認為，本集團所採取的衛生措施可以有效預防和控制COVID-19感染，並保障員工的職業健康和 safety。據董事所深知，於報告期內及截至本報告日期，我們的員工概無感染COVID-19。

董事認為，一如其他災害，是次疫情總會過去，而當疫情結束後，中國經濟定將重上正軌。董事將會繼續密切留意疫情的影響，並評估對本集團業務造成的影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FUTURE DEVELOPMENT

As at 31 December 2020, we operated one local railway, the Canggang Railway Line. One of our business strategies is to construct additional branch lines to expand our business scale, including expanding our geographic presence and business to the Northern Shandong Industrial Park and Comprehensive Industrial Park in Bohai New Area. However in the midst of COVID-19, particularly the recent outbreak in Hebei Province in January 2021, our Directors expected to begin the construction of the new branch lines in the second half year of 2021.

We are also in the process of upgrading and renovating the basic infrastructure of our Canggang Railway Line to enhance the safety and increase the overall capacity of railway operation (all of which are anticipated to be completed in the first half year of 2022). To kick off our upgrade, we invested RMB 2.2 million during the Reporting Period.

FINANCIAL REVIEW

Revenue

		Year ended 31 December 截至12月31日止年度			
		2020 2020年		2019 2019年	
		RMB in thousands, other than percentages 人民幣千元，百分比除外			
Rail freight transportation	鐵路貨運	260,585	72.1%	259,065	68.8%
Ancillary services	輔助服務				
Loading and unloading	裝卸	59,814	16.5%	65,654	17.4%
Road freight transportation	道路貨運	30,305	8.4%	32,530	8.6%
Construction, maintenance and repair	建設、保養及維修	5,358	1.5%	15,525	4.1%
Others	其他	5,412	1.5%	4,130	1.2%
Subtotal	小計	100,889	27.9%	117,839	31.2%
Total	總計	361,474	100.0%	376,904	100.0%

Our revenue decreased by 4.1% or RMB15.4 million from RMB376.9 million for the year ended 31 December 2019 to RMB361.5 million for the year ended 31 December 2020, primarily due to a decrease in revenue from ancillary businesses of RMB17.0 million primarily relating to the decrease in revenue from construction, maintenance and repair business of RMB10.2 million and the decrease in revenue from loading and unloading business of RMB5.8 million.

未來發展

截至2020年12月31日，本公司經營一條地方鐵路，即滄港線。我們其中一項業務策略是興建更多支線以擴大業務規模，包括將我們的地理覆蓋範圍及業務擴展至魯北工業園和渤海新區綜合產業園區。然而，由於爆發COVID-19疫情（尤其是近期河北省於2021年1月出現爆發），董事預計新支線的建設工程將於2021年下半年開始動工。

我們亦正在升級及翻新滄港線的相關基建，以提高鐵路營運的安全度及整體載運能力，而所有有關工程預計將於2022年上半年完工。為展開升級工程，我們於報告期內已投入人民幣2.2百萬元。

財務回顧

收益

我們的收益由截至2019年12月31日止年度的人民幣376.9百萬元減少4.1%或人民幣15.4百萬元至截至2020年12月31日止年度的人民幣361.5百萬元，主要由於輔助業務收益減少人民幣17.0百萬元，而此則主要與建設、保養及維修業務收益及裝卸業務收益分別減少人民幣10.2百萬元及人民幣5.8百萬元有關。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Revenue from rail freight transportation remained relatively stable at RMB259.1 million for the year ended 31 December 2019 and RMB260.6 million for the year ended 31 December 2020. Revenue from rail freight transportation of coal decreased by 5.6% or RMB10.7 million which was offset by an increase in our transportation of other product such as asphalt and gravel of RMB11.0 million.

Revenue from our loading and unloading business decreased by 8.9% or RMB5.8 million. The decrease was largely related to our loading and unloading services accompanied with our freight transportation services for coal.

Revenue from our road transportation decreased by 6.8% or RMB2.2 million. The decrease was primarily due to the decrease in the number of our customers during the year.

Revenue from our construction, maintenance and repair business decreased by 65.5% or RMB10.2 million. The decrease was primarily due to no major construction work was engaged as the construction projects were delayed under the outbreak of COVID-19 during the Reporting Period.

Revenue from others increased by 31.0% or RMB1.3 million. The increase was primarily due to an increase in provision of scattering prevention of services.

Operating expenses

Our operating expenses include staff costs, outsourcing service charges and other labor costs, cargo logistics, depreciation, fuel used, repair and maintenance, general and administration expenses, impairment loss on trade receivables and other expenses. The operating expenses decreased by 4.9% or RMB12.7 million from RMB260.6 million for the year ended 31 December 2019 to RMB247.8 million for the year ended 31 December 2020. The decrease was primarily due to the drop from our staff cost by 16.2% or RMB10.3 million under the favourable government policy during the outbreak of COVID-19 and the drop from our cargo logistics expenses by 18.2% or RMB7.1 million as the cargo logistics charges for non-coal cargo under Shuo-Huang Railway was temporarily waived during the outbreak of COVID-19; which was partially offset by the increase in our general and administration expenses by 12.9% or RMB2.9 million in relation to the global offering of the Shares and the increase in impairment loss on trade receivable, as discussed in the following paragraph, during the Reporting Period.

於截至2019年12月31日止年度及截至2020年12月31日止年度，鐵路貨運收益保持相對穩定，分別為人民幣259.1百萬元及人民幣260.6百萬元。煤炭鐵路貨運收益減少5.6%或人民幣10.7百萬元，但因我們有關瀝青及砂石料等其他產品的貨運收益增加人民幣11.0百萬元而被抵銷。

我們的裝卸業務收益減少8.9%或人民幣5.8百萬元，主要與我們的煤炭貨運服務所附帶的裝卸服務相關。

我們的道路貨運收益減少6.8%或人民幣2.2百萬元，主要由於年內客戶數目減少所致。

我們的建設、保養及維修業務收益減少65.5%或人民幣10.2百萬元，主要由於報告期內爆發COVID-19令建設項目延遲進行，因而並無獲委聘參與主要建設工程所致。

其他收益增加31.0%或人民幣1.3百萬元，主要由於增加提供防止散落服務所致。

經營開支

我們的經營開支包括員工成本、外包服務費及其他勞動力成本、貨運物流、折舊、所用燃料、維修及保養、一般及行政開支、貿易應收款項減值虧損以及其他開支。經營開支由截至2019年12月31日止年度的人民幣260.6百萬元減少4.9%或人民幣12.7百萬元至截至2020年12月31日止年度的人民幣247.8百萬元。經營開支減少主要是由於員工成本因COVID-19爆發期間的有利政府政策而下跌16.2%或人民幣10.3百萬元，以及貨運物流開支因朔黃鐵路的非煤炭貨物貨運物流費於COVID-19爆發期間獲暫時豁免而下跌18.2%或人民幣7.1百萬元；惟部分跌幅因報告期內一般及行政開支增加12.9%或人民幣2.9百萬元（與股份全球發售有關）及貿易應收款項減值虧損增加（如下段所論述）而被抵銷。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the COVID-19, we noted that a longer settlement period may be needed for some of our customers. We have received notification of requests for delay in settlement of trade receivables from some of our major customers as a result of the outbreak. Due to the disruption to the PRC economy caused by the COVID-19 outbreak, as to improve our liquidity, we seek to maintain strict control over outstanding receivables and our senior management regularly reviews overdue balance to reduce our credit risk. Our trade and bills receivables dropped by 28.4% or RMB38.3 million from RMB134.9 million for the year ended 31 December 2019 to RMB96.6 million for the year ended 31 December 2020. Nevertheless, the impairment loss on trade receivables was increased by 507.6% or RMB3.0 million from RMB0.6 million for the year ended 31 December 2019 to RMB3.6 million for the year ended 31 December 2020 as the trade receivables were in general aged longer due to the outbreak of COVID-19.

Other income

Our other income increased by 16.2%, or RMB0.4 million from RMB2.7 million for the year ended 31 December 2019 to RMB3.2 million for the year ended 31 December 2020, primarily due to the government grants received in related to the global offering of the Shares.

Segment result and segment margin

For our rail freight transportation, the segment result was RMB117.5 million and RMB132.4 million and the segment margin 45.4% and 50.8%, for the years ended 31 December 2019 and 2020 respectively. The increase in segment margin was primarily due to the decrease in staff costs and cargo logistic costs as a result of special supportive government policy and our supplier's supporting in relation to the COVID-19 outbreak.

For our ancillary businesses, the segment result was RMB22.2 million and RMB10.5 million and the segment margin was 18.8% and 10.4%, for the years ended 31 December 2019 and 2020, respectively. The decrease in segment margin was primarily due to no major construction works was commenced during the year, which is more profitable than our other ancillary businesses.

Finance costs

Our finance costs increased by 5.6%, or RMB1.4 million from RMB24.7 million for the year ended 31 December 2019 to RMB26.0 million for the year ended 31 December 2020, primarily due to an increase in our average monthly loan balance.

Income tax expense

Our income tax expense remained relatively stable at RMB24.8 million for the year ended 31 December 2019 and RMB25.2 million for the year ended 31 December 2020. Our effective tax rate increased from 26.3% for the year ended 31 December 2019 to 28.1% for the year ended 31 December 2020 primarily due to the increase in non-deductible listing expenses.

於COVID-19疫情期間，我們注意到部分客戶可能需要更長的結算期。由於爆發疫情關係，我們曾收到部分主要客戶通知，要求延遲結算貿易應收款項。由於COVID-19疫情對中國經濟造成破壞，為改善本公司的流動資金狀況，我們力求對未收回應收款項維持嚴格控制，高級管理層亦會定期檢視逾期結餘，從而減低信貸風險。於截至2020年12月31日止年度，本公司的貿易應收款項及應收票據為人民幣96.6百萬元，較截至2019年12月31日止年度的人民幣134.9百萬元下跌28.4%或人民幣38.3百萬元。儘管如此，由於貿易應收款項的賬齡因COVID-19爆發而整體延長，導致貿易應收款項減值虧損由截至2019年12月31日止年度的人民幣0.6百萬元增加507.6%或人民幣3.0百萬元至截至2020年12月31日止年度的人民幣3.6百萬元。

其他收入

我們的其他收入由截至2019年12月31日止年度的人民幣2.7百萬元增加16.2%或人民幣0.4百萬元至截至2020年12月31日止年度的人民幣3.2百萬元，主要是由於就股份進行全球發售收到政府補貼。

分部業績及分部利潤率

就鐵路貨運而言，截至2019年及2020年12月31日止年度的分部業績分別為人民幣117.5百萬元及人民幣132.4百萬元，而分部利潤率則分別為45.4%及50.8%。分部利潤率上升主要是由於政府及我們的供應商就COVID-19爆發分別提供特別支援政策及支持，令員工成本及貨運物流成本均有所下跌所致。

就輔助業務而言，截至2019年及2020年12月31日止年度的分部業績分別為人民幣22.2百萬元及人民幣10.5百萬元，而分部利潤率則分別為18.8%及10.4%。分部利潤率下跌主要是由於年內並無展開利潤較其他輔助業務為高的主要建設工程。

融資成本

我們的融資成本由截至2019年12月31日止年度的人民幣24.7百萬元增加5.6%或人民幣1.4百萬元至截至2020年12月31日止年度的人民幣26.0百萬元，主要是由於我們的平均每月貸款結餘增加所致。

所得稅開支

我們的所得稅開支於截至2019年12月31日止年度及截至2020年12月31日止年度保持相對穩定，分別為人民幣24.8百萬元及人民幣25.2百萬元。我們的實際稅率由截至2019年12月31日止年度的26.3%上升至截至2020年12月31日止年度的28.1%，主要由於不可扣稅的上市開支增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Profit for the year and net profit margin

As a result of the foregoing, our profit for the year decreased by 7.1% or RMB4.9 million from RMB69.5 million for the year ended 31 December 2019 to RMB64.6 million for the year ended 31 December 2020. Our net profit margin decreased from 18.4% for the year ended 31 December 2019 to 17.9% for the year ended 31 December 2020. Should the listing expenses be excluded, our profit for the year would be RMB78.5 million, representing a slightly decrease of 1.5% or RMB1.2 million compared to RMB79.7 million for the year ended 31 December 2019.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2020, the Group had net current assets of approximately RMB130.0 million (2019: net current liabilities of approximately RMB212.2 million). The Group continued to maintain a strong financial position with cash and cash equivalent of approximately RMB227.1 million as at 31 December 2020 (2019: RMB33.9 million). During the Reporting Period, we received net proceeds from the Listing of approximately HK\$229.7 million. With our steady cash generated from operations, we have adequate financial resources to meet our working capital needs as well as to fund our budgeted construction and upgrade plans in 2021 and 2022.

As at 31 December 2020, our interest-bearing borrowings were RMB455.2 million, of which RMB337.2 million was long-term borrowing. We had unutilized and unrestricted banking facilities of RMB49.5 million, none of which were guaranteed or secured by our related parties.

The gearing ratio, which is calculated by dividing total debt (being bank and other loans) by total equity as at the end date of the respective year then multiplying by 100%, was approximately 59.2% as at 31 December 2020 (2019: 108.0%). The decrease was mainly attributed to the increase in equity after the Listing.

Pledge of assets

As at 31 December 2020, certain of our property, plant and equipment with carrying amount of approximately RMB8.3 million (2019: RMB8.6 million), were pledged for our bank loans. Also, our property, plant and equipment with carrying amount of approximately RMB138.3 million (2019: RMB148.8 million) secured our other loans.

As at 31 December 2020, a certain portion of our right-of-use assets with carrying amount of approximately RMB119.3 million (2019: RMB91.1 million) were pledged for our bank loans and our right-of-use assets with carrying amount of approximately RMB7.1 million (2019: RMB7.3 million) secured our other loans.

Contingent liabilities

As at 31 December 2020, the Group did not have any contingent liabilities.

年度溢利及純利率

由於前文所述各項，我們的年度溢利由截至2019年12月31日止年度的人民幣69.5百萬元減少7.1%或人民幣4.9百萬元至截至2020年12月31日止年度的人民幣64.6百萬元。我們的純利率由截至2019年12月31日止年度的18.4%下降至截至2020年12月31日止年度的17.9%。倘撇除上市開支，我們的年度溢利將為人民幣78.5百萬元，相當於較截至2019年12月31日止年度的人民幣79.7百萬元略為減少1.5%或人民幣1.2百萬元。

流動資金、財務資源及資本架構

於2020年12月31日，本集團擁有流動資產淨額約人民幣130.0百萬元（2019年：流動負債淨額約人民幣212.2百萬元）。本集團的財務狀況繼續保持穩健，於2020年12月31日的現金及現金等值項目約為人民幣227.1百萬元（2019年：人民幣33.9百萬元）。於報告期內，我們收到上市所得款項淨額約229.7百萬元。由於業務營運帶來穩定現金流入，我們擁有充足財務資源應付營運資金需要及為2021年和2022年的建設和升級預算計劃撥資。

於2020年12月31日，我們的計息借款為人民幣455.2百萬元，其中人民幣337.2百萬元為長期借款。我們的未動用無限制銀行融資額度為人民幣49.5百萬元，概無獲關連方提供擔保或抵押。

於2020年12月31日的資本負債比率（按於相應年度結算日的債務總額（即銀行及其他貸款）除以權益總額再乘以100%計算）約為59.2%（2019年：108.0%）。資本負債比率下跌主要是由於權益於上市後有所增加所致。

資產抵押

於2020年12月31日，我們已就取得銀行貸款抵押賬面值約為人民幣8.3百萬元（2019年：人民幣8.6百萬元）的若干物業、廠房及設備。此外，我們亦為取得其他貸款抵押賬面值約為人民幣138.3百萬元（2019年：人民幣148.8百萬元）的物業、廠房及設備。

於2020年12月31日，我們已就取得銀行貸款抵押賬面值約為人民幣119.3百萬元（2019年：人民幣91.1百萬元）的部分使用權資產，並就取得其他貸款抵押賬面值約為人民幣7.1百萬元（2019年：人民幣7.3百萬元）的使用權資產。

或然負債

於2020年12月31日，本集團並無任何或然負債。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Funding and Treasury Policy

The Group maintain an optimal financial position and minimise its financial risks in all the business decisions. The Group regularly reviews the cash position to ensure there are sufficient funds to support its business operations and future investments as and when needed.

Foreign exchange risk

The Group operated primarily in the PRC and are denominated in RMB. It is expected that the Group will not be subjected to any material adverse effects arising from exchange rate fluctuation. Nevertheless, the Group will continue to monitor foreign exchange exposure and will take appropriate action when needed.

CAPITAL EXPENDITURE AND COMMITMENTS

Capital Expenditure

Our capital expenditures during the Reporting Period were mainly related to our purchases of locomotives and rolling stocks for our operations. We financed our capital expenditure through cash generated from operations and banking facilities.

Capital Commitments

As at 31 December 2020, our outstanding capital commitments in respect of property, plant and equipment amounted to approximately RMB7.7 million (2019: RMB0.1 million), details are disclosed in note 26 to the financial statements. Save as disclosed in this report, we did not have any other material capital commitment.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OF CAPITAL ASSETS

Save as disclosed in this report and the Prospectus, there were no significant investments held by the Group during the Reporting Period, nor was there any material acquisition or disposal of subsidiaries, associates and joint venture during the Reporting Period. Save as disclosed in this report and the Prospectus, there was no other plan for significant investments or additions of capital assets as at 31 December 2020.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Save for the issue of new shares in the Listing, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2020 and up to the date of this report.

資金及庫務政策

本集團將財務狀況保持在最佳水平並將所有業務決策的財務風險降至最低。本集團定期審視現金狀況，以確保資金足以支持其業務營運及未來投資需要。

外匯風險

本集團的業務主要於中國經營並以人民幣計值。本集團預期不會因匯率波動而受到重大不利影響。儘管如此，本集團將繼續監察外匯風險，並將於有需要時採取適當行動。

資本開支及承擔

資本開支

我們於報告期內的資本開支主要與我們為業務營運購買機車及鐵道車輛有關。我們以經營所得現金及銀行融資撥付資本開支。

資本承擔

於2020年12月31日，我們有關物業、廠房及設備的未付資本承擔約為人民幣7.7百萬元（2019年：人民幣0.1百萬元），詳情於財務報表附註26披露。除本報告所披露者外，我們並無任何其他重大資本承擔。

重大投資、重大附屬公司、聯營公司及合營企業收購及出售事項，以及有關重大資本資產投資的未來計劃

除本報告及招股章程所披露者外，本集團於報告期內概無持有任何重大投資，亦無於報告期內進行有關附屬公司、聯營公司及合營企業的重大收購或出售事項。於2020年12月31日，除本報告及招股章程所披露者外，本集團並無有關重大投資或購入資本資產的其他計劃。

購買、出售或贖回本公司上市證券

除於上市時發行新股份外，於截至2020年12月31日止年度及截至本報告日期，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EVENTS AFTER THE REPORTING PERIOD

The Group did not have any material subsequent event after 31 December 2020 and up to the date of this report.

EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2020, the Group had 787 employees (2019: 788 employees) (including two executive Directors but excluding three independent non-executive Directors).

The Group offers attractive remuneration package to the employees as our Directors believe the consistency and quality of our staff is the key to success. In order to retain our staff and motivate them for better performance, the remuneration packages, including basic salary and other employee benefits such as bonus, are reviewed annually according to their individual performance. We are also committed to provide a caring environment to retain our staff and for better performance. We provided sufficient trainings and encouraged our staff to attend other courses to maintain their professionalism and qualifications.

報告期後事項

於2020年12月31日後及截至本報告日期，本集團並無發生任何重大期後事項。

僱員及薪酬政策

於2020年12月31日，本集團聘有787名僱員（2019年：788名僱員）（包括兩名執行董事，但不包括三名獨立非執行董事）。

由於董事認為穩定及有質素的員工是達致成功的關鍵，因此本集團為僱員提供具吸引力的薪酬待遇。為挽留員工及激勵員工發揮更佳表現，本集團每年根據個別員工的表現檢討其薪酬待遇（包括基本薪金及花紅等其他僱員福利）。我們亦致力締造關懷貼心的環境，以挽留員工及提升員工表現。我們為員工提供充足培訓，亦鼓勵員工參與其他課程，以維持員工的專業及資格。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

BOARD OF DIRECTORS

Executive Directors

Mr. Liu Yongliang (劉永亮), aged 54

Executive Director and Chairman

Mr. Liu, the founder of our Group, was appointed as a Director on 19 October 2018 and designated as an executive Director on 20 September 2019. He was appointed as the chairman on 25 September 2019. Mr. Liu is currently the director of each of our Company's subsidiaries (except Jinghai International), namely, Canggang BVI, Puji Global, Canggang HK, Puji HK, Canggang Company and WFOE. He has been the chairman of the board of directors of Canggang Company since October 2009 and he is responsible for overall management and strategic development of our Group. Mr. Liu has more than 13 years of experience in transportation services. Prior to founding our Group in 2009, Mr. Liu also invested in various industries including coal trading, industrial property investment and storage and transportation.

Mr. Liu graduated from Naval Engineering University, Tianjin Campus* (海軍工程大學天津校區) (formerly known as People's Liberation Army Navy, Logistics College* (中國人民解放軍海軍後勤學院)) in Tianjin, the PRC in July 1991 where he completed his tertiary education in financial management. He obtained his bachelor's degree in economic management from the Open College of Central Communist Party School* (中共中央黨校函授學院) in Beijing, the PRC in December 1995. He graduated from Chinese Academy of Social Sciences* (中國社會科學院) in Beijing, the PRC in October 1999 where he completed his postgraduate education in finance. Mr. Liu attended the Post Executive Master of Business Administration courses at Peking University in Beijing, the PRC from April 2012 to January 2014.

Mr. Yi Weiming (衣維明), aged 56

Executive Director and chief executive officer

Mr. Yi was appointed as an executive Director and chief executive officer of our Company on 20 September 2019 and 25 September 2019, respectively. Mr. Yi has more than 11 years of experience in transportation services and nine years of experience in investment management. He has been a director and a general manager of Canggang Company since October 2009 and he is responsible for the overall operation and management of our Group.

Mr. Yi obtained his bachelor degree in science and economics from Nankai University (南開大學) in Tianjin, the PRC in July 1987. Mr. Yi also obtained his master's degree and doctoral degree in economics from Nankai University (南開大學) in Tianjin, the PRC in June 1990 and June 1995, respectively.

Mr. Yi served at Department of International Economics at Nankai University (南開大學) from September 1990 to June 1998 and was appointed as the deputy professor in 1996, primarily teaching courses such as international economics and responsible for relevant academic research. He was then engaged in the financial industry between June 1998 and November 2007 where he was primarily engaged in business of investment management in the PRC.

董事會

執行董事

劉永亮先生，54歲

執行董事兼主席

劉先生為本集團創辦人，於2018年10月19日獲委任為董事，並於2019年9月20日調任為執行董事。彼於2019年9月25日獲委任為主席。劉先生目前為本公司各附屬公司(京海國際除外，即滄港BVI、普濟環球、滄港香港、普濟香港、滄港公司及外商獨資企業)的董事。自2009年10月起，彼一直擔任滄港公司董事會主席，負責本集團的整體管理及策略發展。劉先生在運輸服務方面擁有超過13年的經驗。劉先生於2009年創立本集團之前亦曾投資於多個行業，包括煤炭貿易、工業物業投資及儲存與運輸。

劉先生於1991年7月畢業於中國天津市海軍工程大學天津校區(前稱為中國人民解放軍海軍後勤學院)，於該校完成財務管理高等教育。彼於1995年12月於中國北京中共中央黨校函授學院獲得經濟管理學士學位，並於1999年10月畢業於中國北京中國社會科學院，完成金融研究生教育。劉先生曾於2012年4月至2014年1月期間修讀由中國北京市北京大學主辦的工商管理碩士後課程。

衣維明先生，56歲

執行董事兼行政總裁

衣先生於2019年9月20日及2019年9月25日分別獲委任為本公司執行董事及行政總裁。衣先生擁有逾11年運輸服務經驗及九年投資管理經驗。自2009年10月起，彼一直擔任滄港公司的董事兼總經理，負責本集團的整體運營及管理。

衣先生於1987年7月取得中國天津南開大學科學及經濟學士學位。衣先生亦分別於1990年6月及1995年6月取得中國天津南開大學經濟碩士學位及博士學位。

衣先生於1990年9月至1998年6月在南開大學國際經濟系執教，於1996年獲委任為副教授，主要負責教授國際經濟學等課程，並負責相關學術研究。彼其後於1998年6月至2007年11月投身金融界，主要在中國從事投資管理業務。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

Non-executive Directors

Mr. Xu Zhihua (徐志華) (with former name as Xu Zhihua (徐智華)), aged 69

Mr. Xu was appointed as a non-executive Director of our Company on 20 September 2019. Mr. Xu has more than 12 years of experience in railway transportation and logistics services. Mr. Xu has been an executive director of Chengyu Company since November 2007. He is responsible for providing opinion and judgment to our Board.

Mr. Xu graduated from Jilin University (吉林大學) in Jilin Province, the PRC with a junior college degree in political science in October 1988. Mr. Xu was awarded as the “Labor Model of the Logistics Industry in China (全國物流行業勞動模範)” by Human Resources and Social Security Department (人力資源和社會保障部) and China Federation of Logistics & Purchasing (中國物流與採購聯合會) in December 2011.

Mr. Qin Shaobo (秦少博), aged 38

Mr. Qin was appointed as a non-executive Director of our Company on 20 September 2019. Mr. Qin has more than seven years of experience in investment management. Mr. Qin has been a director of Canggang Company since May 2016. He is responsible for providing opinion and judgment to our Board.

Mr. Qin graduated from China University of Political Science and Law* (中國政法大學) in Beijing, the PRC with a master’s degree in law in June 2007. Mr. Qin obtained his legal professional qualification certificate* (法律職業資格證書) issued by China Ministry of Justice of the PRC in February 2009.

Independent non-executive Directors

Mr. Liu Changchun (劉長春) (“Mr. CC Liu”), aged 62

Mr. CC Liu was appointed as an independent non-executive Director of our Company on 20 September 2019. Mr. CC Liu has more than 21 years experiences in energy industry. He is responsible for overseeing management independently and providing independent advice to our Board.

Mr. CC Liu graduated from the Harbin Normal University* (哈爾濱師範大學) in Heilongjiang Province, the PRC with a bachelor’s degree in Chinese language and literature education in December 1999 (through long distance learning). Mr. CC Liu completed a postgraduate course in corporate management from Capital University of Economics and Business (首都經濟貿易大學) in Beijing, the PRC in November 2002. Mr. CC Liu received the certificate of senior economist in February 2004 from the General Equipment Department of the People’s Liberation Army (中國人民解放軍人民總裝備部).

非執行董事

徐志華先生 (前稱徐智華), 69歲

徐先生於2019年9月20日獲委任為本公司非執行董事。徐先生在鐵路運輸和物流服務方面擁有超過12年的經驗。自2007年11月起，徐先生一直擔任聘宇公司的執行董事。彼負責向董事會提供意見及判斷。

徐先生畢業於中國吉林省吉林大學，在1988年10月獲得政治科學專科學位。徐先生於2011年12月獲人力資源和社會保障部及中國物流與採購聯合會授予「全國物流行業勞動模範」稱號。

秦少博先生, 38歲

秦先生於2019年9月20日獲委任為本公司非執行董事。秦先生擁有超過七年的投資管理經驗。自2016年5月起，秦先生一直擔任滄港公司的董事。彼負責向董事會提供意見及判斷。

秦先生畢業於中國北京市中國政法大學，在2007年6月獲得法學碩士學位。秦先生於2009年2月獲得由中國司法部發出的法律職業資格證書。

獨立非執行董事

劉長春先生 (「劉長春先生」), 62歲

劉長春先生於2019年9月20日獲委任為本公司獨立非執行董事。劉長春先生於能源行業擁有逾21年經驗。彼負責獨立監督管理及向董事會提供獨立意見。

劉長春先生畢業於中國黑龍江省哈爾濱師範大學，於1999年12月取得中國語言文學教育文學士學位(透過遠程學習)。劉長春先生於2002年11月完成中國北京首都經濟貿易大學企業管理研究生課程。劉長春先生於2004年2月取得中國人民解放軍人民總裝備部頒發的高級經濟師證書。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

Mr. Zhao Changsong (趙長松), aged 55

Mr. Zhao was appointed as an independent non-executive Director of our Company on 20 September 2019. Mr. Zhao has more than 29 years experiences in legal services and he is responsible for overseeing management independently and providing independent advice to our Board.

Mr. Zhao graduated from Hebei University* (河北大學) in Hebei Province, the PRC with a bachelor's degree in law in July 1986. Mr. Zhao completed his master's course in economic management from Hebei Party School of China Communist Party* (中共河北省委黨校) in Hebei Province, the PRC in December 2001. Mr. Zhao obtained his lawyer qualification certificate (律師資格證書) from Hebei Provincial Department of Justice (河北省司法廳) in April 1989.

Ms. Lyu Qinghua (呂清華), aged 46

Ms. Lyu was appointed as an independent non-executive Director of our Company on 20 September 2019. Ms. Lyu has more than 25 years experiences in accounting and auditing. She is responsible for overseeing management independently and providing independent advice to our Board.

Ms. Lyu graduated from the Hebei Economic and Trade College* (河北經貿學院) in Hebei Province, the PRC where she completed a tertiary course in finance and accounting in July 1994. Ms. Lyu obtained the accounting qualification (intermediate level) (中級會計) from the Ministry of Finance of the PRC in May 2002 and the certificate of Certified Public Accountant from Hebei Institute of Certified Public Accountants in June 2009.

趙長松先生，55歲

趙先生於2019年9月20日獲委任為本公司獨立非執行董事。趙先生於法律服務方面擁有逾29年經驗。彼負責獨立監督管理及向董事會提供獨立意見。

趙先生於1986年7月畢業於中國河北省河北大學，獲得法律學士學位。趙先生於2001年12月從中國河北省中共河北省委黨校完成經濟管理研究生課程。於1989年4月，趙先生於河北省司法廳取得律師資格證書。

呂清華女士，46歲

呂女士於2019年9月20日獲委任為本公司獨立非執行董事。呂女士於會計及審計方面擁有逾25年經驗。彼負責獨立監督管理及向董事會提供獨立意見。

呂女士畢業於中國河北省河北經貿學院，於1994年7月在該校完成財務及會計高等教育。呂女士於2002年5月從中國財政部獲得中級會計資格及於2009年6月從河北省註冊會計師協會獲得註冊會計師證書。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

SENIOR MANAGEMENT

Mr. Kwok Che Chung (郭芝聰), aged 35

Chief Financial Officer and joint company secretary

Mr. Kwok joined the Group in August 2019 as chief financial officer of our Company and was appointed as the joint company secretary of our Company on 25 September 2019. Mr. Kwok has more than ten years of experience in accounting and financial management. He is responsible for financial operations and corporate secretarial matters of the Group.

Mr. Kwok graduated from the Hong Kong Shue Yan University (香港樹仁大學) in Hong Kong with a bachelor's degree in accounting in July 2009. Mr. Kwok was admitted as a member of the Hong Kong Institute of Certified Public Accountants in March 2017.

Mr. Li Juncheng (李俊呈), aged 39

Joint company secretary

Mr. Li was appointed as our joint company secretary on 25 September 2019.

Mr. Li joined the Group in December 2014 as the deputy director of the finance department of Canggang Company. He was then promoted as the director of equity investment department in July 2019. Prior to joining our Group, Mr. Li was employed by Chengyu Company from February 2008 to December 2014, and last occupied the position of deputy head of the finance department. Mr. Li graduated from Hebei University (河北大學) in Hebei Province, the PRC with a bachelor's degree in law in June 2007.

高級管理層

郭芝聰先生，35歲

財務總監兼聯席公司秘書

郭先生於2019年8月加入本集團出任本公司財務總監，並在2019年9月25日獲委任為本公司聯席公司秘書。郭先生擁有超過十年會計和財務管理經驗。彼負責本集團財務運作及企業秘書事務。

郭先生於2009年7月在香港畢業於香港樹仁大學，並獲得會計學士學位。郭先生於2017年3月獲認可為香港會計師公會會員。

李俊呈先生，39歲

聯席公司秘書

李先生於2019年9月25日獲委任為本公司聯席公司秘書。

李先生於2014年12月加入本集團，擔任滄港公司的財務部副部長。其後，彼於2019年7月晉升為證券投資部部長。於加入本集團之前，李先生於2008年2月至2014年12月受僱於聘宇公司，最後職位為財務部副部長。李先生於2007年6月畢業於中國河北省河北大學，獲得法律學士學位。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

Since the Listing of our Shares on the Stock Exchange on 23 October 2020, the Company has been committed to maintaining high standard of corporate governance. The Board believes that good corporate governance is the basis in ensuring the proper management in the interest of all our stakeholders. Improvement of the corporate governance is a long and systematic project, which requires strong commitment and perseverance. As it always has, the Company will continuously improve the risk assessment and monitoring procedures, internal control policy, enhancing our transparency and disclosures quality to our shareholders to promote the sustainable and robust development of the Company in light of evolving business and regulatory environment and to meet the expectations of stakeholders.

This Report possess the corporate governance best practices that the Company has adopted and highlights how the Company has applied the principles of the Code Provisions set out in the CG Code.

Since the Listing Date and up to 31 December 2020, the Company complied the Code except for code provision A.2.7 of the CG Code which provides that the chairman should at least annually hold meetings with the independent non-executive Directors without the presence of other directors. As the Company was listed in October 2020, the independent non-executive directors did not have any matters that need to be discussed with the Chairman during the short period of time after listing. The Directors will continue to monitor the Company's corporate governance policies and will make update, if necessary, to ensure the policies comply with the Code. For the year ending 31 December 2021, the Company will comply with code provision A.2.7 of the CG Code.

MODEL CODE SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules (the "Model Code"). After having made specific enquiry, the Company confirms that all the Directors have complied with the Model Code since the Listing Date and up to the date of this annual report.

企業管治常規

自本公司股份於2020年10月23日在聯交所上市以來，本公司一直致力維持高水平的企業管治。董事會相信，良好的企業管治乃確保所有持份者的利益皆得到妥善管理的基礎。完善企業管治是一項持久且系統性的工程，需要投入大量精力及毅力。鑒於營商及監管環境不斷演變，並為符合持份者的期望，本公司將一如既往持續完善風險評估和監察流程及內部控制政策，並提升透明度及向股東作出披露的質素，從而推動本公司可持續及茁壯發展。

本報告載列本公司所採納的最佳企業管治常規，並重點說明本公司如何應用企業管治守則所載守則條文的原則。

自上市日期起及截至2020年12月31日，本公司已遵守守則的規定，惟企業管治守則的守則條文第A.2.7條除外，該守則條文規定主席應至少每年與獨立非執行董事舉行一次並無其他董事出席的會議。由於本公司於2020年10月方始上市，獨立非執行董事於上市後短時間內並無任何事宜需要與主席討論。董事將繼續監察本公司的企業管治政策，並將於有需要時更新政策以確保符合守則規定。於截至2021年12月31日止年度，本公司將遵守企業管治守則的守則條文第A.2.7條。

進行證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則（「標準守則」）。經作出具體查詢後，本公司確認全體董事自上市日期起及截至本年報日期已遵守標準守則。

THE BOARD OF DIRECTORS

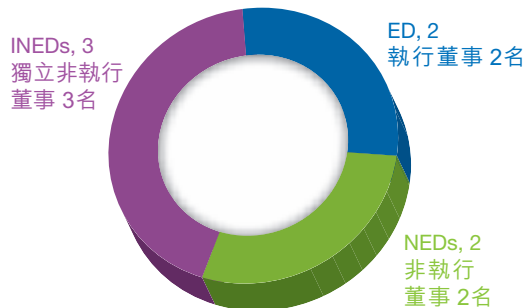
Overall Management

Our Board is responsible for and has general power over the management and conduct of our business. The powers and duties of our Board are conferred by our Articles of Association. The Board has delegated the day-to-day management and operations of the Company's business to the management, and focuses its attention on matters affecting the Company's overall strategic policies, corporate governance, finances and shareholders. These include review of the annual financial budgets, financial statements and the significant changes in accounting policy, corporate governance functions, dividend policy, risk management and internal control systems and draw up strategies for future growth and major investments.

After the Listing Date and up to the date of this annual report, the Board held one board meeting to review the annual results of the Group for the year ended 31 December 2020, consider the payment of a final dividend and convene the forthcoming annual general meeting. The Board has delegated the responsibilities as set out in their respective terms of reference to the three Board Committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee.

Composition of the Board

A list of members of the Board and their roles and functions is available on the respective websites of the Company (<http://www.czcgtl.com>) and the Stock Exchange. The Board currently consists of seven Directors with the following composition:



Executive Directors ("ED")

Mr. Liu Yongliang (*Chairman of Nomination Committee*)
Mr. Yi Weiming (*Chief Executive Officer*)

Non-executive Directors ("NED")

Mr. Xu Zhihua
Mr. Qin Shaobo

Independent non-executive Directors ("INED")

Mr. Liu Changchun (*Chairman of Remuneration Committee*)
Mr. Zhao Changsong
Ms. Lyu Qinghua (*Chairman of Audit Committee*)

董事會

整體管理

董事會負責及擁有一般權力管理及經營業務。董事會的權力及職責由本公司章程細則所賦予。董事會已將本公司業務的日常管理及營運授權管理層負責，本身則專注處理影響本公司整體策略性政策、企業管治、財務及股東的事宜，包括審閱年度財政預算、財務報表和會計政策的重大變動、企業管治職能、股息政策、風險管理和內部控制系統，並制定未來增長和重大投資策略。

自上市日期起至截至本年報日期，董事會曾舉行一次董事會會議，以審閱本集團截至2020年12月31日止年度的年度業績、考慮派付末期股息及召開應屆股東週年大會。董事會已授權三個董事委員會（即審核委員會、提名委員會及薪酬委員會）履行多項職責，有關職責載於各自的職權範圍內。

董事會的成員組成

董事會成員名單及其角色與職能已刊載於本公司網站(<http://www.czcgtl.com>)及聯交所網站。董事會現時由以下七名董事組成：

執行董事（「執行董事」）

劉永亮先生（*提名委員會主席*）
衣維明先生（*行政總裁*）

非執行董事（「非執行董事」）

徐志華先生
秦少博先生

獨立非執行董事（「獨立非執行董事」）

劉長春先生（*薪酬委員會主席*）
趙長松先生
呂清華女士（*審核委員會主席*）

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board currently has seven Members, made up of three INEDs, two NEDs and two EDs. As shown in the above chart, the number of INEDs currently comprises more than one-third of the Board, which is above the Listing Rules 3.10A requirement. During the Reporting Period, the Board has met at all times the requirements under rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise. Biographical details of the Directors of the are set out on pages 18 to 21 of this annual report. None of the Board members have financial, business, family or other material/relevant relationships with each other Board members. In addition, none of the Board member holds seven (or more) directorships in listed companies (including the Company) or holds any cross directorships for the year ended 31 December 2020.

There is a diverse business and professional backgrounds for the Board, whose members actively bring their experience for promoting the best interest of the Company and its shareholders. The INEDs also ensure the Board considered the interest of the shareholder of the Company in considering the business objective of the Company and a high standard of regulatory reporting. Since the Listing Date and up to the date of this annual report, the Board at all time has met the requirements of the Listing Rules relating to the appointment of at least three INEDs and one of whom possess of appropriate professional qualifications or accounting or related financial management expertise. The composition of the Board emphasis the decisions reached are balance and independent.

For the year ended 31 December 2020, the Company has received a written confirmation from each of the INEDs to confirm his/her independence and his/her immediate family member(s) in light of the requirements under the Listing Rule. The Nomination Committee reviewed the confirmations and assessed the independence of the INEDs and consider each of them to be independent.

Board meetings

The Company planned four Board meetings at approximately quarterly intervals to discuss the Company's operations. Additional meetings will be arranged if and when required. Each Board member ensures that he/she can give sufficient time and attention to the Company's development and contribute to the Company's strategies and financial performance through constructive comments. Subsequent to the Listing Date and up to the date of this annual report, the Board held a meeting to review and approve the annual results of the Company for the year ended 31 December 2020 with considering the level of final dividend and convene the forthcoming AGM.

The Joint Company Secretaries (as defined below) ensure the procedures for holding the Board meetings are complied with all applicable rules and regulations and they keep the board minutes for Directors' inspection with unrestricted access rights, and have the liberty to seek external professional advice upon reasonable request.

董事會現時有七名成員，由三名獨立非執行董事、兩名非執行董事及兩名執行董事組成。如上圖所示，現時獨立非執行董事人數佔董事會人數超過三分之一，高於上市規則第3.10A條的規定。於報告期內，董事會一直符合上市規則第3.10(1)及3.10(2)條有關委任至少三名獨立非執行董事，且至少一名獨立非執行董事具備適當的專業資格或會計或相關財務管理專長的規定。董事履歷詳情載於本年報第18至21頁。董事會成員互相之間概無財務、業務、家族或其他重大／相關關係。此外，於截至2020年12月31日止年度，概無董事會成員擔任七間（或以上）上市公司（包括本公司）的董事或擔任任何交叉董事。

董事會成員來自不同商業及專業背景，積極為提升本公司及其股東的最佳利益提供經驗。獨立非執行董事亦確保董事會於思考本公司業務目標時會考慮本公司股東的利益，並作出高水平的監管申報。自上市日期起及截至本年報日期，董事會一直符合上市規則有關委任至少三名獨立非執行董事且其中一人具備合適專業資格或會計或相關財務管理專長的規定。董事會成員的組成重點為達致觀點平衡及獨立的決策。

於截至2020年12月31日止年度，本公司已收到各獨立非執行董事按照上市規則的規定就確認其獨立性及其直系親屬發出的書面確認。提名委員會已審閱有關確認書及評估獨立非執行董事的獨立性，認為各人均為獨立人士。

董事會會議

本公司計劃舉行四次董事會會議（大約每季一次）以討論本公司業務營運事宜，亦會於有需要時安排舉行額外會議。各董事會成員均確保其能付出足夠時間及精力處理本公司發展事務，並透過提出具建設性的意見為本公司策略及財務表現作出貢獻。於上市日期後及截至本年報日期，董事會曾舉行一次會議以審閱及批准本公司截至2020年12月31日止年度的年度業績，並考慮末期股息水平及召開應屆股東週年大會。

聯席公司秘書（定義見下文）會確保董事會會議召開程序符合所有適用規則及規例，並保存董事會會議記錄以備董事可不受限制地查閱。聯席公司秘書可於提出合理要求後自由尋求外部專業意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

The attendance record of the Members of the Board at meetings (subsequent to the Listing Date and up to the date of this annual report)

董事會成員的會議出席記錄
(於上市日期後及截至本年報日期)

		Attendance/Number of meetings 出席/會議次數				
		Board Meeting 董事會會議	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	General meeting 股東大會
Executive Directors	執行董事					
Mr. Liu Yongliang	劉永亮先生	2/2	-	-	1/1	-
Mr. Yi Weiming	衣維明先生	2/2	-	-	-	-
Non-executive Directors	非執行董事					
Mr. Xu Zihua	徐志華先生	2/2	2/2	1/1	1/1	-
Mr. Qin Shaobo	秦少博先生	2/2	-	-	-	-
Independent non-executive Directors	獨立非執行董事					
Mr. Liu Changchun	劉長春先生	2/2	2/2	1/1	1/1	-
Mr. Zhao Changsong	趙長松先生	2/2	-	-	-	-
Ms. Lyu Qinghua	呂清華女士	2/2	2/2	1/1	-	-

The Board is responsible for maintaining a continuous communication with the shareholders, in particular through the AGMs or other general meetings, and encourages shareholders to participate. No AGMs was held during the year ended 31 December 2020.

董事會負責與股東保持持續溝通(特別是透過股東週年大會或其他股東大會),並鼓勵股東參與。於截至2020年12月31日止年度,本公司並無舉行股東週年大會。

Chairman and Chief Executive Officer

The posts of the Chairman and the chief executive officer are distinct and separate.

主席與行政總裁

主席與行政總裁職務已作明確區分。

Mr. Liu Yongliang is the chairman of our Board who is responsible for chairing and managing the operations of the Board, ensuring adequate information is provided to the Board on a timely basis, encouraging Members of the Board to make effective contribution in the Board meetings, monitoring the performance of the chief executive officer and establishing good corporate governance practices and procedures.

劉永亮先生為董事會主席,負責主持及管理董事會的運作、確保董事會適時獲提供足夠資訊、鼓勵董事會成員於董事會會議上作出有效貢獻、監察行政總裁的表現以及制定良好企業管治常規和程序。

Mr. Yi Weiming is the chief executive officer of our Company who is responsible for the overall administrative and operational management of the Company, implementation of annual business plans, investment proposal of the Company and responsible for performing a bridging function between the Board and the senior management.

衣維明先生為本公司行政總裁,負責本公司的整體行政和營運管理、落實本公司的年度業務計劃和投資建議,並負責擔任董事會與高級管理層之間的橋樑。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD DIVERSITY POLICY

The Company has adopted the board diversity policy (the “Board Diversity Policy”) which sets out the objective and approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board. The Board Diversity Policy provides that the Company should endeavor to ensure that the Board members have the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of the Company’s business strategy. Pursuant to the Board Diversity Policy, selection of candidates for Directors will be based in a range of diversity perspectives, including but not limited to professional experience, gender, age, culture, independence, educational background, knowledge, expertise and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to the Board. The Board believes that such merit-based appointments will best enable the Company to serve the Shareholders and other stakeholders going forward.

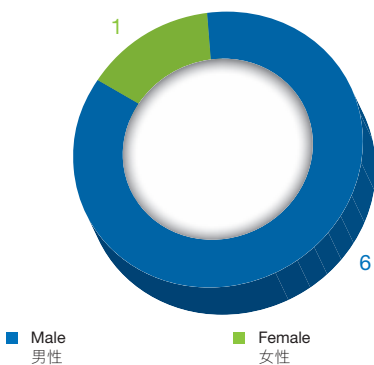
The Board will continue to take steps to promote gender diversity at all levels of the Company, including but not limited to the Board and the senior management levels. While the gender diversity at the Board level can be improved given the majority of the Directors are male, the Board will continue to apply the principle of appointments based on merits with reference to the Board Diversity Policy as a whole. The Board would also ensure that appropriate balance of gender diversity is achieved with reference to investors’ expectation, and international and local recommended best practices.

董事會多元化政策

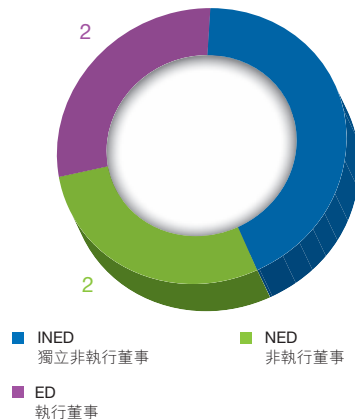
為提高董事會的有效性，本公司已採納董事會多元化政策（「董事會多元化政策」），當中載列實現及維持董事會多元化的目標及方法。董事會多元化政策規定本公司必須致力確保董事會成員所擁有並就支持執行本公司業務策略所需的各項技能、經驗及多元化觀點保持適當平衡。根據董事會多元化政策，本公司於甄選董事候選人時會考慮多項多元化因素，包括但不限於專業經驗、性別、年齡、文化、獨立性、教育背景、知識、技能及服務年資。委任的最終決定將根據所選定候選人的優點及將為董事會作出的貢獻而作出。董事會相信，以用人唯才的準則委任董事將最能有利於本公司繼續為股東及其他持份者服務。

董事會將繼續採取措施以促進本公司各層級（包括但不限於董事會及高級管理層）達致性別多元化。儘管由於大多數董事均為男性而令董事會在性別多元化方面有待改善，但整體而言，董事會仍將繼續採取用人唯才的委任原則，同時參考董事會多元化政策。董事會亦將確保根據投資者的期望以及國際及地方建議最佳常規實現性別多元化的適當平衡。

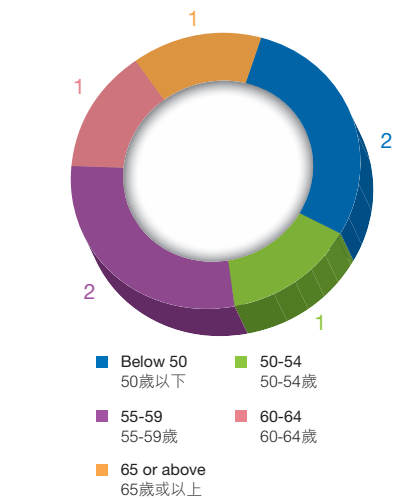
GENDER
性別



DESIGNATION
職銜



AGE GROUP
年齡組別



The Board reviews the Board Diversity Policy on a regular basis to ensure its continued effectiveness. Subsequent to the Listing Date and up to the date of this report, the Board consider the composition of the Board is in line with the Board Diversity Policy and the Board Diversity Policy is appropriate.

Our Nomination Committee will: (1) report annually, in the corporate governance report contained in our annual report, on the Board's composition under diversified perspectives, and monitor the implementation of our Board Diversity Policy; and (2) review our Board Diversity Policy, as appropriate, to ensure effectiveness of the policy and discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

Audit Committee

The Audit Committee was established on 16 June 2020 with written terms of reference in compliance with the Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise our financial reporting process and internal control system of the Group, oversee the audit process, risk management process and external audit functions. The Audit Committee consists of three members, namely, Ms. Lyu Qinghua, Mr. Xu Zhihua and Mr. CC Liu. The chairman of the Audit Committee is Ms. Lyu Qinghua. None of the Audit Committee members are employed by or otherwise affiliated with the auditor of the Company.

Subsequent to the Listing Date and up to the date of this annual report, the Audit Committee held one meeting with 100% attendance. During the meeting, the Audit Committee completed the following:

Internal Audit and Governance

- Approved revisions to the Group Internal Audit Charter
- Approved the internal audit plan for 2020 to 2022
- Reviewed the efficient and effectiveness of the Company's internal control systems and its internal audit functions
- Reviewed the continuing connected transactions

External Auditor and Financial Reporting

- Reviewed and approved KPMG's fee proposal for the 2020 annual audit
- Reviewed the Company's annual financial results
- Reviewed changes in accounting principles and practices proposed by management
- Reviewed, with both the external auditor and management, the audit approach and methodology applied, in particular to the Key Audit Matters, for 2020 annual audit

The Audit Committee was satisfied with KPMG's work, its independence, and its objectivity, and therefore recommended the re-appointment of KPMG (which has indicated its willingness to continue in office) as the Company's external auditor for 2021 for Shareholders' approval at the 2020 AGM.

董事會定期檢討董事會多元化政策，以確保其持續有效。於上市日期後及截至本報告日期，董事會認為董事會的成員組成與董事會多元化政策一致，以及董事會多元化政策屬適切。

本公司提名委員會將：(1)每年於年報所載的企業管治報告內匯報董事會依據多元化角度組成的架構及監察董事會多元化政策的實行情況；及(2)適時檢討董事會多元化政策，以確保政策有效及商討可能需要作出的任何修訂，並將有關修訂提呈董事會供其考慮及批准。

審核委員會

審核委員會已於2020年6月16日成立，並根據上市規則附錄十四所載的守則及企業管治報告制定其書面職權範圍。審核委員會的主要職責為審閱及監督本集團的財務申報程序及內部控制系統、監督審計程序、風險管理程序及外部審計職能。審核委員會由三名成員組成，即呂清華女士、徐志華先生及劉長春先生。審核委員會主席為呂清華女士。概無審核委員會成員受僱於本公司核數師或與其有任何其他聯繫。

於上市日期後及截至本年報日期，審核委員會曾舉行一次會議，全體成員均有出席。於會議期間，審核委員會已完成以下各項工作：

內部審計及管治

- 批准修訂集團內部審計章程
- 批准2020年至2022年的內部審計計劃
- 審閱本公司內部控制系統及內部審計職能的效益及有效性
- 審閱持續關連交易

外聘核數師及財務申報

- 審閱及批准2020年度的畢馬威會計師事務所審計費用建議
- 審閱本公司的年度財務業績
- 審閱管理層提出的會計原則及慣例變動建議
- 聯同外聘核數師及管理層審閱2020年年度審計所應用的審計方針和方法(特別是關鍵審計事項)

審核委員會對畢馬威會計師事務所的工作、其獨立性及客觀性均表示滿意，因此建議續聘畢馬威會計師事務所(而畢馬威會計師事務所已表示願意續任)為本公司2021年度的外聘核數師，並待股東於2020年股東週年大會上批准。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration Committee

The Remuneration Committee was established on 16 June 2020 with written terms of reference in compliance with the Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules. The primary duties of the Remuneration Committee are to make recommendations to the Board on our Company's policy and structure concerning the remuneration of our Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy, review and approve performance based remuneration by reference to their duties and responsibilities, performance, corporate goals and objectives, to determine the terms of the specific remuneration package of each executive Director and senior management and to ensure none of our Directors determine their own remuneration. The Remuneration Committee consists of three members, namely Ms. Lyu Qinghua, Mr. CC Liu and Mr. Xu Zhihua. The chairman of the Remuneration Committee is Mr. CC Liu.

Subsequent to the Listing Date and up to the date of this annual report, the Audit Committee held one meeting with 100% attendance. During the meeting, the Remuneration Committee reviewed the remuneration packages of the EDs, NEDs and INEDs with reference to their responsibilities, workload and performance since the Listing of the Company.

The remuneration of the senior management of the Company (other than Directors) for the year ended 31 December 2020, by band is set out below:

Remuneration Band	薪酬範圍	Number of individuals 人數
Nil to RMB1,000,000	零至人民幣1,000,000元	2

Further details of the remuneration of the Directors and the 5 highest paid individuals of the Group are set out in notes 8 and 9 to the Consolidated Financial Statements.

Nomination Committee

The Nomination Committee was established on 16 June 2020 with written terms of reference in compliance with the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules. The primary duties of the Nomination Committee are to review our Board Diversity Policy and make recommendations to our Board on the appointment of members of the Board. The Nomination Committee consists of three members, namely, Mr. Liu, Mr. Xu Zhihua and Mr. CC Liu. The chairman of the Nomination Committee is Mr. Liu.

Subsequent to the Listing Date and up to the date of this annual report, the Nomination Committee held one meeting with 100% attendance. During the meeting, the Nomination Committee reviewed the independence of the NEDs and INEDs and has also conducted an annual review of the current structure, size, skillset and composition of the Board and considered remaining the same composition is appropriate in light of the Company's strategy. The Nomination Committee recommended for the re-election of Members of the Board retiring at the 2020 AGM.

薪酬委員會

薪酬委員會已於2020年6月16日成立，並根據上市規則附錄十四所載的守則及企業管治報告制定其書面職權範圍。薪酬委員會的主要職責為就本公司的董事及高級管理層薪酬政策及架構以及就制定薪酬政策建立正規及透明的程序向董事會提供建議、檢討及批准參考其職務和職責、表現、公司方針及目標釐定的表現掛鈎薪酬、釐定各執行董事和高級管理層的具體薪酬方案條款，並確保概無董事釐定其個人薪酬。薪酬委員會由三名成員組成，即呂清華女士、劉長春先生及徐志華先生。薪酬委員會主席為劉長春先生。

於上市日期後及截至本年報日期，審核委員會曾舉行一次會議，全體成員均有出席。於會議期間，薪酬委員會已參考執行董事、非執行董事及獨立非執行董事自本公司上市以來的職責、工作量及表現，審閱彼等的薪酬待遇。

截至2020年12月31日止年度本公司高級管理層按範圍劃分的薪酬載列如下：

有關董事及本集團五名最高薪酬人士薪酬的進一步詳情載於綜合財務報表附註8及9。

提名委員會

提名委員會已於2020年6月16日成立，並根據上市規則附錄十四所載的企業管治守則及企業管治報告制定其書面職權範圍。提名委員會的主要職責為檢討董事會多元化政策，並就委任董事會成員向董事會作出推薦建議。提名委員會由三名成員組成，即劉先生、徐志華先生及劉長春先生。提名委員會主席為劉先生。

於上市日期後及截至本年報日期，提名委員會曾舉行一次會議，全體成員均有出席。於會議期間，提名委員會已審閱非執行董事及獨立非執行董事的獨立性，亦已對董事會目前架構、規模、技能及組成進行年度檢討，並基於本公司的策略認為維持現有組成架構屬適切。提名委員會建議重選將於2020年股東週年大會上退任的董事會成員。

The Nomination Committee concluded the Board currently possesses of a balanced skills, experience and diversity of perspectives and is appropriate for continuing to support the execution of the Company's business strategies in an efficient and effective manner.

NOMINATION POLICY

The Nomination Policy document the procedures and practices approved by the Board applicable to both new appointments and re-appointment in accordance with the Articles of Association. The Board has delegated the authority to the Nomination Committee to identify and assess potential candidates who are eligible to become a member of the Board. To identify the suitable candidates, the Nomination Committee will consider the Company's strategy; the structure, size, composition and needs of the Board; the required skills, qualification and experience of the candidates; and the independence of the candidate who is proposed to be the INED of the Board. The Nomination Committee is vested with discretion to take into account such other factors that it may consider appropriate.

In relation to the appointments of the Directors, the Nomination Committee will first identify the biographical information and other information of the candidate. The Nomination Committee will review the information obtained from the candidate and seek clarification. Then, the Nomination Committee, at its discretion, invite the candidate to meet with the Nomination Committee members for the proposed nomination. The Nomination Committee will submit the nomination proposal to the Board for consideration and further to the shareholders for approval.

For the re-appointment of the Members of the Board, the Nomination Committee will review the profile of the Members who have offered themselves for re-election to ensure their suitability every year. Then, the Nomination Committee will make recommendation to the Board for consideration and the Board will, at its discretion, make recommendations to the shareholders.

The Nomination Committee will conduct the review on the member of the Board on a regular basis, at least annually, to ensure the Board possess a combination of expertise and diversity for the business of the Company.

JOINT COMPANY SECRETARIES

Mr. Kwok Che Chung and Mr. Li Juncheng take up the role of joint company secretaries of the Company ("Joint Company Secretaries") to provide compliance and company secretarial services to the Company. Their role as Joint Company Secretaries includes:

- Providing advice and services for the Board Members;
- Ensuring the Board procedures are followed;
- Advising the Board on all corporate governance matters; and
- Recommending and arranging the Board Members to attend relevant seminars and courses.

提名委員會認為董事會目前具備均衡的技能、經驗及多元化觀點，對持續支持本公司以高效及有效方式執行業務策略而言屬合適。

提名政策

提名政策按照章程細則記錄經董事會批准並適用於新委任和重新委任的程序及常規。董事會已授權提名委員會物色和評估合資格出任董事會成員的潛在人選。為物色合適的候選人，提名委員會將考慮公司策略；董事會架構、規模、組成及需要；候選人所需的技能、資格及經驗；及擬出任董事會獨立非執行董事的候選人的獨立性。提名委員會有權酌情決定考慮其認為適當的其他因素。

就委任董事而言，提名委員會將首先確定候選人的履歷及其他資料。提名委員會將檢視候選人提供的資料並尋求澄清。其後，提名委員會可酌情決定就提名建議邀請候選人與提名委員會成員會面。提名委員會將向董事會呈交提名建議以供考慮，其後再提交股東批准。

就重新委任董事會成員而言，提名委員會將每年檢討膺選連任成員的資料，以確保其合適性。其後，提名委員會將向董事會作出推薦建議以供考慮，而董事會將酌情決定向股東作出推薦建議。

提名委員會將定期（至少每年一次）對董事會成員進行檢討，以確保董事會具備本公司業務所需的專業知識和多元化組合。

聯席公司秘書

郭芝聰先生及李俊呈先生為本公司的聯席公司秘書（「聯席公司秘書」），為本公司提供合規及公司秘書服務。彼等作為聯席公司秘書的職責包括：

- 向董事會成員提供意見及服務；
- 確保董事會程序獲得遵守；
- 就所有企業管治事宜向董事會提供意見；及
- 建議及安排董事會成員出席相關研討會及課程。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Joint Company Secretaries assisted the Company to cope with the changing regulatory environment and to suit different commercial needs. All Directors have access to the advice and services of the Joint Company Secretaries on corporate governance and board practices and matters.

In 2020, both Joint Company Secretaries undertook over 15 hours of professional training to update their skills and knowledge.

EXTERNAL AUDITOR

The Company engages KPMG as its External Auditor. There's no non-audit services engaged with KPMG. In order to maintain KPMG's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, the Audit Committee, reviewed and discussed with KPMG on their scope and nature of the audit and reporting.

For maintaining integrity and objectivity as the External Auditor of the Company, KPMG implements policies and procedures that are consistent with the requirements of the Code of Ethics for Professional Accountants and other applicable rules. These requirements place limits on the number of years that partners in certain roles may provide audit services to the Group, followed by a "time-out" period during which these partners may not participate in that audit or in any way influence the outcome of the audit, lead or coordinate other professional services delivered to the client, oversee the relationship of the Firm with the client, or have other significant or frequent interaction with senior management of those charge with governance.

For the year ended 31 December 2020, the remunerations paid or payable to KPMG in respect of its audit services are approximately RMB1.26 million. There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor during the year under review.

CRISIS MANAGEMENT

The rail freight and road freight transportation businesses are inherently dangerous and there are accidents which may result in fatalities and other serious bodily harm to our employees and others. To uphold our reputation of being one of the best company locally and in order to help ensure that the Company is responsible to the crises in an organised and effective manner, the Company has established the security department to manage the crisis. The security department comprises of the senior management and is closely monitored by the CEO. The operation of the security department is also aided by the Company's information system to keep track of the latest crisis situation, issues and strategic actions. The duties of the security department include the followings:

- (i) organize various safety activities and regular training sessions to enhance safety awareness and relevant work skills of our staff;
- (ii) strictly forbid staff who have not passed safety training and assessment to work on our freight transportation;

聯席公司秘書協助本公司應對不斷轉變的監管環境及配合不同商業需要。所有董事均可就企業管治及董事會常規和事宜獲聯席公司秘書提供意見及服務。

於2020年，聯席公司秘書曾接受超過15小時的專業培訓，以更新彼等的技能及知識。

外聘核數師

本公司委聘畢馬威會計師事務所為其外聘核數師，惟並無委聘畢馬威會計師事務所提供非審計服務。為保持畢馬威會計師事務所的獨立性及客觀性，以及根據適用準則進行審計程序的有效性，審核委員會已審閱並與畢馬威會計師事務所討論其審計和申報範圍及性質。

為保持作為本公司外聘核數師的誠信及客觀性，畢馬威會計師事務所執行與專業會計師道德守則和其他適用規則的要求一致的政策和程序。該等要求對擔任特定職務的合夥人可向本集團提供審計服務的年期設限，並於其後設有「休息」期，期間該等合夥人不得參與審計或以任何形式影響審計結果、領導或協調向有關客戶提供的其他專業服務、監督核數師行與客戶之間的關係，或與負責管治的高級管理層有其他重要或頻繁互動。

於截至2020年12月31日止年度，就審計服務已付或應付畢馬威會計師事務所的酬金約為人民幣1.26百萬元。於回顧年度，董事會與審核委員會就甄選及委任外聘核數師並無任何意見分歧。

危機管理

鐵路貨運及道路貨運業務本質上屬危險業務，會發生可能對我們的僱員和其他人士造成致命傷害及其他嚴重人身傷害的事故。為堅守我們作為當地最優秀公司之一的聲譽，並確保本公司有組織及有效地應付危機，本公司已成立保安部管理危機。保安部由高級管理層組成，並由行政總裁密切監督。保安部的運作亦獲本公司資訊系統輔助，以記錄及追蹤最新的危機形勢、相關事項和策略行動。保安部的職責包括以下各項：

- (i) 舉辦各項安全活動及定期培訓課程，提高員工的安全意識及相關工作技能；
- (ii) 嚴禁未通過安全培訓及評估的員工參與貨物運輸工作；

- (iii) arrange inspection of our freight transportation monthly to allow each department to report any potential/existing deficiencies during the operation of our business;
 - (iv) perform inspection of freight vehicles and facilities monthly to identify and eliminate any defects which may result in safety issues;
 - (v) arrange the freight transportation of flammable, explosive or otherwise hazardous materials according to specified policies;
 - (vi) perform key inspection of dangerous goods and properly document all such inspections; and
 - (vii) closely monitor flammable goods.
- (iii) 安排每月檢視我們的貨物運輸工作，讓各個部門報告業務經營過程中的任何潛在／現有不足之處；
 - (iv) 每月檢查貨運工具及設施，以發現及消除存在安全隱患的任何問題；
 - (v) 根據特定政策安排易燃、易爆或其他危險物品的貨物運輸；
 - (vi) 重點檢查危險品，並妥善記錄所有有關檢查；及
 - (vii) 密切監控易燃物品。

In order to manage the impacts on our businesses arising from the crisis, the Company will set up a safety production committee to take overall responsibility for safety production management, with placing the safety of our staff and the public as the top priority. In response to the outbreak of Coronavirus Disease-2019 (COVID-19) in January 2020, the security department was activated to manage its potential impacts on the Company's operations.

為管理危機對業務造成的影響，本公司將設立安全生產委員會全面負責安全生產管理，將保護員工及公眾安全視為首要任務。為應對2020年1月爆發2019冠狀病毒病(COVID-19)，本公司已啟動保安部以管理COVID-19對公司運作所帶來的潛在影響。

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

According to the Code, all the Directors shall participate in continuous professional development to update and refresh their knowledge and skill to ensure their contribution to the Board keep abreast of current trends and issues facing the Company. Upon appointment to the Board, every Directors has received a comprehensive induction training to ensure appropriate understanding of the Company's business and operations as well as their role and responsibilities.

董事持續專業發展

根據守則，全體董事均須參與持續專業發展以更新和複習其知識和技能，確保彼等緊貼本公司所面對的當前趨勢及議題，為董事會作出貢獻。於獲委任加入董事會後，每位董事均獲安排參與全面的入職培訓，確保對本公司的業務營運及其職務和職責有適當了解。

To assist the Board members in continuing their professional development, the Joint Company Secretaries recommend them to attend relevant seminars and courses at the cost of the Company. The Joint Company Secretaries also developed a comprehensive and tailored training programme for the senior executive. The programme consists of a series of seminars which are organised on an on-going basis.

為協助董事會成員持續接受專業發展，聯席公司秘書會向彼等建議參加相關研討會及課程，費用由本公司承擔。聯席公司秘書亦已為高級行政人員制定全面及特為其而設的培訓計劃，有關計劃包括一系列持續舉辦的研討會。

Each member of the Board has provided to the Company a record of the training he/she has received during the year. The records are maintained by the Joint Company Secretaries for annual review by the Nomination Committee. During 2020, the Directors received an aggregate of about 38.5 hours of training by attending or participating in Board knowledge sessions, management briefings and events such as conferences, seminars and workshops on directors' duties and other topics relevant to HKEX's strategy and business.

各董事會成員均已向本公司提供其於年內已接受培訓的記錄。有關記錄會由聯席公司秘書保存以供提名委員會進行年度審閱。於2020年，董事透過出席或參與董事知識培訓環節、管理層簡報會及有關董事職責和其他香港交易所戰略和業務相關主題的會議、講座和工作坊等活動，已合共接受約38.5小時的培訓。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIVIDEND POLICY

The Company adopts a dividend policy to reward the shareholders. In determining the dividend, the Company reviews and manages its capital structure to maintain a strong capital environment for business operation at the same time considering the returns of shareholder. The Board shall take into account the followings in considering the dividend amount:

- expected capital requirements;
- expected profit level;
- projected operating cash flows;
- projected capital expenditures and investment projects; and
- future business prospect and other financial conditions.

The Board did not recommend the payment of dividend for the year ended 31 December 2020. To the best knowledge of the Company, as of the date of publication of this annual report, there are no arrangements for shareholders to waive or agree to waive any dividend for 2020.

CORPORATE GOVERNANCE

The Directors recognize the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. The Company will comply with the Corporate Governance Code as set out in Appendix 14 to the Listing Rules and the associated Listing Rules.

The Board conducted a review of its Corporate Governance duties in March 2021. Below is a summary of the work performed during the year ended 31 December 2020 and up to the date of the Report:

- Develop the Company's policies and practices on corporate governance, including the corporate governance framework, the Board Diversity Policy, the Nomination Policy and the Code;
- Review and monitor the continuous professional development of the Members of the Board and senior management; and
- Review the Company's policies and practices on the compliance with legal and regulatory requirements.

The Board considers the Company's Corporate Governance Functions are adequate and appropriate for the Company's current business strategy. They will continue to review the changes of legal and regulatory environment and the business environment.

股息政策

本公司已採納股息政策以回饋股東。於釐定股息時，本公司會檢討及管理其資本架構以維持充足資本供業務營運之用，同時考慮回報股東。董事會於考慮股息金額時將計及以下因素：

- 預期資本要求；
- 預期盈利水平；
- 預測經營現金流量；
- 預計資本開支及投資項目；及
- 未來業務前景及其他財務狀況。

董事會不建議就截至2020年12月31日止年度派付股息。據本公司所探知，於本年報刊發日期，概無供股東放棄或同意放棄任何2020年股息的安排。

企業管治

董事明白在管理及內部程序方面奉行良好企業管治以達致有效問責的重要性。本公司將遵守上市規則附錄十四所載的企業管治守則及相關上市規則。

董事會已於2021年3月檢討其企業管治職能。下文概述於截至2020年12月31日止年度及截至本報告日期止期間所進行的工作：

- 制定本公司的企業管治政策及常規，包括企業管治框架、董事會多元化政策、提名政策及守則；
- 檢討及監察董事會成員及高級管理層的持續專業發展情況；及
- 檢討本公司有關遵守法律及監管規定的政策及常規。

董事會認為本公司的企業管治職能就本公司目前的業務策略而言屬足夠及適當。董事會將繼續檢視法律和監管環境及營商環境的轉變。

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the consolidated financial statements of the Group. In preparing the consolidated financial statements for the year ended 31 December 2020, the Directors have selected appropriate accounting policies and made reasonable judgements, estimates and assumptions based on historical experiences and various other factors, consistently with previous financial periods, as disclosed in the notes to the consolidated financial statements. The consolidated financial statements are prepared on a going concern basis and give a true and fair view. The responsibilities of the independent auditor of the Company are set out on pages 54 to 59 of this annual report.

In supporting above, the finance division prepared the consolidated financial statements for clearing with the External Auditor and then the Audit Committee. Before the Company adopt any new accounting policy and accounting standards, the possible impact of amendments will be discussed and approved at the Audit Committee.

INSIDE INFORMATION POLICY

The Company has developed a policy to handle and dissemination of inside information, which include:

- (i) the internal process for identifying and assessing inside information to the Board;
- (ii) the senior management has to preserve the confidentiality of inside information. They need to report to the Board for any potential threat and bring down the message and responsibilities to all employees; and
- (iii) the process for disclosure of inside information.

The Company will publish any inside information as soon as practicable. If the Board believes that the Company cannot maintain the confidentiality, the Board would immediately disclose the information. The Board is committed to ensure all the announcements are not false nor misleading. The Board considers the Company's policy and measures are effective and appropriate to provide assurance on the obligations over the inside information.

董事有關綜合財務報表的責任

董事負責編製本集團綜合財務報表。於編製截至2020年12月31日止年度的綜合財務報表時，如綜合財務報表附註所披露，董事已根據過往經驗及多項與過往財政期間一致的其他因素，選擇合適的會計政策及作出合理判斷、估計及假設。綜合財務報表乃按持續經營基準編製，並作出真實而中肯的反映。本公司獨立核數師的責任載於本年報第54至59頁。

為支援上述工作，財務部門已編製綜合財務報表以供外聘核數師批准及於其後供審核委員會批准。於採納任何新會計政策和會計準則前，本公司將與審核委員會討論修訂的潛在影響並經其批准。

內幕消息政策

本公司已制定處理及發佈內幕消息的政策，包括：

- (i) 向董事會識別及評估內幕消息的內部程序；
- (ii) 高級管理層須將內幕消息保密。彼等需向董事會報告任何潛在威脅，並向所有員工傳達有關訊息和責任；及
- (iii) 內幕消息披露程序。

本公司將於切實可行的情況下盡快發佈任何內幕消息。倘董事會相信本公司無法保密，董事會將即時披露有關資料。董事會致力確保所有公告並無虛假或誤導成分。董事會認為本公司的政策及措施就為內幕消息責任提供保證而言屬有效及適當。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

The Board believe that by communicating the Company's business strategies and future outlook to investors in a clear and transparent manner proactively could help to enhances the shareholders' value. As such, the Company promotes a business culture that respect the shareholders and accountable to them. The Board focuses to maintain a smooth and transparent communication with shareholders to facilitate their understanding of the Group's performance and strategies.

The Company uses the AGM as the principal channels of communication with its shareholders. It provides an opportunity for shareholders to listen to the Directors about the Company's performance and operations directly. It has been the practice for the CEO of the Company, the Chairman of the Board and the External Auditor of the Company to attend AGMs to answer shareholders' questions. The 2020 AGM has been scheduled on 24 May 2021 and the Company is committed to make notice and available meeting facilities, not less than 21 days before the date of AGM, to enable all eligible attendees to be able to participate in the AGM.

Our Company website (<http://www.czcgtl.com>) provide investors up-to-date and details information about the Company's business operations and developments, financial information, corporate governance practices and other information for the public access.

SHAREHOLDERS' RIGHTS

Shareholders to convene an Extraordinary General Meeting

Pursuant to the Articles of Association, any one or more shareholders holdings not less than one-tenth of the paid-up capital of the Company carrying the right of voting in the general meetings, at the date of deposit of the requisition, shall have the right to convene an Extraordinary General Meeting by sending a written requisition to the Board or the Joint Company Secretaries to the principal place of business in Hong Kong. The request must state the reason and the details of the business to be transacted in the meeting. When the requisition is found to be proper, the Joint Company Secretaries or the Board will call the meeting within two months after the deposit of the requisition.

Enquiries from Shareholders

Shareholders shall mail a written inquiry to the Company's principal place of business in Hong Kong (Address: Room 09-10, 41/F, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong,) stating that the recipient to the Joint Company Secretaries.

Procedures for shareholders putting forward proposals

Shareholders may put forward proposals for consideration at a general meeting by sending written notice of his or her proposals to the Joint Company Secretaries at the principal place of business in Hong Kong, according to the Companies Ordinance and the Articles of Association.

與股東的溝通

董事會相信，以清晰透明的方式向投資者積極傳達本公司的業務策略和未來願景有助提升股東價值。因此，本公司提倡尊重股東並對股東問責的企業文化。董事會注重與股東保持暢達而透明的溝通，以便股東了解本集團的表現和策略。

本公司以股東週年大會作為其與股東之間的主要溝通渠道。其讓股東有機會透過董事直接了解本公司的表現及營運。由本公司行政總裁、董事會主席及本公司外聘核數師出席股東週年大會以回答股東提問乃一貫做法。2020年股東週年大會已訂於2021年5月24日舉行，而本公司會致力於股東週年大會日期前不少於21日發出通知，並提供會議設施以讓所有合資格出席大會的人士能夠參與股東週年大會。

本公司網站(<http://www.czcgtl.com>)會為投資者提供有關本公司業務營運和發展的更新及詳細資料、財務資料、企業管治常規及其他資料以供公眾查閱。

股東權利

股東召開股東特別大會

根據章程細則，任何一名或以上於遞呈要求當日持有不少於本公司繳足股本(附有股東大會投票權)十分之一的股東有權透過將書面要求發送至香港主要營業地點，要求董事會或聯席公司秘書召開股東特別大會。有關要求須註明召開原因及將於會議上處理事項的詳情。倘要求確定為適當提出，聯席公司秘書或董事會將於遞呈要求後兩個月內召開會議。

股東查詢

股東可將書面查詢郵寄至本公司的香港主要營業地點(地址為香港灣仔港灣道26號華潤大廈41樓09-10室)，註明收件人為聯席公司秘書。

股東提呈建議的程序

股東可根據公司條例及章程細則透過郵寄至香港主要營業地點，將載有其建議的書面通知發送至聯席公司秘書，以將建議提呈股東大會以供考慮。

Procedures for shareholders to propose a person for election as a Director

Pursuant to the Article of Association, if a Shareholder wishes to propose a person for election as a Director at an AGM, he/she should pass a written notice of the nomination to the Joint Company Secretaries at the principal place of business in Hong Kong within seven days period commencing the day after the despatch of the notice of the meeting. The shareholder must pass a written notice of his/her nomination and a notice signed by the nominated candidate with his/her willingness to be appointed as a Director to the Joint Company Secretaries. The notice should include the candidate's information as required to be disclosed under Rule 13.41(2) of the Listing Rules and a letter of consent to public his/her personal's information.

Upon the Joint Company Secretaries received a valid nomination, they will prepare a supplemental circular with the information about the nominated candidate to the Shareholders as soon as practicable. The Nomination Committee will assess whether the nominated candidate is competence and consider the composition and needs of the Board, please refer to section headed "Nomination Policy" in this Corporate Governance Report.

Voting by poll

The Company proposed separate resolutions for each substantially separate issue in the AGM. All the separate resolutions will be voted by poll except the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under the Listing Rules.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible to maintain an effective and efficient internal control system and risk management system and setting appropriate policies in order to safeguard the Company's assets and the Shareholders' interest. The internal control system and risk management system are designed to manage (rather than eliminate) the risk of failure to achieve business objectives and provide reasonable assurance, but not absolute assurance, against material misstatement or loss.

The Company has established an Internal Audit Department ("IAD") which provides independent, objective assurance and consulting services designed to add value and improve the Company's operations. The IAD establish a risk-based audit plan to priorities the internal audit activity to ensure the high risks business activities are reviewed. The Company also engaged an independent internal control adviser (the "Internal Control Consultant") to perform the review of the effectiveness of internal control and risk management systems. The Internal Control Consultant worked closely with the IAD to perform independent and objective assessments to provide assurance that governance, risk management and internal control ("GRC") structure and key control procedures are designed properly and are operating effectively. The Internal Control Consultant also identify and offer recommendations for GRC structures and processes; and the IAD is responsible to establish procedures that ensure the management response to the recommendations.

股東提名他人參選董事的程序

根據章程細則，倘股東擬提名他人於股東週年大會上參選董事，其須於大會通知寄發翌日起計七日內將書面提名通知發送至香港主要營業地點（註明收件人為聯席公司秘書）。股東須將其書面提名通知及經獲提名候選人簽署並表明其願意獲委任為董事的通知書，遞交予聯席公司秘書。有關通知應包括根據上市規則第13.41(2)條須予披露的候選人資料以及同意公開其個人資料的信函。

聯席公司秘書於收到有效提名後，將於切實可行的情況下盡快編製補充通函，以向股東提供有關獲提名候選人的資料。提名委員會將評估獲提名候選人是否具備合適能力，並考慮董事會的成員組成和需要，詳情請參閱本企業管治報告「提名政策」一節。

以投票方式進行表決

本公司會於股東週年大會就各重大獨立事項呈獨立決議案。除非主席真誠決定容許就純粹有關程序或行政事宜的決議案以舉手方式表決外，所有獨立決議案將以投票方式進行表決。本公司將根據上市規則規定的方式公佈投票表決結果。

風險管理和內部控制

董事會負責維持有效及高效的內部控制系統及風險管理系統，並制定合適政策以保障本公司資產及股東權益。內部控制系統及風險管理系統乃為管理（而非消除）未能達成業務目標的風險而設，並就重大錯誤陳述或損失提供合理而非絕對的保證。

本公司已成立內部審計部（「內審部」）提供獨立客觀保證及諮詢服務，乃為增值和完善本公司營運而設。內審部制定以風險為基礎的審計計劃，以排列內部審計活動的緩急次序，確保高風險業務活動得到審閱。本公司亦已委聘獨立內部控制顧問（「內部控制顧問」）檢討內部控制及風險管理系統的有效性。內部控制顧問已就進行獨立客觀評估與內審部緊密合作，以就管治、風險管理及內部控制（「GRC」）架構及關鍵控制程序乃妥善設計及有效運作提供保證。內部控制顧問亦識別GRC架構和流程並提供建議；而內審部則負責設立程序以確保管理層回應有關建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Audit Committee bears the primary responsibility for governance and serves as the focal point for all governance activities. The Audit Committee review the internal controls and risk management that are significant to the Company on an on-going basis and consider the adequacy of resources, competence of staff of the Company's Finance Division, as well as their continuous development. The Audit Committee approve the internal audit plan and the internal audit charter to direct in setting strategic objectives, establishing risk appetite and effective control systems. The Audit Committee also reviews the works and the results prepared by the IAD and the Internal Control Consultant.

According to the report from the Internal Control Consultant, the Company's key control procedures over GRC structure are adequacy and effective. The Board is satisfied that the internal control and risk management systems are in place and effective.

CONSTITUTIONAL DOCUMENT

During the year under review since the Listing Date, the Company has amended and republished its Articles of Association on 6 June 2020. Such Articles of Association are available on the websites of both the Company (<http://www.czcgtl.com>) and the Stock Exchange.

審核委員會主要就管治負責，並為處理一切管治活動的主要部門。審核委員會持續審閱對本公司而言屬重大的內部控制及風險管理，並考慮資源是否充足、本公司財務部員工的能力以及彼等的持續發展。審核委員會批准內部審計計劃及內部審計章程，以在制定策略目標、確定風險承受程度及有效的控制系統方面提供指導。審核委員會亦審閱內審部及內部控制顧問所進行的工作及編製的業績。

根據內部控制顧問報告，本公司有關GRC架構的關鍵控制程序屬足夠及有效。董事會信納內部控制及風險管理系統屬適當及有效。

章程文件

於自上市日期起的回顧年度內，本公司於2020年6月6日修訂及重新刊發其章程細則。有關章程細則可於本公司網站(<http://www.czcgtl.com>)及聯交所網站閱覽。

REPORT OF THE DIRECTORS

董事會報告

The Board is pleased to present their report and audited consolidated financial statements of the Group for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activities of the Company and its subsidiaries (the “Group”) are the provision of rail freight transportation and related ancillary services by operating freight railway and railway yards. Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties faced by the Group and an indication of likely future developments in the Group’s business, can be found in the Management Discussion and Analysis set out on pages 11 to 17 of this annual report. This discussion forms part of this directors’ report.

The Group’s revenue is substantially generated from provision of rail freight transportation and related ancillary services in the PRC. The principal assets of the Group are also located in PRC. Accordingly, no geographical segment information is presented.

GROUP REORGANISATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 19 October 2018 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised), and has been registered as a non-Hong Kong Company under Part 16 of the Companies Ordinance on 29 May 2020.

In our preparation for the Listing of the Shares on the Stock Exchange, the Group underwent reorganisation. Pursuant to which, the Company has become the holding company of the companies now comprising the Group on 17 June 2019. For details of the group reorganisation, please refer the section headed “HISTORY AND CORPORATE STRUCTURE” in the Prospectus. The Shares have been listed on the Stock Exchange since 23 October 2020.

BUSINESS REVIEW

Further discussion and analysis of our principle activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties faced by the Group and an indication of likely future developments in the Group’s business, can be found in the “Chairman’s Statement” and “Management Discussion and Analysis” set out on pages 08 to 10 and 11 to 17 of this annual report, respectively. This discussion forms part of this directors’ report.

董事會欣然提呈本集團截至2020年12月31日止年度的董事會報告及經審核綜合財務報表。

主要業務及地區業務分析

本公司及其附屬公司（「本集團」）的主要業務為透過經營貨運鐵路及鐵路調車場提供鐵路貨運及相關輔助服務。香港公司條例附表5所要求有關該等業務的進一步討論及分析（包括有關本集團所面對的主要風險及不確定因素的討論以及對本集團業務的可能日後發展的預測）載於本年報第11至17頁的管理層討論及分析。有關討論構成本董事會報告的一部分。

本集團的收益主要來自於中國提供鐵路貨運及相關輔助服務，而本集團的主要資產亦位於中國，因此並無呈列地區分部資料。

集團重組

本公司乃於2018年10月19日在開曼群島根據公司法第22章（1961年第3號法例，經綜合及修訂）註冊成立為獲豁免有限公司，並已於2020年5月29日根據公司條例第16部註冊為非香港公司。

於籌備股份於聯交所上市期間，本集團曾進行重組。根據重組，本公司於2019年6月17日成為本集團現時旗下各公司的控股公司。有關集團重組的詳情，請參閱招股章程「歷史及公司架構」一節。股份自2020年10月23日起於聯交所上市。

業務回顧

香港公司條例附表5所要求有關本公司主要業務的進一步討論及分析（包括有關本集團所面對的主要風險及不確定因素的討論以及對本集團業務的可能日後發展的預測）載於本年報第08至10頁及第11至17頁分別所載的「主席報告」及「管理層討論及分析」。有關討論構成本董事會報告的一部分。

REPORT OF THE DIRECTORS

董事會報告

Major customers and suppliers

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

主要客戶及供應商

有關財政年度內本集團主要客戶應佔銷售額及供應商應佔採購額的資料如下：

		Percentage of the Group's total 佔本集團總額百分比	
		Sales 銷售額	Purchases 採購額
The largest customer	最大客戶	17.5%	
Five largest customers in aggregate	五大客戶總計	55.7%	
The largest supplier	最大供應商		20.3%
Five largest suppliers in aggregate	五大供應商總計		59.2%

At no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the number of issued shares of the Company) had any interest in these major customers and suppliers.

於年內任何時間概無董事、彼等的聯繫人或本公司任何股東（據董事所知為擁有本公司已發行股份數目5%以上者）於該等主要客戶及供應商中擁有任何權益。

Key Risks and Uncertainties

The following highlights some of the key risks that affect our business:

主要風險及不確定因素

以下為影響本公司業務的若干主要風險摘要：

Type of risk 風險類型	Description of risk 風險描述	Internal control measures 內部控制措施
Competition risk 競爭風險	Our Canggang Railway Line is directly extended from the Cangzhou Station to the Port Huanghua. During the Reporting Period and up to the date of this annual report, there are no alternative routes for air and sea transportation. Furthermore, due to pre-existing differentiation by the function of each railway, there's no direct competition from Shuo-Huang Railway Line and the Han-Huang Railway Line within the Cangzhou-Port Huanghua area. Our Canggang Railway Line is a local railway operator with a high degree of exclusivity and insulation from competition. 本公司的滄港線乃直接從滄州站延伸至黃驊港。於報告期內及截至本年報日期，並無可替代的航運及海運路線。此外，由於各鐵路在功能上存在差異，故在滄州至黃驊港地區內不存在來自朔黃線及邯黃線的直接競爭。滄港線為具有高度排他性且不受競爭影響的地方鐵路營運商。	The Company is operating under the theme of "Changing ideas, improving services and opening up markets" since 2020, and established 18 improvement measures, such as actively coordinate with local party committees, governments, the NRA, and the Shuohuang Railway; actively strive for policy and business cooperation and support; and further expand our ancillary services including road transportation, freight agency, filtering, and other new service businesses in the logistics chain. 自2020年起，本公司便以「改變觀念、提升服務、開拓市場」的理念經營業務，並制定18項改進措施，例如與地方黨委、政府、國家鐵路局及朔黃鐵路積極協調；積極爭取政策和業務合作與支持；並進一步拓展公司的輔助服務，包括道路運輸、貨運代理、過濾及物流鏈中其他新興服務業務。

Type of risk 風險類型	Description of risk 風險描述	Internal control measures 內部控制措施
Investment risk 投資風險	<p>However, in the future development, such pre-existing differentiation by function is not legally binding and the Company's business is still possess of certain competition risks. Since we relies heavily on the coal transportation business which accounts for over 60% of our revenue from rail freight transportation. Therefore, the potential competitors may harm the Company's competitive advantage.</p> <p>然而，在未來發展中，此類既有的功能差異性並無法律約束力，且本公司的業務仍存在一定的競爭風險。由於本公司極為依賴運煤業務（其佔本集團鐵路貨運收益超過60%），因此潛在競爭對手或會削弱本公司的競爭優勢。</p> <p>In the absence of reliable and relevant information and feasibility analysis, any decrease of value or underperformance of these financial assets may adversely affect our financial condition or business prospects.</p> <p>在缺乏可靠及相關的資訊和可行性分析的情況下，該等金融資產的價值下跌或表現不佳均可能對我們的財務狀況或業務前景產生不利影響。</p> <p>In the past few years, we invested in short-term wealth management products issued by licensed commercial banks in China, which mainly included investment portfolios covering debentures, asset backed securities, interbank loans, reverse purchases and bank deposits.</p> <p>於過去數年，我們曾投資由中國持牌商業銀行發行的短期理財產品，主要包括涵蓋債權證、資產抵押證券、銀行間貸款、反向購買及銀行存款的投資組合。</p>	<p>The Company adopted and implemented an enhanced internal policy since August 2019 which provides guidelines, requirements and an approval process with respect to our treasury investment activities.</p> <p>本公司自2019年8月起採納及實施經加強的內部政策，該政策針對本公司庫務投資活動提供了指引、規定和批准流程。</p> <p>We are only allowed to invest in wealth management products with low risk as ranked by the issuing institutions. No investments can be made on unsecured debentures, non-principal protected products based on derivative assets and products issued by institutions without valid operating licenses.</p> <p>本公司僅允許投資發行機構認為風險較低的理財產品，不可投資於無抵押債權證、非保本衍生資產產品以及由無有效營業執照的機構發行的產品。</p>

REPORT OF THE DIRECTORS

董事會報告

Type of risk 風險類型

Description of risk 風險描述

Internal control measures 內部控制措施

Business development risk 業務發展風險

When developing a new business/route, if the Company fails to conduct research and analysis on the service content, site selection or land acquisition of the new business/route, the Company may fail to meet expectations due to insufficient preliminary planning.

於發展新業務／路線時，倘本公司未有對新業務／路線的服務內容、選址或購地進行研究及分析，本公司可能會因前期規劃不足而無法達到預期目標。

Prior to our purchase of any wealth management products, our securities investment department is required to compile a due diligence report providing the information such as the feasibility of the investment and an economic analysis of the investment.

於本公司購買任何理財產品之前，本公司的證券投資部必須編製一份盡職調查報告，以提供如投資可行性和投資經濟分析等資料。

Any investment exceeds RMB20.0 million, such investment must also be reviewed and approved by our Board.

金額超過人民幣20.0百萬元的投資亦須經過董事會審閱及批准。

Our securities investment department is responsible for monitoring the performance of the invested wealth management products and ensuring the relevant contracts are not breached. Any significant or adverse fluctuation in the invested wealth management products shall be reported to our management and appropriate mitigation actions shall be taken immediately.

證券投資部負責監控所投資理財產品的表現，並確保相關合約並無遭到違反。投資理財產品如出現任何重大或不利波動，將會向本公司管理層報告，並立即採取適當的糾正措施。

The Company continue communicates with the government and the project leader to follow up and monitor the progress of the project.

本公司會持續與政府和項目負責人溝通，以跟進和監督項目的進展。

The company will continue to monitor and analyze the impact of changes in customer demand on business/route development, and reconsider whether the expansion plan can bring the Company's expected profit and customer volume in the original plan under the condition of changes in customer demand increase.

本公司將持續關注和分析客戶需求變化對業務／航線發展的影響，並在客戶需求增加的情況下，重新考慮擴建計劃能否為本公司帶來原訂計劃中的預期利潤和客戶量。

Type of risk 風險類型	Description of risk 風險描述	Internal control measures 內部控制措施
Environmental protection risk 環保風險	<p>Any pollutants emission during the business process, the failure to comply with the requirements of environmental protection laws and regulations, or the activities that endanger the environment, would increase the risk on legal liabilities, such as physical injury to others, property damage, and punitive damages derived from violation.</p> <p>如未能就業務經營過程中所排放的污染物符合環保法律和法規的要求，或從事危害環境的活動，均會增加承擔法律責任的風險，例如對他人造成人身傷害、財產損失，以及因違法行為而產生懲罰性賠償。</p>	<p>The Company has established “Environmental and Safety Work Matters”, which has a number of environmental management measures related to business. 本公司已制定「環境與安全工作事項」，當中載有多項與業務相關的環境管理措施。</p> <p>The Company uses those fuels that meet national regulations. Locomotives will also be regularly repaired and maintained to ensure that the emissions meet national regulations. 本公司所用的燃料均符合國家規定。本公司亦會定期維修和保養機車，以確保排放符合國家規定。</p> <p>Dust removal spray equipment is installed in the station and warehouses; and the coal stack area is equipped with thatches to control dust pollution. 本公司已於車站和倉庫內設置除塵噴霧設備；並於堆煤區放置茅草以控制粉塵污染情況。</p>
Natural disasters (including climate risks) 自然災害 (包括氣候風險)	<p>Natural disasters (such as typhoons, flooding and earthquakes), epidemics, acts of war, terrorist attacks, political unrest and other events, many of which are beyond our control, may lead to global or regional economic instability, which may in turn materially and adversely affect our business, financial condition and results of operations.</p> <p>自然災害（如颱風、水災及地震）、流行病、戰爭、恐怖襲擊、政治動盪及其他事件（其中多數非我們所能控制）或會導致全球或地區經濟不穩，從而可能對我們的業務、財務狀況及經營業績造成重大不利影響。</p>	<p>The Company has established the “Incident Management System” and “Emergency Plan”, and has a complete emergency system and process to guide various departments to respond to emergency accidents and disaster relief work on rainy, snowy roads and severe cold weather. 本公司已制定「事故管理制度」及「應急計劃」，並設有完整的應急制度和流程，指導各部門處理在雨天和下雪天道路及嚴寒天氣情況下的緊急事故和救災工作。</p> <p>The Company conducts safety drills every season to strengthen the resilience of employees. 本公司每季均會進行安全演練以加強員工的應變能力。</p>

REPORT OF THE DIRECTORS

董事會報告

Environmental Policies and Performance

We are subject to PRC national and local laws and regulations relating to environmental protection, prevention and control of pollution, and incident reporting. We have obtained all pollutant discharge permits necessary from the relevant local environmental protection authority.

We regard environmental protection as an important corporate responsibility and are dedicated to implementing a comprehensive environmental protection management system in our daily operations. Our safety supervision office is responsible for developing and implementing internal rules and regulations on environmental protection. We have adopted regulations in respect of working procedure at various locations including railways and freight yards to ensure compliance with environmental protection laws and regulations.

Compliance with Laws and Regulations

The Group is subject to various laws and regulations including, among others, Local Railway Transportation License, Regulations on Road Transportation, Regulations on Railway Safety Measurement, Production Safety Law of the PRC, etc, for our industry in PRC. The Listing Rules also apply to the Company since the Listing Date. The Group executes control activities and follow the internal compliance procedures to ensure adherence to applicable laws, rules and regulations in particular, those bring significant impact to the Company. Any changes in the applicable laws, rules and regulations will timely be brought to the attention of the relevant employees and departments.

During the year ended 31 December 2020, to the best of the Directors' knowledge, information and belief on the date of this annual report, save as the non-compliance disclosed in the section headed "Business – Non-compliance incidents", the Company has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company.

Relationship with Key Stakeholders

Customers, suppliers, sub-contractors and employees are the key to our business sustainability and stable growth. We are committed to establishing a close relationship with our employees, providing quality services to our customers and enhancing cooperation with our suppliers and sub-contractors.

Employees

Employees are one of our most important assets. The Group has been endeavouring to provide our employees with a fair and harmonious workplace, such that, we maintain a good working relationship with our employees. The Group grants share options to those employees to recognise and reward the employees who have contributed to the Group's development. We also provide internal and external training programs to our employees to continuously improve their skills and knowledge and enhance their understanding of production safety.

環境政策及表現

我們須遵守中國國家和地方有關環境保護、污染防治和事故報告的法律及法規。我們已向相關地方環保部門取得所有必要污染物排放許可證。

我們將環境保護作為一項重要的企業責任，致力於在日常營運中實施全面的環境保護管理體系。我們的安全監控辦公室負責制定和實施有關環境保護的內部規則和法規。我們已在鐵路和貨場等各個地點採納工作程序規定，以確保遵守環境保護法律及法規。

遵守法律及法規

本集團須遵守中國有關我們所在行業的多項法律及規例，其中包括地方鐵路運輸許可證、中國道路運輸條例、鐵路安全計量條例、安全生產法等。自上市日期起，上市規則亦適用於本公司。本集團執行控制活動並遵循內部合規程序，以確保遵守適用的法律、規則和法規，尤其是對本公司有重大影響者。適用法律、規則和法規如有任何變更，相關僱員及部門將會及時得悉有關變更。

於截至2020年12月31日止年度，據董事於本年報日期所深知、盡悉及確信，除「業務－違規事件」一節所披露的違規情況外，本公司在重大方面已遵守對本公司的業務和營運有重大影響的相關法律及法規。

與主要持份者的關係

客戶、供應商、分包商及員工乃我們業務持續穩定發展的關鍵。我們致力與員工建立緊密的關係、為客戶提供優質的服務，並加強與供應商和分包商的合作。

僱員

員工是我們最重要的資產之一。本集團一直致力為員工提供公平及和諧的工作環境，使我們能與員工保持良好的工作關係。本集團會向員工授出購股權以表彰和獎勵對本集團的發展作出貢獻的員工。我們亦為員工提供內部及外部培訓課程，以不斷提高彼等的技能及知識，並加強彼等對安全生產的認識。

Customers

We believe that intimating and safety are always the core values in providing our services to the customers. We are committed in building strong business relationships with our customers. We have constructed Special Service Lines owned by such customers stretching directly into the factories or premises of these customers from our main railway line, facilitating easier rail freight transportation. We also offer ancillary services with one-stop solution in terms of freight transportation to make us more attractive to new rail freight transportation customers.

Suppliers and subcontractors

We developed a strong working relationship with our suppliers and subcontractors for our operations. We select suppliers based on a number of factors, including, among others, history of our relationship with them, product quality, supply capacity, price and delivery time. To avoid reliance on any single supplier, we conduct thorough market research and interview numerous market participants before actually making any procurement.

RESULTS AND DIVIDENDS

The results of the Group for the Reporting Period are set out in the consolidated statement of profit or loss and other comprehensive income on pages 60 to 61 of this annual report.

Operating Segment Information

The Group is principally engaged in provision of services. The information reported to the Group's management for the purposes of resources allocation and performance assessment focuses on the following two reportable segments.

- Rail freight transportation: this segment provides rail freight transportation in the PRC.
- Ancillary services: this segment provides freight loading and unloading services, road freight transportation and other services in the PRC.

Dividends

As a result of the tightened economic environment and the recent outbreak of COVID in Hebei Province, the Board do not recommend the payment or accruals in respect of the final dividend for the year ended 31 December 2020.

客戶

我們相信，貼心及安全一直是我們為客戶提供服務的核心價值。我們致力與客戶建立穩固的業務關係。我們有為客戶建設自我們的主要鐵路線直接延伸至該等客戶的工廠或營業場所的專用線，以提高鐵路貨運的便利程度。我們亦提供一站式貨運解決方案等輔助服務，以提高我們對新鐵路貨運客戶的吸引力。

供應商和分包商

我們已與供應商及分包商建立鞏固的工作關係。我們根據多項因素挑選供應商，當中包括我們過往與彼等的關係、產品質量、供應能力、價格及交貨時間。為避免依賴任何單一供應商，我們在實際進行任何採購之前均會進行全面的市場研究，並與眾多市場參與者進行訪談。

業務及股息

本集團於報告期內的業績載於本年報第60至61頁的綜合損益及其他全面收益表。

經營分部資料

本集團主要從事提供服務。為資源分配及表現評估目的向本集團管理層報告的資料集中於以下兩個可呈報分部。

- 鐵路貨運：此分部於中國提供鐵路貨運。
- 輔助服務：此分部於中國提供貨物裝卸服務、道路貨物運輸及其他服務。

股息

由於經濟不景及河北省近期爆發COVID疫情，董事會不建議就截至2020年12月31日止年度派付或累計末期股息。

REPORT OF THE DIRECTORS

董事會報告

SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in note 24(c) to the financial statements. Shares were issued during the Reporting Period under the Listing on the Stock Exchange. Details about the issue of shares are also set out in note 24(c) to the financial statements.

On 16 June 2020, the Company passed resolutions to increase the authorized share capital of the Company from HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each to HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each.

Pursuant to the resolutions discussed in the above paragraph, the Company allotted and issued a total of 749,990,000 shares credited as fully to the equity shareholders whose names appeared on the register of members of the Company at the close of business on 16 June 2020 by way of capitalisation of the sum of HK\$7,500,000 (equivalent to approximately RMB6,455,000) standing to the credit of the share premium account of the Company.

Pursuant to the Shares listed on the Main Board of the Stock Exchange on 23 October 2020, 250,000,000 ordinary shares with par value of HK\$0.01 each were issued at a price of HK\$0.95 each by initial public offering. The proceeds of HK\$2,500,000 (equivalent to approximately RMB2,152,000), representing the par value, were credited to the Company's share capital. The remaining proceeds, net of share issuance expenses, of approximately HK\$217,580,000 (equivalent to approximately RMB186,905,000) were credited to the share premium account.

DISTRIBUTABILITY OF RESERVES

At 31 December 2020, the aggregate amount of reserves available for distribution to equity shareholders of the Company, as calculated under the provisions of the Companies Law of the Cayman Islands, was RMB399,638,000 (2019: RMB343,088,000).

ANNUAL GENERAL MEETING

The 2020 AGM will be held on Monday, 24 May 2021. A notice convening the 2020 AGM and other relevant documents will be published and despatched to the Shareholders of the Company in accordance with the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 18 May 2021 to Monday, 24 May 2021 (both days inclusive), during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on 17 May 2021.

股本

本公司年內的股本變動詳情載於財務報表附註24(c)。股份於報告期內已根據於聯交所上市而發行。股份發行詳情亦載於財務報表附註24(c)。

於2020年6月16日，本公司通過決議案將本公司法定股本由380,000港元（分為38,000,000股每股面值0.01港元的股份）增加至100,000,000港元（分為10,000,000,000股每股面值0.01港元的股份）。

根據前段所述決議案，本公司透過將本公司股份溢價賬中合共7,500,000港元（相當於約人民幣6,455,000元）的進賬額撥充資本的方式，向於2020年6月16日營業時間結束時名列本公司股東名冊的權益股東配發及發行合共749,990,000股入賬列作繳足的股份。

根據股份於2020年10月23日在聯交所主板上市，250,000,000股每股面值0.01港元的普通股透過首次公開發售按每股0.95港元的價格獲發行。為數2,500,000港元（相當於約人民幣2,152,000元）的所得款項（相當於面值）已計入本公司股本中。餘下所得款項（扣除股份發行開支後）約217,580,000港元（相當於約人民幣186,905,000）已計入股份溢價賬中。

可分派儲備

於2020年12月31日，可供分派予本公司權益股東的儲備總額（按開曼群島公司法條文計算）為人民幣399,638,000元（2019年：人民幣343,088,000元）。

股東週年大會

本公司將於2021年5月24日（星期一）舉行2020年股東週年大會。召開2020年股東週年大會的通告及其他相關文件將根據上市規則於適當時候刊發及寄發予本公司股東。

暫停辦理股份過戶登記手續

本公司將於2021年5月18日（星期二）至2021年5月24日（星期一）（包括首尾兩日）暫停辦理股份過戶登記手續，期間將不會辦理任何股份過戶登記。為符合資格出席股東週年大會並於會上投票，股份的未登記持有人應確保所有過戶文件連同有關股票必須於2021年5月17日下午4時30分之前送達本公司的香港股份過戶登記分處香港中央證券登記有限公司（地址為香港灣仔皇后大道東183號合和中心46樓），以辦理登記手續。

DIRECTORS

The Directors during the Reporting Period and up to the date of this annual report were:

Executive Directors

Mr. Liu Yongliang (*Chairman*) (appointed on 19 October 2018)
Mr. Yi Weiming (*CEO*) (appointed on 20 September 2019)

Non-executive Directors

Mr. Xu Zhihua (appointed on 20 September 2019)
Mr. Qin Shaobo (appointed on 20 September 2019)

Independent Non-executive Directors

Mr. Liu Changchun (appointed on 20 September 2019)
Mr. Zhao Changsong (appointed on 20 September 2019)
Ms. Lyu Qinghua (appointed on 20 September 2019)

At each AGM, one third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one third) shall retire from office by rotation provided that every Director shall be subject to retirement at an AGM at least once every three years.

Each of the Executive Directors has entered into a contract for appointment with the Company for a term of three years commencing from the Listing Date of the Company, unless terminated by notice in written served by either party on the other in accordance with the service contract.

In accordance with article 84 of the Articles of Association, one-third of the Directors shall retire from office by rotation at each annual general meeting and shall then be eligible for re-election. Any Director appointed by the Board pursuant to article 83(3) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by the rotation. Accordingly, Mr. Liu Yongliang and Mr. Xu Zhihua shall retire by rotation, and being eligible, have offered themselves for re-election at the forthcoming AGM to be held in due course.

Details of the Directors to be re-elected at the AGM are set out in the circular will be sent to the Company's Shareholders in due course.

No director, including those proposed for re-election at the forthcoming AGM, has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") which is conditionally approved by a resolution of the then Shareholders of our Company passed on 16 June 2020. The terms of the Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules.

董事

於報告期內及截至本年報日期的董事如下：

執行董事

劉永亮先生(主席)(於2018年10月19日獲委任)
衣維明先生(行政總裁)(於2019年9月20日獲委任)

非執行董事

徐志華先生(於2019年9月20日獲委任)
秦少博先生(於2019年9月20日獲委任)

獨立非執行董事

劉長春先生(於2019年9月20日獲委任)
趙長松先生(於2019年9月20日獲委任)
呂清華女士(於2019年9月20日獲委任)

於每屆股東週年大會上，三分之一的在任董事(或倘人數並非三的倍數，則為最接近但不少於三分之一的人數)須輪席退任，惟每名董事須至少每三年於股東週年大會上退任一次。

各執行董事已與本公司訂立委任合約，任期為自本公司上市日期起計三年，除非任何一方根據服務合約向另一方發出書面通知予以終止。

根據章程細則第84條，於每屆股東週年大會上，三分之一的董事須輪席退任，並屆時將符合資格膺選連任。於釐定輪席退任的特定董事或董事人數時，不得計入根據第83(3)條獲董事會委任的任何董事。因此，劉永亮先生及徐志華先生將於應屆股東週年大會上輪席退任，並符合資格及願意膺選連任，而應屆股東週年大會將於適當時候舉行。

有關將於股東週年大會上接受重選的董事的詳情載於將於適當時候向本公司股東寄送的通函內。

概無董事(包括該等建議於應屆股東週年大會上重選連任的董事)訂有本公司或其任何附屬公司不可於一年內毋須支付賠償(一般法定責任除外)而終止的未屆滿服務合約。

購股權計劃

本公司已採納一項購股權計劃(「購股權計劃」)，乃由本公司當時的股東於2020年6月16日通過決議案有條件批准。購股權計劃的條款符合上市規則第17章條文的規定。

REPORT OF THE DIRECTORS

董事會報告

The Share Option Scheme is to provide an incentive or reward for the Grantees (as defined below) for their contribution or potential contribution to the Group.

The purpose of the Share Option Scheme is to give the Eligible Persons (as defined below) an opportunity to have a personal stake in our Company and help motivate them to optimize their future contributions to our Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such Eligible Persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group, and additionally in the case of Executives (as defined below), to enable our Group to attract and retain individuals with experience and ability and/or reward them for their past contributions.

Under the Share Option Scheme, the Eligible Persons include (i) any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of our Group (“Executive”), any proposed employee, any full-time or part-time employee, or a person for the time being seconded to work full-time or part-time for any member of our Group (“Employee”); (ii) a director or proposed director (including an independent non-executive director) of any member of our Group; (iii) a direct or indirect shareholder of any member of our Group; (iv) a supplier of goods or services to any member of our Group; (v) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of our Group; (vi) a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of our Group; (vii) an associate of any of the persons referred to in paragraphs (i) to (vi) above; and (viii) any person involved in the business affairs of the Company whom our Board determines to be appropriate to participate in the Share Option Scheme.

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other scheme of our Group shall not in aggregate exceed 10% of the Shares in issue as the Listing Date (such 10% limit representing 100,000,000 Shares) (the “Scheme Mandate Limit”). The Board may think fit seek approval from our Shareholders to refresh the Scheme Mandate Limit, save that the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of our Company shall not exceed 10% of our Shares in issue as of the date of the Shareholders’ approval.

We may seek separate Shareholders’ approval for granting Options beyond the Scheme Mandate Limit, provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Person specified by our Company before such approval is obtained. We shall issue a circular to the Shareholders containing the details and information required under the Listing Rules.

購股權計劃乃就承授人(定義見下文)為本集團作出的貢獻或潛在貢獻而向彼等提供激勵或回報。

購股權計劃旨在向合資格人士(定義見下文)提供於本公司擁有個人股權的機會，並激勵彼等日後為本集團作出最大貢獻及／或就彼等過往的貢獻給予回報，以吸引及挽留對本集團的業績、增長或成功屬重要及／或其貢獻有利或將有利於本集團的業績、增長或成功之合資格人士或以其他方式與有關人士維持持續的關係；另外就行政人員(定義見下文)而言，亦使本集團能吸引及挽留經驗豐富且具備才能的人士及／或就彼等過往的貢獻給予回報。

根據購股權計劃，合資格人士包括(i)本集團任何成員公司的任何執行董事、經理，或擔當行政、管理、監管或類似職位的其他僱員(「行政人員」)、任何擬聘請的僱員、任何全職或兼職僱員，或調往本集團任何成員公司擔任全職或兼職工作的人士(「僱員」)；(ii)本集團任何成員公司的董事或候選董事(包括獨立非執行董事)；(iii)本集團任何成員公司的直接或間接股東；(iv)向本集團任何成員公司供應貨品或服務的供應商；(v)本集團任何成員公司的客戶、顧問、業務或合營夥伴、加盟商、承包商、代理或代表；(vi)向本集團任何成員公司提供設計、研究、開發或其他支援或任何建議、諮詢、專業或其他服務的個人或實體；(vii)上文(i)至(vi)段所述任何人士的聯繫人；及(viii)任何參與本公司業務事宜而董事會釐定適合參與購股權計劃的人士。

因根據購股權計劃及本集團任何其他計劃將授出的所有購股權獲行使而可能發行的最高股份數目，合共不得超過於上市日期已發行股份的10%(此10%上限指100,000,000股股份)(「計劃授權上限」)。董事會可於認為合適時尋求股東批准以更新計劃授權上限，惟因根據購股權計劃及本公司任何其他計劃將授出的所有購股權獲行使而可能發行的最高股份數目，不得超過獲股東批准當日已發行股份的10%。

本公司可另行尋求股東批准授出超過計劃授權上限的購股權，前提是於取得有關批准前，超出計劃授權上限的購股權僅可授予本公司指定的合資格人士。本公司須向股東寄發一份載有上市規則規定的詳情及資料的通函。

Notwithstanding anything to the contrary in the Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of our Group shall not exceed 30% of our Company's issued share capital from time to time. No Options may be granted under the Share Option Scheme and any other share option scheme of our Company if this will result in such limit being exceeded.

No Option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of Options granted and to be granted to that person in any 12-month period exceeds 1% of our Company's issued share capital from time to time.

An offer of the grant of an Option shall remain open for acceptance by the Eligible Person concerned for a period of 28 days from the offer date. An Option have been granted and accepted by the Eligible Person when the duplicate offer letter is duly signed by the grantee together with a remittance of HK\$1.00 is received by our Company on or before the date upon which an offer of an Option must be accepted by the relevant Eligible Person (the "Acceptance Date").

The subscription price in respect of any particular Option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Option. The subscription price shall be at least the highest of (i) the nominal value of a Share; (ii) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the offer date; and (iii) the average closing price of a Share as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the offer date.

The Share Option Scheme shall be valid and effective for a period of 10 years from the date on which it becomes unconditional on the Listing Date, after which no further options will be granted or offered but the provisions of the Share Option Scheme shall remain in force and effect in all other respects. All options granted prior to such expiry and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme. The remaining life of the Share Option Scheme is around nine years and five months.

No share options had been granted, exercised, cancelled or lapsed under the Share Option Scheme since the adoption of the Share Option Scheme. As at the date of this annual report, the total number of shares available for issue under the Share Option Scheme was 100,000,000, representing 10% of the entire issued share capital of the Company.

Other than the Share Option Scheme as disclosed above, at no time during the year was the Company, or any of its subsidiaries or its fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Besides the Share Option Scheme discussed in the above paragraphs, no equity-linked agreements were entered into during the year or subsisting at the year ended 31 December 2020.

即使購股權計劃載有相反規定，因根據購股權計劃及本集團任何其他計劃已授出但尚未行使的所有購股權獲行使而可能發行的最高股份數目，不得超過本公司不時已發行股本的30%。倘根據購股權計劃及本公司任何其他購股權計劃授出購股權將導致超出有關上限，則不得根據上述計劃授出任何購股權。

概不得向任何一名人士授出購股權，致使於任何12個月期間因已授予及將授予該人士的購股權獲行使而已發行及將發行的股份總數超過本公司不時已發行股本的1%。

提呈授出購股權的要約可由要約日期起計28日期間內供有關合資格人士接納。於本公司在合資格人士須接納購股權要約之日（「接納日期」）或之前接獲由承授人正式簽署的要約函件副本連同1.00港元匯款時，即購股權已獲授出並獲有關合資格人士接納。

任何特定購股權的認購價須為董事會於授出有關購股權時全權酌情釐定的有關價格。認購價須至少為以下各項的最高者：(i) 股份面值；(ii) 於要約日期列於聯交所每日報價表的股份收市價；及(iii) 緊接要約日期前五個營業日列於聯交所每日報價表的股份平均收市價。

購股權計劃將自其於上市日期成為無條件之日起計10年內有效及生效，其後將不會再授出或提呈購股權，但購股權計劃的條文將在所有其他方面繼續具有效力及生效。在到期前授出而當時尚未行使的全部購股權將繼續有效，並可根據購股權計劃並在其規限下行使。購股權計劃的剩餘年期約為九年五個月。

自購股權計劃獲採納以來，概無購股權根據購股權計劃獲授出、行使、註銷或失效。於本年報日期，購股權計劃項下可供發行的股份總數為100,000,000股，相當於本公司全部已發行股本的10%。

除上文所披露的購股權計劃外，於年內任何時間，本公司、其任何附屬公司或同系附屬公司概無訂立任何安排，致使本公司董事可藉購入本公司或任何其他法人團體的股份或債權證而獲利。

除上文段落所述的購股權計劃外，於截至2020年12月31日止年度內概無訂立或存在任何股票掛鈎安排。

REPORT OF THE DIRECTORS

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and within the knowledge of the Directors as at the date of this annual report, the Company has maintained the minimum public float as required under the Listing Rules since the Listing Date and up to the date of this annual report.

PERMITTED INDEMNITY

The Company has arranged appropriate liabilities insurance to indemnify the Directors from any liabilities and costs arising from the business of the Group and the permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the Directors of the Company is currently in force.

Pursuant to the Articles of Association, every Director shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Details of the related party transactions are set out in the note 27 to the Consolidated Financial Statements. Save for the related party transactions, no transaction, arrangement or contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the Reporting Period.

BANK AND OTHER LOANS

Particulars of bank and other loans of the Group as at 31 December 2020 are set out in note 19 to the financial statements.

FOUR YEAR SUMMARY

A summary of the results and the assets and liabilities of the Group for the last four financial years is set out on page 136 of the annual report.

PROPERTIES, PLANTS AND EQUIPMENT

Particulars of the major properties and property interests of the Group are shown in the note 11 to the Consolidated Financial Statements.

充足公眾持股量

根據公開可得資料及於本年報日期就董事所知，自上市日期起及截至本年報日期，本公司已維持上市規則規定的最低公眾持股量。

獲准許的彌償

本公司已安排投購合適的責任保險，以就董事因本集團業務引致的任何責任及費用提供彌償，而為本公司董事利益而設的獲准許的彌償條文（定義見香港公司條例第469條）現正生效。

根據章程細則，各董事均可就彼等或彼等任何一方因履行其職責或假定職責時所作出、同意作出或未有作出的任何行動而將會或可能產生或蒙受的所有訴訟、成本、費用、損失、損害及開支，獲得以本公司資產及溢利作出的彌償及獲保證免受傷害。

董事於交易、安排或合約的權益

關連方交易詳情載於綜合財務報表附註27。除關連方交易外，本公司、其任何控股公司、附屬公司或同系附屬公司概無訂立董事或與董事有關連的實體直接或間接於其中擁有重大權益，並於年末或報告期內任何時間存續的重大交易、安排或合約。

銀行及其他貸款

有關本集團於2020年12月31日的銀行及其他貸款的詳情載於財務報表附註19。

四年概要

有關本集團於最近四個財政年度的業績及資產和負債概要載於年報第136頁。

物業、廠房及設備

有關本集團主要物業及物業權益的詳情載於綜合財務報表附註11。

REPORT OF THE DIRECTORS

董事會報告

The Group's property interests located in the PRC as at 31 August 2020 have been valued by an independent property valuer and the amount of such valuation of the properties is RMB1,476.9 million. The revaluation surplus has not been recorded in the consolidated financial statements of the Group as the Group's property, plant and equipment are stated at cost less accumulated depreciation and impairment loss. If the revaluation surplus were recorded in the Group's consolidated financial statements, addition annual depreciation and amortisation of approximately RMB14.7 million would be charged against the consolidated statement of profit or loss and other comprehensive income for the Reporting Period.

RETIREMENT SCHEMES

Details of the retirement schemes are set out in note 6 to the Consolidated Financial Statements.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive directors to be independent.

CONTRACT WITH CONTROLLING SHAREHOLDERS

Save as disclosed in note 27 to the Consolidated Financial Statements, there was no contract of significance entered into between the Company or any of its subsidiaries and any controlling Shareholder or any of its subsidiaries, nor there was any contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling Shareholder or any of its subsidiaries during the year ended 31 December 2020 or subsisted as at 31 December 2020.

REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The remuneration paid to and/or entitled by each of the Directors and the five highest paid individuals for the Reporting Period is set out in notes 8 and 9 to the Consolidated Financial Statements.

Save as Mr. Qin Shaobo waived his remuneration, no other Director has waived or has agreed to waive any emoluments and no emoluments were paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the Reporting Period.

MANAGEMENT CONTRACTS

No contract, other than appointment contracts and employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business was entered into or existed during the Reporting Period.

於2020年8月31日，本集團位於中國的物業權益已由獨立物業估值師進行估值，有關物業估值金額為人民幣1,476.9百萬元。重估盈餘並無於本集團綜合財務報表內入賬，原因是本集團的物業、廠房及設備乃按成本減累計折舊及減值虧損列賬。倘重估盈餘於本集團綜合財務報表內入賬，則將於報告期的綜合損益及其他全面收益表內扣除額外年度折舊及攤銷約人民幣14.7百萬元。

退休計劃

有關退休計劃的詳情載於綜合財務報表附註6。

獨立性確認書

本公司已收到各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書，並認為所有獨立非執行董事均為獨立人士。

與控股股東之間的合約

除綜合財務報表附註27所披露者外，於截至2020年12月31日止年度內或於2020年12月31日，概無存在由本公司或其任何附屬公司與任何控股股東或其任何附屬公司訂立之重大合約，亦無關於控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務的任何重大合約。

董事及五名最高薪酬人士的酬金

各董事及五名最高薪酬人士於報告期內已收及／或有權收取的酬金載於綜合財務報表附註8及9。

於報告期內，除秦少博先生放棄其酬金外，概無其他董事放棄或同意放棄任何酬金，而本集團亦無向董事或五名最高薪酬人士支付任何酬金，以作為加入本集團或加入時的獎勵或作為離職補償。

管理合約

於報告期內，本公司並無訂立或訂有有關本公司全部或任何重大部分業務的管理及行政合約（委聘合約及僱傭合約除外）。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Reporting Period and up to the date of this report, none of the Directors had any interest in a business other than the Group, which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, and required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The net proceeds from the global offering of the Shares were approximately HK\$206.4 million (RMB173.7 million), after deducting the underwriting fees and commission and other related listing expenses paid and payable by us, which was intended to be applied in the manner as set out in the section headed "Future Plan and Use of Proceeds" of the Prospectus. An analysis of the utilisation of the net proceeds from the Listing Date up to 31 December 2020 is set out below:

董事於競爭業務的權益

於報告期內及截至本報告日期，概無董事於任何直接或間接與本集團業務構成或可能構成競爭的業務（除本集團外）中擁有任何權益，並須根據上市規則第8.10條的規定予以披露。

首次公開發售的所得款項用途

經扣除我們已付及應付的包銷費用和佣金及其他相關上市開支後，來自股份全球發售的所得款項淨額約為206.4百萬港元（人民幣173.7百萬元）。有關金額擬按招股章程「未來計劃及所得款項用途」一節所載方式應用。自上市日期起至2020年12月31日止的所得款項淨額動用情況分析載列如下：

		Amount utilised as at 31 December 2020 於2020年12月31日的已動用金額 RMB million 人民幣百萬元	Expected timeframe for full utilisation ⁽¹⁾ 悉數動用的預期時間 ⁽¹⁾
To construct our branch line connecting the Northern Shandong Industrial Park	建設連接魯北工業園的支線	67.3	2024年
To construct our branch line connecting the Comprehensive Industrial Park	建設連接渤海新區綜合產業園區的支線	43.3	2022年
To upgrade and renovating basic infrastructure for our Canggang Railway Line	升級及翻新滄港線的基礎設施	23.2	2024年
To purchase one new locomotive	購買一輛新機車	8.6	2022年
To upgrade our communications, signal automation, and remote monitoring systems	升級通訊、信號自動化及遠程監控系統	4.4	2021年
To repay our bank loan	償還銀行貸款	5.5	N/A
To settle amounts payable in connection with our purchase of land use rights	支付購買土地使用權的相關應付款項	21.4	2022年
Total	總計	173.7	7.7

⁽¹⁾ The expected timeline for the application of the unutilised net proceeds is subject to uncertainties brought by the international macro-environment and the unprecedented COVID-19 pandemic on the prevailing and future market conditions and business developments and in need. In view of the significant effects to the economy and business environment, we shall update and re-visit our plan continuously.

⁽¹⁾ 應用尚未動用所得款項淨額的預期時間乃視乎國際宏觀環境及前所未見的COVID-19疫情對現時及未來市況所帶來的不明朗因素以及業務發展和需要而定。鑒於經濟及營商環境受到重大影響，我們將持續更新及修訂計劃。

REPORT OF THE DIRECTORS

董事會報告

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

Since the Listing Date and up to the date of this annual report, the interests and short positions of the Directors and the chief executives in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, the "SFO")), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or (b) as recorded in the register kept by the Company, pursuant to section 352 of the SFO or (c) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

自上市日期起及截至本年報日期，董事及最高行政人員於本公司或其任何相聯法團（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、相關股份及債權證中，擁有(a)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聯交所的權益及淡倉（包括根據證券及期貨條例有關條文當作或被視為擁有的權益及淡倉），或(b)記錄於本公司根據證券及期貨條例第352條存置的登記冊內的權益及淡倉，或(c)根據上市發行人董事進行證券交易的標準守則知會本公司及聯交所的權益及淡倉如下：

Name of Director/ Chief Executive 董事／最高行政人員姓名	Name of associated corporation/Capacity 相聯法團名稱／身份	Number of Shares interested 擁有權益的股份數目	Percentage of shareholding 持股百分比
Mr. Liu 劉先生	Interest in a controlled corporation ⁽¹⁾ 於受控法團的權益 ⁽¹⁾	657,975,000	65.80%
Mr. Yi 衣先生	Interest in a controlled corporation ⁽²⁾ 於受控法團的權益 ⁽²⁾	35,775,000	3.58%

⁽¹⁾ Mr. Liu is the sole shareholder of Jinghai BVI and he is therefore deemed to be interested in the Shares held by Jinghai BVI.

⁽¹⁾ 劉先生為京海BVI的唯一股東，因此被視為於京海BVI持有的股份中擁有權益。

⁽²⁾ Mr. Yi is the sole shareholder of Greenport BVI and he is therefore deemed to be interested in the Shares held by Greenport BVI.

⁽²⁾ 衣先生為Greenport BVI的唯一股東，因此被視為於Greenport BVI持有的股份中擁有權益。

Save as disclosed above, since the Listing Date and up to the date of this annual report, so far as is known to any Directors or chief executives of the Company, none of the Directors or chief executives of the Company has any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

除上文所披露者外，自上市日期起及截至本年報日期，據任何董事或本公司最高行政人員所知，概無董事或本公司最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有(a)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聯交所的權益或淡倉（包括根據證券及期貨條例有關條文當作或被視為擁有的權益及淡倉），或(b)根據證券及期貨條例第352條須知會本公司及聯交所的權益或淡倉，或(c)根據標準守則須知會本公司及聯交所的權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

Set out below is the name of the party whose interests and short positions in the shares and underlying shares of the Company (pursuant to part XV of the SFO) as at 31 December 2020 as recorded in the register kept by the Company under section 336 of the SFO:

Name 名稱	Nature of interest 權益性質	Number of Shares 股份數目	Approximate% of shareholding 持股概約%
Jinghai BVI (wholly-owned by Mr. Liu Yongliang) 京海BVI (由劉永亮先生全資擁有)	Beneficial owner 實益擁有人	657,975,000	65.80%
Greenport BVI (wholly-owned by Mr. Yi Weiming) Greenport BVI (由衣維明先生全資擁有)	Beneficial owner 實益擁有人	35,775,000	3.58%

Save as disclosed above, since the Listing Date and up to the date of this annual report, no other persons had any interests or short positions in the shares or underlying shares of the Company as at 31 December 2020 as recorded in the register required to be kept under Section 336 of the SFO, or which would fall to be disclosed under Part XV of the SFO.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Reporting Period and up to the date of this report was the Company or any of its subsidiaries or a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

REMUNERATION POLICY

The Group established the Remuneration Committee to review and make recommendation to the Company's emolument policy; review and approve performance based remuneration by reference to corporate goals and objectives; and to determine the terms of the specific remuneration package of each executive Director and senior management. Details of the Directors' emoluments and five individuals with the highest emoluments are set out in notes 8 and 9 to the Consolidated Financial Statements respectively.

The Company has also adopted a share option scheme as incentive to eligible employees, details of the scheme are set out in the section headed "Share Option Scheme" above. No share options had been granted under the Share Option Scheme since the adoption of the Share Option Scheme.

根據證券及期貨條例須予披露的主要股東權益及淡倉

下文載列於2020年12月31日在本公司股份及相關股份(根據證券及期貨條例第XV部)中, 擁有記錄於本公司根據證券及期貨條例第336條須存置的登記冊內的權益及淡倉的實體名稱:

Name	Nature of interest	Number of Shares	Approximate% of shareholding
Jinghai BVI (wholly-owned by Mr. Liu Yongliang) 京海BVI (由劉永亮先生全資擁有)	Beneficial owner 實益擁有人	657,975,000	65.80%
Greenport BVI (wholly-owned by Mr. Yi Weiming) Greenport BVI (由衣維明先生全資擁有)	Beneficial owner 實益擁有人	35,775,000	3.58%

除上文所披露者外, 自上市日期起及截至本年報日期, 概無其他人士於2020年12月31日在本公司股份或相關股份中, 擁有記錄於根據證券及期貨條例第336條須存置的登記冊內, 或根據證券及期貨條例第XV部須予披露的權益或淡倉。

購買股份或債權證的安排

於報告期內及截至本報告日期止任何時間, 本公司或其任何附屬公司概無參與訂立任何安排, 使董事可透過購入本公司或任何其他法人團體的股份或債權證而獲利。

薪酬政策

本集團已成立薪酬委員會以審閱本公司的薪酬政策並作出建議; 審閱及批准參考公司方針及目標釐定的表現掛鈎薪酬; 及釐定各執行董事及高級管理層特定薪酬待遇的條款。有關董事酬金及五名最高薪酬人士的詳情分別載於綜合財務報表附註8及9。

本公司亦已採納購股權計劃作為對合資格僱員的獎勵, 計劃的詳情載於上文「購股權計劃」一節。自採納購股權計劃以來, 概無根據購股權計劃授出購股權。

RELATED PARTY TRANSACTIONS

Details of material related party transactions of the Group undertaken in the normal course of business are set out in note 27 to the Consolidated Financial Statements, none of which constitutes a material connected transaction or continuing connected transaction as required to be disclosed under Rule 14A of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Since the Listing date and up to the date of this annual report, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PRE-EMPTIVE RIGHTS

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

AUDITOR

The Shares were listed on Stock Exchange on 23 October 2020, and there has been no change in auditors since the Listing Date. KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the reappointment of KPMG as auditors of the Company is to be proposed at the forthcoming AGM.

On behalf of the Board

Liu Yongliang
Chairman
Hong Kong, 25 March 2021

關連方交易

有關本集團於日常業務過程中進行的重大關連方交易的詳情載於綜合財務報表附註27，該等交易概無構成根據上市規則第14A章須予披露的重大關連交易或持續關連交易。

購買、出售或贖回本公司上市證券

自上市日期起及截至本年報日期，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

優先購買權

章程細則或開曼群島法例並無有關令本公司須按比例向現有股東發售新股份的優先購買權規定。

核數師

股份已於2020年10月23日在聯交所上市，而自上市日期以來核數師概無變動。畢馬威會計師事務所任滿告退，惟合資格亦願意應聘連任。本公司將於應屆股東週年大會上提呈決議案以續聘畢馬威會計師事務所為本公司核數師。

代表董事會

主席
劉永亮
香港，2021年3月25日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Independent auditor's report to the shareholders of Canggang Railway Limited

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Canggang Railway Limited ("the Company") and its subsidiaries ("the Group") set out on pages 60 to 135, which comprise the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss, 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 International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. The matter was 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 this matter.



致滄港鐵路有限公司股東的獨立核數師報告

(於開曼群島註冊成立的有限公司)

意見

我們已審計載於第60至135頁的滄港鐵路有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，該等財務報表包括於2020年12月31日的綜合財務狀況表、截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表乃根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」)真實而中肯地反映 貴集團於2020年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會(「香港會計師公會」)頒佈的香港審計準則(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)以及開曼群島有關我們審計綜合財務報表的任何專業道德規範，我們獨立於 貴集團，並已按照該等規範及守則履行我們的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTER (continued)

關鍵審計事項(續)

Revenue recognition in respect of rail freight transportation services 有關鐵路貨運服務的收益確認	
Refer to note 4 to the consolidated financial statements and the accounting policies on page 87. 請參閱綜合財務報表附註4及載於第87頁的會計政策。	
The Key Audit Matter 關鍵審計事項	How the matter was addressed in our audit 我們的審計如何處理有關事項
<p>The Group is principally engaged in the provision of rail freight transportation and related ancillary services by operating freight railway and railway yards. 貴集團的主要業務為透過經營貨運鐵路及鐵路調車場提供鐵路貨運及相關輔助服務。</p> <p>Revenue from provision of rail freight transportation services, which accounted for 72% of the Group's revenue for the year ended 31 December 2020, are recognised when the services are rendered and the enforceable rights to payments are obtained. 來自提供鐵路貨運服務的收益(佔 貴集團截至2020年12月31日止年度總收益的72%)於提供服務並獲得可強制執行付款的權利時確認。</p> <p>We have identified recognition of revenue for rail freight transportation services as a key audit matter as revenue is one of the key performance indicators of the Group which give rise to an inherent risk that the revenue for rail freight transportation services could be recorded in the incorrect period or could be subject to manipulation to meet financial targets or expectations. 我們已將有關鐵路貨運服務的收益確認識別為關鍵審計事項，原因是收益為 貴集團其中一項主要績效指標，並會導致鐵路貨運服務收益於錯誤期間入賬或受操控以達成財務目標或期望的固有風險。</p>	<p>Our audit procedures in relation to revenue recognition in respect of rail freight transportation services included the following: 我們就有關鐵路貨運服務的收益確認進行的審計程序包括以下各項：</p> <ul style="list-style-type: none"> Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Group's key internal controls over recognition of revenue for rail freight transportation services; 了解及評估 貴集團有關確認鐵路貨運服務收益的關鍵內部控制的設計、實行及運作有效性； Inspecting service agreements signed with key customers of the Group for rail freight transportation services, and assessing the revenue recognition criteria with reference to the requirements of the prevailing accounting standards; 檢視就鐵路貨運服務與 貴集團主要客戶簽訂的服務協議，並參照當前會計準則的規定評估收益確認準則； Comparing, on a sample basis, the revenue for rail freight transportation services with underlying documentation, which included service agreements with the customers, sales invoices issued to the customers, and rail freight delivery notes confirmed by the customers, to determine whether the related revenue had been properly recognised; 抽樣對比鐵路貨運服務收益與相關文件(包括與客戶訂立的服務協議、向客戶出具的銷售發票，以及經客戶確認的鐵路貨運交付單據)，以釐定相關收益是否妥為確認；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTER (continued)

關鍵審計事項(續)

Revenue recognition in respect of rail freight transportation services 有關鐵路貨運服務的收益確認	
Refer to note 4 to the consolidated financial statements and the accounting policies on page 87. 請參閱綜合財務報表附註4及載於第87頁的會計政策。	
The Key Audit Matter 關鍵審計事項	How the matter was addressed in our audit 我們的審計如何處理有關事項
	<ul style="list-style-type: none"> • Obtaining audit confirmations, from the key customers of the Group in relation to the revenue of rail freight transportation services recognised by the Group during the year. For unreturned confirmations, performing alternative procedures by comparing details of the transactions with relevant underlying documentation; 就 貴集團年內所確認鐵路貨運服務收益向 貴集團主要客戶取得審計詢證函。就未獲回覆的詢證函而言，則執行其他程序對比交易詳情與有關的相關文件； • Assessing, on a sample basis, whether revenue transactions for rail freight transportation services recorded around the financial year end had been recognised in the appropriate financial period in accordance with the terms set out in the service agreements by comparing details of these transactions with relevant underlying documentation; and 以樣本為基礎，透過對比於財政年結日前後入賬的鐵路貨運服務收益交易的詳情與有關的相關文件，評估有關交易是否根據服務協議所載列條款，於合適財政期間確認；及 • Inspecting underlying documentation for journal entries relating to revenue of rail freight transportation services which were considered to meet specific risk-based criteria. 檢視與鐵路貨運服務收益相關並被視為符合特定風險準則的入賬記錄的相關文件。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

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

就我們對綜合財務報表的審計而言，我們的責任是閱讀其他信息，並在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為該其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審核委員會協助董事履行監督貴集團的財務報告過程的責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。本報告是僅向整體股東出具，除此以外，不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and 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.

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

The engagement partner on the audit resulting in this independent auditor's report is Cheung Tsz Chung.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

25 March 2021

核數師就審計綜合財務報表承擔的責任(續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

我們與審核委員會溝通了(其中包括)計劃的審計範圍及時間安排以及重大審計發現等，包括我們在審計過程中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅而採取的行動或應用的防範措施。

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

出具本獨立核數師報告的審計項目合夥人是張子頌。

畢馬威會計師事務所
執業會計師

香港中環
遮打道10號
太子大廈8樓

2021年3月25日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

for the year ended 31 December 2020
(Expressed in Renminbi ("RMB"))
截至2020年12月31日止年度
(以人民幣(「人民幣」)列示)

		Note 附註	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Revenue	收益	4	361,474	376,904
Operating expenses:	經營開支：			
Staff costs	員工成本	6(b)	(53,458)	(63,777)
Outsourcing service charges and other labor costs	外包服務收費及 其他勞動力成本		(45,191)	(44,291)
Cargo logistics	貨運物流		(31,986)	(39,117)
Depreciation	折舊	6(c)	(36,745)	(34,830)
Fuel used	所用燃料		(23,094)	(26,815)
Repairs and maintenance	維修及保養		(20,128)	(17,260)
General and administration expenses	一般及行政開支		(25,671)	(22,743)
Impairment loss on trade receivables	貿易應收款項減值虧損	25(a)	(3,615)	(595)
Other expenses	其他開支		(7,957)	(11,130)
Total operating expenses	經營開支總額		(247,845)	(260,558)
Other income	其他收入	5	3,186	2,742
Operating profit	經營溢利		116,815	119,088
Finance costs	融資成本	6(a)	(26,043)	(24,654)
Share of loss of associates	應佔聯營公司虧損	14	(1,043)	(183)
Profit before taxation	除稅前溢利	6	89,729	94,251
Income tax	所得稅	7(a)	(25,174)	(24,755)
Profit for the year	年度溢利		64,555	69,496
Attributable to:	以下應佔：			
Equity shareholders of the Company	本公司權益股東		63,649	70,194
Non-controlling interests	非控股權益		906	(698)
Profit for the year	年度溢利		64,555	69,496
Earnings per share (RMB)	每股盈利(人民幣元)			
- Basic and diluted	- 基本及稀釋	10	0.08	0.09

The notes on pages 68 to 135 form part of these financial statements.

第68至135頁的附註構成本財務報表的一部分。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

for the year ended 31 December 2020

(Expressed in RMB)

截至2020年12月31日止年度

(以人民幣列示)

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Profit for the year	年度溢利	64,555	69,496
Other comprehensive income for the year (after tax):	年度其他全面收益 (除稅後)：		
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至 損益的項目：		
– Exchange differences on translation into presentation currency of the Group	– 換算為本集團呈列貨幣時 產生的匯兌差額	(4,009)	(272)
Total comprehensive income for the year	年度全面收益總額	60,546	69,224
Attributable to:	以下應佔：		
Equity shareholders of the Company	本公司權益股東	59,640	69,922
Non-controlling interests	非控股權益	906	(698)
Total comprehensive income for the year	年度全面收益總額	60,546	69,224

The notes on pages 68 to 135 form part of these financial statements.

第68至135頁的附註構成本財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

at 31 December 2020
(Expressed in RMB)
於2020年12月31日
(以人民幣列示)

		Note 附註	2020 2020年 RMB'000 人民幣千元	2019 2019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	11	766,727	789,570
Right-of-use assets	使用權資產	12	193,387	197,855
Interests in associates	於聯營公司的權益	14	6,459	3,502
Deferred tax assets	遞延稅項資產	23(b)	7,421	8,209
Prepayments and other receivables	預付款項及其他應收款項	17	2,734	3,374
			976,728	1,002,510
Current assets	流動資產			
Inventories	存貨	15	5,904	5,009
Trade and bills receivables	貿易應收款項及應收票據	16	96,568	134,858
Prepayments and other receivables	預付款項及其他應收款項	17	12,583	19,649
Cash and cash equivalents	現金及現金等值項目	18	227,143	33,866
			342,198	193,382
Current liabilities	流動負債			
Bank and other loans	銀行及其他貸款	19	118,051	290,999
Trade payables	貿易應付款項	20	26,833	27,700
Other payables	其他應付款項	21	55,483	75,745
Contract liabilities	合約負債	22	2,524	2,630
Current taxation	即期稅項	23(a)	9,262	8,501
			212,153	405,575
Net current assets/(liabilities)	流動資產／（負債）淨額		130,045	(212,193)
Total assets less current liabilities	資產總額減流動負債		1,106,773	790,317
Non-current liabilities	非流動負債			
Bank and other loans	銀行及其他貸款	19	337,185	270,332
			337,185	270,332
NET ASSETS	資產淨值		769,588	519,985

The notes on pages 68 to 135 form part of these financial statements.

第68至135頁的附註構成本財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

at 31 December 2020
(Expressed in RMB)
於2020年12月31日
(以人民幣列示)

		Note	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
CAPITAL AND RESERVES	資本及儲備	24		
Share capital	股本		8,607	—*
Reserves	儲備		731,650	491,560
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額		740,257	491,560
Non-controlling interests	非控股權益		29,331	28,425
TOTAL EQUITY	權益總額		769,588	519,985

* Amount less than RMB1,000.

* 金額不足人民幣1,000元。

Approved and authorized for issue by the board of directors on 25 March 2021.

於2021年3月25日經由董事會批准及授權刊發。

Liu Yongliang
劉永亮
Chairman
主席

Yi Weiming
衣維明
Director
董事

The notes on pages 68 to 135 form part of these financial statements.

第68至135頁的附註構成本財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

for the year ended 31 December 2020
(Expressed in RMB)
截至2020年12月31日止年度
(以人民幣列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔								
		Share capital	Other reserve	Statutory reserve	Safety production fund reserve	Exchange reserve	Retained profits	Subtotal	Non-controlling interests	Total equity
		股本	其他儲備	法定儲備	安全生產基金儲備	匯兌儲備	保留溢利	小計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note24(c))	(Note24(d)(ii))	(Note24(d)(iii))	(Note24(d)(iv))	(Note24(d)(v))	(Note24(d)(vi))	(Note24(d)(vii))	(Note24(d)(viii))	(Note24(d)(ix))
		(附註24(c))	(附註24(d)(ii))	(附註24(d)(iii))	(附註24(d)(iv))	(附註24(d)(v))	(附註24(d)(vi))	(附註24(d)(vii))	(附註24(d)(viii))	(附註24(d)(ix))
At 1 January 2019	於2019年1月1日	347,885	99,053	39,274	-	-	284,534	770,746	29,123	799,869
Changes in equity for the year ended 31 December 2019:	截至2019年12月31日止年度的權益變動：									
Profit for the year	年度溢利	-	-	-	-	-	70,194	70,194	(698)	69,496
Other comprehensive income	其他全面收益	-	-	-	-	(272)	-	(272)	-	(272)
Total comprehensive income	全面收益總額	-	-	-	-	(272)	70,194	69,922	(698)	69,224
Capital injection	注資	-	12,075	-	-	-	-	12,075	-	12,075
Appropriation to reserves	撥款至儲備	-	-	11,640	-	-	(11,640)	-	-	-
Deemed distribution	視作分派									
- effect on equity arising from the group reorganization	- 集團重組對權益產生的影響	(347,885)	(13,298)	-	-	-	-	(361,183)	-	(361,183)
Safety production fund reserve	安全生產基金儲備									
- Appropriation	- 撥款	-	-	-	2,952	-	(2,952)	-	-	-
- Utilization	- 動用	-	-	-	(2,952)	-	2,952	-	-	-
At 31 December 2019	於2019年12月31日	-	97,830	50,914	-	(272)	343,088	491,560	28,425	519,985

The notes on pages 68 to 135 form part of these financial statements.

第68至135頁的附註構成本財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

for the year ended 31 December 2020
(Expressed in RMB)
截至2020年12月31日止年度
(以人民幣列示)

Attributable to equity shareholders of the Company
本公司權益股東應佔

		Share capital	Share premium	Other reserve	Statutory reserve	Safety production fund reserve	Exchange reserve	Retained profits	Subtotal	Non-controlling interests	Total equity
		股本	股份溢價	其他儲備	法定儲備	安全生產基金儲備	匯兌儲備	保留溢利	小計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 24(c))	(Note 24(d)(i))	(Note 24(d)(ii))	(Note 24(d)(iii))	(Note 24(d)(iv))	(Note 24(d)(v))	(Note 24(d)(vi))	(Note 24(d)(vii))	(Note 24(d)(viii))	(Note 24(d)(ix))
At 1 January 2020	於2020年1月1日	-	-	97,830	50,914	-	(272)	343,088	491,560	28,425	519,985
Changes in equity for the year ended 31 December 2020:	截至2020年12月31日止年度的權益變動：										
Profit for the year	年度溢利	-	-	-	-	-	-	63,649	63,649	906	64,555
Other comprehensive income	其他全面收益	-	-	-	-	-	(4,009)	-	(4,009)	-	(4,009)
Total comprehensive income	全面收益總額	-	-	-	-	-	(4,009)	63,649	59,640	906	60,546
Capitalisation issue (Note 24(c)(iii))	資本化發行(附註24(c)(iii))	6,455	(6,455)	-	-	-	-	-	-	-	-
Issuance of shares (Note 24(c)(ii))	發行股份(附註24(c)(ii))	2,152	186,905	-	-	-	-	-	189,057	-	189,057
Appropriation to reserves	撥款至儲備	-	-	-	7,099	-	-	(7,099)	-	-	-
Safety production fund reserve	安全生產基金儲備										
- Appropriation	- 撥款	-	-	-	-	3,035	-	(3,035)	-	-	-
- Utilization	- 動用	-	-	-	-	(3,035)	-	3,035	-	-	-
At 31 December 2020	於2020年12月31日	8,607	180,450	97,830	58,013	-	(4,281)	399,638	740,257	29,331	769,588

The notes on pages 68 to 135 form part of these financial statements.

第68至135頁的附註構成本財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

for the year ended 31 December 2020
(Expressed in RMB)
截至2020年12月31日止年度
(以人民幣列示)

	Note 附註	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Operating activities			
Profit before taxation		89,729	94,251
Adjustments for:			
Depreciation	6(c)	36,745	34,830
Impairment loss on trade receivables		3,615	595
Finance costs	6(a)	26,043	24,654
Interest income	5	(1,370)	(1,097)
Net gains on investments in wealth management products	5	-	(142)
Net losses/(gains) on disposal of property, plant and equipment	5	12	(784)
Share of loss of associates		1,043	183
Changes in working capital:			
Increase in inventories		(895)	(602)
Decrease/(increase) in trade and bills receivables, prepayments and other receivables		41,072	(25,786)
(Decrease)/increase in trade payables and other payables		(11,139)	6,566
(Decrease)/increase in contract liabilities		(106)	401
Cash generated from operations		184,749	133,069
Income tax paid	23(a)	(23,625)	(22,743)
Net cash generated from operating activities		161,124	110,326

The notes on pages 68 to 135 form part of these financial statements.

第68至135頁的附註構成本財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

for the year ended 31 December 2020
(Expressed in RMB)
截至2020年12月31日止年度
(以人民幣列示)

		Note	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Investing activities	投資活動			
Payments for purchase of property, plant and equipment and right-of-use assets	購買物業、廠房及設備及使用權資產的付款		(19,305)	(23,973)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		1,344	955
Payments for purchase of investments in wealth management products	購買理財產品投資的付款		-	(37,000)
Proceeds from disposal of investments in wealth management products	出售理財產品投資所得款項		-	38,142
Investment in an associate	於聯營公司的投資		(4,000)	-
Interest received	已收利息		1,370	1,097
Net cash used in investing activities	投資活動所用現金淨額		(20,591)	(20,779)
Financing activities	融資活動			
Proceeds from new bank and other loans	新增銀行及其他貸款的所得款項	18(b)	345,000	397,313
Repayments of bank and other loans	償還銀行及其他貸款	18(b)	(450,272)	(262,943)
Proceeds from issuance of shares by initial public offering, net of share issuance expenses	透過首次公開發售發行股份的所得款項 (扣除股份發行開支)		189,057	-
Proceeds from capital injection	注資所得款項		-	12,075
Net decrease in amounts due to related parties	應付關連方款項減少淨額	18(b)	-	(310)
Net decrease in amounts due from related parties	應收關連方款項減少淨額	18(b)	-	132,276
Payments to the then equity holder upon the group reorganization	於集團重組後向當時權益持有人付款	18(b)	-	(361,183)
Borrowing costs paid	已付借款成本	18(b)	(26,866)	(26,028)
Net cash generated from/(used in) financing activities	融資活動所得／(所用)現金淨額		56,919	(108,800)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目增加／(減少)淨額		197,452	(19,253)
Cash and cash equivalents at 1 January	於1月1日的現金及現金等值項目		33,866	53,119
Effect of foreign exchange rate changes	匯率變動的影響		(4,175)	-
Cash and cash equivalents at 31 December	於12月31日的現金及現金等值項目	18(a)	227,143	33,866

The notes on pages 68 to 135 form part of these financial statements.

第68至135頁的附註構成本財務報表的一部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in RMB unless otherwise indicated)
(除另有註明外，以人民幣列示)

1 CORPORATE INFORMATION

Canggang Railway Limited (the “Company”) was incorporated in the Cayman Islands on 19 October 2018 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 23 October 2020. The Company and its subsidiaries are principally engaged in the provision of rail freight transportation and related ancillary services by operating freight railway and railway yards in the People’s Republic of China (the “PRC”).

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations issued by the International Accounting Standards Board (the “IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). Significant accounting policies adopted by the Group are disclosed below.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2020 comprise the Company and its subsidiaries (collectively referred to as the “Group”) and the Group’s interests in associates.

1 公司資料

滄港鐵路有限公司(「本公司」)為於2018年10月19日根據開曼群島公司法第22章(1961年第3號法例，經綜合及修訂)在開曼群島註冊成立的獲豁免有限公司。本公司股份於2020年10月23日在香港聯合交易所有限公司(「聯交所」)主板上市。本公司及其附屬公司的主要業務為透過在中華人民共和國(「中國」)經營貨運鐵路及鐵路調車場提供鐵路貨運及相關輔助服務。

2 主要會計政策

(a) 合規聲明

該等財務報表乃根據國際會計準則理事會(「國際會計準則理事會」)頒佈的所有適用國際財務報告準則(「國際財務報告準則」)(該統稱包括所有適用的個別國際財務報告準則、國際會計準則(「國際會計準則」)及詮釋)及香港公司條例的披露規定而編製。該等財務報表亦符合聯交所證券上市規則(「上市規則」)的適用披露條文。本集團所採納的主要會計政策於下文披露。

國際會計準則理事會已頒佈若干於本集團的本會計期間首次生效或可供提早採納的新訂及經修訂國際財務報告準則。附註2(c)載列有關首次應用該等變動所導致的任何會計政策變動的資料，前提是其於該等財務報表所反映的當前及過往會計期間與本集團相關。

(b) 財務報表的編製基準

截至2020年12月31日止年度的綜合財務報表包括本公司及其附屬公司(統稱「本集團」)及本集團於聯營公司的權益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in RMB unless otherwise indicated)
(除另有註明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

Prior to the incorporation of the Company, the Group's businesses were conducted through Cangzhou Canggang Railway Company Limited ("Canggang Company") and its subsidiaries (together, the "Canggang Group") and the Canggang Group's interests in associates. Pursuant to a group reorganisation to rationalise the corporate which was completed on 17 June 2019 (the "Reorganisation"), the Company became the holding company of the companies now comprising the Group. All companies now comprising the Group that took part in the Reorganisation were controlled and beneficially owned by Mr. Liu Yongliang ("Mr. Liu") before and after the Reorganisation. The Reorganisation only involved inserting the newly formed entities with no substantive operations as the new holding companies of the companies now comprising the Group and there were no changes in the economic substance of the ownership and the business of the Group before and after the Reorganisation. Accordingly, the consolidated financial statements for the years ended 31 December 2020 and 2019 have been prepared and presented as a continuation of the financial information of the companies now comprising the Group with the assets and liabilities recognised and measured at their historical carrying amounts prior to the Reorganisation.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for other investments in equity securities which are stated at their fair values (see Note 2(f)).

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2 主要會計政策 (續)

(b) 財務報表的編製基準 (續)

於本公司註冊成立之前，本集團的業務乃透過滄州滄港鐵路有限公司（「滄港公司」）及其附屬公司（統稱「滄港集團」）以及滄港集團於聯營公司的權益經營。根據為理順公司架構並於2019年6月17日完成的集團重組（「重組」），本公司成為本集團現時旗下各公司的控股公司。本集團現時旗下所有曾參與重組的公司於重組前後均由劉永亮先生（「劉先生」）控制及實益擁有。重組僅涉及加入新成立而並無實質業務的實體作為本集團現時旗下各公司的新控股公司，以及本集團於重組前後的擁有權及業務在經濟上並無實質變動。因此，截至2020年及2019年12月31日止年度的綜合財務報表已作為本集團現時旗下各公司財務資料的延續予以編製及呈列，以及資產及負債乃按其於重組前的歷史賬面值確認及計量。

除其他股本證券投資按公平值列賬外，編製財務報表所用的計量基準為歷史成本基準（見附註2(f)）。

編製符合國際財務報告準則的財務報表需要管理層作出影響政策應用及所報告資產、負債、收入及開支金額的判斷、估計及假設。估計及相關假設乃基於過往經驗及於各情況下相信屬合理的多項其他因素，有關結果構成對無法輕易從其他來源獲得的資產及負債賬面值作出判斷的基準。實際結果可能有別於該等估計。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in RMB unless otherwise indicated)
(除另有註明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

(c) Changes in accounting policies

The Group has applied the following amendments to IFRSs, issued by the IASB to these financial statements for the current accounting period:

- Amendments to IFRS 3, *Definition of a Business*
- Amendments to IFRS 16, *Covid-19-Related Rent Concessions*

None of these developments have had a material effect on the Group's financial performance and financial position for current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2 主要會計政策(續)

(b) 財務報表的編製基準(續)

估計及相關假設乃按持續基準進行審閱。倘會計估計的修訂僅影響修訂估計的期間，則修訂乃於該期間確認，或倘修訂影響現時及未來期間，則於修訂期間及未來期間確認。

管理層於應用國際財務報告準則時所作對財務報表有重大影響的判斷，以及估計不確定因素的主要來源於附註3論述。

(c) 會計政策的變動

本集團已於本會計期間就該等財務報表應用由國際會計準則理事會頒佈的以下國際財務報告準則的修訂：

- 國際財務報告準則第3號的修訂「業務的定義」
- 國際財務報告準則第16號的修訂「與Covid-19相關的租金減免」

該等變動概無對本集團當前或過往期間所編製或呈列財務表現及財務狀況造成重大影響。

本集團並無於本會計期間應用任何尚未生效的新訂準則或詮釋。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in RMB unless otherwise indicated)
(除另有註明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealized profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(i)(ii)).

2 主要會計政策 (續)

(d) 附屬公司及非控股權益

附屬公司指由本集團控制的實體。倘本集團通過對實體的權力就參與實體業務所得可變回報承受風險或享有權利，並有能力影響該等回報，則本集團控制該實體。於評估本集團是否有權力時，僅考慮實質性權利(由本集團及其他各方所持有者)。

於附屬公司的投資自獲得控制權當日起於綜合財務報表綜合入賬，直至失去控制權之日為止。集團內公司間的結餘、交易及現金流量以及自集團內公司間交易產生的任何未變現溢利，均於編製綜合財務報表時全數對銷。自集團內公司間交易產生的未變現虧損僅在並無證據顯示出現減值的情況下，方會按與未變現收益相同的方式予以對銷。

非控股權益指於附屬公司中並非直接或間接歸屬於本公司的權益，而本集團並無就此與該等權益的持有人協定任何額外條款，致使本集團整體就符合金融負債定義的該等權益承擔合約責任。就各業務合併而言，本集團可選擇按公平值或按非控股權益於附屬公司可識別資產淨值應佔的比例計量任何非控股權益。

非控股權益乃於綜合財務狀況表內之權益項下呈列，並獨立於本公司權益股東應佔權益。本集團業績中的非控股權益乃於綜合損益表及綜合損益及其他全面收益表中呈列為本公司非控股權益與權益股東之間年度損益總額及全面收益總額的分配。

於本公司財務狀況表內，於附屬公司的投資乃按成本減去減值虧損列賬(見附註2(i)(ii))。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in RMB unless otherwise indicated)
(除另有註明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Associate

An associate is an entity in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Note 2(i)(ii)).

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealized profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interests in the investees, except where unrealized losses provide evidence of an impairment of the asset transferred, in which case they are recognized immediately in profit or loss.

2 主要會計政策(續)

(e) 聯營公司

聯營公司指本集團對其管理有重大影響力的實體，包括參與其財務及經營決策，但非控制或共同控制其管理。

於聯營公司的投資乃按權益法於綜合財務報表入賬。根據權益法，投資初步按成本入賬，並就本集團應佔被投資公司可識別資產淨值於收購日期的公平值超出投資成本的任何差額(如有)作出調整。投資成本包括購買價、直接由於收購投資導致的其他成本及構成本集團股本投資一部分的於聯營公司的任何直接投資。其後，投資就本集團應佔被投資公司資產淨值的收購後變動及與投資相關的任何減值虧損(見附註2(i)(ii))作出調整。

當本集團應佔聯營公司的虧損超出其應佔權益，本集團的權益將會減至零，並會終止確認進一步虧損，除非本集團已產生法律或推定責任，或代表被投資公司償付款項則作別論。就此而言，本集團的權益為按權益法計算的投資賬面值，連同實質上構成本集團於聯營公司的投資淨值的任何其他長期權益。

本集團與其聯營公司之間交易所產生的未變現損益，均按本集團於被投資公司的權益比例對銷，惟倘未變現虧損顯示已轉讓資產出現減值，則該等未變現虧損會即時於損益中確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in RMB unless otherwise indicated)
(除另有註明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries and associates, are set out below.

Investments in debt and equity securities are recognized/derecognized on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVPL") for which transaction costs are recognized directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see Note 25(e). These investments are subsequently accounted for as follows, depending on their classification.

(i) Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortized cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see Note 2(s)(ii)).
- fair value through other comprehensive income ("FVOCI") – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognized in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognized, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVPL if the investment does not meet the criteria for being measured at amortized cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognized in profit or loss.

2 主要會計政策 (續)

(f) 其他債務及股本證券投資

本集團有關投資債務及股本證券(投資於附屬公司及聯營公司除外)的政策載列如下。

債務及股本證券投資於本集團承諾購入/出售投資當日確認/終止確認。投資初步按公平值加直接應佔交易成本列賬，惟透過損益按公平值(「透過損益按公平值」)計量的投資除外，該等投資的交易成本乃直接於損益中確認。本集團釐定金融工具公平值的方法於附註25(e)闡釋。該等投資其後根據其分類按以下方法入賬。

(i) 股本投資以外的投資

本集團持有的非股本投資會歸入以下其中一個計量類別：

- 倘投資乃為收取合約現金流量(即純粹為支付本金及利息)而持有，其按攤銷成本計量。投資所得利息收入乃使用實際利率法計算(見附註2(s)(ii))。
- 倘投資的合約現金流量僅包括本金及利息付款，且投資乃於目的為同時收取合約現金流量及出售的業務模式中持有，其透過其他全面收益按公平值(「透過其他全面收益按公平值」)計量—可劃轉。公平值變動於其他全面收益確認，惟預期信貸虧損、利息收入(使用實際利率法計算)及匯兌收益及虧損則於損益確認。當投資被終止確認時，於其他全面收益累計的金額會由權益劃轉至損益。
- 倘投資不符合按攤銷成本或透過其他全面收益按公平值(可劃轉)計量的準則，則透過損益按公平值計量。投資(包括利息)的公平值變動於損益確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Other investments in debt and equity securities (continued)

(ii) Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrecoverable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognized in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognized in profit or loss as other income when the equity holder's right to receive payment is established.

(g) Property, plant and equipment and right-of-use assets

The following items of property, plant and equipment and right-of-use assets are stated at cost less accumulated depreciation and impairment losses (see note 2(i)(ii)):

- items of property, plant and equipment; and
- interests in leasehold land held for own use.

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labor, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(u)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment or right-of-use assets are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

2 主要會計政策(續)

(f) 其他債務及股本證券投資(續)

(ii) 股本投資

股本證券投資乃分類為透過損益按公平值計量，除非股本投資並非持作買賣用途，且本集團於初始確認投資時作出不可撤回的選擇以將投資指定為透過其他全面收益按公平值(不可劃轉)計量，以致公平值的後續變動於其他全面收益確認，則作別論。有關選擇乃按個別工具作出，並僅可於發行人認為投資符合權益的定義時作出。於作出有關選擇後，於其他全面收益累計的金額繼續保留於公平值儲備(不可劃轉)，直至投資被出售為止。於出售時，於公平值儲備(不可劃轉)累計的金額會轉撥至保留盈利，而非透過損益劃轉。當權益持有人收取付款的權益確立時，來自股本證券投資的股息(不論分類為透過損益按公平值或透過其他全面收益按公平值計量)均於損益確認為其他收入。

(g) 物業、廠房及設備及使用權資產

以下物業、廠房及設備及使用權資產項目乃按成本減累積折舊及減值虧損列賬(見附註2(i)(ii)):

- 物業、廠房及設備項目；及
- 持作自用租賃土地的權益。

自建物業、廠房及設備項目的成本包括材料成本、直接勞工、與拆除和搬遷項目及恢復所在地原狀相關的最初估計成本以及生產經常費用和借款成本的適當部分(見附註2(u))。

因報廢或出售物業、廠房及設備或使用權資產項目而產生的收益或虧損，乃釐定為項目出售所得款項淨額與賬面值之間的差額，並於報廢或出售當日在損益中確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Property, plant and equipment and right-of-use assets (continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, and right-of-use assets, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Leasehold land is depreciated over the unexpired term of lease.
- The Group's interests in buildings and other properties situated on leasehold land are depreciated over the shorter of the unexpired term of lease and the buildings and other properties' estimated useful lives, being no more than 50 years after the date of completion.
- Tracks, bridges and other railway assets 30-95 years
- Locomotives and rolling stock 16 years
- Motor vehicles 5-8 years
- Machinery and equipment 5-10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(h) Leased assets

At inception of a contract, the Group assesses whether the 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

2 主要會計政策 (續)

(g) 物業、廠房及設備及使用權資產 (續)

折舊以直線法按物業、廠房及設備及使用權資產項目的以下估計可使用年期撇銷相關項目成本，並減去估計剩餘價值(如有)計算：

- 租賃土地按未屆滿租賃期折舊。
- 本集團位於租賃土地之上的樓宇及其他物業的權益按未屆滿租賃期與樓宇及其他物業的估計可使用年期兩者中的較短者(於竣工日期後不多於50年)折舊。
- 軌道、橋樑及其他鐵路資產 30至95年
- 機車及鐵道車輛 16年
- 汽車 5至8年
- 機器及設備 5至10年

倘部分物業、廠房及設備項目的可使用年期有所不同，該項目的成本會於各部分之間按合理基準分配，且各部分將分開計算折舊。資產可使用年期及其剩餘價值(如有)會每年審閱。

(h) 租賃資產

本集團會在合約開始時評估有關合約是否屬於或包含租賃。倘合約給予為換取代價而在一段時間內控制所識別資產的使用權利，則該合約屬於或包含租賃。當客戶有權指示所識別資產的用途及自該用途獲得絕大部分經濟利益時，即表示控制權已轉移。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Leased assets (continued)

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognizes a right-of-use asset (see note 2(g)) and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalize the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalized are recognized as an expense on a systematic basis over the lease term.

Where the lease is capitalized, the lease liability is initially recognized at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortized cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognized when a lease is capitalized is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(g) and 2(i)(ii)).

2 主要會計政策(續)

(h) 租賃資產(續)

(i) 作為承租人

倘合約包含租賃部分及非租賃部分，本集團已選擇不區分非租賃部分，並將各租賃部分和任何相關非租賃部分入賬列為所有租賃的單一租賃部分。

於租賃開始日期，本集團會確認使用權資產(見附註2(g))及租賃負債，惟租賃期為12個月或以下的短期租賃及低價值資產的租賃除外。倘本集團就低價值資產訂立租賃，則本集團會決定是否按個別租賃基準將租賃撥充資本。與該等未撥充資本的租賃相關的租賃付款會按租賃期以系統化基準確認為開支。

倘租賃已撥充資本，則租賃負債初步按租賃期內應付租賃付款的現值確認，並按租賃所隱含的利率貼現，或倘該利率無法輕易釐定，則按相關增量借款利率貼現。於初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計算。租賃負債的計量並不包括並非取決於指數或利率的可變租賃付款，因此可變租賃付款於其產生的會計期間在損益中扣除。

於租賃撥充資本時確認的使用權資產初步按成本計量，其中包括租賃負債的初始金額加於開始日期或之前作出的任何租賃付款，以及所產生的任何初始直接成本。在適用情況下，使用權資產的成本亦包括拆卸及移除相關資產或還原相關資產或相關資產所在地點的估計成本，按其現值貼現並扣減任何已收租賃優惠。使用權資產其後按成本減累計折舊及減值虧損列賬(見附註2(g)及2(i)(ii))。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Leased assets (continued)

(i) As a lessee (continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in "Right-of-use-assets" and presents lease liabilities within bank and other loans in the consolidated statement of financial position.

(i) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognizes a loss allowance for expected credit losses (ECLs) on the financial assets measured at amortized cost (including cash and cash equivalents, trade and bills receivables, other receivables and amounts due from related parties) and contract assets.

Financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

2 主要會計政策 (續)

(h) 租賃資產 (續)

(i) 作為承租人 (續)

倘指數或利率變動引致未來租賃付款出現變動，或本集團預期根據剩餘價值擔保應付的估計金額出現變動，或就本集團是否合理確定將行使購買、續租或終止選擇權進行的重新評估出現變動，則租賃負債將予重新計量。倘以此方式重新計量租賃負債，則會對使用權資產的賬面值進行相應調整，或倘使用權資產的賬面值已調減至零，則於損益列賬。

本集團在「使用權資產」呈列不符合投資物業定義的使用權資產以及於綜合財務狀況表內銀行及其他貸款項下呈列租賃負債。

(i) 信貸虧損及資產減值

(i) 金融工具及合約資產的信貸虧損

本集團就按攤銷成本計量的金融資產(包括現金及現金等值項目、貿易應收款項及應收票據、其他應收款項及應收關連方款項)及合約資產的預期信貸虧損(「預期信貸虧損」)確認虧損撥備。

按公平值計量的金融資產毋須進行預期信貸虧損評估。

預期信貸虧損計量

預期信貸虧損乃以概率加權估計的信貸虧損。信貸虧損以所有預期現金短欠額(即根據合約應付本集團的現金流量及本集團預期收取的現金流量之間的差額)的現值計量。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

Measurement of ECLs (continued)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and bills receivables, other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognizes a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

2 主要會計政策(續)

(i) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產的信貸虧損(續)

預期信貸虧損計量(續)

倘貼現影響屬重大，預期現金短欠額將使用以下貼現率貼現：

- 固定利率金融資產、貿易應收款項及應收票據、其他應收款項及合約資產：初始確認時釐定的實際利率或其近似值；
- 浮動利率金融資產：當前實際利率。

於估計預期信貸虧損時考慮的最長期間為本集團承受信貸風險的最長合約期間。

於計量預期信貸虧損時，本集團會考慮毋須付出過多成本或努力即可獲得的合理可靠資料。有關資料包括有關過去事件、當前狀況及未來經濟狀況預測的資料。

預期信貸虧損基於下列其中一項基準計量：

- 12個月預期信貸虧損：預期於報告日期後12個月內可能發生的違約事件所導致的虧損；及
- 全期預期信貸虧損：預期於預期信貸虧損模型所適用項目的預期年限內可能發生的所有違約事件所導致的虧損。

貿易應收款項及合約資產的虧損撥備會一直按等同於全期預期信貸虧損的金額計量。該等金融資產的預期信貸虧損乃利用基於本集團過往信貸虧損經驗的撥備矩陣進行估算，並按於報告日期債務人的個別因素及對當前和預測整體經濟狀況的評估進行調整。

就所有其他金融工具而言，本集團確認相當於12個月預期信貸虧損的虧損撥備，除非金融工具的信貸風險自初始確認以來顯著增加，在此情況下，虧損撥備乃按等同於全期預期信貸虧損的金額計量。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held). The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

2 主要會計政策 (續)

(i) 信貸虧損及資產減值 (續)

(i) 金融工具及合約資產的信貸虧損 (續)

信貸風險顯著增加

於評估金融工具的信貸風險有否自初始確認以來顯著增加時，本集團會比較於報告日期與於初始確認日期評估的金融工具違約風險。於重新評估時，倘借款人不大可能在本集團不採取追索行動（如變現抵押品（倘持有任何抵押品））的情況下向本集團悉數支付其信貸責任，則本集團即認為發生違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及毋須付出過多成本或努力即可獲得的前瞻性資料。

具體而言，於評估信貸風險自初始確認以來有否顯著增加時會考慮以下資料：

- 未能於合約到期日支付本金或利息；
- 金融工具的外部或內部信貸評級（倘適用）實際或預期明顯轉差；
- 債務人的經營業績實際或預期明顯轉差；及
- 技術、市場、經濟或法律環境的現有變化或預期變化對債務人履行對本集團責任的能力造成重大不利影響。

視乎金融工具的性质，對信貸風險是否顯著增加的評估乃按個別基準或整體基準進行。倘按整體基準進行評估，則根據共同信貸風險特徵（如逾期狀況及信貸風險評級）對金融工具進行分類。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

Significant increases in credit risk (continued)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognized as an impairment gain or loss in profit or loss. The Group recognizes an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income recognized in accordance with Note 2(s)(ii) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortized cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganization; or
- significant changes in the market, economic or legal environment that have an adverse effect on the debtor.

2 主要會計政策(續)

(i) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產的信貸虧損(續)

信貸風險顯著增加(續)

預期信貸虧損於各報告日期重新計量，以反映金融工具的信貸風險自初始確認以來的變化。預期信貸虧損金額的任何變動均於損益確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬對賬面值作出相應調整。

利息收入的計算基準

根據附註2(s)(ii)確認的利息收入乃按金融資產的賬面總值計算，除非金融資產出現信貸減值，在此情況下，利息收入會按金融資產的攤銷成本(即賬面總值減虧損撥備)計算。

於各報告日期，本集團會評估金融資產是否出現信貸減值。當發生會對金融資產的估計未來現金流量造成不利影響的一項或多項事件，即表示該金融資產出現信貸減值。

金融資產出現信貸減值的證據包括下列可觀察事件：

- 債務人出現嚴重財務困難；
- 違約，例如拖欠或逾期付款；
- 借款人可能將告破產或進行其他財務重組；或
- 市場、經濟或法律環境發生對債務人造成不利影響的重大變化。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognized no longer exists or may have decreased:

- property, plant and equipment;
- right-of-use assets;
- interests in an associate; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2 主要會計政策 (續)

(i) 信貸虧損及資產減值 (續)

(i) 金融工具及合約資產的信貸虧損 (續)

撇銷政策

倘實際上並無收回款項的可能，則金融資產或合約資產的賬面總值會予撇銷（部分或全部）。此情況通常出現於本集團確定債務人並無資產或可產生足夠現金流量的收入來源以償還應予撇銷的金額之時。

其後收回先前被撇銷的資產於收回期間在損益中確認為減值撥回。

(ii) 其他非流動資產減值

本集團會於各報告期末審閱內部及外部資料來源，以識別是否有跡象顯示以下資產可能已經減值或（商譽除外）以往確認的減值虧損不再存在或可能已經減少：

- 物業、廠房及設備；
- 使用權資產；
- 於聯營公司的權益；及
- 本公司財務狀況表所列於附屬公司的投資。

倘出現任何有關跡象，則會對資產的可收回金額作出估計。

- 可收回金額的計算

資產的可收回金額為公平值減出售成本與使用價值兩者的較高者。在評估使用價值時，估計未來現金流量按反映當時市場對貨幣時間價值及該資產特定風險評估的稅前貼現率貼現至其現值。凡資產所產生的現金流入基本上並非獨立於其他資產所產生的現金流入，則就獨立產生現金流入的最小資產組別（即現金產生單位）釐定可收回金額。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(ii) Impairment of other non-current assets (continued)

– Recognition of impairment losses

An impairment loss is recognized in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

– Reversals of impairment losses

An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognized.

(j) Inventories

Inventories are assets which are held in the form of materials or supplies to be consumed in the rendering of services.

Inventories are stated at cost and are recognized as expenses in the year in which the consumption occurs.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

2 主要會計政策(續)

(i) 信貸虧損及資產減值(續)

(ii) 其他非流動資產減值(續)

– 減值虧損的確認

當資產或其所屬現金產生單位的賬面值高於其可收回金額時，則會在損益確認減值虧損。就現金產生單位確認的減值虧損會先作分配，以減低已分配至現金產生單位(或一組單位)的任何商譽的賬面值，其後按比例減低該單位(或一組單位)內其他資產的賬面值，惟資產的賬面值不會被調減至低於其個別公平值減出售成本(如可計量)或使用價值(如可釐定)。

– 減值虧損的撥回

倘用作釐定可收回金額的估計出現有利變動，則會撥回相關減值虧損。

減值虧損的撥回以過往年度並無確認減值虧損的情況下原應釐定的資產賬面值為限。減值虧損撥回於確認撥回的年度計入損益。

(j) 存貨

存貨為以將於提供服務時消耗的材料或物資的形式持有的資產。

存貨按成本列賬，並於消耗年度確認為開支。

成本按加權平均成本法釐定，並包括一切採購成本及將存貨移至現址及達致現況所產生的其他成本。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Contract assets and contract liabilities

A contract asset is recognized when the Group recognizes revenue (see Note 2(s)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECLs in accordance with the policy set out in Note 2(i)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 2(l)).

A contract liability is recognized when the customer pays consideration before the Group recognizes the related revenue (see Note 2(s)). A contract liability would also be recognized if the Group has an unconditional right to receive consideration before the Group recognizes the related revenue. In such cases, a corresponding receivable would also be recognized (see Note 2(l)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 2(s)).

(l) Trade and other receivables

A receivable is recognized when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see Note 2(k)).

Receivables are stated at amortized cost using the effective interest method less allowance for credit losses (see Note 2(i)(i)).

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in Note 2(i)(i).

2 主要會計政策 (續)

(k) 合約資產及合約負債

合約資產乃於本集團在根據合約所載付款條款有權無條件獲取代價之前確認收益(見附註2(s))時予以確認。合約資產乃根據附註2(i)(i)所載的政策就預期信貸虧損予以評估，並於收取代價的權利成為無條件時重新分類為應收款項(見附註2(l))。

合約負債乃於客戶在本集團確認相關收益(見附註2(s))前支付代價時予以確認。倘本集團有無條件權利在確認相關收益前收取代價，合約負債亦會獲得確認。在此情況下，相應的應收款項亦會獲得確認(見附註2(l))。

本集團會就與客戶之間的單一合約呈列合約資產淨額或合約負債淨額。如有多份合約，則非相關合約的合約資產及合約負債不會按淨額基準呈列。

倘合約包含重大融資部分，合約結餘包括按實際利率法計算的應計利息(見附註2(s))。

(l) 貿易及其他應收款項

應收款項於本集團有無條件權利收取代價時予以確認。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。倘收益在本集團擁有無條件權利收取代價前已經確認，則金額呈列為合約資產(見附註2(k))。

應收款項採用實際利率法按攤銷成本減信貸虧損撥備列賬(見附註2(i)(i))。

(m) 現金及現金等值項目

現金及現金等值項目包括銀行及手頭現金、存放於銀行及其他金融機構的活期存款以及可隨時變現為已知數額現金且價值變動風險不大的短期及高度流通投資。現金及現金等值項目乃根據附註2(i)(i)所載的政策進行預期信貸虧損評估。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Trade and other payables

Trade and other payables are initially recognized at fair value and subsequently stated at amortized cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(o) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost using the effective interest method. Interest expense is recognized in accordance with the Group's accounting policy for borrowing costs (see Note 2(u)).

The Group entered into the arrangements with the financial leasing institutions in which the Group sold certain equipment to these institutions and then leased back with scheduled lease payments. The Group has an option to buy back these equipment at a token price at the end of the lease term, i.e. the bargain purchase option. Considering that the bargain purchase option is set at a token price, it is almost certain that the Group would exercise such option. Such arrangements do not, in substance, involve a lease under IFRS 16. The substance of these arrangements are interest-bearing borrowings, secured by the underlying assets and repayable in installments over the lease term. The information of the underlying assets and the secured loans are disclosed in Notes 11 and 19.

(p) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(q) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognized in profit or loss except to the extent that they relate to business combinations, items recognized in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognized in other comprehensive income or directly in equity, respectively.

2 主要會計政策(續)

(n) 貿易及其他應付款項

貿易及其他應付款項初步按公平值確認，其後採用實際利率法按攤銷成本列賬，惟倘貼現效果不大，則按成本列賬。

(o) 計息借款

計息借款初步按公平值減交易成本計量。於初步確認後，計息借款使用實際利率法按攤銷成本列賬。利息開支根據本集團有關借款成本的會計政策確認(見附註2(u))。

本集團與融資租賃機構訂有安排，據此，本集團向該等機構出售若干設備，其後再按預定租賃付款租回。本集團可選擇於租賃期結束時以象徵性價格購回該等設備，即議價收購選擇權。考慮到議價收購選擇權按象徵性價格定價，故幾乎可以肯定本集團將會行使有關選擇權。有關安排實質上並無包含國際財務報告準則第16號項下的租賃。該等安排的實質內容為以相關資產作抵押並須於租賃期內分期償還的計息借款。有關相關資產及有抵押貸款的資料於附註11及19披露。

(p) 僱員福利

薪酬、年終花紅、有薪年假、向定額供款退休計劃作出的供款及非貨幣性福利成本均於僱員提供相關服務的年度計算。倘有關款項延遲支付或結算且影響重大，則有關金額會按現值列賬。

(q) 所得稅

年內所得稅包括即期稅項及遞延稅項資產與負債的變動。即期稅項及遞延稅項資產與負債的變動均於損益內確認，惟與業務合併、於其他全面收益或直接於權益內確認的項目有關者除外，在此情況下，有關稅項金額分別於其他全面收益或直接於權益內確認。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Income tax (continued)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilized, are recognized. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilized.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognized is measured based on the expected manner of realization or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

2 主要會計政策 (續)

(q) 所得稅 (續)

即期稅項為就年內應課稅收入採用於報告期末已頒佈或實質已頒佈的稅率計算的預期應付稅項，並就過往年度的應付稅項作出任何調整。

遞延稅項資產及負債分別自可扣稅及應課稅的暫時差額產生，即資產及負債就財務申報目的而言的賬面值與其稅基之間的差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項抵免產生。

除若干有限例外情況外，倘可能有未來應課稅溢利用作抵扣可動用的資產，則所有遞延稅項負債及遞延稅項資產均予確認。可支持確認自可扣稅暫時差額所產生遞延稅項資產的未來應課稅溢利包括因撥回現有應課稅暫時差額而產生的金額；惟此等差額須與同一稅務機關及同一應課稅實體有關，並預期在可扣稅暫時差額預計撥回的同一期間或遞延稅項資產所產生稅項虧損可向承後或承前結轉的期間內撥回。在釐定現有應課稅暫時差額是否支持確認自未動用稅項虧損和抵免產生的遞延稅項資產時，亦會採用同一準則，即該等差額若與同一稅務機關及同一應課稅實體有關，並預期在可動用稅項虧損或抵免的期間內撥回，則會計及有關差額。

確認遞延稅項資產及負債的有限例外情況為不影響會計或應課稅溢利的資產或負債初步確認(前提是其並不屬業務合併的一部分)所產生的暫時差額，以及有關於附屬公司的投資的暫時差額(如屬應課稅差額，則只限於本集團可控制撥回的時間，而且在可見將來不大可能撥回的差額；或如屬可扣稅差額，則只限於很可能在將來撥回的差額)。

已確認的遞延稅項金額按照資產與負債賬面值的預期變現或清償方式，使用於報告期末已頒佈或實質已頒佈的稅率計量。遞延稅項資產與負債均不作貼現。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Income tax (continued)

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realize the current tax assets and settle the current tax liabilities on a net basis or realize and settle simultaneously.

(r) Provisions and contingent liabilities

Provisions are recognized when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2 主要會計政策 (續)

(q) 所得稅 (續)

本集團會在各報告期末審閱遞延稅項資產的賬面值，並在不可能再有足夠應課稅溢利可用於抵扣相關稅項利益時予以扣減。倘日後可能有足夠應課稅溢利可作抵扣，則扣減金額會作撥回。

即期稅項結餘及遞延稅項結餘以及相關變動乃各自分開呈報且不予抵銷。倘本公司或本集團有法定強制執行權利以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件，則即期稅項資產可抵銷即期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 倘為即期稅項資產與負債，本公司或本集團擬按淨額基準結算，或同時變現該資產及清償該負債；或
- 倘為遞延稅項資產及負債，而此等資產及負債與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體，此等實體計劃在日後每個預計有大額遞延稅項負債需要清償或大額遞延稅項資產可以收回的期間內，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現該資產及清償該負債。

(r) 撥備及或然負債

撥備乃於本集團因過往事件而產生法律或推定責任，而可能導致需以經濟利益流出清償責任，並能作出可靠估計時確認。倘金錢的時間價值屬重大，撥備乃按預期清償責任的開支的現值列賬。

倘不大可能需要流出經濟利益或未能可靠估計金額，有關責任會披露為或然負債，除非流出經濟利益的可能性極微，則作別論。僅由於一項或多項未來事項發生或不發生而確認是否存在的可能責任亦會披露為或然負債，惟流出經濟利益的可能性極低者則除外。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Revenue and other income

Income is classified by the Group as revenue when it arises from the provision of services in the ordinary course of the Group's business.

Revenue is recognized when control over a service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognized under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Company's revenue and other income recognition policies are as follows:

(i) Revenue from provision of rail freight transportation and related ancillary services

Revenue from provision of rail freight transportation and related ancillary services are recognized when the services are rendered and the enforceable rights to payments are obtained.

If the services rendered are a partial fulfillment of a contract covering other services, then the amount of revenue recognized is an appropriate proportion of the total transaction price under the contract, allocated between all the services promised under the contract on a relative stand-alone selling prices basis.

2 主要會計政策 (續)

(s) 收益及其他收入

本集團將於其於日常業務過程中提供服務所產生的收益分類為收入。

收益在產品或服務的控制權轉移至客戶時，按本集團預期有權收取的承諾代價金額確認，惟不包括代表第三方收取的款項。收益不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

倘合約包含為客戶提供超過12個月重大融資利益的融資部分，則收益按應收金額的現值計量，並使用與客戶的單獨融資交易中反映的貼現率貼現，而利息收入按實際利率法單獨累計。倘合約包含為本集團提供重大融資利益的融資部分，則根據該合約確認的收益包括按實際利率法就合約負債所產生的利息開支。本集團利用國際財務報告準則第15號所述的實際權宜方法，於融資期限為12個月或以下的情況下不會就重大融資部分的任何影響調整代價。

有關本公司收益及其他收入確認政策的進一步詳情如下：

(i) 來自提供鐵路貨運及相關輔助服務的收益

來自提供鐵路貨運及相關輔助服務的收益於提供服務並獲得可強制執行付款的權利時確認。

倘若提供的服務是部分履行涵蓋其他服務的合約，則所確認的收益金額為合約總交易價格的適當部分，根據相關獨立售價基準於合約項下所承諾的所有服務之間進行分配。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Revenue and other income (continued)

(ii) Interest income

Interest income is recognized as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of the financial asset. For financial assets measured at amortized cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortized cost (i.e. gross carrying amount net of loss allowance) of the asset (see Note 2(i)(i)).

(iii) Government grants

Government grants are recognized in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognized as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognized in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(t) Translation of foreign currencies

Foreign currency transactions are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognized in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognizes such non-monetary assets or liabilities.

The results of foreign operations are translated into RMB, the Group's reporting currency, at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognized in other comprehensive income and accumulated separately in equity in the exchange reserve.

2 主要會計政策(續)

(s) 收益及其他收入(續)

(ii) 利息收入

利息收入根據實際利率法利用於金融資產預計年期將估計未來現金收入準確貼現至金融資產總賬面值的利率累計確認。就並無出現信貸減值並按攤銷成本計量的金融資產而言，實際利率用於該資產的總賬面值。就出現信貸減值的金融資產而言，實際利率用於資產的攤銷成本(即賬面總值扣除虧損撥備)(見附註2(i)(i))。

(iii) 政府補貼

倘可合理確定能夠收取政府補貼，而本集團將符合政府補貼所附帶條件，則政府補貼將初步在綜合財務狀況表中確認。補償本集團所產生開支的補貼於產生開支同一期間有系統地於損益中確認為收入。補償本集團資產成本的補貼自相關資產賬面值扣除，其後按該資產的可使用年期以經扣減折舊開支的方式於損益內實際確認。

(t) 外幣換算

外幣交易乃按於交易日期適用的外幣匯率換算。以外幣計值的貨幣資產及負債乃按於報告期末適用的外幣匯率換算。外匯收益及虧損乃於損益內確認。

按以外幣計的歷史成本計量的非貨幣資產及負債乃使用於交易日期適用的外幣匯率換算。交易日為本集團初步確認有關非貨幣資產或負債的日期。

海外經營業務的業績乃按與於交易日期適用的外幣匯率相若的匯率換算為人民幣(本集團的申報貨幣)。財務狀況表項目乃按於報告期末的收市外幣匯率換算為人民幣。所產生的匯兌差額乃於其他全面收益內確認，並單獨於權益的匯兌儲備內累計。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(v) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if 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 the Group's parent.
- (b) An entity is related to the Group if 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 an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).

2 主要會計政策 (續)

(u) 借款成本

因收購、興建或生產需長時間方可達致其擬定用途或出售的資產而直接產生的借款成本會資本化為該資產成本的一部分。其他借款成本則於其產生期間支銷。

借款成本乃於就資產產生開支、產生借款成本及進行使資產達致其擬定用途或出售的必要準備工作期間開始時資本化為合資格資產成本的一部分。借款成本於進行使合資格資產達致其擬定用途或出售的絕大部分活動中止或完成時暫停或不再進行資本化。

(v) 關連方

- (a) 倘屬以下人士，即該人士或該人士的近親與本集團有關聯：
- (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層成員。
- (b) 倘符合下列任何條件，即該實體與本集團有關聯：
- (i) 該實體與本集團屬同一集團的成員公司。
 - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 該實體為本集團或與本集團有關聯實體就僱員利益設立的離職福利計劃。
 - (vi) 該實體受(a)項所識別人士控制或受共同控制。

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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Related parties (continued)

- (b) An entity is related to the Group if any of the following conditions applies: (continued)
- (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).
- (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 Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of services, the type or class of customers, the methods used to provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 主要會計政策(續)

(v) 關連方(續)

- (b) 倘符合下列任何條件，即該實體與本集團有關聯：(續)
- (vii) (a)(i)項所識別人對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

任何人士的近親是指與該實體交易時預期可影響該名人士或受該人士影響的家庭成員。

(w) 分部報告

經營分部及於財報報表申報的各分部項目金額乃從定期提供予本集團最高級行政管理層以就本集團各項業務及地區進行資源分配及表現評估的財務資料中識別。

個別重大的經營分部不會為財務報告目的而合計，除非有關分部具有類似經濟特性，並且具有類似的服務性質、客戶類型或類別、提供服務方法，以及監管環境性質。個別非重大的經營分部倘符合上述大多數準則，則可予合計。

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3 ACCOUNTING JUDGEMENTS AND ESTIMATES

Note 25 contains information about the assumptions and their risk factors relating to fair value of financial instruments. Other key sources of estimation uncertainty are as follows:

(a) Impairment of long-lived assets

If circumstances indicate that the carrying amount of a long-lived asset may not be recoverable, the asset may be considered “impaired”, and an impairment loss may be recognized in accordance with accounting policy for impairment of long-lived assets as described in Note 2(i)(ii). These assets are tested for impairment periodically or whenever the events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and value in use. In determining the value in use, expected future cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to the level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of the level of revenue and amount of operating costs. Changes in these estimates could have a significant impact on the recoverable amount of the assets and could result in additional impairment charge or reversal of impairment in future periods, where applicable.

(b) Depreciation

Property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over their estimated useful lives, after taking into account the estimated residual values, if any. The Group reviews the estimated useful lives and residual values, if any, of the property, plant and equipment and right-of-use assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The determination of useful lives and residual values, if any, are based on the historical experience with similar assets and taking into account anticipated changes on how such assets are to be deployed. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

3 會計判斷及估計

附註25載有有關金融工具公平值的假設及風險因素的資料。其他估計不確定因素的主要來源如下：

(a) 長期資產的減值

倘有情況顯示長期資產的賬面值並無收回的可能，該項資產可被視為「已減值」，並可能根據附註2(i)(ii)所述有關長期資產減值的會計政策確認減值虧損。該等資產乃定期或於有事件或情況轉變顯示已入賬的賬面值可能無法收回時進行減值測試。倘出現減值，賬面金額會減至可收回金額。可收回金額指公平值減出售成本與使用價值兩者中的較高者。於釐定使用價值時，資產所產生的預期未來現金流量乃貼現至其現值，須就收益水平和經營成本金額作出重大判斷。本集團於釐定可收回金額的合理概約金額時會利用所有即時可得的資料，包括基於收益水平和經營成本金額的合理可靠假設和預測作出的估計。估計金額的變動可能對資產的可收回金額產生重大影響，並可能導致在未來期間產生額外減值支出或減值撥回（視適用情況而定）。

(b) 折舊

物業、廠房及設備及使用權資產經計及估計剩餘價值（如有）後以直線法按估計可使用年期折舊。本集團定期審閱物業、廠房及設備及使用權資產的估計可使用年期及剩餘價值（如有），以釐定將於任何報告期內入賬的折舊開支金額。可使用年期及剩餘價值（如有）乃根據對同類資產的過往經驗並經計及預計該等資產未來如何配置的預期變動而釐定。倘與過往估計有重大不同，未來期間的折舊開支會作調整。

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3 ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(c) Expected credit losses for trade receivables

The credit loss allowance for trade receivables are based on assumptions about the expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment charge to the profit or loss.

4 REVENUE

(a) Revenue

The Group is principally engaged in the provision of rail freight transportation and related ancillary services by operating freight railway and railway yards. All of the revenue of the Group is recognized over time. Further details regarding the Group's principal activities are disclosed in Note 4(b).

- (i) Disaggregation of revenue from contracts with customers by major service lines is as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Revenue from contracts with customers	來自客戶合約之收益		
Disaggregated by major service lines:	按主要服務線分拆：		
- Rail freight transportation	- 鐵路貨運	260,585	259,065
- Ancillary services	- 輔助服務		
- Loading and unloading	- 裝卸	59,814	65,654
- Road freight transportation	- 道路貨運	30,305	32,530
- Construction, maintenance and repair	- 建設、保養及維修	5,358	15,525
- Others	- 其他	5,412	4,130
Subtotal	小計	100,889	117,839
		361,474	376,904

3 會計判斷及估計(續)

(c) 貿易應收款項的預期信貸虧損

貿易應收款項的信貸虧損撥備乃基於對預期虧損率的假設而定。於各報告期末，本集團會於作出該等假設及挑選輸入數據計算減值時，根據本集團的過往記錄、現時市場狀況及前瞻性估計作出判斷。該等假設及估計的變動可能會對評估結果造成重大影響，且可能有必要於損益扣除額外減值。

4 收益

(a) 收益

本集團的主要業務為透過經營貨運鐵路及鐵路調車場提供鐵路貨運及相關輔助服務。本集團的所有收益隨時間確認。有關本集團主要業務的進一步詳情於附註4(b)披露。

- (i) 按主要服務線劃分的來自客戶合約之收益分拆如下：

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4 REVENUE (continued)

(a) Revenue (continued)

- (ii) For the year ended 31 December 2020 and 2019, the Group's customers with whom transactions have exceeded 10% of the Group's revenue in the respective years are set out below:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Customer A	客戶A	63,122	*
Customer B	客戶B	51,166	57,290
Customer C	客戶C	41,152	58,479
Customer D	客戶D	*	39,059

* Transactions with these customers did not exceed 10% of the Group's revenue in the respective years.

Note: Customer A, Customer B and Customer C each includes a group of our customers that are under the common control of the same ultimate shareholder.

- (iii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The aggregated amounts of the transaction price allocated to the remaining performance obligations under the Group's existing contracts as at 31 December 2020 and 2019 are as follows, which represent revenue expected to be recognised in the future from construction, maintenance and repair contracts entered into by the customers with the Group.

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Within 1 year	一年內	2,030	2,190
Over 1 year	一年以上	8,408	10,438
		10,438	12,628

Details of concentration of credit risks of the Group are set out in Note 25(a).

4 收益(續)

(a) 收益(續)

- (ii) 於截至2020年及2019年12月31日止年度，相關交易金額佔本集團相關年度收益逾10%的本集團客戶載列如下：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Customer A	客戶A	63,122	*
Customer B	客戶B	51,166	57,290
Customer C	客戶C	41,152	58,479
Customer D	客戶D	*	39,059

* 與該等客戶進行的交易不超過本集團於相關年度收益的10%。

附註：客戶A、客戶B及客戶C各自包括一組由相同最終股東共同控制的客戶。

- (iii) 預期將於日後確認並自於報告日期存在的客戶合約產生的收益

於2020年及2019年12月31日，分配至本集團現有合約餘下履約責任的交易價格總額如下（其指預期將於日後確認並來自客戶與本集團訂立的建設、保養及維修合約的收益）。

有關本集團信貸集中風險的詳情載於附註25(a)。

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4 REVENUE (continued)

(b) Segment reporting

The Group manages its businesses by provision of services. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Rail freight transportation: this segment provides rail freight transportation in the PRC.
- Ancillary services: this segment provides freight loading and unloading services, road freight transportation and other services in the PRC.

(i) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments. The measure used for reporting segment result is "adjusted operating profit". To arrive at adjusted operating profit, the Group's operating profit is adjusted for items not specifically attributed to individual segments, such as general and administration expenses and other income. No inter-segment revenue has occurred during the year ended 31 December 2020 and 2019. Assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

The Group's other income, finance costs and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interest income and interest expenses is presented.

4 收益(續)

(b) 分部報告

本集團按所提供的服務管理其業務。按照與內部就資源分配及表現評估向本集團最高行政管理層報告資料一致的方式，本集團呈列以下兩個可呈報分部。概無合併經營分部以組成下列可呈報分部。

- 鐵路貨運：此分部於中國提供鐵路貨運。
- 輔助服務：此分部於中國提供貨物裝卸服務、道路貨物運輸及其他服務。

(i) 分部業績

為評估分部表現及在分部之間分配資源，本集團高級行政管理層按以下基準監察各可呈報分部應佔的業績：

收益及開支乃參照該等分部所產生的收益及開支分配至可呈報分部。呈報分部業績所使用的計量方法為「經調整經營溢利」。為得出經調整經營溢利，本集團的經營溢利已就未明確歸屬於個別分部的項目作出調整，例如一般及行政開支以及其他收入。於截至2020年及2019年12月31日止年度並無出現分部間收益。一個分部向另一個分部提供的協助(包括共享資產及技術知識)不予計量。

本集團的其他收入、融資成本以及資產和負債並非按個別分部計量，因此概無呈列分部資產和負債資料或與資本開支、利息收入及利息開支有關的資料。

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in RMB unless otherwise indicated)
(除另有註明外，以人民幣列示)

4 REVENUE (continued)

(b) Segment reporting (continued)

(i) Segment results (continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2020 and 2019 is set out below.

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Revenue from external customers	來自外部客戶的收益		
– Rail freight transportation	– 鐵路貨運	260,585	259,065
– Ancillary services	– 輔助業務	100,889	117,839
		361,474	376,904
Segment result	分部業績		
– Rail freight transportation	– 鐵路貨運	132,392	117,521
– Ancillary services	– 輔助業務	10,523	22,163
		142,915	139,684

(ii) Reconciliation of segment results

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Segment result	分部業績	142,915	139,684
General and administration expenses	一般及行政開支	(29,286)	(23,338)
Other income	其他收入	3,186	2,742
Finance costs	融資成本	(26,043)	(24,654)
Share of loss of associates	應佔聯營公司的虧損	(1,043)	(183)
Consolidated profit before taxation	綜合除稅前溢利	89,729	94,251

(iii) Geographic information

The Group's revenue is substantially generated from provision of rail freight transportation and related ancillary services in the PRC. The Group's operating assets are substantially situated in the PRC. Accordingly, no segment analysis based on geographical locations of the customers and assets is provided.

4 收益(續)

(b) 分部報告(續)

(i) 分部業績(續)

於截至2020年及2019年12月31日止年度，就分配資源及評估分部表現而向本集團最高行政管理層提供的本集團可呈報分部資料載列如下。

(ii) 分部業績對賬

本集團的收益主要來自於中國提供鐵路貨運及相關輔助服務。本集團的經營資產主要位於中國。因此並無提供按客戶及資產所在地進行的分部分析。

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5 OTHER INCOME

5 其他收入

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Government grants	政府補貼	1,432	155
Interest income	利息收入	1,370	1,097
Net gains on investments in wealth management products	理財產品投資收益淨額	-	142
Net (losses)/gains on disposal of property, plant and equipment	出售物業、廠房及設備的(虧損)/收益淨額	(12)	784
Others	其他	396	564
		3,186	2,742

6 PROFIT BEFORE TAXATION

6 除稅前溢利

Profit before taxation is arrived at after charging/(crediting):

除稅前溢利乃經扣除/(計入)以下各項後得出：

(a) Finance costs:

(a) 融資成本：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Total interest expense on bank and other loans	銀行及其他貸款的利息開支總額	26,043	27,198
Less: interest expense capitalized into property, plant and equipment*	減：物業、廠房及設備之資本化利息開支*	-	(2,544)
		26,043	24,654

* The borrowing costs were capitalized at a rate of 5.70-6.18% per annum for the year ended 31 December 2019.

* 於截至2019年12月31日止年度，借款成本按5.70至6.18%的年利率撥充資本。

(b) Staff costs:

(b) 員工成本：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Salaries, wages and other benefits	薪金、工資及其他福利	52,764	56,031
Contributions to defined contribution retirement plans	向定額供款退休計劃供款	694	7,746
		53,458	63,777

The employees of the subsidiaries of the Group established in the PRC (excluding Hong Kong) participate in a defined contribution retirement benefit plan managed by the local government authorities. Employees of these subsidiaries are entitled to retirement benefits, calculated based on a percentage of the defined salaries level in the PRC (other than Hong Kong), from the above mentioned retirement plans at their normal retirement age.

本集團在中國(香港除外)成立的附屬公司的僱員參與由地方政府部門管理的定額供款退休福利計劃。該等附屬公司的僱員於達到其正常退休年齡時有權享有上述退休計劃的退休福利(按中國(香港除外)界定薪金水平的某一百分比計算)。

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6 PROFIT BEFORE TAXATION (continued)

(b) Staff costs: (continued)

The Group also participates in a defined contribution scheme which is registered under a Mandatory Provident Fund Scheme (the “MPF Scheme”) established under the Hong Kong Mandatory Provident Fund Schemes Ordinance.

The Group has no further material obligation for payment of other retirement benefits beyond the above contributions.

(c) Other items:

6 除稅前溢利(續)

(b) 員工成本：(續)

本集團亦參與根據香港強制性公積金計劃條例設立並登記於強制性公積金計劃(「強積金計劃」)項下的界定供款計劃。

除上述供款外，本集團並無有關支付其他退休福利的其他重大承擔。

(c) 其他項目：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Depreciation	折舊		
– property, plant and equipment (Note 11)	– 物業、廠房及設備 (附註11)	32,277	30,362
– right-of-use assets (Note 12)	– 使用權資產 (附註12)	4,468	4,468
		36,745	34,830
Short-term lease charges with remaining lease term of not more than 12 months	餘下租期不超過12個月的 短期租賃費用	323	208
Auditors' remuneration	核數師酬金		
– annual audit services	– 年度核數服務	1,260	26
– services in connection with the initial listing of the Company's shares	– 與本公司股份首次上市 有關的服務	1,432	3,533
Cost of inventories (Note 15(b))	存貨成本 (附註15(b))	25,093	30,265

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

7 綜合損益表內的所得稅

(a) 綜合損益表內的稅項指：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Current tax (Note 23(a))	即期稅項 (附註23(a))		
Provision for the year	年內撥備	24,386	25,303
Deferred tax (Note 23(b))	遞延稅項 (附註23(b))		
Origination and reversal of temporary differences	暫時差額產生及撥回	788	(548)
		25,174	24,755

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7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

7 綜合損益表內的所得稅(續)

(b) Reconciliations between tax expense and accounting profit at applicable tax rates:

(b) 稅項開支與按適用稅率計算的會計溢利的對賬：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	89,729	94,251
Expected tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned (Notes (i), (ii) and (iii))	按照相關司法權區適用於溢利的稅率計算的除稅前溢利的預期稅項 (附註(i)、(ii)及(iii))	24,027	23,713
Tax effect of share of loss of associates	應佔聯營公司虧損的稅務影響	261	47
Tax effect of non-deductible expenses	不可扣稅開支的稅務影響	438	630
Tax effect of unused tax losses not recognised as deferred tax assets	未確認為遞延稅項資產的未動用稅項虧損的稅務影響	448	365
Actual tax expense	實際稅項開支	25,174	24,755

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Company and the Group's BVI subsidiaries are not subject to income tax in those jurisdictions.
- (ii) The Company's subsidiaries incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% for the year ended 31 December 2020 (2019: 16.5%). These companies did not have assessable profits which are subject to Hong Kong Profits Tax for the year ended 31 December 2020 (2019: RMB Nil).
- (iii) The Group's PRC subsidiaries (excluding Hong Kong) are subject to PRC Corporate Income Tax at a rate of 25% during the year ended 31 December 2020 (2019: 25%).

附註：

- (i) 根據開曼群島及英屬處女群島(「英屬處女群島」)的規例及法規，本公司及本集團的英屬處女群島附屬公司於該等司法權區毋須繳納所得稅。
- (ii) 本公司於香港註冊成立的附屬公司於截至2020年12月31日止年度須按16.5% (2019年：16.5%)的稅率繳納香港利得稅。於截至2020年12月31日止年度，該等公司並無須繳納香港利得稅的應課稅溢利(2019年：人民幣零元)。
- (iii) 本集團的中國(不包括香港)附屬公司於截至2020年12月31日止年度須按25% (2019年：25%)的稅率繳納中國企業所得稅。

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8 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

8 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露的董事酬金如下：

		2020 2020年				
		Directors' fees	Salaries, allowances and benefits in-kind	Discretionary bonuses	Retirement scheme contributions	Total
		董事袍金	薪金、津貼及實物福利	酌情花紅	退休計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事					
Mr. Liu Yongliang	劉永亮先生	15	-	-	-	15
Mr. Yi Weiming	衣維明先生	15	110	21	-	146
Non-executive directors	非執行董事					
Mr. Xu Zihua	徐志華先生	13	54	21	-	88
Mr. Qin Shaobo	秦少博先生	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Mr. Liu Changchun	劉長春先生	25	-	-	-	25
Mr. Zhao Changsong	趙長松先生	25	-	-	-	25
Ms. Lyu Qinghua	呂清華女士	25	-	-	-	25
		118	164	42	-	324

		2019 2019年				
		Directors' fees	Salaries, allowances and benefits in-kind	Discretionary bonuses	Retirement scheme contributions	Total
		董事袍金	薪金、津貼及實物福利	酌情花紅	退休計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事					
Mr. Liu Yongliang	劉永亮先生	-	-	-	-	-
Mr. Yi Weiming	衣維明先生	-	94	21	-	115
Non-executive directors	非執行董事					
Mr. Xu Zihua	徐志華先生	-	13	21	-	34
Mr. Qin Shaobo	秦少博先生	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Mr. Liu Changchun	劉長春先生	-	-	-	-	-
Mr. Zhao Changsong	趙長松先生	-	-	-	-	-
Ms. Lyu Qinghua	呂清華女士	-	-	-	-	-
		-	107	42	-	149

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9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, one (2019: Nil) is the director of the Company whose emoluments are disclosed in Note 8. The aggregate of the emoluments in respect of the remaining four (2019: five) individuals are as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他酬金	1,191	751
Discretionary bonuses	酌情花紅	80	53
Retirement scheme contributions	退休計劃供款	20	81
		1,291	885

The emoluments of the individuals who are not directors and who are amongst the five highest paid individuals of the Group are within the following band:

		2020 2020年 Number of individuals 人數	2019 2019年 Number of individuals 人數
Hong Kong dollars (HK\$) Nil to HK\$1,000,000	零港元至1,000,000港元	4	5

9 最高薪酬人士

於五名最高薪酬人士中，其中一名(2019年：無)為本公司董事，其酬金於附註8披露。餘下4名(2019年：五名)人士的薪酬總額如下：

屬於本集團五名最高薪酬人士但並非為董事的人士的薪酬介乎以下範圍：

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10 EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share for the year ended 31 December 2020 is calculated based on the profit attributable to equity shareholders of the Company of RMB63,649,000 (2019: RMB70,194,000) and the weighted average of 797,814,000 ordinary shares in issue during the year (2019: 750,000,000 shares after adjusting for the capitalization issue in 2020), calculated as follows:

		2020 2020年	2019 2019年
Issued ordinary shares at 1 January	於1月1日的已發行普通股	10,000	10,000
Effect of capitalisation issue on the completion of the initial public offering (Note 24(c)(iii))	完成首次公開發售時進行資本化發行的影響 (附註24(c)(iii))	749,990,000	749,990,000
Effect of shares issued by initial public offering (Note 24(c)(ii))	透過首次公開發售發行股份的影響 (附註24(c)(ii))	47,814,000	-
Weighted average number of ordinary shares at 31 December	於12月31日的普通股加權平均數	797,814,000	750,000,000

(b) Diluted earnings per share

There were no dilutive potential shares outstanding during the years ended 31 December 2020 and 2019.

10 每股盈利

(a) 每股基本盈利

截至2020年12月31日止年度的每股基本盈利乃基於本公司權益股東應佔溢利人民幣63,649,000元(2019年：人民幣70,194,000元)及年內已發行普通股加權平均數797,814,000股(2019年：750,000,000股(經就2020年進行的資本化發行作調整後))計算如下：

(b) 每股稀釋盈利

於截至2020年及2019年12月31日止年度概無發行在外的潛在稀釋股份。

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11 PROPERTY, PLANT AND EQUIPMENT

11 物業、廠房及設備

		Tracks, bridges and other railway assets 軌道、橋樑及 其他鐵路資產 RMB'000 人民幣千元	Buildings and other properties 樓宇及 其他物業 RMB'000 人民幣千元	Locomotives and rolling stock 機車及 鐵道車輛 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：							
At 1 January 2019	於2019年1月1日	476,766	152,748	34,444	51,449	93,732	97,254	906,393
Additions	添置	-	3,063	-	1,315	1,238	12,165	17,781
Transfer in/(out)	轉入/ (轉出)	50,465	30,843	-	176	26,924	(108,408)	-
Disposals	出售	-	(2,980)	-	(491)	(10)	-	(3,481)
At 31 December 2019	於2019年12月31日	527,231	183,674	34,444	52,449	121,884	1,011	920,693
Additions	添置	-	-	3,682	527	1,512	3,760	9,481
Transfer in/(out)	轉入/ (轉出)	1,032	-	-	-	437	(1,469)	-
Disposals	出售	-	-	-	(38)	(85)	-	(123)
At 31 December 2020	於2020年12月31日	528,263	183,674	38,126	52,938	123,748	3,302	930,051
Accumulated depreciation and impairment losses:	累計折舊及 減值虧損：							
At 1 January 2019	於2019年1月1日	(22,556)	(17,873)	(10,351)	(15,632)	(34,859)	-	(101,271)
Charge for the year	年內支出	(7,359)	(5,451)	(2,790)	(5,408)	(9,354)	-	(30,362)
Written back on disposals	出售撥回	-	44	-	457	9	-	510
At 31 December 2019	於2019年12月31日	(29,915)	(23,280)	(13,141)	(20,583)	(44,204)	-	(131,123)
Charge for the year	年內支出	(6,774)	(6,033)	(2,918)	(5,506)	(11,046)	-	(32,277)
Written back on disposals	出售撥回	-	-	-	14	62	-	76
At 31 December 2020	於2020年12月31日	(36,689)	(29,313)	(16,059)	(26,075)	(55,188)	-	(163,324)
Carrying amount:	賬面值：							
At 31 December 2020	於2020年12月31日	491,574	154,361	22,067	26,863	68,560	3,302	766,727
At 31 December 2019	於2019年12月31日	497,316	160,394	21,303	31,866	77,680	1,011	789,570

Notes:

- (i) The Group's property, plant and equipment are all located in the PRC.
- (ii) At 31 December 2020, property certificates of certain items of the Group's properties with carrying amounts of RMB66,855,000 (2019: RMB70,896,000), were not obtained. The directors of the Company consider that there is no legal restriction for the Group to access and use such properties and it should not lead to any significant adverse impact on the operations of the Group.
- (iii) At 31 December 2020, certain amount of the Group's bank loans (see Note 19) were secured by buildings of the Group with carrying amount of RMB8,261,000 (2019: RMB8,581,000).

附註：

- (i) 本集團的物業、廠房及設備均位於中國。
- (ii) 於2020年12月31日，本集團並未就賬面值為人民幣66,855,000元(2019年：人民幣70,896,000元)的若干物業項目取得物業證書。本公司董事認為本集團在進入及使用該等物業方面不受任何法律限制，且應不會對本集團的業務營運造成任何重大不利影響。
- (iii) 於2020年12月31日，本集團的若干銀行貸款金額(見附註19)以本集團賬面值為人民幣8,261,000元(2019年：人民幣8,581,000元)的樓宇作抵押。

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11 PROPERTY, PLANT AND EQUIPMENT (continued)

Notes: (continued)

- (iv) Certain amount of the Group's other loans (see Note 19) were secured by following assets of the Group:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Carrying amount:	賬面值：		
Tracks, bridges and other railway assets	軌道、橋樑及其他鐵路資產	97,307	98,457
Buildings and other properties	樓宇及其他物業	13,096	14,012
Locomotives and rolling stock	機車及鐵道車輛	9,522	14,628
Motor vehicles	汽車	15,498	17,687
Machinery and equipment	機器及設備	2,913	3,967
		138,336	148,751

11 物業、廠房及設備(續)

附註：(續)

- (iv) 本集團的若干其他貸款(見附註19)乃以本集團的以下資產作抵押：

12 RIGHT-OF-USE ASSETS

Notes:

- (i) Right-of-use assets represents lump sum considerations paid or payable by the Group to acquire leasehold lands located in the PRC. These leasehold lands are with lease periods of 48–50 years and there are no ongoing payments to be made under the terms of the land leases.
- (ii) At 31 December 2020, certain amount of the Group's bank loans (see Note 19) were secured by the Group's interests in leasehold land with carrying amount of RMB119,327,000 (2019: RMB91,112,000). At 31 December 2020, one of the Group's other loans was secured by the Group's interests in leasehold land with carrying amount of RMB7,128,000 (2019: RMB7,290,000).
- (iii) At 31 December 2020, land use right certificate of certain pieces of land of the Group with carrying amount of RMB32,530,000 (2019: RMB33,209,000), respectively, were yet to be obtained. The directors of the Company consider that there is no legal restriction for the Group to access and use such land and it should not lead to any significant adverse impact on the operations of the Group.

12 使用權資產

附註：

- (i) 使用權資產指本集團就收購位於中國的租賃土地而已付或應付的一次性代價。該等租賃土地的租期為48至50年，且根據土地租賃條款毋須持續付款。
- (ii) 於2020年12月31日，本集團的若干銀行貸款金額(見附註19)以本集團賬面值為人民幣119,327,000元(2019年：人民幣91,112,000元)的租賃土地權益作抵押。於2020年12月31日，本集團其中一項其他貸款以本集團賬面值為人民幣7,128,000元(2019年：人民幣7,290,000元)的租賃土地權益作抵押。
- (iii) 於2020年12月31日，本集團尚未就賬面值為人民幣32,530,000元(2019年：人民幣33,209,000元)的若干土地取得土地使用權證。本公司董事認為本集團在進入及使用有關土地方面不受任何法律限制，且應不會對本集團的業務營運造成任何重大不利影響。

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13 INVESTMENTS IN SUBSIDIARIES

13 於附屬公司的投資

Company name 公司名稱	Place and date of establishment/ incorporation 成立/註冊成立 地點及日期	Particulars of registered/issued and paid-in capital 註冊/已發行及 實繳資本詳情	Percentage of ownership interest 擁有權益百分比			Principal activities 主要業務
			The Group's effective interest 本集團的 實際權益	Held by the Company 由本公司 持有	Held by the subsidiaries 由附屬公司 持有	
Puji Global Limited ("Puji Global") (普濟環球有限公司)*** 普濟環球有限公司(「普濟環球」)***	The BVI 18 October 2018 英屬處女群島 2018年10月18日	1 share of United States Dollars ("US\$") 1 each 1股每股面值1美元 (「美元」)的股份	100%	100%	-	Investment holding 投資控股
Canggang Railway International Company Limited (滄港鐵路國際有限公司)*** 滄港鐵路國際有限公司***	The BVI 29 October 2018 英屬處女群島 2018年10月29日	1 share of US\$1 each 1股每股面值1美元的股份	100%	100%	-	Investment holding 投資控股
Canggang Company (滄州滄港鐵路有限公司)*	The PRC 22 October 2009 中國 2009年10月22日	RMB347,884,681 人民幣347,884,681元	100%	-	100%	Provision of rail freight transportation and related ancillary services by operating freight railway and railway yards 通過經營貨運鐵路及鐵路調車場提供鐵路貨運及相關輔助服務
Hebei Jinghai International Logistics Development Company Limited (「Jinghai International」) (河北京海國際物流有限公司)* 河北京海國際物流有限公司 (「京海國際」)*	The PRC 20 July 2017 中國 2017年7月20日	RMB60,000,000 人民幣60,000,000元	51%	-	51%	Provision of logistics agency services 提供物流代理服務
Canggang Railway (Hong Kong) Limited (滄港鐵路(香港)有限公司)*** 滄港鐵路(香港)有限公司***	Hong Kong 5 December 2018 香港 2018年12月5日	HK\$1 1港元	100%	-	100%	Investment holding 投資控股
Puji Railway Global Holdings Limited (普濟環球控股有限公司)*** 普濟環球控股有限公司***	Hong Kong 28 December 2018 香港 2018年12月28日	HK\$1 1港元	100%	-	100%	Investment holding 投資控股
Cangzhou Railway Logistics Services Company Limited (「Cangzhou Logistics」) (滄州鐵運物流有限公司)** 滄州鐵運物流有限公司 (「滄州物流」)**	The PRC 14 February 2019 中國 2019年2月14日	HK\$10,000,000 and HK\$Nil 10,000,000港元及零港元	100%	-	100%	Investment holding 投資控股

Notes:

* The official names of these entities are in Chinese. The English translations are for identification purpose only. These companies are limited liability companies established in the PRC.

** The official name of this entity is in Chinese. The English translation is for identification purpose only. This company is registered as a wholly foreign-owned enterprise under the PRC Law.

*** These companies are limited liability companies incorporated outside of the PRC or in Hong Kong.

附註：

* 該等實體的正式名稱為中文名稱，英文譯名僅供識別之用。該等公司為於中國成立的有限責任公司。

** 該實體的正式名稱為中文名稱，英文譯名僅供識別之用。該公司為根據中國法律註冊的外商獨資企業。

*** 該等公司為於中國境外或香港註冊成立的有限責任公司。

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13 INVESTMENTS IN SUBSIDIARIES (continued)

The following table lists out the information relating to Jinghai International, the subsidiary of the Group which has a material non-controlling interest (NCI). The summarized financial information presented below represents the amounts before any inter-company elimination.

13 於附屬公司的投資(續)

下表載列有關京海國際的資料，該公司為本集團擁有重大非控股權益（「非控股權益」）的附屬公司。下列財務資料概要為作任何公司間對銷之前的金額。

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
NCI percentage	非控股權益百分比	49%	49%
Non-current assets	非流動資產	66,243	68,427
Current assets	流動資產	4,178	4,769
Current liabilities	流動負債	(10,561)	(15,186)
Net assets	資產淨值	59,860	58,010
Carrying amount of NCI	非控股權益賬面值	29,331	28,425
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Revenue	收益	6,470	909
Profit/(loss) for the year	年度溢利／（虧損）	1,850	(1,425)
Profit/(loss) for the year attributable to NCI	非控股權益應佔年度溢利／（虧損）	906	(698)
Cash flows from operating activities	經營活動所得現金流量	2,018	(508)
Cash flows from investing activities	投資活動所得現金流量	(2,620)	(4,627)
Cash flows from financing activities	融資活動所得現金流量	(121)	4,986

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14 INTERESTS IN ASSOCIATES

Details of the Group's interest in associates, which are accounted for using the equity method in the consolidated financial statements, are as follows:

14 於聯營公司的權益

有關本集團於聯營公司的權益(採用權益法於綜合財務報表內入賬)詳情如下：

Name of associate 聯營公司名稱	Place and date of establishment and business 成立及營業地點及日期	Particulars of issued and paid-in capital 已發行及實繳資本詳情	Proportion of ownership interest 擁有權益比例			Principal activities 主要業務
			Group's effective interest 本集團的實際權益	Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
Cangzhou Bohai New Area Huanghua Port Railway Logistics Company Limited ("Huanghua Port Railway")* (滄州渤海新區黃驊港鐵路物流有限公司) 滄州渤海新區黃驊港鐵路物流有限公司 (「黃驊港鐵路」)*	The PRC 16 January 2013 中國 2013年1月16日	RMB10,000,000 人民幣10,000,000元	40%	-	40%	Provision of railway logistics services 提供鐵路物流服務
Cangzhou City Shangcheng Business Trading Co., Ltd. ("Shangcheng")* (滄州市尚誠商貿有限公司) 滄州市尚誠商貿有限公司 (「尚誠」)*	The PRC 24 April 2020 中國 2020年4月24日	RMB30,000,000 and RMB10,000,000 人民幣30,000,000元及 人民幣10,000,000元	40%	-	40%	Trading of construction materials 建築材料貿易

* The official names of these entities are in Chinese. The English translation names are for identification purpose only.

* 該等實體的正式名稱為中文名稱，英文譯名僅供識別之用。

Huanghua Port Railway is a strategic partner for the Group in expanding railway logistics services in Hebei Province and Shandong Province of the PRC.

黃驊港鐵路為本集團在中國河北省及山東省擴展鐵路物流服務的戰略合作夥伴。

Shangcheng is a strategic partner for the Group in developing the market for construction materials logistics in Cangzhou.

尚誠為本集團開發滄州市建材物流市場之戰略合作夥伴。

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14 INTERESTS IN ASSOCIATES (continued)

14 於聯營公司的權益(續)

Summarized financial information of the associates, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, are disclosed below:

該等聯營公司的財務資料概要(已就會計政策的任何差異作出調整，並與綜合財務報表內的賬面值進行對賬)披露如下：

		Huanghua Port Railway 黃驊港鐵路		Shangcheng 尚誠
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Gross amounts of the associates'	聯營公司以下各項的總額			
Non-current assets	非流動資產	5,783	6,379	8
Current assets	流動資產	880	2,383	9,709
Current liabilities	流動負債	(24)	(8)	(210)
Equity	權益	6,639	8,754	9,507
Reconciled to the Group's interests in associates	與本集團於聯營公司權益的對賬			
Gross amounts of net assets	淨資產總額	6,639	8,754	9,507
The Group's effective interest	本集團的實際權益	40%	40%	40%
The Group's share of net assets and the carrying amount in the consolidated statements of financial position	綜合財務狀況表內的本集團應佔資產淨值及賬面值	2,656	3,502	3,803
		Huanghua Port Railway 黃驊港鐵路		Shangcheng 尚誠
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Gross amounts of the associates'	聯營公司以下各項的總額			
Revenue	收益	-	-	4,138
Loss and total comprehensive income	虧損及全面收益總額	(2,115)	(458)	(493)
Reconciled to the Group's interests in associates	與本集團於聯營公司權益的對賬			
Gross amounts of loss and total comprehensive income	虧損及全面收益總額合計金額	(2,115)	(458)	(493)
The Group's effective interest	本集團的實際權益	40%	40%	40%
The Group's share of loss of associates	本集團應佔聯營公司的虧損	(846)	(183)	(197)

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15 INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Fuel	燃料	1,971	2,409
Materials and consumables	材料及耗材	3,933	2,600
		5,904	5,009

(b) The analysis of the amounts of inventories recognized as an expense and included in profit or loss is as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Carrying amount of inventories used	已使用存貨的賬面值	25,093	30,265

15 存貨

(a) 綜合財務狀況表內的存貨包括：

(b) 已確認為開支並計入損益的存貨金額分析如下：

16 TRADE AND BILLS RECEIVABLES

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	50,364	74,055
Bills receivables (Notes (ii) and (iii))	應收票據 (附註(ii)及(iii))	46,204	60,803
		96,568	134,858

Notes:

- (i) All of the trade and bills receivables, net of loss allowance, are expected to be recovered within one year.
- (ii) At 31 December 2020, the carrying amounts of the Group's bills receivables that have been endorsed to the Group's suppliers and other creditors to settle the Group's trade and other payables towards these suppliers but have not been derecognized in the consolidated financial statements were RMB9,903,000 (2019: RMB10,302,000).
- (iii) At 31 December 2020, the carrying amounts of the Group's bills receivables that have been factored to banks but have not been derecognized in the consolidated financial statements were RMB5,000,000 (2019: RMB14,620,000).

16 貿易應收款項及應收票據

附註：

- (i) 所有貿易應收款項及應收票據(扣除虧損撥備)預計將於一年內收回。
- (ii) 於2020年12月31日，本集團已背書予本集團供應商及其他債權人以結算本集團應付該等供應商的貿易及其他應付款項但尚未於綜合財務報表終止確認的應收票據的賬面值為人民幣9,903,000元(2019年：人民幣10,302,000元)。
- (iii) 於2020年12月31日，本集團已保理予銀行但尚未於綜合財務報表終止確認的應收票據的賬面值為人民幣5,000,000元(2019年：人民幣14,620,000元)。

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16 TRADE AND BILLS RECEIVABLES (continued)

Aging analysis

At the end of the reporting period, the aging analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Within 1 month	1個月內	26,858	39,887
1-6 months	1至6個月	15,722	30,437
6-12 months	6至12個月	2,873	3,731
more than 12 months	12個月以上	4,911	-
		50,364	74,055

Trade receivables are mainly due within 30 days from the date of billing. Bills receivables are with maturity of 180 to 360 days. Further details on the Group's credit policy and credit risk arising from trade and bills receivables are set out in Note 25(a).

16 貿易應收款項及應收票據 (續)

賬齡分析

於報告期末，基於發票日期及經扣除虧損撥備後的貿易應收款項賬齡分析如下：

貿易應收款項主要於開票日期起計30天內到期。應收票據的到期日為180至360天。有關本集團信貸政策及因貿易應收款項及應收票據所產生信貸風險的進一步詳情載於附註25(a)。

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17 PREPAYMENTS AND OTHER RECEIVABLES

17 預付款項及其他應收款項

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Receivables relating to disposal of property, plant and equipment	與出售物業、廠房及設備有關的應收款項	10,142	11,451
Financial assets measured at amortized cost	按攤銷成本計量的金融資產	10,142	11,451
Value-added tax recoverable	可收回增值稅	1,830	2,208
Deposits	按金	1,179	1,454
Prepayments for purchase of inventories and prepaid expenses	存貨採購預付款項及預付開支	2,166	2,688
Prepayments in connection with the initial listing of the Company's shares	有關本公司股份首次上市的預付款項	-	5,222
		15,317	23,023
Less: Non-current portion - Receivables relating to disposal of property, plant and equipment	減：非即期部分 - 與出售物業、廠房及設備有關的應收款項	(2,734)	(3,374)
Current portion of prepayments and other receivables	預付款項及其他應收款項的即期部分	12,583	19,649

Note:

Except for the non-current portion of receivables relating to disposal of property, plant and equipment, which are expected to be recovered in 2-3 years, other prepayments and other receivables, net of loss allowance, are expected to be recovered or recognized as expenses within one year.

附註：

除與出售物業、廠房及設備有關的應收款項的非即期部分（預期將於2至3年內收回）外，其他預付款項及其他應收款項（經扣除虧損撥備）預期將於一年內收回或確認為開支。

18 CASH AND CASH EQUIVALENTS

18 現金及現金等值項目

(a) Cash and cash equivalents comprise

(a) 現金及現金等值項目包括

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Bank deposits	銀行存款	227,115	33,833
Cash on hand	手頭現金	28	33
Cash at bank and on hand in the consolidated statement of financial position and cash and cash equivalents in the consolidated cash flow statement	綜合財務狀況表內的銀行及手頭現金以及綜合現金流量表內的現金及現金等值項目	227,143	33,866

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18 CASH AND CASH EQUIVALENTS (continued)

(b) Reconciliations of assets and liabilities arising from financing activities

The tables below detail changes in the Group's assets and liabilities from financing activities, including both cash and non-cash changes. Assets and liabilities arising from financing activities are assets and liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statements as cash flows from financing activities.

18 現金及現金等值項目 (續)

(b) 融資活動所產生資產及負債的對賬

下表詳述本集團自融資活動產生的資產及負債的變動(包括現金及非現金變動)。融資活動產生的資產及負債為其現金流量或未來現金流量於本集團綜合現金流量表內已分類或將分類為來自融資活動的現金流量的資產及負債。

		Liabilities 負債		Assets 資產		Total 總計 RMB'000 人民幣千元
		Bank and other loans 銀行及其他貸款 RMB'000 人民幣千元 (Note 19) (附註19)	Amounts due to related parties 應付 關連方款項 RMB'000 人民幣千元	Amounts due from related parties 應收 關連方款項 RMB'000 人民幣千元		
At 1 January 2020	於2020年1月1日	561,331	-	-	-	561,331
Changes from financing cash flows:	融資現金流量變動：					
Proceeds from new bank and other loans	新增銀行及其他貸款的所得款項	345,000	-	-	-	345,000
Repayments of bank and other loans	償還銀行及其他貸款	(450,272)	-	-	-	(450,272)
Borrowing costs paid	已付借款成本	(26,866)	-	-	-	(26,866)
Total changes from financing cash flows	融資現金流量變動總額	(132,138)	-	-	-	(132,138)
Other changes:	其他變動：					
Interest expenses on bank and other loans (Note 6(a))	銀行及其他貸款利息開支 (附註6(a))	26,043	-	-	-	26,043
Total other changes	其他變動總額	26,043	-	-	-	26,043
At 31 December 2020	於2020年12月31日	455,236	-	-	-	455,236

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18 CASH AND CASH EQUIVALENTS (continued)

18 現金及現金等值項目 (續)

(b) Reconciliations of assets and liabilities arising from financing activities (continued)

(b) 融資活動所產生資產及負債的對賬 (續)

		Liabilities 負債		Assets 資產	Total 總計 RMB'000 人民幣千元
		Bank and other loans 銀行及其他貸款 RMB'000 人民幣千元 (Note 19) (附註19)	Amounts due to related parties 應付關連方款項 RMB'000 人民幣千元 (Note 27(c)) (附註27(c))	Amounts due from related parties 應收關連方款項 RMB'000 人民幣千元 (Note 27(c)) (附註27(c))	
At 1 January 2019	於2019年1月1日	425,791	310	(132,276)	293,825
Changes from financing cash flows:	融資現金流量變動：				
Proceeds from new bank and other loans	新增銀行及其他貸款的所得款項	397,313	-	-	397,313
Repayments of bank and other loans	償還銀行及其他貸款	(262,943)	-	-	(262,943)
Distribution paid	已付分派	-	(361,183)	-	(361,183)
Decrease in amounts due from related parties	應收關連方款項減少	-	-	132,276	132,276
Decrease in amounts due to related parties	應付關連方款項減少	-	(310)	-	(310)
Borrowing costs paid	已付借款成本	(26,028)	-	-	(26,028)
Total changes from financing cash flows	融資現金流量變動總額	108,342	(361,493)	132,276	(120,875)
Other changes:	其他變動：				
Interest expenses on bank and other loans (Note 6(a))	銀行及其他貸款利息開支 (附註6(a))	24,654	-	-	24,654
Capitalized borrowing costs (Note 6(a))	資本化借款成本 (附註6(a))	2,544	-	-	2,544
Acquisitions of equity interests of Canggang Company	收購滄港公司股權	-	361,183	-	361,183
Total other changes	其他變動總額	27,198	361,183	-	388,381
At 31 December 2019	於2019年12月31日	561,331	-	-	561,331

(c) Total cash outflow for leases

(c) 租賃現金流出總額

Amounts included in the consolidated cash flow statement for leases comprise the following:

計入綜合現金流量表的租賃金額包括以下各項：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Within operating cash flows:	在經營現金流量內：		
- Lease rental paid	- 已付租賃租金	(293)	(80)

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19 BANK AND OTHER LOANS

19 銀行及其他貸款

(a) The Group's bank and other loans comprise:

(a) 本集團的銀行及其他貸款包括：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Bank loans:	銀行貸款：		
– Secured	– 有抵押	369,086	251,002
– Unsecured	– 無抵押	30,045	60,094
		399,131	311,096
Other loans:	其他貸款：		
– Secured	– 有抵押	37,028	72,782
– Unsecured	– 無抵押	19,077	177,453
		56,105	250,235
		455,236	561,331

All of the bank and other loans are carried at amortized costs.

所有銀行及其他貸款按攤銷成本列賬。

(b) The bank and other loans were repayable as follows:

(b) 銀行及其他貸款應償還如下：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Within 1 year or on demand	一年內或按要求	118,051	290,999
After 1 year but within 2 years	一年後但於兩年內	163,085	57,147
After 2 years but within 5 years	兩年後但於五年內	174,100	213,185
		337,185	270,332
		455,236	561,331

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19 BANK AND OTHER LOANS (continued)

- (c) At 31 December 2020, the Group's secured bank loans of RMB369,086,000 (2019: RMB251,002,000) were secured by the following assets of the Group:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Carrying amount:	賬面值：		
Right-of-use assets (Note 12(ii))	使用權資產 (附註12(ii))	119,327	91,112
Property, plant and equipment (Note 11(iii))	物業、廠房及設備 (附註11(iii))	8,261	8,581
Bills receivables (Note 16(iii))	應收票據 (附註16(iii))	5,000	14,620
		132,588	114,313

Included in the Group's secured bank loans as at 31 December 2020, RMB85,115,000 were also guaranteed by Cangzhou Logistics (2019: RMB34,054,000 were also guaranteed by Cangzhou Logistics and secured by the future rail transportation revenue of the Group).

本集團於2020年12月31日的有抵押銀行貸款中，為數人民幣85,115,000元的金額亦由滄州物流提供擔保 (2019年：人民幣34,054,000元亦由滄州物流提供擔保及以本集團的未來鐵路貨運收益作抵押)。

- (d) At 31 December 2020, the Group's secured other loans of RMB37,028,000 (2019: RMB72,782,000) were secured by the following assets of the Group:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Carrying amount:	賬面值：		
Property, plant and equipment (Note 11(iv))	物業、廠房及設備 (附註11(iv))	138,336	148,751
Right-of-use assets (Note 12(ii))	使用權資產 (附註12(ii))	7,128	7,290
		145,464	156,041

Included in the Group's secured other loans as at 31 December 2020, RMB16,563,000 (2019: RMB42,636,000) were also guaranteed by Cangzhou Logistics and secured by equity interests of Canggong Company held by Cangzhou Logistics.

本集團於2020年12月31日的有抵押其他貸款中，為數人民幣16,563,000元 (2019年：人民幣42,636,000元) 的金額亦由滄州物流提供擔保及以滄州物流持有的滄港公司股本權益作抵押。

- (e) Included in the Group's unsecured other loans as at 31 December 2020, RMB16,407,000 (2019: RMB172,287,000) are unsecured, interest-bearing at 1% per annum and repayable in 2022. The remaining other loans are unsecured, interest-bearing at 4.75% per annum and repayable in 2021.

- (e) 本集團於2020年12月31日的無抵押其他貸款中，為數人民幣16,407,000元 (2019年：人民幣172,287,000元) 的金額為無抵押、按年利率1%計息及須於2022年償還。餘下其他貸款則為無抵押、按年利率4.75%計息及須於2021年償還。

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20 TRADE PAYABLES

All of the trade payables are expected to be settled within one year or are repayable on demand.

As of the end of the reporting period, the aging analysis of the Group's trade payables, based on the invoice date, is as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Within 1 month	1個月內	8,851	10,189
1 to 3 months	1至3個月	6,254	5,323
3 to 6 months	3至6個月	4,454	5,451
6 to 12 months	6至12個月	3,367	2,886
Over 12 months	12個月以上	3,907	3,851
		26,833	27,700

20 貿易應付款項

所有貿易應付款項預期將於一年內結清或須按要求償還。

於報告期末，本集團貿易應付款項基於發票日期的賬齡分析如下：

21 OTHER PAYABLES

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Payables for acquisitions of property, plant and equipment	收購物業、廠房及設備的應付款項	7,265	14,057
Payables for acquisitions of right-of-use assets	收購使用權資產的應付款項		
– related parties (Note 27(d))	– 關連方 (附註27(d))	–	8,032
– third parties	– 第三方	29,484	24,484
Payables for staff costs	員工成本應付款項	12,636	15,861
Payables for other labor costs	其他勞動力成本應付款項	1,634	2,411
Payables for expenditures incurred in connection with the initial listing of the Company's shares	就本公司股份首次上市產生的應付開支	400	6,810
Others	其他	4,064	4,090
Financial liabilities measured at amortized cost	按攤銷成本計量的金融負債	55,483	75,745

All of the other payables are expected to be settled within one year or are repayable on demand.

所有其他應付款項預期將於一年內結付或按要求償還。

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22 CONTRACT LIABILITIES

22 合約負債

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Prepayments received from customers for rail freight transportation and related ancillary services	自客戶收取的鐵路貨運及相關輔助服務預付款項	2,524	2,630

The Group receives prepayments from certain customers on acceptance of the orders. The prepayments are recognized as contract liabilities until the Group recognized the related revenue.

於接納訂單時，本集團會向若干客戶收取預付款項。預付款項乃確認為合約負債，直至本集團確認相關收益為止。

Movements in contract liabilities

合約負債變動

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Balance at 1 January	於1月1日的結餘	2,630	2,229
Decrease in contract liabilities as a result of recognizing revenue during the year that was included in the contract liabilities at the beginning of the year	因年內確認於年初計入合約負債的收益所導致的合約負債減少	(2,630)	(2,229)
Increase in contract liabilities as a result of billing in advance of performance at the end of the year	因年末於履約前開具賬單所導致的合約負債增加	2,524	2,630
Balance at 31 December	於12月31日的結餘	2,524	2,630

No contract liabilities are expected to be recognized as revenue after more than one year.

並無合約負債預期將於超過一年後確認為收益。

23 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

23 綜合財務狀況表內的所得稅

(a) Movements of current taxation in the consolidated statement of financial position are as follows:

(a) 綜合財務狀況表內即期稅項的變動如下：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Income tax payable at 1 January	於1月1日的應付所得稅	8,501	5,941
Provision for the year (Note 7(a))	年內撥備 (附註7(a))	24,386	25,303
Income tax paid	已付所得稅	(23,625)	(22,743)
Income tax payable at 31 December	於12月31日的應付所得稅	9,262	8,501

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23 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

23 綜合財務狀況表內的所得稅 (續)

(b) Deferred tax assets recognized

The deferred tax assets recognized in the consolidated statement of financial position and the movements during the year are as follows:

Deferred tax assets arising from:	遞延稅項資產自 以下各項產生：	Depreciation of property, plant and equipment 物業、廠房及 設備折舊 RMB'000 人民幣千元	Impairment of property, plant and equipment 物業、廠房及 設備減值 RMB'000 人民幣千元	Depreciation of right-of-use assets 使用權資產折舊 RMB'000 人民幣千元	Credit loss allowance on trade receivables 貿易應收款項的 信貸虧損撥備 RMB'000 人民幣千元	Accrued expenses 應計開支 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019 (Charged)/credited to profit or loss	於2019年1月1日 (扣除自)/計入損益	2,992 (379)	749 (143)	572 207	298 148	2,470 313	580 402	7,661 548
At 31 December 2019 and 1 January 2020 (Charged)/credited to profit or loss	於2019年12月31日及 2020年1月1日 (扣除自)/計入損益	2,613 (56)	606 (141)	779 168	446 904	2,783 (963)	982 (700)	8,209 (788)
At 31 December 2020	於2020年12月31日	2,557	465	947	1,350	1,820	282	7,421

(b) 已確認遞延稅項資產

年內於綜合財務狀況表確認的遞延稅項資產及變動如下：

(c) Deferred tax assets not recognized

In accordance with the accounting policy set out in Note 2(q), the Group has not recognised deferred tax assets in respect of cumulative tax losses of RMB3,669,000 at 31 December 2020 (2019: RMB1,612,000), as it is not probable that future taxable profits against which the losses can be utilised will be available to the relevant subsidiaries. The tax losses expire within the next five years from it incurred.

(c) 未確認的遞延稅項資產

根據附註2(q)所載的會計政策，本集團並無就於2020年12月31日金額為人民幣3,669,000元(2019年：人民幣1,612,000元)的累計稅項虧損確認遞延稅項資產，原因是相關附屬公司不大可能有未來應課稅溢利以抵銷可供動用之稅項虧損。稅項虧損於產生後五年內到期。

(d) Deferred tax liabilities not recognized

At 31 December 2020, taxable temporary differences relating to the undistributed profits of the Group's subsidiaries established in the PRC (excluding Hong Kong) amounted to RMB402,841,000 (2019: RMB340,232,000), where deferred tax liabilities in respect of the PRC Withholding Tax that would be payable on the distribution of these profits, have not been recognized as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that such profits will not be distributed in the foreseeable future.

(d) 未確認的遞延稅項負債

於2020年12月31日，與本集團於中國(不包括香港)成立的附屬公司的未分派溢利有關的應課稅暫時差額為人民幣402,841,000元(2019年：人民幣340,232,000元)，其中有關於分派該等溢利時應付的中國預扣稅的遞延稅項負債尚未確認，原因是本公司控制該等附屬公司的股息政策，並已確定有關溢利可能不會於可預見未來分派。

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24 CAPITAL, RESERVES AND DIVIDENDS/ DISTRIBUTIONS

24 資本、儲備及股息／分派

(a) Movements in components of equity

The reconciliation between the opening and closing balance of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity.

Details of the changes in the Company's individual components of equity between the beginning and the end of the period are set out below.

(a) 權益組成部分的變動

本集團綜合權益各組成部分的年初與年末結餘的對賬載於綜合權益變動表。

本公司個別權益組成部分於期初與期末的變動詳情載於下文。

		Share capital 股本 RMB'000 人民幣千元 (Note 24(c)) (附註24(c))	Share premium 股份溢價 RMB'000 人民幣千元 (Note 24(d)(i)) (附註24(d)(i))	Exchange reserve 匯兌儲備 RMB'000 人民幣千元 (Note 24(d)(v)) (附註24(d)(v))	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於 2019年1月1日	-*	-	-	-	-*
Changes in equity for the year ended 31 December 2019:	截至 2019年12月31日 止年度的權益變動：					
Loss for the year	年度虧損	-	-	-	(443)	(443)
Other comprehensive income	其他全面收益	-	-	(5)	-	(5)
Total comprehensive income for the year	年度全面收益總額	-	-	(5)	(443)	(448)
At 31 December 2019 and 1 January 2020	於 2019年12月31日及 2020年1月1日	-*	-	(5)	(443)	(448)
Changes in equity for the year ended 31 December 2020:	截至 2020年12月31日 止年度的權益變動：					
Loss for the year	年度虧損	-	-	-	(6,118)	(6,118)
Other comprehensive income	其他全面收益	-	-	(3,611)	-	(3,611)
Total comprehensive income for the year	年度全面收益總額	-	-	(3,611)	(6,118)	(9,729)
Capitalisation issue (Note 24(c)(iii))	資本化發行 (附註24(c)(iii))	6,455	(6,455)	-	-	-
Issuance of shares by initial public offering (Note 24(c)(iii))	透過首次公開發售發行 股份 (附註24(c)(iii))	2,152	186,905	-	-	189,057
At 31 December 2020	於 2020年12月31日	8,607	180,450	(3,616)	(6,561)	178,880

* Amounts less than RMB1,000.

* 金額不足人民幣1,000元。

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24 CAPITAL, RESERVES AND DIVIDENDS/ DISTRIBUTIONS (continued)

24 資本、儲備及股息／分派 (續)

(b) Dividends

- (i) Dividends payable to equity shareholders of the Company attributable to the year

The directors of the Company do not recommend the payment of a final dividend for the year ended 31 December 2020.

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous year

The directors of the Company have not approved or paid dividends in respect of the previous year during the year ended 31 December 2020 (2019: Nil).

(b) 股息

- (i) 年內應付本公司權益股東的股息

本公司董事不建議就截至2020年12月31日止年度派付末期股息。

- (ii) 上一年度應付本公司權益股東的股息

於截至2020年12月31日止年度，本公司董事並無就上一年度批准或派付股息(2019年：無)。

(c) Share capital

(c) 股本

		2020 2020年		2019 2019年	
		No. of shares 股份數目 '000 千股	HK\$'000 千港元	No. of shares 股份數目 '000 千股	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each (Note(i))	每股0.01港元的普通股 (附註(i))	10,000,000	100,000	38,000	380

		2020 2020年		2019 2019年	
		No. of shares 股份數目 '000 千股	RMB'000 人民幣千元	No. of shares 股份數目 '000 千股	RMB'000 人民幣千元
Ordinary shares, issued and fully paid	已發行及繳足普通股				
At 1 January	於1月1日	10	—*	10	—*
Capitalisation issue (Note (iii))	資本化發行 (附註(iii))	749,990	6,455	—	—
Issuance of shares (Note (ii))	發行股份 (附註(ii))	250,000	2,152	—	—
		1,000,000	8,607	10	—*

* Amounts less than RMB1,000.

* 金額不足人民幣1,000元。

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24 CAPITAL, RESERVES AND DIVIDENDS/ DISTRIBUTIONS (continued)

(c) Share capital (continued)

(i) Authorised share capital

On 19 October 2018, the Company's date of incorporation, the Company's authorized share capital was HK\$380,000, comprising 38,000,000 ordinary shares of HK\$0.01 each.

On 16 June 2020, the Company passed resolutions to increase the authorized share capital of the Company from HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each to HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each.

(ii) Issue of shares

On 19 October 2018, one share in the Company was allotted and issued. On the same date, 9,071 shares and 478 shares were allotted and issued, respectively, at par value.

On 21 December 2018, 450 shares were allotted and issued at par value.

On 23 October 2020, 250,000,000 ordinary shares with par value of HK\$0.01 each were issued at a price of HK\$0.95 each by initial public offering. The proceeds of HK\$2,500,000 (equivalent to approximately RMB2,152,000), representing the par value, were credited to the Company's share capital. The remaining proceeds, net of share issuance expenses, of approximately HK\$217,580,000 (equivalent to approximately RMB186,905,000) were credited to the share premium account.

(iii) Capitalisation issue

Pursuant to the resolutions of the equity shareholders of the Company passed on 16 June 2020, the Company allotted and issued a total of 749,990,000 shares credited as fully to the equity shareholders whose names appeared on the register of members of the Company at the close of business on 16 June 2020 by way of capitalisation of the sum of HK\$7,500,000 (equivalent to approximately RMB6,455,000) standing to the credit of the share premium account of the Company.

24 資本、儲備及股息／分派 (續)

(c) 股本(續)

(i) 法定股本

於2018年10月19日(即本公司註冊成立之日)，本公司的法定股本為380,000港元，包括38,000,000股每股面值0.01港元的普通股。

於2020年6月16日，本公司通過決議案將本公司法定股本由380,000港元(分為38,000,000股每股面值0.01港元的股份)增加至100,000,000港元(分為10,000,000,000股每股面值0.01港元的股份)。

(ii) 發行股份

於2018年10月19日，本公司一股股份獲配發及發行。於同日，9,071股及478股股份分別按面值獲配發及發行。

於2018年12月21日，450股股份按面值獲配發及發行。

於2020年10月23日，250,000,000股每股面值0.01港元的普通股透過首次公開發售按每股0.95港元的價格獲發行。為數2,500,000港元(相當於約人民幣2,152,000元)的所得款項(相當於面值)已計入本公司股本中。餘下所得款項(扣除股份發行開支後)約217,580,000港元(相當於約人民幣186,905,000元)已計入股份溢價賬中。

(iii) 資本化發行

根據本公司權益股東於2020年6月16日通過的決議案，本公司透過將本公司股份溢價賬中合共7,500,000港元(相當於約人民幣6,455,000元)的進賬額撥充資本的方式，向於2020年6月16日營業時間結束時名列本公司股東名冊的權益股東配發及發行合共749,990,000股入賬列作繳足的股份。

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24 CAPITAL, RESERVES AND DIVIDENDS/ DISTRIBUTIONS (continued)

(d) Nature and purpose of reserves

(i) Share premium

The application of the share premium account is governed by the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

(ii) Other reserve

The balances of other reserve at 31 December 2020 and 2019 represent the capital reserve of Ganggang Company and Puji Global.

(iii) Statutory reserve

In accordance with the relevant PRC laws and regulations, the Company's subsidiaries established and operated in Mainland China are required to transfer 10% of their net profit to the statutory reserve until the reserve balance reaches 50% of the respective registered capital. The transfer to this reserve must be made before distributions to equity holders. This reserve can be utilized in setting off accumulated losses or increase capital of the subsidiaries and is non-distributable other than in liquidation.

(iv) Safety production fund reserve

The Group is engaged in freight transportation business. In accordance with the regulations issued by Ministry of Finance and State Administration of Work Safety of the PRC, the Group is required to establish a special reserve namely safety production fund reserve, which is calculated at 1% of the regular freight transportation revenue and 1.5% of the dangerous goods freight transportation revenue of the previous year.

The safety production fund reserve is mainly used for the acquisitions and maintenance of safety equipment and facilities. For the purpose of financial statements, such reserve is established through an appropriation from retained earnings based on the aforementioned method and is utilized when the related expenditures are incurred.

24 資本、儲備及股息／分派 (續)

(d) 儲備的性質及用途

(i) 股份溢價

股份溢價賬的應用受開曼群島公司法第22章(1961年第3號法例，經綜合及修訂)監管。

(ii) 其他儲備

於2020年及2019年12月31日的其他儲備結餘指滄港公司及普濟環球的資本儲備。

(iii) 法定儲備

根據中國相關法律及法規，本公司於中國內地成立及營運的附屬公司須將有關公司的10%純利轉撥至法定儲備，直至儲備結餘達到各自註冊資本的50%。向該儲備作出的轉撥須於向權益持有人作出分派前作出。有關儲備可用於抵銷累計虧損或附屬公司增資，且除清盤外，不可用於分派。

(iv) 安全生產基金儲備

本集團從事貨運業務。根據中國財政部及國家安全生產監督管理總局頒佈的規定，本集團須設立專項儲備(即安全生產基金儲備)，有關儲備乃按上一個年度一般貨運收益的1%及危險品貨運收益的1.5%計算。

安全生產基金儲備主要用於購置及維護安全設備及設施。就財務報表而言，有關儲備乃按上述方法透過自保留盈利撥款而設立，並在產生相關開支時動用。

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24 CAPITAL, RESERVES AND DIVIDENDS/ DISTRIBUTIONS (continued)

(d) Nature and purpose of reserves (continued)

(v) Exchange reserve

The exchange reserve comprises all foreign exchange difference arising from the translation of the financial statements of the companies comprising the Group into the Group's presentation currency. The reserve is dealt with in accordance with the accounting policies set out in Note 2(t).

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to any externally imposed capital requirements.

24 資本、儲備及股息／分派 (續)

(d) 儲備的性質及用途(續)

(v) 匯兌儲備

匯兌儲備包括因將本集團旗下公司的財務報表換算為本集團呈列貨幣而產生的所有匯兌差額。有關儲備乃按照附註2(t)所載的會計政策處理。

(e) 資本管理

本集團管理資本的主要目標為保障本集團持續經營業務的能力，使其可透過使產品及服務的定價與風險水平一致及按合理成本取得融資，以繼續為股東帶來回報並惠及其他持份者。

本集團積極及定期檢討及管理其資本架構，以在較高股東回報(可能伴隨較高借貸水平)與穩健的資本狀況所帶來的優勢及保障之間取得平衡，並依照經濟狀況的變化對資本架構作出調整。

本公司或其任何附屬公司概無受任何外部施加的資本規定規限。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents and bills receivable is limited because the counterparties are banks and financial institutions with high credit ratings assigned by the management of the Group, for which the Group considers to have low credit risk.

The Group does not provide any guarantees which would expose the Group to credit risk.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 2% (2019:11%) of the total trade receivables was due from the Group's largest customer and 28% (2019:19%) of the total trade receivables was due from the five largest customers.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

25 金融風險管理及金融工具公平值

本集團在日常業務過程中面對信貸、流動資金及利率風險。

本集團所面對的該等風險及本集團用以管理該等風險的金融風險管理政策和慣例載述如下。

(a) 信貸風險

信貸風險指對手方不履行合約責任導致本集團蒙受財務損失的風險。本集團的信貸風險主要來自貿易應收款項。本集團就現金及現金等值項目和應收票據所承受的信貸風險有限，原因是對手方為本集團管理層給予高信貸評級的銀行及金融機構，故本集團認為其信貸風險偏低。

本集團不會提供將令本集團面對信貸風險的任何擔保。

貿易應收款項

本集團面對的信貸風險主要受各客戶（而非客戶經營所在的行業或國家）的個別情況所影響，因此，重大集中信貸風險主要於本集團與個別客戶有重大業務往來時產生。於報告期末，貿易應收款項總額中的2%（2019年：11%）乃來自本集團的最大客戶，而貿易應收款項總額中的28%（2019年：19%）乃來自五大客戶。

本集團會對所有要求超過一定金額信貸的客戶進行個別信貸評估。該等評估集中於客戶過往支付到期款項的記錄及現時的付款能力，並考慮客戶及與客戶經營所在地的經濟環境有關的特定資料。貿易應收款項於開票日期起計30天內到期。本集團一般不向客戶收取抵押品。

本集團按相等於全期預期信貸虧損的金額計量貿易應收款項及合約資產虧損撥備，有關金額乃使用撥備矩陣計算得出。由於本集團過往信貸虧損經驗並無顯示不同客戶分部的虧損模式有重大差異，因此於根據逾期狀況計提虧損撥備時並無在本集團不同客戶群之間作進一步區分。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

Trade receivables (continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables at the end of each reporting period:

		2020 2020年		
		Expected loss rate 預期虧損率 %	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current and less than 6 months past due	即期及逾期不足6個月	1.05%	43,236	(454)
6 – 12 months past due	逾期6至12個月	24.82%	4,399	(1,092)
Over 12 months past due	逾期超過12個月	31.78%-100.00%	8,134	(3,859)
			55,769	(5,405)
		2019 2019年		
		Expected loss rate 預期虧損率 %	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current and less than 6 months past due	即期及逾期不足6個月	0.06%	72,084	(46)
6 – 12 months past due	逾期6至12個月	18.57%	2,477	(460)
Over 12 months past due	逾期超過12個月	100.00%	1,284	(1,284)
			75,845	(1,790)

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the year over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

25 金融風險管理及金融工具 公平值(續)

(a) 信貸風險(續)

貿易應收款項(續)

下表提供有關本集團於各報告期末面對的信貸風險及貿易應收款項預期信貸虧損的資料：

預期虧損率乃基於過去三年的實際虧損經驗計算得出。該等比率已作調整以反映收集歷史數據年度的經濟狀況、當前狀況與本集團對應收款項預計年內經濟狀況的看法之間的差異。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

Trade receivables (continued)

Movements in the loss allowance account in respect of trade receivables are as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
At the beginning of the year	於年初	1,790	1,195
Impairment loss recognized during the year	年內確認的減值虧損	3,615	595
At the end of the year	於年末	5,405	1,790

The increase in the loss allowance at 31 December 2020 was mainly contributed by the increase of the gross carrying amounts of trade receivables in days past due over 12 months.

(b) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of each reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the respective reporting period) and the earliest dates the Group can be required to pay:

25 金融風險管理及金融工具公平值 (續)

(a) 信貸風險 (續)

貿易應收款項 (續)

貿易應收款項相關虧損撥備賬的變動如下：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
At the beginning of the year	於年初	1,790	1,195
Impairment loss recognized during the year	年內確認的減值虧損	3,615	595
At the end of the year	於年末	5,405	1,790

於2020年12月31日的虧損撥備增加主要是由於逾期12個月以上的貿易應收款項的總賬面值增加所致。

(b) 流動資金風險

本集團的政策為定期監察流動資金要求及遵守借貸契諾的情況，以確保本集團維持充裕的現金儲備及從主要金融機構取得足夠承諾融資額度，以應付其短期及長期流動資金要求。

下表顯示本集團非衍生金融負債於各報告期末的剩餘合約到期日狀況，乃根據已訂約未貼現現金流量（包括按訂約利率計算的利息付款，或倘以浮息計算，則按各相關報告期末的當期利率計算）及本集團須支付款項的最早日期得出：

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

25 金融風險管理及金融工具公平值(續)

(b) Liquidity risk (continued)

(b) 流動資金風險(續)

		2020 2020年				
		Contractual undiscounted cash outflow 合約未貼現現金流出				Carrying amount 賬面值 RMB'000 人民幣千元
		Within 1 year or on demand 一年內 或按 要求 RMB'000 人民幣千元	More than 1 year but less than 2 years 超過一年 但少於兩年 RMB'000 人民幣千元	More than 2 years but less than 5 years 超過兩年 但少於五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	
Bank and other loans	銀行及其他貸款	136,122	183,326	176,777	496,225	455,236
Trade payables measured at amortized cost	按攤銷成本計量的貿易應付款項	26,833	-	-	26,833	26,833
Other payables measured at amortized cost	按攤銷成本計量的其他應付款項	55,483	-	-	55,483	55,483
		218,438	183,326	176,777	578,541	537,552
		2019 2019年				
		Contractual undiscounted cash outflow 合約未貼現現金流出				Carrying amount 賬面值 RMB'000 人民幣千元
		Within 1 year or on demand 一年內 或按 要求 RMB'000 人民幣千元	More than 1 year but less than 2 years 超過一年 但少於兩年 RMB'000 人民幣千元	More than 2 years but less than 5 years 超過兩年 但少於五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	
Bank and other loans	銀行及其他貸款	307,051	62,874	218,413	588,338	561,331
Trade payables measured at amortized cost	按攤銷成本計量的貿易應付款項	27,700	-	-	27,700	27,700
Other payables measured at amortized cost	按攤銷成本計量的其他應付款項	75,745	-	-	75,745	75,745
		410,496	62,874	218,413	691,783	664,776

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS(continued)

25 金融風險管理及金融工具公平值(續)

(c) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk, respectively.

(i) Interest rate profile

The following table details the interest rate profile of the Group's borrowings at the end of each reporting period:

		2020 2020年		2019 2019年	
		Effective interest rate 實際利率	RMB'000 人民幣千元	Effective interest rate 實際利率	RMB'000 人民幣千元
		%	%	%	%
Fixed rate borrowings	固定利率借款				
Bank loans	銀行貸款	3.00% – 6.18%	399,131	3.00% – 6.18%	311,096
Other loans	其他貸款	1.00% – 4.75%	19,077	1.00% – 4.75%	177,453
			418,208		488,549
Variable rate borrowings	浮動利率借款				
Other loans	其他貸款	6.01% – 6.92%	37,028	6.01% – 6.92%	72,782
Total borrowings	借款總額		455,236		561,331
Fixed rate borrowings as a percentage of total borrowings	固定利率借款佔借款總額的百分比		92%		87%

(ii) Sensitivity analysis

At 31 December 2020, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after tax and retained profits by approximately RMB278,000 (2019: RMB546,000).

The sensitivity analyses above indicate the Group's exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at 31 December 2020. The impact on the Group's profit after tax (and retained profits) is estimated as an impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis for 2019.

(c) 利率風險

本集團的利率風險主要來自計息借款。按浮動利率及固定利率發放的借款令本集團分別面對現金流量利率風險及公平值利率風險。

(i) 利率組合

下表載列本集團於各報告期末的借款利率組合詳情：

(ii) 敏感度分析

於2020年12月31日，倘按利率整體上升／下降100個基點估計，而所有其他變量保持不變，將導致本集團的除稅後溢利及保留溢利減少／增加約人民幣278,000元（2019年：人民幣546,000元）。

上述敏感度分析顯示本集團因其於2020年12月31日所持浮息非衍生工具而產生的現金流量利率風險。對本集團除稅後溢利（及保留溢利）的影響乃按有關利率變動對利息開支或收入的影響估計。此分析按與2019年相同基準進行。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(d) Currency risk

The Group is exposed to currency risk primarily through receivables, payables and cash balances that are denominated in a foreign currency, a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily HK\$.

The Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the year end date.

		Exposure to foreign currencies (expressed in RMB) 外幣風險 (以人民幣列示)	
		2020 2020年 HK\$ 港元 RMB'000 人民幣千元	2019 2019年 HK\$ 港元 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等值項目	184,540	437
Prepayment and other receivables	預付款項及其他應收款項	42	48
Other payables	其他應付款項	(54)	(124)
Exposure arising from recognised assets and liabilities	自己確認資產及負債產生的風險	184,528	361

25 金融風險管理及金融工具公平值(續)

(d) 貨幣風險

本集團所面對的貨幣風險主要來自以外幣(即與交易相關業務的功能貨幣以外的貨幣)計值的應收款項、應付款項及現金結餘。引致此項風險的貨幣主要為港元。

本集團確保透過於必要時以即期匯率買入或賣出外幣以解決短期失衡情況，從而將淨風險保持於可接受的水平。

(i) 所承受的貨幣風險

下表載列本集團於報告期末所面對因以相關實體功能貨幣以外貨幣計值的已確認資產或負債而產生的貨幣風險。就呈報目的而言，所面臨風險的金額以按年結日的即期匯率換算的人民幣列示。

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25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

25 金融風險管理及金融工具公平值 (續)

(d) Currency risk (continued)

(d) 貨幣風險 (續)

(ii) Sensitivity analysis

(ii) 敏感度分析

The following table indicates the instantaneous change in the Group's profit after tax (and retained profits) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

下表顯示本集團除稅後溢利(及保留溢利)在本集團於報告期末承受重大風險的匯率於該日發生變動(假設所有其他可變風險因素維持不變)的情況下可能出現的即時變動。

		2020 2020年		2019 2019年	
		Increase/ (decrease) in foreign exchange rates	Increase/ (decrease)in profit after tax and retained profits 除稅後溢利 及保留溢利 增加/(減少) RMB'000 人民幣千元	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease)in profit after tax and retained profits 除稅後溢利 及保留溢利 增加/(減少) RMB'000 人民幣千元
		匯率上升/ (下降) %		匯率上升/ (下降) %	
HK\$	港元	5% (5%)	9,226 (9,226)	5% (5%)	18 (18)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax and retained profits measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of the reporting period for presentation purposes.

上表呈列的分析結果代表本集團各實體按各自功能貨幣計量的除稅後溢利及保留溢利的合計即時影響，並為呈列目的而按報告期末的適用匯率換算為人民幣。

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis is performed on the same basis for 2019.

敏感度分析假設於報告期末已採用此等匯率變動重新計量本集團所持有並導致本集團面對外幣風險的金融工具，包括集團內公司間以貸方或借方功能貨幣以外貨幣計值的應付款項及應收款項。此分析按與2019年相同基準進行。

(e) Fair value measurement

(e) 公平值計量

The carrying amounts of the Group's financial instruments carried at cost or amortized cost are not materially different from their fair values as at 31 December 2019 and 2020.

於2019年及2020年12月31日，本集團按成本或攤銷成本列賬的金融工具的賬面值與其公平值並無重大差異。

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26 COMMITMENTS

Capital commitments outstanding at the end of each reporting period not provided for in the financial statements were as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Commitments in respect of property, plant and equipment:	有關物業、廠房及設備的承擔：		
– Contracted for	– 已訂約	7,702	59

26 承擔

於各報告期末尚未支付但尚未於財務報表計提撥備的資本承擔如下：

27 MATERIAL RELATED PARTY TRANSACTIONS AND BALANCES

The material related party transactions entered into by the Group during the year and the balances with related parties at the end of each reporting period are set out below.

(a) Names and relationships of the related parties that had material transactions with the Group during the year:

Name of related party 關連方名稱	Relationship 關係
Cangzhou Chengyu Railway Company Limited* ("Chengyu Company") (滄州市驕宇鐵路有限責任公司) 滄州市驕宇鐵路有限責任公司* (「驕宇公司」)	A company controlled by the controlling shareholder 由控股股東控制的公司
Shangcheng* (滄州市尚誠商貿有限公司) 滄州市尚誠商貿有限公司*	An associate of the Group 本集團的聯營公司
Huanghua Port Xinghua Port Development Co., Ltd.* ("Huanghua Port Xinghua Company") (黃驊港興華港務開發有限公司) 黃驊港興華港務開發有限公司* (「黃驊港興華公司」)	A company controlled by the controlling shareholder 由控股股東控制的公司
Huanghua Port Jinghai Energy Industry Co., Ltd.* ("Jinghai Energy") (黃驊港京海能源實業有限公司) 黃驊港京海能源實業有限公司* (「京海能源」)	A company controlled by the controlling shareholder 由控股股東控制的公司
Huanghua Railway Construction Engineering Co., Ltd.* ("Huanghua Railway Construction") (黃驊市鐵建工程有限公司) 黃驊市鐵建工程有限公司* (「黃驊鐵建」)	A company controlled by a family member of the controlling shareholder 由控股股東的家族成員控制的公司
Cangzhou Bohai New Area Zhongcheng Gangwu Development Co., Ltd.* ("Zhongcheng Gangwu") (滄洲渤海新區眾成港務開發有限公司) 滄洲渤海新區眾成港務開發有限公司* (「眾成港務」)	A company controlled by family members of the controlling shareholder 由控股股東的家族成員控制的公司

* The official names of these entities are in Chinese. The English translation names are for identification purpose only.

27 重大關連方交易及結餘

本集團於年內訂立的重大關連方交易及於各報告期末與關連方之間的結餘載列如下。

(a) 年內與本集團進行重大交易的關連方的名稱及關係：

* 該等實體的正式名稱為中文名稱，英文譯名僅供識別之用。

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27 MATERIAL RELATED PARTY TRANSACTIONS AND BALANCES (continued)

27 重大關連方交易及結餘(續)

(b) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 8 and certain of the highest paid employees as disclosed in Note 9, is as follows:

(b) 主要管理人員薪酬

本集團主要管理人員的薪酬(包括已付本公司董事的款項(如附註8所披露)及已付若干最高薪酬僱員的款項(如附註9所披露))如下:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	1,069	466

Total remuneration is included in "Staff costs" (see Note 6(b)).

薪酬總額計入「員工成本」(見附註6(b))。

(c) Transactions with related parties during the year

(c) 年內與關連方進行的交易

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Provision of rail freight transportation and related ancillary services	提供鐵路貨運及相關輔助服務		
– Huanghua Port Xinghua Company	– 黃驊港興華公司	–	135
– Shangcheng	– 尚誠	446	–
Purchases of construction services	購買建築服務		
– Huanghua Railway Construction	– 黃驊鐵建	–	9
Purchases of loading and unloading services	購買裝卸服務		
– Zhongcheng Gangwu	– 眾成港務	–	6,265
Short-term lease charges	短期租賃收費		
– Chengyu Company	– 騁宇公司	10	8
Net decrease in amounts due from related parties	應收關連方款項減少淨額		
– Chengyu Company	– 騁宇公司	–	132,276
Net decrease in amounts due to related parties	應付關連方款項減少淨額		
– Jinghai Energy	– 京海能源	–	(310)

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27 MATERIAL RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(d) Balances with related parties

The Group's balances with related parties at the end of each reporting period are as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Payables for acquisitions of right-of-use assets	收購使用權資產的應付款項		
– Chengyu Company	– 騁宇公司	–	8,032
Payables for short-term leases	短期租賃應付款項		
– Chengyu Company	– 騁宇公司	1	8
Payables for construction services	建設服務應付款項		
– Huanghua Railway Construction	– 黃驊鐵建	–	1,200
Trade payables for purchases of loading and unloading services	購買裝卸服務的貿易應付款項		
– Zhongcheng Gangwu	– 眾成港務	–	2,322

(e) Other related party transactions

On 12 August 2019, Chengyu Company has granted the Group a gratuitous right to use its leasehold land for operating the Group's railway and rail yards for a period of 20 years. No rental was charged during the year ended 31 December 2020 and 2019.

(f) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of short-term lease (see Note 27(c)) and lease of leasehold land (see Note 27(e)) constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing rules. However, those transactions are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are below the de minimis threshold under Rule 14A.76(1)(a).

27 重大關連方交易及結餘(續)

(d) 與關連方的結餘

本集團於各報告期末與關連方之間的結餘如下：

	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
收購使用權資產的應付款項		
– 騁宇公司	–	8,032
短期租賃應付款項		
– 騁宇公司	1	8
建設服務應付款項		
– 黃驊鐵建	–	1,200
購買裝卸服務的貿易應付款項		
– 眾成港務	–	2,322

(e) 其他關連方交易

於2019年8月12日，騁宇公司向本集團授出無償權利以使用其租賃土地經營本集團的鐵路及鐵路調車場，為期20年。於截至2020年及2019年12月31日止年度並無收取任何租金。

(f) 與關連交易有關的上市規則適用性

有關短期租賃(見附註27(c))及租用租賃土地(見附註27(e))的關連方交易構成上市規則第14A章界定的關連交易或持續關連交易。然而，由於該等交易低於第14A.76(1)(a)條項下的最低豁免水平，因此獲豁免遵守上市規則第14A章的披露規定。

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28 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

28 公司財務狀況表

		Note	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Investments in subsidiaries*	於附屬公司的投資*	13	-	-
Current assets	流動資產			
Prepayments and other receivables	預付款項及其他 應收款項		17	-
Cash and cash equivalents	現金及現金等值項目		184,527	-
			184,544	-
Current liabilities	流動負債			
Amounts due to subsidiaries	應付附屬公司款項		5,664	448
Net current assets/(liabilities)	流動資產／（負債）淨值		178,880	(448)
NET ASSETS/(LIABILITIES)	資產／（負債）淨值		178,880	(448)
Capital and reserves	資本及儲備			
Share capital	股本	24	8,607	-*
Reserves	儲備		170,273	(448)
TOTAL EQUITY	權益總額		178,880	(448)

* Amounts less than RMB1,000

* 金額不足人民幣1,000元

Approved and authorised for issue by the board of directors on 25 March 2021.

於2021年3月25日經董事會批准及授權刊發。

Liu Yongliang
劉永亮
Chairman
主席

Yi Weiming
衣維明
Director
董事

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財務報表附註

(Expressed in RMB unless otherwise indicated)
(除另有註明外，以人民幣列示)

29 THE IMPACT OF COVID-19 PANDEMIC

The COVID-19 outbreak since early 2020 has significantly affected entities and economic activities globally and brought additional uncertainty to the Group's operating. The Group had been closely monitoring the impact on the developments on the Group's businesses and had put in place contingency measures, which includes assessing the impact on customers and liaising with key customers, and developing more sales channels. Up to the date of this report, management has not identified any areas that could have a material impact on the financial performance or position of the Group as at 31 December 2020.

Nevertheless, as COVID-19 continues to evolve, it is challenging at this moment to predict the full extent and duration of its impact to the business and the economy. The Group will continue to take measures, including but not limited to, controlling its operating costs, monitoring its cash flows, paying close attention to the development of the COVID-19 to its operations and continuously assessing its impact to the Group's financial statements, adequately adjusting its business plans, to protect the Group's benefits and interests in this challenging business environment and be well prepared for the business opportunities.

30 IMMEDIATE PARENT AND ULTIMATE CONTROLLING PARTY

The directors of the Company consider the immediate parent and the ultimate controlling party of the Company at 31 December 2020 to be Jinghai Group Investment Limited ("Jinghai Group") and Mr. Liu, respectively. Jinghai Group does not produce financial statements available for public use.

29 COVID-19疫情的影響

自2020年初以來爆發COVID-19對全球企業及經濟活動均造成重大影響，對本集團的經營亦帶來額外不明朗因素。本集團一直密切關注疫情對集團業務發展造成的影響，亦已制定應急措施，包括評估對客戶的影響及與主要客戶聯繫，並開拓更多銷售渠道。截至本報告日期，管理層並無發現任何會對本集團於2020年12月31日的財務表現或狀況產生重大影響之處。

然而，隨著COVID-19持續演變，目前要全面預測疫情對業務和經濟的影響程度及持續時間極具挑戰性。本集團將繼續採取包括（但不限於）控制經營成本、監控現金流、密切注視COVID-19的發展對其業務營運的影響並持續評估疫情對本集團財務報表的影響、適當調整業務計劃等措施，以在此挑戰重重的營商環境中保障本集團的利益及權益，為把握商機作好準備。

30 直接母公司及最終控股方

本公司董事認為於2020年12月31日的本公司直接母公司及最終控股方分別為京海集團投資有限公司（「京海集團」）及劉先生。京海集團並無編製供公眾使用的財務報表。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in RMB unless otherwise indicated)
(除另有註明外，以人民幣列示)

31 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2020

Up to the date of issue of the financial statements, the IASB has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2020 and which have not been adopted in these consolidated financial statements.

31 於截至2020年12月31日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋可能產生的影響

截至財務報表刊發日期，國際會計準則理事會已頒佈多項於截至2020年12月31日止年度尚未生效且並無於綜合財務報表採納的修訂、新訂準則及詮釋。

Effective for accounting periods beginning on or after
於以下日期或之後開始的會計期間生效

Amendments to IFRS 3, <i>Reference to the Conceptual Framework</i> 國際財務報告準則第3號的修訂「概念框架的提述」	1 January 2022 2022年1月1日
Amendments to IAS 16, <i>Property, Plant and Equipment: Proceeds before Intended Use</i> 國際會計準則第16號的修訂「物業、廠房及設備：作擬定用途前的所得款項」	1 January 2022 2022年1月1日
Amendments to IAS 37, <i>Onerous Contracts — Cost of Fulfilling a Contract</i> 國際會計準則第37號的修訂「有償合約－履行合約的成本」	1 January 2022 2022年1月1日
Annual Improvements to IFRSs 2018-2020 Cycle 國際財務報告準則2018年至2020年週期的年度改進	1 January 2022 2022年1月1日

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of these amendments, new standards and interpretations are unlikely to have a significant impact on the consolidated financial statements.

本集團正在評估該等修訂、新訂準則及詮釋於首次應用期間的預期影響。迄今為止，其認為採納該等修訂、新訂準則及詮釋不大可能會對綜合財務報表造成重大影響。

FOUR-YEAR FINANCIAL SUMMARY

四年財務摘要

CONSOLIDATED RESULTS

綜合業績

		For the year ended 31 December 截至12月31日止年度			
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Revenue	收益	361,474	376,904	386,889	354,343
Operating profit	經營溢利	116,815	119,088	131,351	131,569
Profit before taxation	除稅前溢利	89,729	94,251	109,298	107,589
Income tax expense	所得稅開支	(25,174)	(24,755)	(27,791)	(27,228)
Profit and total comprehensive income for the year	年度溢利及全面收益總額	64,555	69,496	81,507	80,361

CONSOLIDATED ASSETS AND LIABILITIES

綜合資產及負債

		As at 31 December 於12月31日			
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Total assets	總資產	1,318,926	1,195,892	1,339,483	1,188,216
Total liabilities	總負債	549,338	675,907	539,614	474,754
Total equity	權益總額	769,588	579,985	799,869	713,462

- The results and assets and liabilities of the Group for 2017 and 2018 are extracted from the Company's prospectus on 23 October 2020. No financial statement of the Group for the year ended 31 December 2016 has been published. Therefore, only the financial summary for the last four financial years is presented.
- The summary above does not form part of the audited consolidated financial statements.

- 本集團於2017年及2018年的業績及資產和負債乃摘錄自本公司日期為2020年10月23日的招股章程。本集團並無刊發截至2016年12月31日止年度的財務報表，因此僅呈列過去四個財政年度的財務摘要。
- 上述摘要並不構成經審核綜合財務報表的一部分。



CANGGANG RAILWAY LIMITED
滄港鐵路有限公司