



中國機械設備工程股份有限公司

China Machinery Engineering Corporation*

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

(於中華人民共和國註冊成立的股份有限公司)

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* For identification purposes only
* 僅供識別

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Chairman's Statement

董事長致辭



Chairman
BAI Shaotong
董事長
白紹桐

Dear Shareholders,

2020 was an extremely extraordinary year for the world economy. COVID-19 which ravaged the global and the lockdown and restriction measures implemented by various countries for pandemic prevention and control had a widespread and profound impact on the economy and society. According to the monitoring data of the United Nations Conference on Trade and Development, the global foreign direct investment (FDI) in 2020 dropped by 42% year on year. As of the end of 2020, the global FDI level was over 30% lower than the lowest level after the financial crisis in 2009, falling back to the level of the 1990s. The International Monetary Fund even believed that the economic recession in 2020 was the worst one since the Great Depression of the 1930s. The gross world product decreased to US\$83.84 trillion in 2020 from US\$87.55 trillion in 2019. According to a report of the World Bank, the new poor in the world in 2020 may have risen to between 119 and 124 million. According to its estimates for 2021, the estimated new poor in the world in 2021 may rise to between 143 and 163 million, which is enough to wipe out the global economic development in recent years.

尊敬的各位股東：

2020年對世界經濟來說，是極其特殊的一年。持續在全球肆虐的新冠肺炎疫情及各國為疫情防控而實施的封鎖限制措施，給經濟和社會造成了廣泛且深入的衝擊。據聯合國貿易與發展會議組織監測數據，2020年全球外國直接投資(FDI)同比降幅達42%。截至2020年底，全球FDI水平比2009年金融危機後的谷底還低30%以上，回落至上世紀90年代的水平。世界貨幣基金組織更認為，2020年是自上世紀30年代大蕭條以來最糟糕的經濟衰退，全球經濟總量或將由2019年的87.55萬億美元，縮減至83.84萬億美元。世界銀行發佈報告稱，2020年全球貧困人口可能增加1.19至1.24億，並對2021年情況作出預測，預計2021年全球貧困人口增加可能會達到1.43至1.63億，足以導致數年來的全球經濟發展成果毀於一旦。

Chairman's Statement

董事長致辭

The pandemic also had a serious impact on the international engineering construction. The infrastructure construction plans of most countries were shelved or delayed due to the hindered circulation of the global industrial chain and supply chain, the disruption of international transportation and logistics, and the repeated and extensive lockdown measures adopted by many countries. The pandemic-related exposures of China's overseas staff of China's foreign contracted engineering enterprises remained high, resulting in significant increase in costs for corporate management and operation. 2020 saw rare "double drop" in the newly signed contract and the turnover of China's foreign contracted engineering business: the newly signed contract of the business in 2020 amounted to USD255.54 billion (equivalent to RMB1,762.61 billion), representing a year-on-year decrease of 1.8%; the turnover in 2020 amounted to USD155.94 billion (equivalent to RMB1,075.61 billion), representing a year-on-year decrease of 9.8%.

However, being confronted with the unprecedented pandemic and complex and changeable domestic and international economic development environment, China's economy enjoyed strong resilience and great potential, becoming the only major economy in the world which achieved positive economic growth in 2020. China's foreign contracted engineering industry and infrastructure construction industry also made remarkable achievements in "seizing new opportunities in the crisis and opening up new dimension in the changing situation" on the premise that pandemic prevention and control were in place and human safety was a priority. Since the second half of 2020, the pace of decline in the turnover of the infrastructure construction industry had slowed down on a monthly basis, while the number of newly signed major projects had increased in a sustained way. The "going out" enterprises were proactive in making an overall strategic arrangement, optimizing their organizations and building platforms for overseas operation in 2020. Some enterprises kept up with the trend of the industry, and proactively enhanced their cooperation with information technology enterprises in order to actively grasp the opportunities in "new type infrastructure construction". The concept of "strategic-guided, innovative mode, technology-empowered and high quality sustainable development" became a common vision of the development of China's foreign contracted engineering industry, accumulating strength for the global business development in the post-pandemic era.

疫情的衝擊也給國際工程建設帶來嚴重影響。由於全球產業鏈供應鏈循環受阻、國際交通物流中斷、多國大面積反復採取封城措施，致使絕大多數國家的基建計劃被迫擱置或延後，中國對外承包工程企業在外人員面臨的疫情風險也居高不下，企業管理和運營成本明顯增加。2020年，中國對外承包工程新簽合同額和營業額出現罕見的「雙降」情況：業務新簽合同額2,555.4億美元（折合人民幣17,626.1億元），同比下降1.8%；完成營業額1,559.4億美元（折合人民幣10,756.1億元），同比下降9.8%。

但是，面對史無前例的疫情考驗和複雜多變的國內外經濟發展環境，中國經濟展現出了強大的韌性和潛力，成為2020年全球唯一實現經濟正增長的主要經濟體。中國的對外承包工程行業、基礎設施建設行業也在充分做好疫情防控、將人民生命安全放在首位的前提下，「在危機中育新機，於變局中開新局」，取得了諸多可圈可點的成績：2020年下半年以來行業完成營業額降幅逐月收窄；新簽大項目數量持續增多；「走出去」企業主動謀劃戰略佈局，優化組織架構，培育海外業務平台；有的企業緊跟行業熱點，主動加強同信息科技類企業的深度合作，積極搶佔「新型基礎設施建設」先機。「戰略引領、模式創新、科技賦能、高質量可持續」，已成為中國對外承包工程行業發展的共識，為後疫情時代的全球業務發展不斷積蓄著力量。

Chairman's Statement

董事長致辭

BUSINESS REVIEW

As a well-known international contractor and integrated service provider, the Group's international business has always accounted for the vast majority of its total revenue. As a result of the serious global economic recession, a sharp contraction of the international market and continuous changes in the industry environment since 2020, as of 31 December 2020, the Group's revenue was RMB19.10 billion, representing a year-on-year decrease of 32.6%, and its gross profit was RMB3.67 billion, representing a year-on-year decrease of 24.0%. The net profit attributable to owners of the parent was RMB1.19 billion, representing a year-on-year decrease of 45.9%. Given that the Company is currently in the process of privatization, the Board does not recommend the payment of a final dividend for the year ended 31 December 2020. For details of privatization, please refer to the announcement of the Company dated 13 January 2021.

The international engineering contracting is the core business of the Group. In 2020, the Group took pandemic prevention and control as its top priority, cooperated closely with the owners and relevant national government agencies, and spared no effort in pandemic prevention, management and safety. Based on various market conditions, the Group actively took measures to resume work and production, maintained a high degree of market activity and stabilized the foundation for development. During the reporting period, the revenue of the Group's International Engineering Contracting Business was RMB12.15 billion, representing a decrease of 38.6%.

業務回顧

作為國際知名的工程承包和綜合服務商，本集團的國際業務一直佔全部營收的絕大多數份額。因此，受2020年以來全球經濟深度衰退、國際市場劇烈收縮、行業環境持續變化的影響，截至2020年12月31日止年度，本集團收入為人民幣191.0億元，同比減少32.6%；毛利為人民幣36.7億元，同比減少24.0%；歸屬於母公司擁有人的淨溢利為人民幣11.9億元，同比減少45.9%。鑒於本公司目前正處於私有化進程中，董事會不建議派付截至2020年12月31日止之年度的末期股息。關於私有化詳情請參閱本公司日期為2021年1月13日的公告。

國際工程承包是本集團的核心業務。2020年內，本集團持續把疫情防控作為最重要的工作，與業主方和有關國家政府機構緊密合作，全力以赴抓防疫、抓管理、保安全；並根據不同市場情況，積極採取復工復產的措施，保持了較高的市場活躍度，穩住了發展的基礎。報告期內，本集團國際工程承包業務收入為人民幣121.5億元，降幅為38.6%。

Chairman's Statement 董事長致辭

Even though being confronted with various unfavorable factors, the Group made some progress in numerous projects in the past year: the PV2 photovoltaic power plant project in Abu Dhabi, the largest individual solar power plant in the world up to now, was signed. To further cultivate the traditional market, a supplementary contract to the cargo railway project in Belgrano, Argentina, the central wastewater treatment plant project in Belgrade, Serbia, the cement plant project in Harir, Iraq and the cement plant project in cooperation with a cement company in Uzbek, were signed. To increase efforts in exploring emerging markets, new contracts for the power project in Madagascar and the 55MW photovoltaic power plant project in Armenia were signed. To deploy in emerging sectors, new contracts for the biomass power generation projects in the Philippines and Thailand were signed. To further strengthen international open bidding capabilities, the Company won the biddings for the Goubassi hydroelectric project in the Senegal River Basin, the transformer substation project in Bangladesh; the 500kv looped power transmission and transformation network project in Northern Uruguay, the power transmission and transformation project in Guinea, and the transformer substation project in Nepal. The investment in promoting EPC development was fruitful. The Company won the biddings for 5 photovoltaic power plant projects in Myanmar and the waste-to-energy project in Dhaka, Bangladesh.

雖然面對各種不利情況，過去一年間，本集團仍然取得了一批重要的項目開拓成績：新簽的阿布扎比PV2光伏電站項目，是截至目前全球最大的單體太陽能電站項目；繼續精耕傳統市場，新簽了阿根廷貝爾格拉諾貨運鐵路項目增補合同、塞爾維亞貝爾格萊德中央污水處理廠項目、伊拉克哈里爾水泥廠項目、烏茲別克聯合水泥公司水泥廠項目；大力開拓新興市場，新簽了馬達加斯加電力項目、亞美尼亞55MW光伏電站項目；積極佈局新興領域，新簽了菲律賓生物質和泰國生物質發電項目；不斷提升國際公開競標能力，成功中標塞內加爾河流域古爾巴西水電站項目、孟加拉變電站項目、烏拉圭北部500kv環網輸變電項目、幾內亞輸變電項目、尼泊爾變電站項目等；投資拉動EPC卓有成效，中標緬甸5個光伏電站項目、孟加拉達卡垃圾發電項目等。

Chairman's Statement

董事長致辭

In order to cope with the market changes and enhance the development potential, the Group put forward the market strategy of “stabilizing overseas market and cultivating domestic market” in mid-2020 to speed up the construction process of integrating into the new development pattern of “dual circulation”. Driven by this, the number of domestic general contracting projects contracted and constructed by the Group increased continuously, and the domestic business scale increased significantly. Focusing on new technology, new infrastructure and new economy, the Group won the bidding for the gas turbine test bench project of the Institute of Engineering Thermophysics, Chinese Academy of Sciences, Hunan Hengyang Big Data Center of China Unicom and other innovative projects. A number of domestic engineering projects, which are conducive to the connection between domestic and foreign industrial chains, are also under development in a sustained way.

At the same time, a number of key projects broke through the obstacles brought about by the pandemic, achieved the start, completion or important milestones, and made important contributions to the economic recovery and community construction of the countries and regions where the projects were located. Some projects, such as Turkey boron carbide project, Balin affordable housing project, Sri Lanka power station coal yard expansion project, began construction as soon as the spread of the pandemic in the above areas eased. 14 projects including the Nam Ou hydropower station in Laos, the Jaffna water supply project in Sri Lanka, the power transmission and transformation project in Côte d'Ivoire, the power transmission and transformation project in Ecuador, the hospital and supporting facilities project in Zambia were completed. The Lusiwasi upstream hydropower project in Zambia, the wind power project in Kenya, the Maldives housing project phase III, the Kostolac power station project Phase II in Serbia, and the operation and maintenance project of Tal coal mine in Pakistan also reached their key milestones.

本集團為應對市場變化、厚植發展潛力，於2020年中提出了「穩外耕內」的市場戰略，以加快融入「雙循環」新發展格局的建設進程。在此帶動下，本集團簽約建設的國內總承包項目持續增多，國內經營規模大幅上升；著力新技術、新基建、新經濟，中標了中科院熱物理所燃機試驗台、中國聯通湖南衡陽大數據中心等開創性項目；一批國內工程項目、有利於國內外產業鏈對接的工程項目也在持續開發中。

與此同時，一批重點項目突破了疫情帶來的障礙，克難而進，實現了開工、完工或重要里程碑，為項目所在國家和地區的經濟恢復和社區建設做出重要貢獻。土耳其碳化硼項目、巴林保障房項目、斯里蘭卡電站煤場擴建項目等在當地疫情緩和的第一時間，就實現了開工建設；老撾烏江水電站、斯里蘭卡賈夫那供水、科特迪瓦輸變電、厄瓜多爾輸變電、贊比亞醫院及配套工程等14個項目實現完工；贊比亞盧西瓦西上游水電站項目、肯尼亞風電項目、馬爾代夫住房三期項目、塞爾維亞科斯托拉茨電站二期項目、巴基斯坦塔爾煤礦運維項目等也都完成了重要的標誌性節點。

Chairman's Statement

董事長致辭

The Trading Business took a hit from the pandemic in 2020. Nevertheless, as the Group set foot in the trading business for protective supplies right at the first moment, which made up for the decline in exports caused by the pandemic and achieved improvement in indicators of imports and exports. The Group continued to develop featured businesses and signature products. The overseas warehouse business, the complete mining equipment supply + import trading business, the new energy business in Central and South America and the building materials business in North America all achieved certain new results. The Company increased the efforts in development of the domestic market, and some breakthroughs were made in the high-end casting and forging business, domestic trading of agricultural products, research and development of intelligent fuse, natural gas import business and other businesses. We actively prepared to participate in the Hainan Expo to seek trade opportunities; seized the opportunity of the Winter Olympics and started with importing special snow removal equipment exclusively used by foreign airports, to actively participate in the construction of major domestic infrastructure projects.

The Group's Services Business maintained a good development trend in 2020 and achieved steady growth. For domestic and overseas market, the Group focused on improving the capability of providing services throughout the whole project construction process, strived to launch EPC project general contracting and whole process engineering consultation; seized development opportunities for key industries such as sponge city, smart manufacturing, prefabricated building, medical care and industrial parks to actively explore relevant markets, and accelerated the expansion of engineering inspection and engineering contracting businesses in the fields of industrial and civil construction and municipal environmental protection. The Company continued to increase investment in scientific and technological innovation and applied for a total of 19 patents; obtained 4 provincial and ministerial and industry science and technology awards, received 1 second prize of SINOMACH's 2020 Excellent Standards Award; and received approval for 3 provincial technology innovation platforms.

本集團的貿易業務2020年也受到了疫情的嚴重影響，但由於第一時間開拓了防護物資的貿易出口，彌補了疫情造成的出口下降，實現了進出口指標的增長。此外，本集團繼續打造明星業務和拳頭產品，海外倉業務、礦山設備成套供貨+進口貿易業務、中南美地區新能源業務和北美建材業務等都取得了新成效；加大對國內市場的開發，高端鑄鍛件業務、農產品內貿業務、智能型熔斷器研發、天然氣進口業務等也取得新突破；積極籌備參加海南進口消博會，尋求貿易機會；抓住冬奧會契機，以進口國外機場專用除雪設備為切入點，積極參與國內大基建項目建設。

本集團的服務業務在2020年保持了良好的發展態勢，實現了穩健增長。在國內外市場，本集團均著力提升工程建設全過程的服務能力，大力開展EPC工程總承包和全過程工程諮詢；抓住海綿城市、智能製造、裝配式建築、醫療、產業園區等重點行業的發展機遇期，積極開拓相關市場；加速拓展工業民用建築和市政環保領域的工程檢測和工程承包業務。持續加大科技創新的投入力度，2020年共申請專利19項；獲得省部級與行業科學技術獎4項；獲得國機2020年度優秀標準二等獎1項；獲得省級科技創新平台3項。

Chairman's Statement

董事長致辭

FUTURE PROSPECTS

The recovery of the global economy is subject to variables as a result of the spread of COVID-19 and the inoculation of vaccines in various countries in the world. The pandemic is still the biggest threat or uncertainty to all economies in the world in the next few years. At the same time, with the continuous development of China's economy, the pressure from the global business environment on Chinese export-oriented enterprises will increase.

Looking forward to 2021, the Group will persist in the business strategy of “stabilizing overseas market and cultivating domestic market” and facilitate the integration of industry chain advantages. By strengthening the core competitiveness of the enterprise as the core, we will implement strategic adjustment, and enhance the comprehensive ability of market development, project construction and risk resistance.

First, it is necessary to implement the strategy of “stabilizing overseas market and cultivating domestic market” to achieve breakthroughs in the market. To stabilize overseas market, the Company will develop overseas market with unwavering perseverance and stabilize its base presence in overseas market; and to cultivate domestic market, the Company will play to its strengths while avoiding its shortcomings, and develop the domestic market by “leveraging” through multiple channels and on multiple levels. The Company will meticulously study the national strategic plans and relevant domestic regional policies and industrial policies, continue to strengthen the linkage between domestic and international markets, and actively promote the national layout of the design consulting business.

未來展望

全球經濟的復甦，因新冠肺炎疫情的發展態勢以及疫苗在世界各國的施打情況而存在變數。疫情仍然是今後幾年時間內，全球各經濟體最大的威脅和變量。與此同時，隨著中國經濟的不斷發展，中國外向型企業所面對的全球營商環境的壓力也會越來越大。

展望2021年，本集團將立足「穩外耕內」的經營戰略，加深產業鏈優勢整合，以夯實企業核心競爭力為核心，實行戰略性調整，提升市場開發、項目建設和抵禦風險的綜合能力。

首先，要切實落實「穩外耕內」戰略，實現市場突破。穩外就是要鍥而不捨深耕海外市場，穩住海外基本盤；耕內就是要揚長避短，多渠道、多層面「借力」切入國內市場。認真研究國家戰略規劃，國內相關區域政策及產業政策，不斷強化國際國內兩個市場聯動，積極融入構建「雙循環」相互促進的新發展格局。

Second, it is necessary continuously optimize the 4+X business pattern to consolidate the foundation of our development. The Company will maintain the foundation status of the Engineering Contracting Business, continue to promote the transformation and upgrade of the Trading and Services Businesses, accelerate the transformation of the design consulting business with China Machinery International and JiKan Research Institute at the core towards “becoming a technology-based engineering company”, and make steady progress with the integrated business of investment, financing, construction and operation, which will further strengthen the role of investment to drive the engineering contracting business. In addition, in accordance with policy guidance and changes in market demands, the Company will increase efforts in the precise cultivation, incubation and fostering of various emerging businesses taking into account the Company's business features and resource advantages, in order to create new business growth points.

Third, it is necessary to strengthen the coordination and integration of the industrial chain and the supply chain, and improve the support of resources. It is essential to further actively and properly promote the resource integration of industry chain and supply chain, form a joint force, and seize the realistic market opportunities; it is critical to promote the integration of internal and external investment and financing resources, attract social capital and resources, raise funds through multiple channels and channels, and make steady progress with the integrated business of investment, financing, construction and operation. We should continue to increase cooperation with domestic and foreign leading enterprises and enterprises with distinctive advantages, and strengthen our own ability to control the industrial chain and the supply chain.

其次，要不斷優化4+X業務佈局，夯實發展基礎。堅持工程承包業務的基礎地位不動搖，繼續推動貿易與服務業務的轉型升級，加快以中機國際、機勘院為核心的設計諮詢業務向「科技型工程公司」轉型的步伐，穩步推動投融建營一體化業務，進一步提升投資對工程承包的拉動作用。同時，根據政策導向和市場需求變化，結合公司業務特點和資源優勢，加大對各類新興業務的精準培育、孵化和扶植力度，全力打造新的業務增長點。

第三，要加強產業鏈供應鏈協同整合，強化資源支撐。進一步積極妥善地推動與產業鏈供應鏈資源整合，形成合力，搶抓現實的市場機遇；推動整合內外部投融資資源，吸引社會資本和資源，多渠道多途徑籌集資金，持續推動「投融建營」一體化轉型升級；繼續加大與國內外行業龍頭企業、特色優勢企業的合作，強化自身的產業鏈供應鏈掌控能力。

Chairman's Statement

董事長致辭

Fourth, it is necessary to further promote reform and innovation and enhance our own capabilities. Taking the implementation of the “14th Five-Year-Plan” as an opportunity, we should continue to explore the reform of mixed ownership and improve various incentive and restraint mechanisms; we should continue to increase market development and innovation, and actively promote the replication of characteristic business models; we should closely follow the development trend of new technologies and new programs in various fields at home and abroad, continue to strengthen the investment in scientific and technological research and development of core products, and give full play to the impact of scientific and technological innovation on the company's businesses. We will continue to optimize the risk control system, continue to implement the regular pandemic prevention mechanism, and do a good job in the overall risk management and control.

At last, on behalf of the Board, I would like to take this opportunity to express my sincerest gratitude to the Shareholders who have extended concern and support for the Group over the years, the dedicated senior management team and all the staff members who have been working with relentless efforts.

BAI Shaotong
Chairman

Beijing, China
25 March 2021

第四，要深入推進改革與創新，增強自身能力。以「十四五規劃」落實為契機，繼續探索混合所有制改革，完善各項激勵約束機制；不斷加大市場開拓創新力度，積極推進特色業務模式的複製；緊跟國內外各領域新技術和新方案的發展趨勢，持續加強核心產品的科技研發投入，切實發揮科技創新對公司業務的引領與支撐作用；持續優化風控體系，繼續落實常態化防疫機制，全面做好風險管控各項工作。

最後，本人藉此機會謹代表董事會向長期以來關心和支持本集團的廣大股東、熱忱工作的高級管理團隊及不懈努力的全體員工致以最誠摯的謝意！



白紹桐
董事長

中國北京
2021年3月25日

Company Profile

公司簡介

The Company was established in 1978 and was the first state-owned industrial and trading enterprise in the PRC. The Company is a subsidiary controlled by SINOMACH. The Company was listed on the Main Board of the Stock Exchange on 21 December 2012. As at 31 December 2020, the Company had issued a total of 908,270,000 H Shares and 3,217,430,000 non-tradable Domestic Shares. The Company has a primary focus on EPC projects and particular expertise in the power sector, capable of providing one-stop customized and integrated engineering contracting solutions and services. The Company also conducts the Trading Business, Services Business and the emerging business segments.

Visions for Corporate development: On the basis of engineering constructing business and driven by technology and innovation, becoming an international diversified integrated service provider.

Competitive strengths: Brand reputation, operational model, business network, professional team, business operation, financial planning.

International Engineering Contracting Business: With approximately 40 years of experience in the International Engineering Contracting Business, the Company is able to provide project owners with one-stop customized and integrated turnkey solutions and services to manage and implement engineering contracting projects, especially in developing countries, and has undertaken engineering contracting projects in approximately 50 countries, primarily in Asia, Africa, Europe and South America. Power, transportation and telecommunications sectors are the Company's Core Sectors. The Company is also engaged in the Non-Core Sectors, such as water supply and treatment projects, building and construction projects, manufacturing and processing plant projects and mining and resources exploitation projects.

Trading Business: The Company conducts the Trading Business through its sales and marketing network which covers over 150 countries and regions. The sales and marketing network is established through years of international engineering contracting and trading experiences and business transactions involving export and import of products and services to and from these countries and regions.

Services Business: The Company is engaged in a certain extent on the Services Business, mainly including design consulting services, logistics services, tendering agency services, export-import agency services and other services.

本公司成立於1978年，是中國第一家國有工貿企業，是國機附屬公司。本公司於2012年12月21日在聯交所主板上市。截至2020年12月31日，本公司已發行合共908,270,000股H股及3,217,430,000股尚未流通的內資股。本公司主要專注於EPC項目，特別專長於電力能源行業，能夠提供一站式訂製及綜合工程承包方案及服務。本公司亦從事貿易業務、服務業務以及新興業務板塊。

企業發展遠景：以工程承包業務為基礎，以科技和創新為驅動，具有全球佈局的多元化綜合服務商。

競爭優勢：品牌聲譽、運營模式、業務網絡、專業團隊、商務運作、融資策劃。

國際工程承包業務：本公司在國際工程承包業務方面擁有約40年經驗，能夠為項目業主提供管理及實施工程承包項目的一站式訂製及綜合交鑰匙方案及服務，尤其是於發展中國家，並已在約50個國家承接工程承包項目，主要分佈於亞洲、非洲、歐洲及南美洲。電力能源、交通運輸及電子通訊行業是本公司的核心行業。本公司亦從事非核心行業，如供水及水處理項目、房屋及建築項目、製造和加工工廠項目以及採礦和資源開採項目。

貿易業務：本公司通過覆蓋超過150個國家及地區的銷售及市場營銷網絡進行貿易業務。銷售及市場營銷網絡是通過向此等國家及地區出口和自此等國家及地區進口產品及服務的多年國際工程承包及貿易經驗及業務交易而建立。

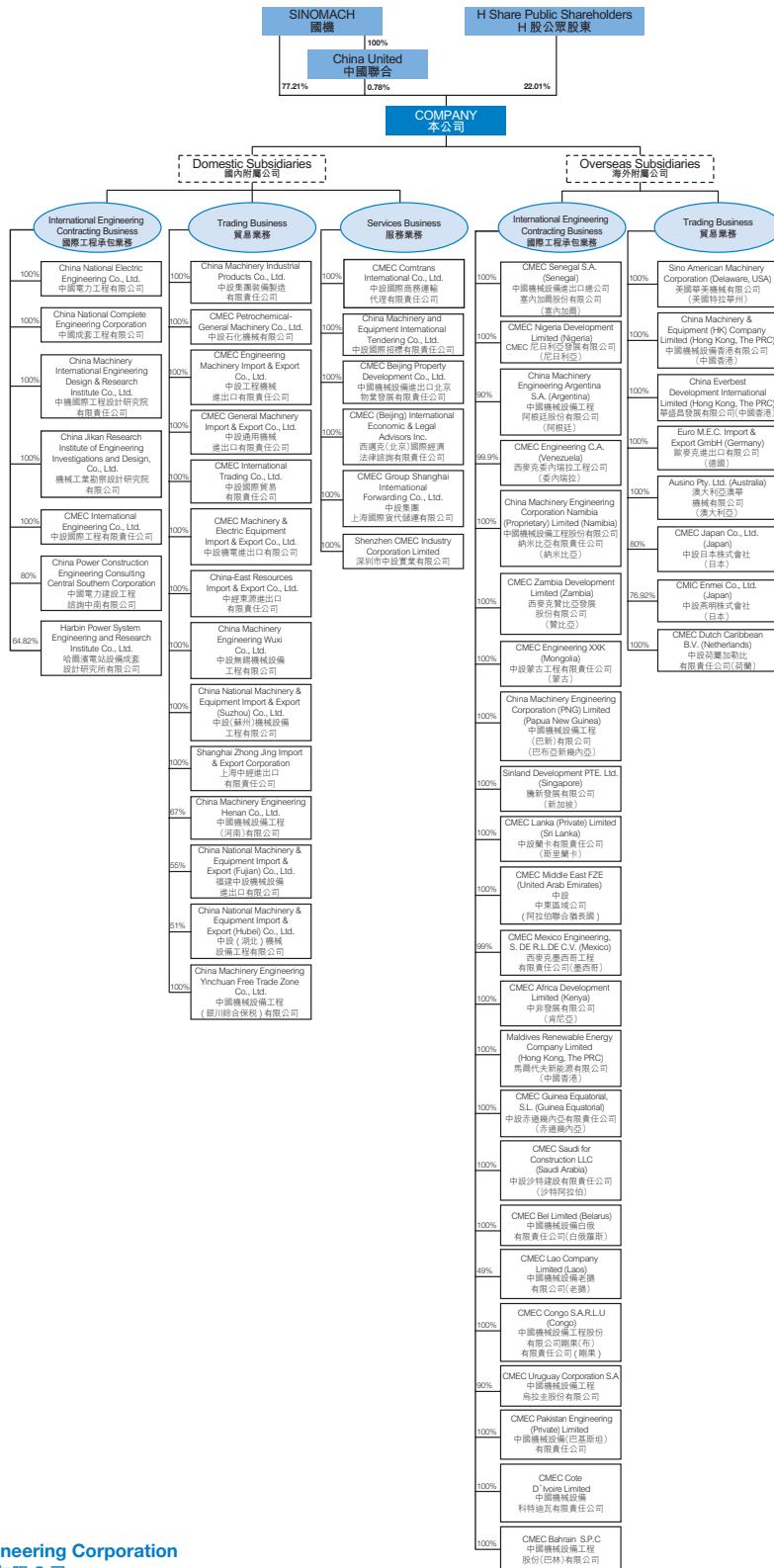
服務業務：本公司從事一定程度的服務業務，主要包括：設計諮詢服務、物流服務、招標代理服務、進出口代理服務及其他服務等。

Company Profile

公司簡介

Corporate Structure: As at 31 December 2020, the Company's corporate structure was as follows:

企業架構：截至2020年12月31日，本公司企業架構如下：



Key Operating and Financial Data

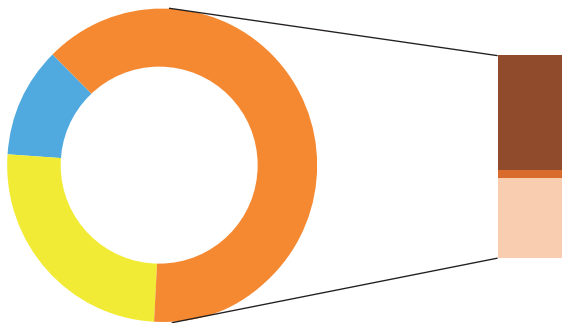
重要經營及財務數據

Revenue Structure in 2020

2020年收入結構

Unit: RMB million

單位：人民幣百萬元



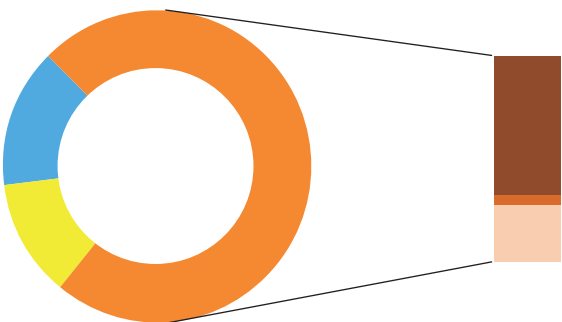
	Revenue 收入	Revenue Breakdown 收入佔比
IEC 國際工程承包業務	12,149	64%
-Power 電力能源	6,882	36%
-Transportation and Telecommunications 交通運輸及電子通訊	506	3%
-Non-Core Sectors 非核心行業	4,761	25%
Trading 貿易業務	4,791	25%
Services Business 服務業務	2,160	11%
Total 總計	19,100	100%

Gross Profit Structure in 2020

2020年毛利結構

Unit: RMB million

單位：人民幣百萬元



	Gross Profit 毛利	Gross Profit Breakdown 毛利佔比
IEC 國際工程承包業務	2,702	74%
-Power 電力能源	1,837	51%
-Transportation and Telecommunications 交通運輸及電子通訊	126	3%
-Non-Core Sectors 非核心行業	739	20%
Trading 貿易業務	442	12%
Services Business 服務業務	529	14%
Total 總計	3,673	100%

Key Operating and Financial Data

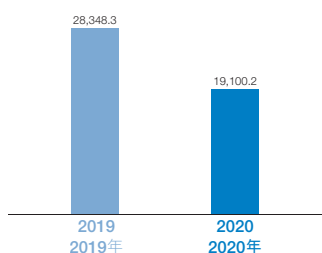
重要經營及財務數據

1. Revenue

收入

Unit: RMB million

單位：人民幣百萬元

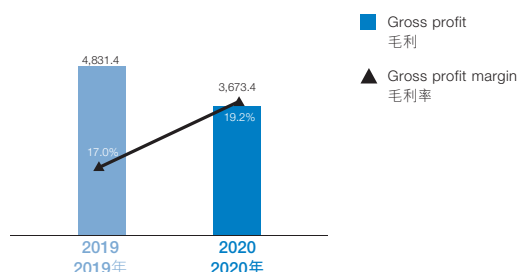


2. Gross Profit and Gross Profit Margins

毛利及毛利率

Unit: RMB million

單位：人民幣百萬元

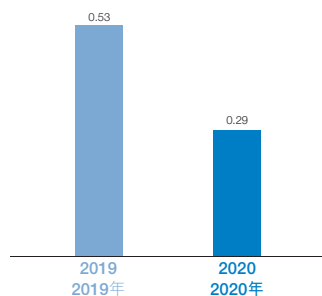


3. Basic Earnings per Share

每股基本盈利

Unit: RMB

單位：人民幣

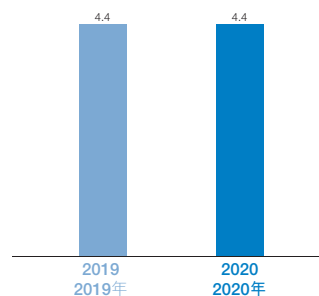


4. Net Asset Per Share

每股淨資產

Unit: RMB

單位：人民幣

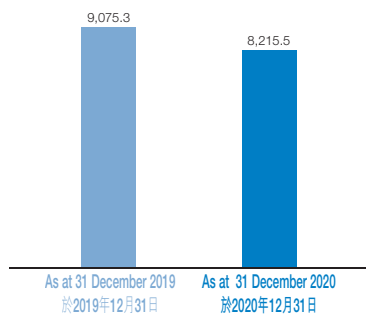


5. Backlog for the International Engineering Contracting Business

國際工程承包業務未完成合同量

Unit: US\$ million

單位：百萬美元

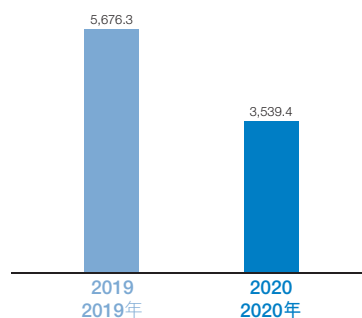


6. Newly Signed Contracts Value for the International Engineering Contracting Business

國際工程承包業務的新簽約合同金額

Unit: US\$ million

單位：百萬美元

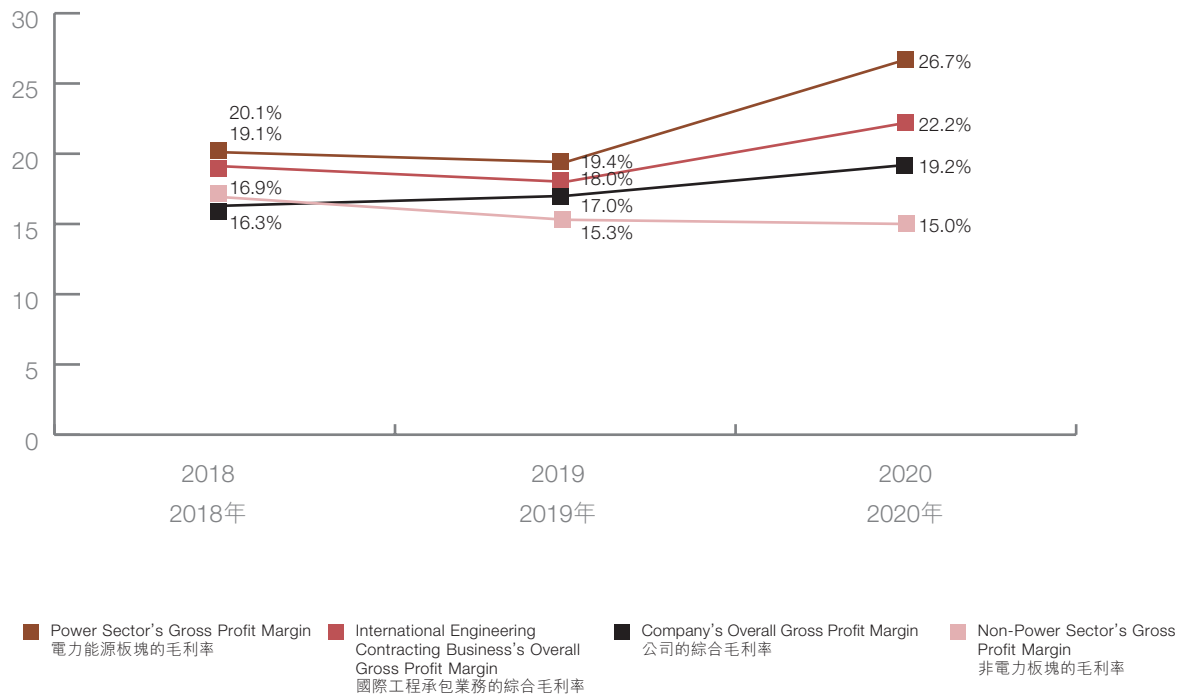


Key Operating and Financial Data

重要經營及財務數據

7. Gross Profit Margin for the International Engineering Contracting Business

國際工程承包業務的毛利率



Financial Highlights

財務摘要

		Year ended 31 December 截至12月31日止年度				
		2020	2019	2018	2017	2016
		2020年	2019年	2018年	2017年	2016年
		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
			(Restated)*			
			(重述)*			
Revenue	收入	19,100,165	28,348,250	28,862,688	27,375,112	21,017,236
Gross profit	毛利	3,673,370	4,831,423	4,695,953	5,289,045	3,544,191
Other revenue and other income, net	其他收入及其他收入淨額	228,198	72,817	22,382	405,916	14,892
Operating expenses	經營開支	(2,137,507)	(2,946,980)	(3,166,397)	(2,671,437)	(1,991,968)
Profit from operations	經營溢利	1,764,061	1,957,260	1,551,938	3,023,524	1,567,115
Profit before tax	除稅前溢利	1,577,901	2,838,685	2,825,767	2,360,925	2,783,930
Income tax	所得稅	(377,655)	(638,422)	(689,926)	(584,298)	(674,140)
Profit for the year	年內溢利	1,200,246	2,200,263	2,135,841	1,776,627	2,109,790
Other comprehensive income/(loss) for the year	年內其他綜合收益/(虧損)	(137,212)	67,750	(123,209)	(77,311)	74,536
Total comprehensive income for the year	年內綜合收益總額	1,063,034	2,268,013	2,012,632	1,699,316	2,184,326
Profit attribute to:	溢利歸屬於：					
- Owners of the parent	- 母公司擁有人	1,186,591	2,193,493	2,131,540	1,774,959	2,106,521
- Non-controlling interests	- 非控股權益	13,655	6,770	4,301	1,668	3,269
Total comprehensive income attributable to:	綜合收益總額歸屬於：					
- Owners of the parent	- 母公司擁有人	1,061,652	2,260,297	2,008,234	1,697,723	2,180,909
- Non-controlling interests	- 非控股權益	1,382	7,716	4,398	1,593	3,417
Basic and diluted earnings per share (expressed in RMB per share)	每股基本及攤薄盈利 (以每股人民幣元計值)	0.29	0.53	0.52	0.43	0.51
Total non-current assets	非流動資產總額	14,466,983	14,892,763	12,428,161	9,794,017	8,103,361
Total current assets	流動資產總額	36,552,245	39,107,121	43,686,456	46,556,442	39,348,918
Total assets	資產總額	51,019,228	53,999,884	56,114,617	56,350,459	47,452,279
Total non-current liabilities	非流動負債總額	1,811,355	1,713,618	1,409,869	1,245,291	956,450
Total current liabilities	流動負債總額	30,897,452	34,252,526	38,191,494	37,724,419	31,120,276
Total liabilities	負債總額	32,708,807	35,966,144	39,601,363	38,969,710	32,076,726
Total equity attributable to owners of the parent	母公司擁有人應佔權益總額	18,197,456	17,895,019	16,427,408	17,300,486	15,328,515
Non-controlling interests	非控股權益	112,965	138,721	85,846	80,263	47,038
Total equity	權益總額	18,310,421	18,033,740	16,513,254	17,380,749	15,375,553
Total equity and liabilities	權益及負債總額	51,019,228	53,999,884	56,114,617	56,350,459	47,452,279

* Restatement is based on business combination under common control as a result of the acquisition of Harbin Power System Engineering and Research Institute Co., Ltd. (哈爾濱電力系統工程設計研究所有限公司) in April 2020, which is stated in note 2.1 to the financial statements in this annual report.

* 重述是基於本年報財務報表附註2.1所述由於2020年4月收購哈爾濱電力系統設備成套設計研究所有限公司而在同一控制下的業務合併。

Management Discussion and Analysis

管理層討論與分析

I. INDUSTRY OVERVIEW

2020 marked an extraordinary year in the history of new China. The Chinese economy was severely hit by a rare triple-shock in a century. First of all, there was a sudden outbreak of COVID-19 pandemic that has never been seen in the past century. Secondly, the global economy has dipped into the most serious recession since World War II. Thirdly, the suppression on China imposed by some countries has fully accelerated, thus bringing huge challenges from the external environment. Facing the severe, complex international environment, as well as the extremely difficult tasks on maintaining stable domestic reform and development, especially the severe impacts brought by COVID-19 pandemic, by maintaining its strategic focuses, China was able to evaluate the environment accurately, formulate plans carefully and take action decisively. Attributable to its arduous efforts, China achieved satisfactory, eye-catching, historical performance, and was the only major economy that recorded positive economic growth globally. China made decisive achievements in the three major battles. It has achieved significant progress in technology innovation, and made huge breakthrough in reform and opening-up. Livelihood was strongly secured. The progress of completing major tasks on economic and social development was faster than expected.

According to preliminary calculations, GDP for the year was RMB101,598.6 billion, representing a year-on-year increase of 2.3% based on comparable price calculation. On quarterly basis, the GDP fell by 6.8% year-on-year in the first quarter, grew by 3.2% in the second quarter, grew by 4.9% in the third quarter, and grew by 6.5% in the fourth quarter. On industry basis, the added value for primary industry was RMB7,775.4 billion, representing a year-on-year increase of 3.0%; the added value for secondary industry was RMB38,425.5 billion, representing a year-on-year increase of 2.6%; and the added value for tertiary industry was RMB55,397.7 billion, representing a year-on-year increase of 2.1%.

I. 行業概覽

2020年是新中國歷史上極不平凡的一年。中國經濟遇到了世紀罕見的三重嚴重衝擊：一是百年不遇的新冠肺炎疫情突然暴發，二是世界經濟陷入第二次世界大戰結束以來最嚴重的衰退，三是一些國家遏制打壓全面升級，外部環境帶來巨大挑戰。面對嚴峻複雜的國際形勢、艱巨繁重的國內改革發展穩定任務特別是新冠肺炎疫情的嚴重衝擊，中國保持戰略定力，準確判斷形勢，精心謀劃部署，果斷採取行動，付出艱苦努力，交出了一份人民滿意、世界矚目、可以載入史冊的答卷。我國成為全球唯一實現經濟正增長的主要經濟體，三大攻堅戰取得決定性成就，科技創新取得重大進展，改革開放實現重要突破，民生得到有力保障，經濟社會發展主要目標任務完成情況好於預期。

初步核算，全年國內生產總值人民幣1,015,986億元，按可比價格計算，比上年增長2.3%。分季度看，第一季度同比下降6.8%，第二季度增長3.2%，第三季度增長4.9%，第四季度增長6.5%。分產業看，第一產業增加值人民幣77,754億元，比上年增長3.0%；第二產業增加值人民幣384,255億元，增長2.6%；第三產業增加值人民幣553,977億元，增長2.1%。

Management Discussion and Analysis

管理層討論與分析

A. International Engineering Contracting Business

In 2020, the newly signed contracts for foreign contracted engineering business in China amounted to USD255.54 billion (equivalent to RMB1,762.61 billion), representing a year-on-year decrease of 1.8%; and turnover amounted to USD155.94 billion (equivalent to RMB1,075.61 billion), representing a year-on-year decrease of 9.8%. The newly signed contracted engineering contracts in countries along “the Belt and Road” amounted to USD141.46 billion, and turnover amounted to USD91.12 billion, representing 55.4% and 58.4% of total amount for the same period, respectively. There were 514 newly signed projects worth over USD100 million, up by 8 projects as compared to last year. Projects under EPC contracting mode represented 63.3% of the project contracted amount. The integration of investment, construction and operation and other cooperation modes have been developing. In particular, in respect of infrastructure, there were more than 5,500 foreign infrastructure engineering projects undertaken by Chinese enterprises in 2020, with accumulated newly signed contracts exceeded USD200 billion, representing 80% of the total contract amount for the year. Among which, newly signed contracts for general construction and water conservancy construction recorded faster growth, with a year-on-year growth of 37.9% and 17.9%, respectively.

Last year, the continuous spread of the sudden outbreak of COVID-19 pandemic, as well as external factors including the rise of populism and deglobalization, have severely affected the development of foreign contracted engineering industry in China. The industry was facing unprecedented challenges. However, enterprises in such industry overcame all difficulties, endeavored to advance, continued to strengthen traditional market, and accelerated the exploration in business mode transformation and upgrade, thus reflecting the strong resilience and vitality of industry development. In general, the industry development in 2020 demonstrated the following features.

A. 國際工程承包業務

2020年，我國對外承包工程業務新簽合同額2,555.4億美元（折合人民幣17,626.1億元），同比下降1.8%；完成營業額1,559.4億美元（折合人民幣10,756.1億元），同比下降9.8%。在「一帶一路」沿線國家新簽承包工程合同額1,414.6億美元，完成營業額911.2億美元，分別佔同期總額的55.4%和58.4%。新簽合同額1億美元以上項目514個，數量較上年增加8個，以EPC總承包模式承攬的項目合同額佔到63.3%，投建營一體化等合作方式不斷發展。特別是在基礎設施領域，2020年，我國企業承攬的境外基礎設施類工程項目5,500多個，累計新簽合同額超過2,000億美元，佔當年合同總額的80%，其中一般建築、水利建設類項目新簽合同額增長較快，同比分別增長37.9%和17.9%。

去年，突如其來的新冠疫情持續蔓延、民粹主義和逆全球化思潮等外部因素嚴重衝擊我國對外承包工程行業發展，行業遭遇史無前例的嚴峻挑戰。儘管如此，行業內企業攻堅克難、砥礪奮進，繼續鞏固傳統市場，加快探索業務模式轉型升級，展現了行業發展的強大韌性與活力。總體來看，2020年行業發展呈現以下特點。

Management Discussion and Analysis

管理層討論與分析

(II) COVID-19 pandemic severely affected foreign contracted engineering business, resulting in “double drop” in both contract amount and turnover

The spread of pandemic has resulted in interruption in global industrial and supply chain cycle, disruption in international transportation and logistics and implementation of lockdown measures in numerous countries. Industries and enterprises were significantly affected in general. According to the survey conducted by China International Contractors Association in April 2020, over half of the members experienced suspension in their projects in progress, and the operating risks have significantly increased. Medical and healthcare systems in developing countries across Asia, Africa and Latin America are generally undeveloped, with limited awareness and capability in pandemic prevention and control. The pandemic-related exposures of China's overseas staff remained high, resulting in significant increase in costs for corporate management and operation. As the economic recovery of host countries was continuously affected by the pandemic, many countries are forced to suspend or postpone their infrastructure construction plan. Hence, it is much more difficult for us to expand our business. Fortunately, despite the “double drop” in overall operation, the drop in turnover achieved has narrowed down month by month since the second half of 2020. A stabilizing trend has been shown in foreign contracted engineering business.

(一) 對外承包工程業務遭受新冠疫情嚴重影響，合同額和營業額出現「雙降」

疫情蔓延導致全球產業鏈供應鏈循環受阻、國際交通物流中斷、多國採取封城措施，行業企業普遍受到巨大衝擊。據中國對外承包工程商會2020年4月份調查問卷顯示，超過半數會員企業在建項目停工，企業經營風險大幅增加。亞洲、非洲及拉丁美洲廣大發展中國家醫療衛生服務體系普遍落後，疫情防控意識和防控能力有限，我國在外人員面臨的疫情風險居高不下，企業管理和運營成本明顯增加。由於疫情持續影響東道國經濟復甦，不少國家的基建計劃被迫擱置或延後，業務拓展難度明顯加大。令人欣慰的是，儘管總體業務出現「雙降」，2020年下半年以來行業完成營業額降幅逐月收窄，對外承包工程業務呈現逐步企穩態勢。

Management Discussion and Analysis

管理層討論與分析

(II) Asian market functioned perfectly as the “stabilizer”, with continuous growth in number of newly signed major projects

In respect of regional market, operations in Asian market continued to rank top among all regions, and represented over 50% of total amounts in terms of newly signed contracts and completed contracts. Asian market has played an important role in stabilizing the fundamentals of industry development. We have achieved satisfactory results in key country markets such as Bangladesh, Indonesia, Philippines, Saudi Arabia and Pakistan. In respect of overall industry distribution, the transportation, electricity and housing construction sectors are the best performing sectors, with greater growth in newly signed contracts.

In general, the number of newly signed major projects continued to rise. There were 514 newly signed projects worth over USD100 million, up by 8 projects as compared to last year. Contracts were signed for several major projects, including Hong Kong International Airport and Singapore Tuas Integrated Waste Treatment Project, reflecting our strong general competitiveness in international infrastructure market.

(二) 亞洲市場「穩定器」作用明顯，新簽大項目數量持續增加

從區域市場來看，亞洲市場業務繼續穩居各區域之首，新簽合同額和完成合同額均佔比超過總體的50%以上，亞洲市場對穩定行業發展的基本面發揮了重要的作用，孟加拉國、印尼、菲律賓、沙特阿拉伯、巴基斯坦等重點國別市場均取得不俗的業績。從行業總體業務分佈來看，交通、電力和房建是最強項的領域，新簽合同額漲幅較大。

整體來看，新簽大項目數量持續增多，新簽合同額1億美元以上項目514個，數量較上年增加8個，香港國際機場、新加坡大士綜合廢物處理項目等一批大型項目相繼簽約，彰顯了我們在國際基建市場較強的綜合競爭實力。

Management Discussion and Analysis

管理層討論與分析

(III) Put full efforts in combating pandemic, and industry transformation and upgrade facilitated smoothly

Facing the complex and severe challenges brought by the pandemic, stakeholders in the whole industry, adhering to the objective of “Life First”, made thoughtful deployment and worked in unity. They made arrangements on domestic and overseas resources allocation, purchased pandemic prevention materials, dispatched medical teams and chartered transportation. With the successful implementation of measures on “focusing on pandemic prevention and control while resuming work and production” and “stabilizing market, production and team”, the construction and operation of major overseas projects were secured. Such achievements were highly praised by stakeholders in countries concerned, reflecting that Chinese enterprises have embodied their duties and responsibilities.

(三) 全力抗擊疫情，行業轉型升級穩步推進

面對複雜嚴峻的疫情挑戰，整個行業堅持「生命至上」宗旨，周密部署、眾志成城，統籌國內外資源，採購防疫物資、派遣醫療隊、組織包機運輸，「一手抓疫情防控，一手抓復工復產」「穩市場、穩生產、穩隊伍」成效顯著，確保了海外重大項目的建設和運營，贏得所在國各利益相關方的高度讚揚，彰顯了中國企業的責任與擔當。

Management Discussion and Analysis

管理層討論與分析

While acting in response to challenges arising from the pandemic, we continued to explore the path on transformation and development. Most of the enterprises proactively formulated strategic deployment, optimized their organizational structure and developed overseas business platform so as to build up foundation for business development in the post-pandemic era. Some enterprises continuously explored innovation on business modes, and successfully signed contracts for several major transportation infrastructure projects under PPP mode in Latin America market. Some enterprises accelerated their business development and deployment in international markets, and acquired construction and design consultation firms in Europe in order to establish a solid foundation for their expansion in developed countries. Some enterprises closely followed the industry hot topics, and proactively enhanced their cooperation with information technology enterprises in order to actively grasp the opportunities in “new type infrastructure construction”. The concept of “strategic-guided, innovative mode, technology-empowered and high quality sustainable development” has become a common vision in the industry.

在應對疫情挑戰的同時，繼續探索轉型發展之路。多數企業主動謀劃戰略佈局，優化組織架構，培育海外業務平台，為後疫情時代的業務發展積蓄力量；部分企業不斷探索業務模式的創新，在拉丁美洲市場以PPP模式成功簽約多個大型交通類基礎設施項目；有的企業加快國際化發展佈局，收購歐洲工程建設與設計諮詢企業，為拓展發達國家市場打好基礎；還有的企業緊跟行業熱點，主動加強同信息科技類企業的深度合作，積極搶佔「新型基礎設施建設」先機。「戰略引領、模式創新、科技賦能、高質量可持續」，已成為行業發展共識。

Management Discussion and Analysis

管理層討論與分析

B. Trading Business

In 2020, facing the severe blow from COVID-19 pandemic and the extremely complex international environment, China's foreign trade achieved better-than-expected growth amid the adverse environment, making a new record and creating an encouraging story that is full of ups and downs. China's foreign trade dropped sharply in the first quarter, followed by a transition in the second quarter. It gradually recovered in the third and fourth quarter, and was improving month by month, showing an encouraging "V-shape" reverse curve. This fully reflected the overall competitiveness of China's foreign trade, and the confidence of international markets and global consumers in China's foreign trade. There were three noteworthy features of foreign trade for the year:

(I) The scale of trade and international market share both reached historical high

The total value of imports and exports for the year amounted to RMB32.16 trillion, representing a year-on-year increase of 1.9%. Of which, exports amounted to RMB17.93 trillion, up by 4%; imports amounted to RMB14.23 trillion, down by 0.7%. The scale of imports and exports as well as exports both reached historical high. According to the latest data from the World Trade Organization, the growth rate in exports of China was 9.6 percentage points higher than the rest of the world in the first three quarters in 2020 with a significant increase in international market share, and thus entrenching China the largest country of trade in goods.

B. 貿易業務

2020年，面對新冠肺炎疫情的嚴重衝擊和異常複雜的國際形勢，中國外貿逆勢增長、好於預期，並刷新歷史紀錄，書寫了一部跌宕起伏、鼓舞人心的勵志故事。第一季度急劇下降，第二季度攻防轉換，第三季度、第四季度穩步回升，逐月向好，走出一條令人振奮的「V」形反轉曲線。這是中國外貿綜合競爭力的充分體現，更是國際市場和全球消費者對中國外貿投下的信任票。全年外貿發展主要有三個特點值得關注：

(一) 貿易規模和國際市場份額雙雙創下歷史新高

全年進出口總值人民幣32.16萬億元，同比增長1.9%。其中，出口人民幣17.93萬億元，增長4%；進口人民幣14.23萬億元，下降0.7%。進出口、出口規模均創歷史新高。據世貿組織最新數據，2020年前三季度，我國出口增速高於全球9.6個百分點，國際市場份額大幅躍升，貨物貿易第一大國地位更加鞏固。

Management Discussion and Analysis

管理層討論與分析

(II) Strong impetus for trade innovation and development and continued optimization of trade structure

With the increase in imports and exports to major trading partners, ASEAN has become the largest trading partner of China with imports and exports to China up by 7%. Europe and America markets have recovered with imports and exports to China up by 5.3% and 8.8%, respectively. The domestic regional layout became more balanced. The gradient transfer of processing trade in the central and western regions achieved positive results with imports and exports up by 11% and its share increased by 1.4 percentage points to 17.5%. The exported goods continued its leap to the upper echelon in the value chain. The exports of electromechanical products increased by 6% with its share increased by 1.1 percentage points to 59.4%. In light of the reinforced industry base and enhanced independent development capability, the share of exports of general trade increased by 1.6 percentage points to 59.4%. The pace for innovation and development was expedited. Cross-border e-commerce became the first option for enterprise to initiate international trade and the first place for innovation and development in foreign trade with imports and exports increased by 31.1%. Over ten thousand traditional foreign trade enterprises started to make use of the Internet to improve quality and efficiency. More than 1,800 overseas warehouses became an important part in overseas marketing and the new infrastructure in foreign trade. According to the preliminary estimates in 31 pilot markets, the exports from trade of market procurement amounted to approximately USD100 billion for the year and reached historical high.

(二) 貿易創新發展動力強勁，貿易結構持續優化

隨著主要貿易夥伴進出口實現增長，東盟與我國的進出口增長7%，並成為我國第一大貿易夥伴。歐、美市場有所恢復，與我國進出口分別增長5.3%和8.8%。國內區域佈局更加均衡。中西部地區承接加工貿易梯度轉移取得積極成效，進出口增長11%，佔比提升1.4個百分點至17.5%。出口產品不斷向價值鏈上游攀升，機電產品出口增長6%，佔比提高1.1個百分點至59.4%。產業基礎更加穩固、自主發展能力增強，一般貿易出口佔比提高1.6個百分點至59.4%。創新發展步伐加快。跨境電商成為企業開展國際貿易的首選和外貿創新發展排頭兵，進出口增長31.1%。超萬家傳統外貿企業觸網上線、提質增效。1,800多個海外倉成為海外營銷重要節點和外貿新型基礎設施。據31個試點市場初步統計，市場採購貿易方式全年出口約1,000億美元，創歷史新高。

Management Discussion and Analysis

管理層討論與分析

(III) Stabilization of the basic market of foreign trade and foreign investment and contributing the strength of China to global trade

To maintain the stability of the market players and expectations, four rounds of foreign trade stabilization policies and measures were introduced with unprecedented magnitude. Imports and exports recorded consecutive positive growth from June and market confidence was rapidly restored. Therefore, the stability of the foreign trade industry chain and supply chain was maintained. The foreign trade sector took the lead in work and production resumption and fully utilized production capacity, which on the one hand, spurred the resumption of the upstream and downstream industry chains, and on the other hand, provided strong support for the operation of the international supply chain so as to satisfy people's needs for home living and working in different countries during the pandemic. Therefore, the stability of the international market share was maintained. Canton Fair was organized online, making it the first major international exhibition in the world to do so with many enterprises meeting new friends and exploring new markets. To fully support international anti-pandemic cooperation, on the basis of covering the domestic anti-pandemic demands, China did its best to export anti-pandemic supplies to over 200 countries and regions for the facilitation of building a global community of health for all.

(三) 穩住了外貿外資基本盤，為全球貿易貢獻中國力量

為穩住市場主體和預期，四輪穩外貿政策措施先後出台，力度之大，前所未有，6月起進出口連續正增長，市場信心快速恢復。穩住了外貿產業鏈供應鏈。外貿領域率先復工復產，產能充分釋放，一方面帶動上下游產業鏈恢復，另一方面有力支撐國際供應鏈運轉，滿足疫情期間各國人民居家生活和工作需要。穩住了國際市場份額。在全球首開網上舉辦廣交會等重要國際展會的先河，許多企業結識了新朋友、開拓了新市場。全力支持國際抗疫合作，在保障國內抗疫需求的基礎上盡己所能向200多個國家和地區出口防疫物資，推動構建人類衛生健康共同體。

Management Discussion and Analysis

管理層討論與分析

C. Services Business

In 2020, the design consulting business also took a heavy hit from the COVID-19 pandemic, yet there were some new opportunities. Overall, in view of the frequent introduction of new policies and new acts for the whole industry, the industry has gradually entered the new phase of high-quality development.

(I) The construction of “new infrastructure and new urbanization initiatives and major projects” became the prevailing industry trend

In 2020, the expedition of new infrastructure construction, the expansion of effective investment, and the focus on supporting the construction of “new infrastructure and new urbanization initiatives and major projects”, i.e. new types of infrastructure, a new type of urbanization and major projects affecting national planning and people’s livelihood, were specified at many meetings of the Political Bureau of the Central Committee of the Communist Party and executive meetings of the State Council. Meanwhile, various provinces and cities across the country have promulgated “new infrastructure” policy proposals or investment plans.

“New infrastructure and new urbanization initiatives and major projects” is a major plan proposed by the Central Committee of Communist Party and the State Council based on the needs for China’s comprehensive development and in accordance with the current international and domestic situations. It is of great significance to breaking through amid current difficulties and social transition in China. Also, it brings new development opportunities to the engineering survey and design industry in transition and becomes the prevailing industry trend.

C. 服務業務

2020年，設計諮詢業務也受到新冠肺炎疫情的巨大影響，但也有一些新的機遇。總體來說，整個行業新政策、新作為頻出，逐漸邁入高質量發展的新階段。

(一)「兩新一重」建設成為行業發展新風口

2020年，多次中央政治局會議、國務院常務會議均明確提出加快新型基礎設施建設，提出要擴大有效投資，重點支持「兩新一重」建設，即新型基礎設施、新型城鎮化和涉及國計民生的重大項目方面。與此同時，全國眾多省市都出台了「新基建」政策方案或投資計劃。

「兩新一重」是黨中央、國務院基於中國全面發展的需要，根據當前國內外局勢作出的重要規劃，對於中國當前的困境突圍和社會躍遷具有重要意義，同時也為轉型中的工程勘察設計企業帶來了新的發展機遇，成為行業發展的新風口。

Management Discussion and Analysis

管理層討論與分析

(II) The direction of industry transformation and upgrade was further specified

Departments including the Ministry of Housing and Urban-Rural Development have promulgated documents such as “Guiding Opinions on the Coordinated Development of Smart Construction and Industrialization in the Construction Industry” and “Several Opinions on Accelerating the New Construction Industrialization Development” to vigorously promote the integration of the whole industry chain of engineering which is led by the systematic integrated project design for the entire life cycle, so as to achieve industrialization in the construction industry with high efficiency, high quality, low consumption and low emission for project construction, and strongly encourage the application of industry digital design system, integrated design. Illustrating the direction of developing from “made in China” to “intelligent manufacturing in China”, these documents provided basic guidance for the transformation, upgrade and realization of high quality development for the construction industry and relevant industries of the current and future generations.

(二) 行業轉型升級方向進一步明確

住房和城鄉建設部等部門相繼出台了《關於推動智能建造與建築工業化協同發展的指導意見》、《加快新型建築工業化發展的若干意見》等文件，大力推動以工程全壽命期系統化集成設計為主導，整合工程全產業鏈，實現工程建設高效益、高質量、低消耗、低排放的建築工業化，大力促進行業數字化設計體系、一體化集成設計的應用。說明發展的方向已經從「中國建造」走向「中國智造」，這也為當前和今後一個時期建築業以及相關行業的轉型升級、實現高質量發展提供了基本指導。

Management Discussion and Analysis

管理層討論與分析

(III) The industry chain continued to expand

Upon the basis of the administrative measures for general contracting of projects and the guiding opinions on the engineering consulting services in the whole process issued in 2019 and by the improvement in the supporting documents in 2020, the general contracting of projects and the engineering consulting services in the whole process were further promoted. In addition to the traditional consultation in early-stage demonstration, engineering construction, project management and pricing, and other consulting and entrusted construction, design consultation business also includes the consultation in maintenance and operation stage, such as technical services and long-distance diagnosis. With the provision of relevant new consultations including digital twin and digital application, the capabilities in EPC general contracting and integration continued to enhance. At the same time, a pilot architect accountability system was introduced in some major cities, which gave a full play to the technological advantages of architects and their teams and had a leading effect, and was important to enhance the engineering construction quality and value, facilitate the industry transformation and upgrade as well as high quality development.

(三) 業務鏈條不斷擴展

在2019年發佈工程總承包管理辦法、全過程工程諮詢指導意見的基礎上，2020年通過配套文件的完善，進一步推進工程總承包和全過程工程諮詢，設計諮詢業務除了傳統的前期論證、工程建設、項目管理、造價等諮詢和代建之外，還有對運維階段的諮詢，包括技術服務、遠程診斷等等；提供一些相關的新型諮詢，包括工程的數字孿生、數字應用等，EPC的總承包和集成能力不斷提升。同時在一些重點城市試點建築師負責制，這對於充分發揮建築師及其團隊的技術優勢和主導作用，提升工程建設品質和價值，促進行業轉型升級和高質量發展，具有重要的意義。

Management Discussion and Analysis

管理層討論與分析

(IV) “Heavy Dosage” on qualification reform

The Ministry of Housing and Urban-Rural Development promulgated documents such as “Notice of Implementation Opinions on Amending the Construction Enterprise Qualification Management Regulations and Qualification Standards” and “Reform Plan for the Qualifications Management System of Construction Companies” in 2020, which further loosen the entry restrictions of the construction market and improved the approval service. It would be beneficial to eliminate irrational limitations that restricted the industry development, continue to stimulate the vitality of market players, and facilitate overall industry transformation and upgrade, thus achieving high quality development.

However, the existing problems in the industry should not be ignored as they will bring challenges to the next step in high quality development. For example, the average profit margin of the industry remained low, and the value growth was weak; business was similar and the service was monotonous; there was overcapacity in traditional service, and lack of supply in refined and integrated consulting service; progress of application of digital technology was still pending for further expedition, and the level of system integration was low; innovation in corporate management model, business formats and resources integration capability were still pending to be enhanced; although the leading enterprises overtook many international industry peers in terms of business scale, most of the enterprises have low level of internationalization. There was still a huge gap between these enterprises and international leading enterprises in terms of international brand awareness, innovation capability, business mode, service portfolio, involvement in international standard and international market share.

(四) 資質改革「重錘」落下

2020年，住房和城鄉建設部先後出台《關於修改建築業企業資質管理規定和資質標準實施意見的通知》、《建設工程企業資質管理制度改革方案》等文件，進一步放寬建築市場准入限制，優化審批服務，將有利於破除制約企業發展的不合理束縛，持續激發市場主體活力，加快推動整個行業轉型升級，實現高質量發展。

但是與此同時，行業存在的問題也會給下一步的高質量發展帶來挑戰，因此亦不容忽視。如：行業平均利潤率持續走低，價值增長乏力；業務趨同、服務內容單一、傳統服務產能過剩，精細化和一體化諮詢服務供給不足；數字技術應用進程有待進一步加快，系統的集成化程度低；企業管理模式創新、業態創新、資源整合能力有待提升；領軍企業雖然在規模上超越了很多國際同行，但大多數企業的國際化程度低，在品牌國際知名度、創新能力、業務模式、服務內容、國際標準參與度、國際市場份額等方面與國際先進企業相比仍存在較大差距等。

Management Discussion and Analysis

管理層討論與分析

II. BUSINESS OVERVIEW

A. International Engineering Contracting Business

In 2020, the raging global pandemic, deep economic recession and drastic changes in the external environment dealt a great blow to the Company's engineering contracting business. Nevertheless, all CMEC employees worked together as one to tide over the difficulties in the battle of stabilizing operation and fighting against the pandemic along both lines, and managed to remain quite active in the market and reinforce the foundation for development.

The following table sets forth the details of the International Engineering Contracting Business for the year ended 31 December 2020 and the comparative figures for the year ended 31 December 2019:

II. 業務概覽

A. 國際工程承包業務

2020年，全球疫情肆虐、經濟深度衰退，外部環境劇烈變化，給公司工程承包業務帶來巨幅衝擊。但全體中設人在穩經營和抗疫情的大戰大考中，兩手抓、兩手硬，團結一心、共克時艱，保持了較高的市場活躍度，穩住了發展的基礎。

下表載列截至2020年12月31日止年度國際工程承包業務詳情，以及截至2019年12月31日止年度的比較數字：

Unit: RMB million
單位：人民幣百萬元

				2020	% of Total	2019 (Restated) 2019年 (經重述)	Year-on-year Growth/ (Decline) 按年增長/ (減少)
Revenue	收入	Power	電力能源	6,881.8	56.6%	12,357.9	(44.3)%
		Transportation and Telecommunications	交通運輸及電子通訊	506.4	4.2%	593.3	(14.6)%
		Non-Core Sectors	非核心行業	4,760.5	39.2%	6,840.7	(30.4)%
		Total	總計	12,148.7	100.0%	19,791.9	(38.6)%
Gross profit	毛利	Power	電力能源	1,837.3	68.0%	2,391.3	(23.2)%
		Transportation and Telecommunications	交通運輸及電子通訊	126.1	4.7%	175.9	(28.3)%
		Non-Core Sectors	非核心行業	739.3	27.3%	996.0	(25.8)%
		Total	總計	2,702.7	100.0%	3,563.2	(24.1)%

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Note: The map is provided only for illustrative purposes and not drawn to scale. It is not intended to accurately show the exact locations of our engineering contracting projects.

附註： 此地圖僅供說明用途，並非按比例編繪。地圖的目的並非準確顯示我們的工程承包項目的精確位置。

The following table sets forth a breakdown of the revenue from the Group's International Engineering Contracting Business by geographic locations as at 31 December 2020:

下表載列截至2020年12月31日止年度按地理位置劃分的本集團國際工程承包業務收入明細：

		2020	% of Total
		2020年	總額的%
		RMB million	
		人民幣百萬元	
Asia	亞洲	7,184.8	59.1%
South America	南美洲	206.3	1.7%
North America	北美洲	46.3	0.4%
Africa	非洲	3,810.6	31.4%
Europe	歐洲	900.7	7.4%
Total	總計	12,148.7	100.0%

Management Discussion and Analysis

管理層討論與分析

1. Adopted a multi-pronged approach to project development

To further cultivate the traditional market, new contracts for the PV2 photovoltaic power plant project in Abu Dhabi, a supplementary contract to the cargo railway project in Belgrano, Argentina, the central wastewater treatment plant project in Belgrade, Serbia, the cement plant project in Harir, Iraq and the cement plant project in cooperation with a cement company in Uzbek, were signed. To increase efforts in exploring emerging markets, new contracts for the power project in Madagascar and the 55MW photovoltaic power plant project in Armenia were signed. To deploy in emerging sectors, new contracts for the biomass power generation projects in the Philippines and Thailand were signed. To further strengthen international open bidding capabilities, the Company won the biddings for the Goubassi hydroelectric project in the Senegal River Basin, the transformer substation project in Bangladesh; the 500kv looped power transmission and transformation network project in Northern Uruguay, the power transmission and transformation project in Guinea, and the transformer substation project in Nepal. The investment in promoting EPC development was fruitful. The Company won the biddings for 5 photovoltaic power plant projects in Myanmar and the waste-to-energy project in Dhaka, Bangladesh. The policy of “stabilizing overseas market and cultivating domestic market” started to deliver results. In response to the current situation, the Company put forward the general approach of “stabilizing overseas market and cultivating domestic market” and accelerated its integration into the “dual circulation” development pattern. The scale of operations of China Machinery International and JiKan Research Institute expanded significantly. The Company successfully won the bidding for the gas turbine test bench project of the Institute of Engineering Thermophysics, Chinese Academy of Sciences, and a number of domestic projects have been underway.

1. 項目開拓多措並舉

為進一步精耕傳統市場，新簽了阿布扎比PV2光伏電站項目、阿根廷貝爾格拉諾貨運鐵路項目增補合同、塞爾維亞貝爾格萊德中央污水處理廠項目、伊拉克哈里爾水泥廠項目、烏茲別克聯合水泥公司水泥廠項目。為大力開拓新興市場，新簽了馬達加斯加電力項目、亞美尼亞55MW光伏電站項目。積極佈局新興領域，新簽了菲律賓生物質和泰國生物質發電項目。不斷提升國際公開競標能力，成功中標塞內加爾河流域古爾巴西水電站項目、孟加拉變電站項目；烏拉圭北部500kv環網輸變電項目、幾內亞輸變電項目、尼泊爾變電站項目等。投資拉動EPC卓有成效，中標緬甸5個光伏電站項目、孟加拉達卡垃圾發電項目等。「穩外耕內」效果顯現，公司為應對當下形勢，提出「穩外耕內」總體思路，加快融入「雙循環」發展格局，中機國際、機勘院經營規模大幅上升；公司成功中標中科院熱物理所燃機試驗台項目，一批國內項目在持續開發中。

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2. Overcame difficulties in project execution

In the last year, despite numerous difficulties, the Company attained stability for all its overseas projects in terms of execution, and even overcame difficulties and achieved completion or important milestones for a number of projects. Several projects including the Nam Ou hydropower station in Laos, the Jaffna water supply project in Sri Lanka, the power transmission and transformation project in Côte d'Ivoire, the power transmission and transformation project in Ecuador, the hospital and supporting facilities project in Zambia have been completed. In particular, the two general hospitals in Zambia, which were delivered ahead of schedule and served as designated hospitals for COVID-19, played an important role in Zambia's fight against the pandemic, and were fully affirmed by the Zambian government and the Chinese Embassy in Zambia. A number of projects also reached their key milestones: the No. 1 hydro-turbine generator unit of the Lake Lusiwasi upstream hydropower station project in Zambia successfully completed the 72-hour grid-connected trial operation; the first hydraulic test of the No. 2 boiler of the Salah Al-Din power station project in Iraq was successful; the Kenyan wind power project has entered the commissioning stage; roof-topping of the main structure of the first building of the Maldives housing project Phase III was completed successfully; the Kostolac power station project Phase II in Serbia completed all pouring works of boiler foundation and began the hoisting works for steel structure of the boiler, and thus the construction of the main structure of the project was about to step into fast track; the Thar coal mine operation and maintenance project in Pakistan overcame the impact of the pandemic and extreme weather conditions, and produced a total of 3.799 million tons of coal last year, ensuring the normal operation of the power station project.

2. 項目執行攻堅克難

去年，在重重困難之下，公司所有在執行海外項目，情況均保持平穩，更有一批項目克難而進，實現了完工或重要里程碑。老撾烏江水電站、斯里蘭卡賈夫那供水、科特迪瓦輸變電、厄瓜多爾輸變電、贊比亞醫院及配套工程等多個項目實現完工。特別是贊比亞兩所綜合醫院，提前交付並作為新冠定點收治醫院，在贊比亞抗擊疫情中發揮了重要作用，得到了贊比亞政府和我國駐贊大使館的充分肯定。還有一批項目完成標誌性節點：贊比亞盧西瓦西上游水電站項目，1號水輪發電機組順利完成了72小時併網試運行；伊拉克薩拉哈丁電站項目實現二號爐水壓一次試驗成功；肯尼亞風電項目進入調試階段；馬爾代夫住房三期項目實現了首棟樓主體結構封頂；塞爾維亞科斯托拉茨電站二期項目完成鍋爐基礎全部澆築工作，開始鍋爐鋼結構的吊裝工作，標誌著項目主體工程即將進入快車道；巴基斯坦塔爾煤礦運維項目克服了疫情和極端天氣的影響，去年共產煤379.9萬噸，保障了電站項目的正常運行。

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3. Continued to strengthen skill development

The Company focused on guiding and encouraging division of labor among business departments in terms of their specialisation, so as to cultivate professional core capabilities with unique characteristics and enhance market competitiveness through professionalism. At the same time, the Company promoted centralized procurement and strengthened supplier management; strengthened information application and technology application; deepened localized construction and standardized management of country representatives to optimize core market management and unleash market vitality; increased the proportion of bidding business; and strengthened design management, etc., in order to step by step establish a competitive engineering management system, and continuously improve profitability and market competitiveness.

3. 不斷加強能力建設

著力引導並推動業務部門進行專業化分工，培育具有自身特色的專業核心能力，以專業化提升市場競爭能力。同時推進集中採購，加強供應商管理；強化信息化應用和科技應用；深化屬地化建設，規範國別代表管理，優化核心市場管理，釋放了市場開發活力；提高招投標業務比例；強化設計管理等，逐步打造具有競爭力的工程管理體系，不斷提高盈利水平和市場競爭能力。

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The following table sets forth the operational details of the International Engineering Contracting Business for the year ended 31 December 2020 and the comparative figures for the year ended 31 December 2019:

下表載列截至2020年12月31日止年度國際工程承包業務的運營詳情，以及截至2019年12月31日止年度的比較數字：

				As at		As at	
				31 December	% of	31 December	Increase/
				2020	Total	2019	(Decrease)
				於2020年		於2019年	增長／
				12月31日	總額的%	12月31日	(減少)
						(Restated)	(Decrease)
						於2019年	增長／
						12月31日	(減少)
						(經重述)	(減少)
Value of newly signed contracts	新簽約合同金額	Power	電力能源	1,760.5	49.7%	1,497.0	17.6%
		Transportation and Telecommunications	交通運輸及電子通訊	72.9	2.1%	681.7	89.3%
		Non-Core Sectors	非核心行業	1,706.0	48.2%	3,497.6	51.2%
		Total	總計	3,539.4	100.0%	5,676.3	37.6%
Backlog	未完成合同量	Power	電力能源	4,548.5	55.4%	5,541.4	(17.9)%
		Transportation and Telecommunications*	交通運輸及電子通訊*	376.7	4.6%	330.6	13.9%
		Non-Core Sectors	非核心行業	3,290.3	40.0%	3,203.3	2.7%
		Total	總計	8,215.5	100.0%	9,075.3	(9.5)%

* The amount of the contracts, for which income was recognized by net amount, was deducted from the backlog.

* 以淨額確認收入的合同金額已在未完成合同量中扣除。

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管理層討論與分析

B. Trading Business

1. Seized market opportunities in a timely manner

The Trading Business took a big hit from the pandemic in general. Nevertheless, some of our subsidiaries sought opportunities in crisis, and set foot in the trading business for protective supplies right at the first moment, which offset the decline in exports caused by the pandemic and achieved improvement in indicators of imports and exports.

2. Internal and external interaction in market expansion

Putting the strategy of “stabilizing overseas market and cultivating domestic market” into practice, internal and external interaction was achieved in market development. First, the Company continued to develop featured businesses and signature products, and provided precise support to key businesses and units. The overseas warehouse business, the complete mining equipment supply + import trading business, the new energy business in Central and South America and the building materials business in North America all achieved certain results. Second, the Company increased the efforts in development of the domestic market, such as the research and development of high-end casting and forging business, domestic trading of agricultural products, research and development of intelligent fuse, and natural gas import business, through project cooperation, product research and development, and domestic channel construction. Third, the Company made full use of the opportunities from high-end business platforms such as the China International Import Expo to expand its import business; actively prepared to participate in the Hainan Expo to seek trade opportunities; seized the opportunity of the Winter Olympics and started with importing special snow removal equipment exclusively used by foreign airports, to actively participate in the construction of major domestic infrastructure projects.

B. 貿易業務

1. 迅速搶抓市場機遇

貿易業務整體受疫情影響嚴重，但部分子公司危中尋機，第一時間開拓防護物資貿易業務，彌補了疫情帶來的出口下降影響，實現了進出口指標的增長。

2. 市場開拓內外聯動

積極落實「穩外耕內」的策略，市場開發實行內外聯動。第一，繼續打造明星業務和拳頭產品，對重點業務和單元精準扶持，海外倉業務、礦山設備成套供貨+進口貿易業務、中南美地區新能源業務和北美建材業務等都取得一定成效。第二，通過項目合作、產品研發、國內渠道建設等，加大對國內市場的開發，如高端鑄鍛件業務的研發、農產品內貿業務、智能型熔斷器研發、天然氣進口業務等。第三，充分利用進博會等高端商貿平台機會，擴大公司進口業務；積極籌備參加海南進口消博會，尋求貿易機會；抓住冬季奧運會契機，以進口國外機場專用除雪設備為切入點，積極參與國內大型基建項目建設。

Management Discussion and Analysis

管理層討論與分析

3. Successfully completed restructuring of segments

The Company determined the plan for consolidation and restructuring of subsidiaries engaged in trading business. Based on the construction of core subsidiaries, the Company actively promoted technological manufacturing, international trading companies, system integration and coordination, new energy, bonded processing parks, and bidding services, striving to enhance its core subsidiaries in terms of size, strength and professionalism through integrated operations and developing their respective core competitiveness.

The following table sets forth the details of the Trading Business for the year ended 31 December 2020 and the comparative figures for the year ended 31 December 2019:

3. 順利完成板塊重組

確定了貿易類子公司整合重組方案，以核心子公司建設為基礎，積極推進科技製造、國際商社、系統集成協同、新能源、保稅加工園區和招投標服務，力推以一體化經營、各自打造自己的核心競爭力的方式將各核心子公司做大、做強、做專。

下表載列截至2020年12月31日止年度貿易業務詳情連同截至2019年12月31日止年度的比較數字：

				2020	% of Total	2019 (Restated) 2019年 (經重述)	Year-on-year Growth/ (Decline) 按年增長/ (減少)
Revenue	收入	International trade	國際貿易	4,018.6	83.9%	5,475.4	(26.6)%
		Domestic trade	國內貿易	772.5	16.1%	1,009.3	(23.5)%
		Total	總計	4,791.1	100.0%	6,484.7	(26.1)%
Gross profit	毛利	International trade	國際貿易	379.8	86.0%	538.3	(29.4)%
		Domestic trade	國內貿易	61.8	14.0%	69.4	(11.0)%
		Total	總計	441.6	100.0%	607.7	(27.3)%

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管理層討論與分析

C. Services Business

1. Stable growth in operation

The design consulting segment actively responded to the impact and market changes as a result of the pandemic, seized market opportunities to strengthen the development of the domestic market, and maintained steady growth in business.

2. Continued to enhance comprehensive strength

Focusing on the goal of transformation towards “becoming a technology-based engineering company”, we continued to promote business innovation, continuously optimized business structure, and enhanced the capability of serving the whole industry chain as well as market competitiveness. China Machinery International established new branches in the Southwest, Northwest and North China to accelerate its national layout; focused on improving the capability of providing services throughout the whole project construction process, and strived to launch EPC project general contracting and whole process engineering consultation; seized development opportunities for key industries such as sponge city, smart manufacturing, prefabricated building, medical care and industrial parks to actively explore relevant markets, and entered the list of the “Top 60 Chinese Engineering Design Companies” for three consecutive years. Guided by market demand, JiKan Research Institute continued to build up its professional capabilities, further extended along the industrial chain, accelerated the expansion of engineering inspection and engineering contracting businesses in the fields of industrial and civil construction and municipal environmental protection, and promoted the improvement of comprehensive strength; improved the market layout and launched the feasibility study on the establishment of branches in Zhengzhou and Chongqing.

C. 服務業務

1. 經營保持穩健增長

設計諮詢板塊積極應對疫情帶來的影響和市場變化，搶抓市場機遇，加大國內市場開拓力度，業務保持了穩健增長。

2. 持續提升綜合實力

圍繞向「科技型工程公司」轉型的目標，不斷推進業務創新，持續優化業務結構，提升全產業鏈服務能力和市場競爭力。中機國際新設立了西南、西北、華北分院，加快推進全國化佈局；著力提升工程建設全過程服務能力，努力開展EPC工程總承包和全過程工程諮詢；抓住海綿城市、智能製造、装配式建築、醫療、產業園區等重點行業的發展機遇期積極開拓相關市場，連續3年登榜「中國工程設計企業60強」。機勘院以市場需求為導向，不斷補齊專業能力，持續延伸產業鏈條，加速拓展工業民用建築和市政環保領域的工程檢測和工程承包業務，促進綜合實力的提升；完善市場佈局，開展了設立鄭州、重慶分院的可行性研究。

Management Discussion and Analysis

管理層討論與分析

3. Excellent scientific and technological innovation

The Company continued to increase investment in scientific and technological innovation, gave full play to the role of leading the market with scientific research projects and special technology incubation, and achieved sound results in the fields of innovation platform construction, major project research and development, and standards preparation. China Machinery International and Jikan Research Institute applied for a total of 19 patents; obtained 4 provincial and ministerial and industry science and technology awards; received 1 second prize of SINOMACH's 2020 Excellent Standards Award; and received approval for 3 provincial technology innovation platforms.

The following table sets forth the details of the Services Business for the year ended 31 December 2020 and the comparative figures for the year ended 31 December 2019:

3. 科技創新富有成效

持續加大科技創新的投入力度，充分發揮科研項目和專項技術孵化的市場帶動作用，在創新平台建設、重大項目研發、標準規範編製等領域取得了較好的成績。中機國際和機勘院共申請專利19項；獲得省部級與行業科學技術獎4項；獲得國機2020年度優秀標準二等獎1項；獲批省級科技創新平台3項。

下表載列截至2020年12月31日止年度服務業務詳情連同截至2019年12月31日止年度的比較數字：

				2020	% of Total	2019 (Restated) 2019年 (經重述)	Year-on-year Growth/ (Decline) 按年增長/ (減少)
				2020年	總額的%		
Revenue	收入	Design consulting services	設計諮詢服務	926.2	42.9%	784.1	18.1%
		Logistics services	物流服務	318.3	14.7%	340.6	(6.5)%
		Export-import agency services	進出口代理服務	28.7	1.3%	41.1	(30.2)%
		Tendering agency services	招標代理服務	34.6	1.6%	40.8	(15.2)%
		Others	其他	852.6	39.5%	865.1	(1.4)%
		Total	總計	2,160.4	100.0%	2,071.7	4.3%
Gross profit	毛利	Design consulting services	設計諮詢服務	219.7	41.5%	235.1	(6.6)%
		Logistics services	物流服務	53.9	10.2%	140.2	(61.6)%
		Export-import agency services	進出口代理服務	26.2	5.0%	39.9	(34.3)%
		Tendering agency services	招標代理服務	13.7	2.6%	15.5	(11.6)%
		Others	其他	215.6	40.7%	229.8	(6.2)%
		Total	總計	529.1	100.0%	660.5	(19.9)%

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D. Important Events

1. Completion of Acquisition of 64.82% equity interest in CHPI

On 17 December 2019, the Company and Science and Technology Research Institute entered into an acquisition agreement, pursuant to which the Company agreed to acquire 64.82% equity interest in CHPI which was held by Science and Technology Research Institute for an aggregate consideration of RMB100,885,800 (the “**Acquisition**”). The Acquisition was completed on 23 April 2020. Upon the completion of the Acquisition, CHPI has become a subsidiary of the Company in which the Company holds 64.82% equity interest.

Reference is made to the circular of the Company dated 25 November 2017, which disclosed CHPI had been undergoing a work relating to the benefit plan of retired employees that required the approval from relevant PRC governmental authorities, and thus on 26 October 2017, CNEEC disposed of CHPI to Science and Technology Research Institute at nil consideration. As the above work was completed, the commitment regarding the reorganization of CNEEC into the Company was fully undertaken through the Acquisition. In addition, on the one hand, the full industry chain capabilities of the Company’s major business will be further improved through the Acquisition. In particular, the front-end design, process monitoring and back-end operation and maintenance capabilities of the Company’s international engineering contracting segment will be effectively supplemented, which will further enhance the comprehensive competitiveness of the Company’s major business. On the other hand, the professional technical team of the Company will be further supplemented in an effective manner, the technical talent pool of the Company is enhanced, and the core competitiveness of the Company is strengthened.

D. 重要事件

1. 完成收購哈成套64.82%股權

於2019年12月17日，本公司與科技研究院訂立收購協議，據此，本公司同意以人民幣100,885,800元的總代價收購科技研究院所持哈成套64.82%的股權（「**收購事項**」）。收購事項已於2020年4月23日完成。收購事項完成後，哈成套已成為本公司持有64.82%股權的附屬公司。

茲提述本公司日期為2017年11月25日的通函，其中披露由於哈成套在進行有關須經相關中國政府機關批准的退休僱員福利計劃的工作尚在進行中，因此於2017年10月26日，中電工以零代價向科技研究院出售哈成套。基於上述工作已完成，通過收購事項，本公司將完整地履行中電工重組進入本公司的承諾。此外，通過收購事項，一方面，本公司主業全產業鏈能力將進一步提升，尤其是本公司國際工程承包板塊的前端設計、過程監控和後端運維能力將得到有效補充，進一步加強本公司主業綜合競爭力；另一方面，本公司的專業技術隊伍將得到進一步有效補充，提高本公司技術人才儲備，提升本公司的核心競爭力。

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Details for the transaction are set out on the Company's announcements made on 17 December 2019 and 15 May 2020 on the respective websites of the Stock Exchange and the Company.

2. Arbitration with a Turkish owner

On 23 April 2020, the Company issued an announcement and announced that, the Company has received the arbitration award (the "**Arbitration Award**") issued by the arbitral tribunal under the International Court of Arbitration of the International Chamber of Commerce, pursuant to which, the Company shall pay the compensation of approximately USD41.42 million, applicable interest and arbitration related expenses to a Turkish owner (the "Claimant"), and the Claimant shall pay the compensation of approximately USD4.15 million and applicable interest to the Company. The Company and the Claimant have reached a settlement in respect of the execution of the Arbitration Award, and entered into a settlement agreement (the "**Settlement Agreement**"). Pursuant to the Settlement Agreement, the Company shall pay EUR34,308,510 (the "**Settlement Amount**") to the Claimant. From the date on which the Claimant receives the aforesaid amount, each party irrevocably releases the other party from all obligations under the Arbitration Award.

The Company has completed the payment of Settlement Amount in accordance with the requirements under the Settlement Agreement. The Claimant has confirmed the receipt of the Settlement Amount. The execution of the Arbitration Award has completed, and the Company no longer bears any obligation in respect of the Arbitration Award.

有關交易的詳情請參見本公司於聯交所網站及本公司網站分別刊發的日期為2019年12月17日和2020年5月15日的公告。

2. 與土耳其業主的仲裁事項

本公司於2020年4月23日刊發公告，宣佈本公司收到國際商會國際仲裁院的仲裁庭下發的仲裁裁決（「**仲裁裁決**」），據此，本公司應向一名土耳其業主（「**申索人**」）支付賠償金約4,142萬美元及適用的利息及仲裁相關費用，申索人應向本公司支付賠償金約415萬美元及適用的利息。本公司與申索人針對裁決書的執行達成和解及訂立和解協議（「**和解協議**」）。根據和解協議，本公司應向申索人支付34,308,510歐元（「**和解款項**」），自申索人確認收到前述款項之日起，雙方均不可撤銷地免除對方在仲裁裁決項下的全部義務。

本公司已完全按照和解協議的要求完成和解款項支付，申索人確認收到和解款項，仲裁裁決已經執行完畢，本公司對仲裁裁決不再負有任何義務。

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3. Proposed pre-conditional merger by absorption of the Company by the offeror and withdrawal of Listing of the Company

Reference is made to the joint announcement of China SUMEC Automotive Industry Consulting Development Co., Ltd.* (中國蘇美達汽車工業諮詢發展有限公司) (the “**Offeror**”) and the Company dated 13 January 2021 (the “**13 January Announcement**”), the Offeror and the Company entered into the Merger by Absorption Agreement (the “**Merger Agreement**”), pursuant to which the Offeror and the Company will implement the Merger subject to the terms and conditions of the Merger Agreement. After the Merger, the Company will be merged into and absorbed by the Offeror in accordance with the PRC Company Law and other applicable PRC Laws, and the Listing of the Company will be withdrawn.

Pursuant to the Merger Agreement, conditional upon the fulfilment (or waiver, as applicable) of the Pre-Condition and the Conditions, the Offeror will pay the consideration (a) in the amount of HK\$3.70 per H Share to the H Shareholders in cash; and (b) in the amount of RMB3.082692 per Domestic Share, which is equivalent of the consideration of each H Share based on the Exchange Rate, to the Domestic Shareholders (being SINOMACH and China United, the parent of the Offeror and one of the parent’s wholly-owned subsidiaries, respectively), which will be satisfied through the issuance of registered capital of the Offeror to the Domestic Shareholders in the manner described in the Merger Agreement. After the completion of the Merger, the Offeror will assume all assets, liabilities, interests, businesses, employees, contracts and all other rights and obligations of the Company and the Company will be eventually deregistered.

3. 要約人附前提條件吸收合併本公司及撤銷本公司上市地位的提議

茲提述本公司與中國蘇美達汽車工業諮詢發展有限公司（「**要約人**」）日期為2021年1月13日的聯合公告（「**1月13日公告**」），要約人及本公司訂立吸收合併協議（「**合併協議**」），據此，要約人及本公司將根據合併協議的條款及條件實施合併。合併後，本公司將根據中國公司法及其他適用中國法律被要約人吸收合併並撤銷上市地位。

根據合併協議，待前提條件及該等條件達成（或獲豁免，如適用）後，要約人將支付以下金額的對價：(a)向H股股東以現金支付每股H股3.70港元；及(b)向內資股股東（即國機及中國聯合，分別為要約人的母公司及該母公司的全資附屬公司之一）支付每股內資股人民幣3.082692元（相當於按匯率計算的每股H股的對價），內資股對價將按照合併協議所述方式以向內資股股東發行要約人註冊資本滿足。於合併完成後，要約人將承接本公司的所有資產、負債、權益、業務、僱員、合約以及所有其他權利及義務，而本公司最終將註銷登記。

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The Merger is subject to the Conditions to implementation set out in 13 January Announcement being satisfied or waived, as applicable. Neither the Offeror nor the Company provides any assurance that any or all Conditions or Pre-Condition can be satisfied, and thus the Merger Agreement may or may not become effective or, if effective, may or may not be implemented or completed. Please refer to the 13 January Announcement for details.

E. Impacts of COVID-19 Pandemic

Since the nationwide outbreak of COVID-19 pandemic in January 2020, the Company has actively responded to it and strictly implemented various provisions and requirements of the Party and the governments at all levels for the prevention and control of the pandemic. In order to succeed in both pandemic prevention and production, the Company and its branches and subsidiaries have resumed work successively since 3 February 2020 in accordance with relevant regulations in their respective regions.

The COVID-19 pandemic is expected to affect the Company's production and operation to a certain extent, and the extent of the impacts will depend on the progress and duration of the pandemic prevention, and the implementation of worldwide prevention and control policies. The Company will take various measures to minimize such impacts, and conduct in-depth research on changes in market demand caused by the COVID-19 pandemic to prepare for market development in the "post-pandemic" era.

The Company will continue to pay close attention to the development of the COVID-19 pandemic, and evaluate and actively respond to its impact on the financial position and operating results of the Company.

合併須待1月13日公告所載實施條件達成或獲豁免(如適用)後方可作實,要約人或本公司概不保證能達成任何或全部該等條件或前提條件,因此合併協議可能生效亦可能不會生效,或倘生效,亦不一定會實施或完成。詳情請參閱1月13日公告。

E. 新型冠狀病毒肺炎疫情的影響

自新型冠狀病毒的傳染疫情從2020年1月起在全國爆發以來,公司積極響應並嚴格執行黨和國家各級政府對病毒疫情防控的各項規定和要求,為做到防疫和生產兩不誤,本公司及各分(子)公司自2020年2月3日起遵照各所在地區相關規定陸續開始復工。

預計此次冠狀病毒肺炎疫情將對本公司的生產和經營造成一定的影響,影響程度取決於疫情防控的進展情況、持續時間以及全球防控政策的實施情況。本公司將採取各種措施,努力將影響降至最低,並深入研究「冠狀疫情」引起的市場需求變化,為「後疫情」時代開發市場做好準備。

本公司將持續密切關注冠狀病毒肺炎疫情的發展情況,並評估和積極應對其對本公司財務狀況、經營成果等方面的影響。

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III. FINANCIAL POSITION AND OPERATING RESULTS

The following discussion should be read in conjunction with the financial statements of the Group together with the accompanying notes included in this report and other sections therein.

1. Overview

The Group's profitability decreased significantly as compared to 2019. Profit before taxation decreased by 44.4% to RMB1,577.9 million in 2020 as compared to RMB2,838.7 million in 2019.

2. Revenue

The Group generated its revenue from the International Engineering Contracting Business, Trading Business and Services Business. The Group's revenue decreased by 32.6% to RMB19,100.2 million in 2020 as compared to RMB28,348.3 million in 2019.

III. 財務狀況及經營業績

在閱讀下述討論時，請一併參閱包含在本報告及其他章節中本集團的財務報表及附註。

1. 概覽

本集團的盈利較2019年有較大幅度下降。2020年除稅前溢利為人民幣1,577.9百萬元，較2019年的人民幣2,838.7百萬元減少44.4%。

2. 收入

本集團的收入來自國際工程承包業務、貿易業務及服務業務。2020年，本集團的收入為人民幣19,100.2百萬元，較2019年的人民幣28,348.3百萬元下降32.6%。

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The following table sets out, for the periods indicated, the amount and percentage of our total revenue by each of our three business segments:

下表載列於所示期間三個業務分部各自的金額及佔總收入的百分比：

		Year ended 31 December 截至12月31日止年度			
		2020 2020年		2019 (Restated) 2019年(重述)	
		(RMB million) (人民幣百萬元)	% of Total 總額的%	(RMB million) (人民幣百萬元)	% of Total 總額的%
International Engineering Contracting Business	國際工程承包業務				
Power	電力能源	6,881.8	36.0%	12,357.9	43.6%
Transportation and Telecommunications	交通運輸及電子通訊	506.4	2.7%	593.3	2.1%
Non-Core Sectors	非核心行業	4,760.5	25.0%	6,840.7	24.1%
Subtotal	小計	12,148.7	63.7%	19,791.9	69.8%
Trading Business	貿易業務				
International trade	國際貿易	4,018.6	21.0%	5,475.4	19.3%
Domestic trade	國內貿易	772.5	4.0%	1,009.3	3.6%
Subtotal	小計	4,791.1	25.0%	6,484.7	22.9%
Services Business	服務業務	2,160.4	11.3%	2,071.7	7.3%
Total	總計	19,100.2	100.0%	28,348.3	100.0%

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1) International Engineering Contracting Business

The Group's revenue generated from the International Engineering Contracting Business decreased by 38.6% to RMB12,148.7 million in 2020 as compared to RMB19,791.9 million in 2019, primarily due to the significant decrease in revenue from each sector from corresponding previous year as a result of the COVID-19 pandemic.

The revenue generated from the power sector decreased by 44.3% to RMB6,881.8 million in 2020 as compared to RMB12,357.9 million in 2019, primarily due to the impeded progress of projects in Pakistan and certain power grid and power station construction projects in Africa as a result of the COVID-19 pandemic.

The revenue generated from the transportation and telecommunications sector decreased by 14.6% to RMB506.4 million in 2020 as compared to RMB593.3 million in 2019, primarily because the railway improvement project in South America has entered the final stage in 2020, thus making little progress. Also, due to the COVID-19 pandemic, new projects made little progress.

The revenue generated from the Non-Core Sectors decreased by 30.4% to RMB4,760.5 million in 2020 as compared to RMB6,840.7 million in 2019, primarily due to the impeded progress in the water plant projects in Africa and Asia and the lithium carbonate plant project in South America as a result of the COVID-19 pandemic.

1) 國際工程承包業務

2020年，本集團的國際工程承包業務收入為人民幣12,148.7百萬元，而2019年則為人民幣19,791.9百萬元，降幅為38.6%，主要由於受到新冠疫情影响各行業收入均較上年同期有較大幅度下降。

2020年電力能源行業收入為人民幣6,881.8百萬元，比2019年人民幣12,357.9百萬元減少44.3%，主要由於受到新冠肺炎疫情影響位於巴基斯坦的項目群以及位於非洲部分電網和電站建設項目進度有所下降。

2020年交通運輸及電子通訊行業收入為人民幣506.4百萬元，比2019年人民幣593.3百萬元減少14.6%，主要由於南美洲的鐵路改造項目2020年已執行至項目末期，進度較小。此外，新項目受新冠肺炎疫情影響進度較低。

2020年非核心行業收入為人民幣4,760.5百萬元，比2019年人民幣6,840.7百萬元減少30.4%，主要由於受到新冠肺炎疫情影響位於非洲以及亞洲的水廠建設項目以及位於南美洲的碳酸鋰廠建設項目進度有所下降。

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2) Trading Business

The Group's revenue generated from the Trading Business decreased by 26.1% to RMB4,791.1 million in 2020 as compared to RMB6,484.7 million in 2019, primarily due to the decrease in the revenue from international trade and domestic trade as a result of the COVID-19 pandemic.

The revenue generated from the international trade decreased by 26.6% to RMB4,018.6 million in 2020 as compared to RMB5,475.4 million in 2019, primarily due to the decrease in number of export orders to a certain extent as a result of the COVID-19 pandemic.

The revenue generated from the domestic trade decreased by 23.5% to RMB772.5 million in 2020 as compared to RMB1,009.3 million in 2019, primarily due to the decrease in number of traditional projects executed to a certain extent as a result of the COVID-19 pandemic.

3) Services Business

The Group's revenue generated from the Services Business increased by 4.3% to RMB2,160.4 million in 2020 as compared to RMB2,071.7 million in 2019, primarily due to the increase in revenue from design services and survey and supervision services.

2) 貿易業務

2020年，本集團的貿易業務收入為人民幣4,791.1百萬元，而2019年則為人民幣6,484.7百萬元，降幅為26.1%，主要由於受到新冠疫情影響國際貿易以及國內貿易收入均有所下降。

2020年，國際貿易收入為人民幣4,018.6百萬元，比2019年人民幣5,475.4百萬元減少26.6%，主要由於公司受到新冠疫情影響出口業務訂單量出現一定程度下降。

2020年，國內貿易收入為人民幣772.5百萬元，比2019年人民幣1,009.3百萬元減少23.5%，主要由於受到新冠疫情影響傳統項目執行量出現一定程度下降。

3) 服務業務

2020年，本集團的服務業務收入為人民幣2,160.4百萬元，而2019年則為人民幣2,071.7百萬元，增幅為4.3%，主要由於設計服務以及勘察監理服務收入有所增長。

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3. Cost of sales

The Group's cost of sales decreased by 34.4% to RMB15,426.8 million in 2020 as compared to RMB23,516.8 million in 2019, primarily due to the corresponding reduction of costs due to the reduction of revenue.

4. Gross profit and gross profit margin

(i) Gross profit of the Group in 2020 consists of the followings:

3. 銷售成本

2020年，本集團的銷售成本為人民幣15,426.8百萬元，而2019年則為人民幣23,516.8百萬元，降幅為34.4%，主要是由於收入減少導致成本相應減少。

4. 毛利及毛利率

(i) 2020年本集團毛利構成情況如下：

		Year ended 31 December 截至12月31日止年度			
		2020 2020年		2019 (Restated) 2019年(重述)	
		(RMB million) (人民幣百萬元)	% of Total 總額的%	(RMB million) (人民幣百萬元)	% of Total 總額的%
International Engineering Contracting Business	國際工程承包業務				
Power	電力能源	1,837.3	50.0%	2,391.3	49.5%
Transportation and Telecommunications	交通運輸及電子通訊	126.1	3.4%	175.9	3.6%
Non-Core Sectors	非核心行業	739.3	20.2%	996.0	20.6%
Subtotal	小計	2,702.7	73.6%	3,563.2	73.7%
Trading Business	貿易業務				
International trade	國際貿易	379.8	10.3%	538.3	11.1%
Domestic trade	國內貿易	61.8	1.7%	69.4	1.4%
Subtotal	小計	441.6	12.0%	607.7	12.5%
Services Business	服務業務	529.1	14.4%	660.5	13.8%
Total	總計	3,673.4	100.0%	4,831.4	100.0%

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(ii) Gross profit margins of the Group in 2020 are set out below:

(ii) 2020年本集團毛利率載於下表：

		Year ended 31 December	
		截至12月31日止年度	
		2020	2019(Restated)
		2020年	2019年(重述)
		(%)	(%)
International Engineering Contracting Business	國際工程承包業務	22.2%	18.0%
Power	電力能源	26.7%	19.4%
Transportation and Telecommunications	交通運輸及電子通訊	24.9%	29.6%
Non-Core Sectors	非核心行業	15.5%	14.6%
Trading Business	貿易業務	9.2%	9.4%
International trade	國際貿易	9.5%	9.8%
Domestic trade	國內貿易	8.0%	6.9%
Services Business	服務業務	24.5%	31.9%
Total	總計	19.2%	17.0%

The Group's gross profit decreased by 24.0% to RMB3,673.4 million in 2020 as compared to RMB4,831.4 million in 2019.

2020年，本集團的毛利為人民幣3,673.4百萬元，而2019年則為人民幣4,831.4百萬元，降幅為24.0%。

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1) International Engineering Contracting Business

(a) Gross Profit

The gross profit generated from the International Engineering Contracting Business decreased by 24.1% to RMB2,702.7 million in 2020 as compared to RMB3,563.2 million in 2019, primarily due to the decrease in gross profit from each sector as a result of the COVID-19 pandemic.

The gross profit generated from the power sector decreased by 23.2% to RMB1,837.3 million in 2020 as compared to RMB2,391.3 million in 2019, primarily due to the impeded progress of projects in Pakistan and certain power grid and power station construction projects in Africa as a result of the COVID-19 pandemic.

The gross profit generated from the transportation and telecommunications sector decreased by 28.3% to RMB126.1 million in 2020 as compared to RMB175.9 million in 2019, primarily because the railway improvement project in South America has entered the final stage in 2020, thus making little progress. Also, due to the COVID-19 pandemic, new projects made little progress.

1) 國際工程承包業務

(a) 毛利

2020年，國際工程承包業務毛利為人民幣2,702.7百萬元，而2019年則為人民幣3,563.2百萬元，下降24.1%，主要由於受新冠肺炎疫情影響各行業毛利均有所減少。

2020年，電力能源行業毛利為人民幣1,837.3百萬元，而2019年為人民幣2,391.3百萬元，減少23.2%，主要由於受到新冠肺炎疫情影響位於巴基斯坦的項目群以及位於非洲部分電網和電站建設項目進度有所下降。

2020年，交通運輸及電子通訊行業毛利為人民幣126.1百萬元，而2019年為人民幣175.9百萬元，減少28.3%，主要由於南美洲的鐵路改造項目2020年已執行至項目末期，進度較小。此外，新項目受新冠肺炎疫情影響進度較低。

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The gross profit generated from the Non-Core Sectors decreased by 25.8% to RMB739.3 million in 2020 as compared to RMB996.0 million in 2019, primarily due to the impeded progress of the water plant projects in Africa and Asia and the lithium carbonate plant project in South America as a result of the COVID-19 pandemic.

(b) Gross Profit Margin

The gross profit margin generated from the International Engineering Contracting Business increased to 22.2% in 2020 as compared to 18.0% in 2019, primarily due to the increase in the gross profit margin from the power sector and the Non-Core Sectors as compared to the corresponding previous year.

The gross profit margin generated from the power sector was 26.7% in 2020 as compared to 19.4% in 2019, representing certain growth, primarily due to certain verification of the project cost conducted by certain power projects in South America and Africa during the middle and final stages of the projects.

The gross profit margin generated from the transportation and telecommunications sector was 24.9% in 2020 as compared to 29.6% in 2019, primarily because the gross profit margin of the newly effective telecommunications project in Africa during the year was lower than the previous level of the industry.

2020年，非核心行業毛利為人民幣739.3百萬元，比2019年的人人民幣996.0百萬元減少25.8%，主要由於受到新冠肺炎疫情影響位於非洲以及亞洲的水廠建設項目以及位於南美洲的碳酸鋰廠建設項目進度有所下降。

(b) 毛利率

2020年，國際工程承包業務毛利率提升至22.2%，而2019年則為18.0%，主要由於電力能源業務以及非核心業務毛利率較上年同期均有所提高。

2020年，電力能源行業毛利率為26.7%，2019年則為19.4%，較上年同期有一定增長，主要由於部分位於南美洲和非洲的電力能源項目執行至項目中後期對項目成本進行一定核實。

2020年，交通運輸及電子通訊行業毛利率為24.9%，而2019年則為29.6%，主要由於本年度新生效的位於非洲的電子通訊行業項目毛利率低於本行業之前水平。

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The gross profit margin generated from the Non-Core Sectors was 15.5% in 2020 as compared to 14.6% in 2019, primarily due to certain verification of the project cost conducted by the water plant and water supply projects in Africa during the middle and final stages of the projects.

2020年，非核心行業毛利率為15.5%，而2019年則為14.6%，主要由於位於非洲的水廠及供水項目執行至項目中後期對項目成本進行一定核實。

2) Trading Business

2) 貿易業務

(a) Gross Profit

(a) 毛利

The gross profit generated from the Trading Business decreased by 27.3% to RMB441.6 million in 2020 as compared to RMB607.7 million in 2019, primarily due to the decrease in the gross profit from international trade and domestic trade as a result of the COVID-19 pandemic.

2020年，貿易業務毛利為人民幣441.6百萬元，比2019年的人民幣607.7百萬元減少27.3%，主要由於受到新冠肺炎疫情影響國際貿易業務以及國內貿易業務毛利均有所減少。

The gross profit generated from international trade decreased by 29.4% to RMB379.8 million in 2020 as compared to RMB538.3 million in 2019, primarily due to the decrease in number of export orders to a certain extent as a result of the COVID-19 pandemic.

2020年，國際貿易業務毛利為人民幣379.8百萬元，比2019年的人民幣538.3百萬元減少29.4%，主要由於受到新冠疫情影響出口業務訂單量出現一定程度下降。

The gross profit generated from domestic trade decreased by 11.0% to RMB61.8 million in 2020 as compared to RMB69.4 million in 2019, due to the decrease in number of traditional projects executed to a certain extent as a result of the COVID-19 pandemic.

2020年，國內貿易業務毛利為人民幣61.8百萬元，比2019年的人民幣69.4百萬元減少11.0%，由於公司受到新冠疫情影響傳統項目執行量出現一定程度下降。

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(b) Gross Profit Margin

The gross profit margin of the Trading Business was 9.2% in 2020, as compared with 9.4% in 2019, which was primarily due to the decrease in the gross profit margin of international trade.

The gross profit margin of the international trade was 9.5% in 2020, which decreased slightly as compared with 9.8% in 2019.

The gross profit margin of the domestic trade was 8.0% in 2020, as compared with 6.9% in 2019, which was primarily due to the decrease in volume of domestic trade business with low gross profit margin as a result of the COVID-19 pandemic.

(b) 毛利率

2020年，貿易業務毛利率為9.2%，2019年為9.4%，主要由於國際貿易毛利率有所下降。

2020年，國際貿易業務毛利率為9.5%，2019年為9.8%，略有下降。

2020年，國內貿易業務毛利率為8.0%，2019年為6.9%，主要由於受到新冠肺炎疫情影響國內貿易業務中低毛利率產品業務量有所減小。

3) Services Business

(a) Gross Profit

The gross profit of the Services Business decreased by 19.9% to RMB529.1 million in 2020 as compared to RMB660.5 million in 2019, primarily due to the decreases in both business scale and gross profit margin of the logistics service to a certain extent as a result of the COVID-19 pandemic.

(b) Gross Profit Margin

The gross profit margin of the Services Business was 24.5% in 2020, as compared with 31.9% in 2019, which was primarily due to the decrease in gross profit margin of the logistics service to a certain extent as a result of the COVID-19 pandemic.

3) 服務業務

(a) 毛利

2020年，服務業務毛利為人民幣529.1百萬元，比2019年的人民幣660.5百萬元減少19.9%，主要由於受到新冠肺炎疫情影響物流服務業務規模和毛利率均有一定下降。

(b) 毛利率

2020年，服務業務毛利率為24.5%，而2019年則為31.9%，主要由於受到新冠肺炎疫情影響物流服務毛利率出現一定下降。

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5. Other revenue

The Group's other revenue amounted to RMB52.4 million in 2020 as compared to RMB41.0 million in 2019, mainly due to the increased return on investment in financial assets.

6. Other income and expenses, net

The Group's other income and expenses, net amounted to RMB175.8 million in 2020 as compared to income of RMB31.8 million in 2019, mainly attributable to the increase in gain from fair value changes of foreign currency forward exchange contracts.

7. Selling and distribution expenses

The Group's selling and marketing expenses decreased by 40.1% to RMB666.2 million in 2020 as compared to RMB1,113.0 million in 2019, mainly attributable to the decrease in labor costs, expenses for domestic and overseas business trips and transportation costs to a greater extent.

8. Administrative expenses

The Group's administrative expenses decreased by 21.6% to RMB1,117.7 million in 2020 as compared to RMB1,426.0 million in 2019, mainly attributable to the decrease in labor costs and intermediary services expenses to a certain extent.

9. Impairment losses on financial and contract assets/other operating expenses

The Group's impairment losses on financial and contract assets and other operating expenses decreased by 13.3% to RMB353.6 million in 2020 as compared to RMB408.0 million in 2019, mainly attributable to the decreases in the provision for impairment of trade and other receivables for the current period.

5. 其他收入

2020年，本集團的其他收入為人民幣52.4百萬元，而2019年則為人民幣41.0百萬元，主要由於對金融資產的投資收益有所提高。

6. 其他收支淨額

2020年，本集團的其他收支淨額為人民幣175.8百萬元，而2019年則為收入人民幣31.8百萬元，主要由於遠期外匯合約公允價值變動盈利增加。

7. 銷售及分銷開支

2020年，本集團的銷售及市場營銷開支為人民幣666.2百萬元，而2019年則為人民幣1,113.0百萬元，降幅為40.1%，主要由於人工成本、國內外差旅費用以及運輸費用都有較大幅度的減少。

8. 行政開支

2020年，本集團的行政開支為人民幣1,117.7百萬元，而2019年則為人民幣1,426.0百萬元，降幅為21.6%，主要由於人工成本及中介機構服務費有一定程度的下降。

9. 金融及合同資產減值虧損／其他經營開支

2020年，本集團的金融及合同資產減值虧損和其他經營開支為人民幣353.6百萬元，而2019年則為人民幣408.0百萬元，降幅為13.3%，主要由於本期間貿易及其他應收款項減值撥備有所減少。

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10. Profit from operations

The Group's profit from operations decreased by 9.9% to RMB1,764.1 million in 2020 as compared to RMB1,957.3 million in 2019, mainly attributable to the decrease in gross profit to a certain extent.

11. Finance income/finance expenses

In 2020, the Group's finance income amounted to RMB517.4 million as compared to RMB789.6 million in 2019, representing a decrease of 34.5% as compared to the corresponding previous year, mainly attributable to greater exchange gain recorded during the last year.

In 2020, the Group's finance expenses amounted to RMB936.9 million as compared to RMB134.5 million in 2019, representing an increase of 596.6% as compared to the corresponding previous year, mainly attributable to the substantial increase in exchange losses due to the significant appreciation of RMB.

Thus, in 2020, net finance income of the Group amounted to RMB(419.5) million as compared to RMB655.1 million in 2019.

12. Income tax

The Group's income tax decreased by 40.8% to RMB377.7 million in 2020 as compared to RMB638.4 million in 2019, mainly attributable to the decrease in profit before tax.

13. Profit for the year

As a result of the foregoing, the Group's net profit for the year decreased by 45.5% to RMB1,200.2 million in 2020 as compared to RMB2,200.3 million in 2019 and its net profit margin was 6.3% in 2020 as compared to 7.8% in 2019.

10. 經營溢利

2020年，本集團的經營溢利為人民幣1,764.1百萬元，而2019年則為人民幣1,957.3百萬元，降幅為9.9%，主要由於毛利出現一定程度的減少。

11. 財務收入／財務開支

2020年，本集團的財務收入為人民幣517.4百萬元，而2019年則為人民幣789.6百萬元，較上年同期減少34.5%，主要由於上年匯兌收益較大。

2020年，本集團的財務開支為人民幣936.9百萬元，而2019年則為人民幣134.5百萬元，較上年同期增加596.6%，主要由於人民幣大幅升值使得匯兌損失出現大額增長。

因此，2020年，本集團的財務收入淨額為人民幣(419.5)百萬元，2019年為財務淨收入人民幣655.1百萬元。

12. 所得稅

2020年，本集團的所得稅為人民幣377.7百萬元，而2019年則為人民幣638.4百萬元，降幅為40.8%。主要由於除稅前溢利下降的影響。

13. 年內溢利

由於上文所述，2020年，本集團的年內淨溢利為人民幣1,200.2百萬元，而2019年則為人民幣2,200.3百萬元，降幅為45.5%，其於2020年的淨溢利率為6.3%，而2019年則為7.8%。

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14. Net profit attributable to owners of the parent

The net profit attributable to owners of the parent decreased by 45.9% to RMB1,186.6 million in 2020 as compared to RMB2,193.5 million in 2019.

15. Net profit attributable to the holders of non-controlling interests

The net profit attributable to the holders of non-controlling interests of the Group increased by 101.5% to RMB13.7 million in 2020 as compared to net profit of RMB6.8 million in 2019.

16. Liquidity and capital resources

As at 31 December 2020, the Group's cash and cash equivalents decreased by 4.7% to RMB14,828.7 million, as compared to RMB15,563.2 million as at 31 December 2019.

As at 31 December 2020, the Group's borrowings amounted to RMB906.6 million, compared to RMB555.3 million as at 31 December 2019, representing an increase of 63.3%. Short-term borrowings amounted to RMB757.5 million (including RMB33.1 million of long-term borrowings due within one year) and long-term borrowings amounted to RMB149.1 million.

The borrowings were denominated in either RMB, U.S. dollars or Japanese Yen and were subject to interest rates ranging from 1.00% to 6.05% per annum.

14. 歸屬於母公司擁有人的淨溢利

2020年，歸屬於母公司擁有人的淨溢利為人民幣1,186.6百萬元，而2019年則為人民幣2,193.5百萬元，降幅為45.9%。

15. 歸屬於非控股權益持有人淨溢利

2020年，歸屬於本集團非控股權益持有人淨溢利為人民幣13.7百萬元，2019年為淨溢利人民幣6.8百萬元，增幅為101.5%。

16. 流動資金及資本資源

於2020年12月31日，本集團持有現金及現金等價物為人民幣14,828.7百萬元，而於2019年12月31日則為人民幣15,563.2百萬元，降幅為4.7%。

於2020年12月31日，本集團借貸為人民幣906.6百萬元，而於2019年12月31日則為人民幣555.3百萬元，增幅為63.3%。短期借貸為人民幣757.5百萬元（含一年內到期的長期借貸人民幣33.1百萬元），長期借貸為人民幣149.1百萬元。

該等借貸均以人民幣、美元或日元計值並以每年利率1.00%至6.05%計息。

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17. Capital expenditures

The Group's capital expenditures consisted primarily of the purchase of property, plant and equipment, intangible assets and land lease prepayments. In 2020, the Group's capital expenditure was RMB423.3 million, representing an increase of 38.3% as compared to RMB306.1 million in 2019, mainly attributable to the renovation costs and the construction costs of the infrastructure project in Xi'an.

18. Gearing ratio

In 2020, the Group's gearing ratio (total borrowings divided by total assets) was 1.8%, representing certain growth as compared to 1.0% in 2019, mainly attributable to the decrease in total assets and certain increase in borrowings of the Company.

19. Major acquisition and disposals and significant investments

Please see the paragraph headed "II. BUSINESS OVERVIEW – D. Important Events" on page 40 of this report.

20. Contingent liabilities

We were involved in a number of legal proceedings and claims against either our Company or subsidiaries of our Company in the ordinary course of business. While the outcomes of such contingencies, lawsuits or other legal proceedings cannot be determined at present, the Directors believe that any resulting liabilities will not have a material adverse impact on the financial position, liquidity or operating results of the Group.

21. Event after reporting period

On 25 March 2021, the Board resolved not to distribute a dividend to the Shareholders, subject to approval of the Shareholders at the forthcoming annual general meeting. Such final dividend proposed after the end of the reporting period has not been recognised as liabilities as at the end of the reporting period.

17. 資本開支

本集團的資本開支主要包括購買物業、廠房及設備、無形資產及預付土地租賃款項。2020年，本集團的資本開支為人民幣423.3百萬元，而2019年則為人民幣306.1百萬元，增幅為38.3%，主要由於裝修費用以及西安基建項目的建設開支。

18. 槓桿比率

2020年，本集團的槓桿比率（借貸總額除以總資產）為1.8%，與2019年的1.0%相比有一定增長，主要是由於公司總資產規模下降以及借貸有一定增長。

19. 重大收購及出售及重大投資

請參閱本報告第40頁「II. 業務概覽 – D. 重要事件」一段。

20. 或有負債

我們於日常業務中涉及多宗針對本公司或本公司附屬公司的法律訴訟及申訴。雖然目前未能確定該等或有事件、訴訟或其他法律程序的結果，董事相信任何由此引致的負債不會對本集團的財務狀況、流動資金或經營業績產生重大不利影響。

21. 報告期後的事項

2021年3月25日，董事會決議不向股東派發股息，惟須獲股東於應屆股東週年大會上批准。於報告期末後擬派的末期股息尚未確認為報告期末的負債。

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IV. LIQUIDITY

Our principal sources of funds have been cash generated from operations and various short-term and long-term bank borrowings and lines of credit, as well as equity contributions from the Shareholders. Our liquidity requirements derive primarily from our working capital needs, purchases of fixed assets and the servicing of our indebtedness.

We have historically met our working capital and other liquidity requirements principally from cash generated from operations, while financing the remainder primarily through bank borrowings and proceeds from the Listing.

1. Cash Flows

The following table sets forth a summary of our cash flows for the year ended 31 December 2020, together with the corresponding figures for the year ended 31 December 2019:

		Year ended 31 December	
		截至12月31日止年度	
		2020	2019
		2020年	2019年
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
			(Restated)
			(重述)
Net cash used in operating activities	經營活動所用的現金淨額	(1,326.9)	(3,496.3)
Net cash from/(used in) investment activities	投資活動產生/(所用)的現金淨額	1,289.7	(1,103.6)
Net cash used in financing activities	融資活動所用的現金淨額	(413.3)	(1,370.1)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(450.5)	(5,970.0)
Cash and cash equivalents at the beginning of the year	年初的現金及現金等價物	15,563.2	21,388.7
Net effect of foreign exchange rate changes	匯率變動的淨影響	(284.0)	144.5
Cash and cash equivalents at the end of the year	年末的現金及現金等價物	14,828.7	15,563.2

As at 31 December 2020, the Group held cash and cash equivalents decreased by 4.7% to RMB14,828.7 million compared to RMB15,563.2 million as at 31 December 2019. The main sources of business funds of the Group were the receipts from engineering projects.

IV. 流動資金

我們的資金主要來自經營所產生的現金、各種短期及長期銀行借貸及信用額度以及股東注資。我們的流動資金需求主要來自營運資金的需要、購買固定資產及償還我們的債務。

一直以來，我們主要靠經營活動所得現金來滿足營運資金及其他流動資金需求，而剩餘金額主要通過銀行借貸和上市籌措。

1. 現金流量

下表載列截至2020年12月31日止年度我們的現金流量概況，以及截至2019年12月31日止年度的比較數字：

於2020年12月31日，本集團持有現金及現金等價物為人民幣14,828.7百萬元，而於2019年12月31日則為人民幣15,563.2百萬元，降幅為4.7%。本集團的業務資金來源主要為工程項目收款。

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2. Cash flows from operating activities

For the year ended 31 December 2020, our net cash flows from operating activities was RMB (1,326.9) million. The cash generated from operating profit in 2020 was RMB2,193.3 million, the cash outflow from changes in working capital was RMB633.1 million, and the income tax paid was RMB693.9 million, changes in working capital mainly included (i) contract liabilities decreased by RMB1,086.1 million; (ii) trade and other payables decreased by RMB2,370.9 million; (iii) trade and other receivables decreased by RMB191.2 million; and (iv) contract assets decreased by RMB545.6 million.

3. Cash flows from investment activities

For the year ended 31 December 2020, our net cash generated from investment activities was RMB1,289.7 million. The net cash inflow from our investment activities mainly includes (i) net cash inflow of RMB2,280.4 million due to restricted deposits; (ii) cash outflow of RMB679.2 million due to financial assets at fair value through profit or loss; (iii) payment for the acquisition of property, plant and equipment was RMB355.0 million; and (iv) payment for the acquisition of a subsidiary was RMB100.9 million.

2. 來自經營活動的現金流量

截至2020年12月31日止年度，我們經營活動產生的現金流量淨額為人民幣(1,326.9)百萬元。2020年經營溢利產生的現金為人民幣2,193.3百萬元，營運資金變動現金流出人民幣633.1百萬元，支付所得稅人民幣693.9百萬元，營運資金變動主要包括(i)合同負債減少人民幣1,086.1百萬元；(ii)貿易及其他應付款項減少人民幣2,370.9百萬元；(iii)貿易及其他應收款項減少人民幣191.2百萬元；及(iv)合同資產減少人民幣545.6百萬元。

3. 來自投資活動的現金流量

截至2020年12月31日止年度，我們投資活動產生的現金淨額為人民幣1,289.7百萬元。我們投資活動的現金淨流入主要包括(i)存放受限制存款導致現金淨流入人民幣2,280.4百萬元；(ii)以公允價值計量且其變動計入損益的金融資產導致現金流出人民幣679.2百萬元；(iii)支付購買物業、廠房及設備的款項人民幣355.0百萬元；及(iv)收購附屬公司支付人民幣100.9百萬元。

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4. Cash flows from financing activities

For the year ended 31 December 2020, our net cash generated from financing activities was RMB (413.3) million. Our cash inflows from financing activities mainly included RMB752.5 million received from borrowings. Net cash outflows from financing activities mainly included (i) repayment of bank borrowings of RMB422.0 million and (ii) payment of RMB654.3 million dividends to Shareholders.

5. Capital expenditures and capital commitments

Our capital expenditures mainly include the purchase of buildings, specific equipments, prepaid lease payments and intangible assets. The Group's capital expenditure increased by 38.3% to RMB423.3 million in 2020 compared to RMB306.1 million in 2019, mainly due to the gradual completion of investment projects and fixed asset infrastructure projects of the Company in this year.

Our capital commitments mainly include contract payments that have been signed under construction projects but not yet executed, and payments that have been approved by the budget but not yet signed. The Group's capital commitment decrease by 42.6% to RMB397.3 million in 2020 compared to RMB691.9 million in 2019, mainly due to the gradual completion of the Company's investment projects and fixed asset infrastructure projects in this year.

4. 來自融資活動的現金流量

截至2020年12月31日止年度，我們融資活動產生的現金淨額為人民幣(413.3)百萬元。我們融資活動的現金流入主要包括取得借貸所收到款項人民幣752.5百萬元，融資活動的現金淨流出主要包括(i)償還銀行借貸人民幣422.0百萬元及(ii)派付人民幣654.3百萬元股息予股東。

5. 資本開支和資本承擔

我們的資本開支主要包括購買樓宇、特定設備、預付租賃款項及無形資產。2020年，本集團的資本開支為人民幣423.3百萬元，而2019年則為人民幣306.1百萬元，增幅為38.3%，主要由於本年度公司的投資項目及固定資產基建項目逐步建成。

我們的資本承擔主要包括在建工程項下已簽訂合同但尚未執行完的合同款項以及預算已批准但尚未簽訂合同的款項。2020年，本集團的資本承擔為人民幣397.3百萬元，較2019年的人人民幣691.9百萬元減少42.6%，主要由於本年度公司的投資項目及固定資產基建項目逐步建成。

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6. Working capital

(a) Trade and other receivables

Our trade and other receivables primarily consist of trade and bill receivables, advances to suppliers, other receivables related to agency services and amount due from or advances to fellow subsidiaries.

The following table sets forth the turnover days of the average trade receivables and the turnover days of the average trade payables of the Company for the years ended 31 December 2020 and 2019.

The turnover days of the average trade receivables (Note 1)
平均貿易應收款項的周轉天數(附註1)

The turnover days of the average trade payables (Note 2)
平均貿易應付款項的周轉天數(附註2)

Note 1:

The average trade receivables are the sum of opening balance and the closing balance of trade receivables and bills receivables (net of allowance of doubtful debts) divided by two. The turnover days of the average trade receivables for the Trading Business are the average trade receivables for the Trading Business divided by total revenue and multiplied by 360.

Note 2:

The average trade payables are the sum of opening balance and the closing balance of trade payables and bills receivables divided by two. The turnover days of the average trade payables are the average trade payables divided by cost of sales and multiplied by 360.

6. 營運資金

(a) 貿易及其他應收款項

我們的貿易及其他應收款項主要包括貿易應收款項及應收票據、向供應商預付款項、代理服務相關的其他應收款項及應收或墊付同系附屬公司款項。

下表載列於截至2020年及2019年12月31日止年度本公司平均貿易應收款項及平均貿易應付款項的周轉天數。

Year ended 31 December	
截至12月31日止年度	
2020	2019
2020年	2019年
(RMB million)	(RMB million)
(人民幣百萬元)	(人民幣百萬元)
	(Restated)
	(重述)

169 114

348 246

附註1：

平均貿易應收款項乃將貿易應收款項及應收票據(扣除呆賬撥備)年初結餘與年末結餘的總和再除二得出。平均貿易應收款項的周轉天數乃將平均貿易應收款項除以總收入再乘以360得出。

附註2：

平均貿易應付款項乃將貿易應付款項及應付票據年初結餘與年末結餘的總和再除二得出。平均貿易應付款項的周轉天數乃將平均貿易應付款項除以銷售成本再乘以360得出。

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The following table sets forth the aging analysis of trade and bill receivables (net of allowance of doubtful debts) based on the invoice date as at 31 December 2020 and 2019.

下表載列於2020年及2019年12月31日貿易應收款項及應收票據(扣除呆賬撥備)按發票日期的賬齡分析。

		As at 31 December	
		於12月31日	
		2020	2019
		2020年	2019年
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
			(Restated)
			(重述)
Within 3 months	3個月以內	5,505.0	5,712.1
3 to 6 months	3個月至6個月	322.6	762.6
6 months to 1 year	6個月至1年	882.7	1,035.0
Over 1 year	1年以上	2,079.2	1,649.9
		8,789.5	9,159.6

The Group's credit policies with its customers for the year ended 31 December 2020 remained the same as that for the year ended 31 December 2019. We continually enhanced our management of trade and bills receivables to reduce the exposure to doubtful debts. In addition, we made allowance for doubtful debts after fully considering the nature of trade and bills receivables and their collectability. As at 31 December 2020, allowance for doubtful debts for our trade and bill receivables amounted to RMB2,613.3 million, accounting for 29.7% of our trade and bill receivables, as compared to RMB2,310.6 million, accounting for 25.2% of our trade and bill receivables as at 31 December 2019. The increase in allowance for doubtful debt in 2020 compared to 2019 was primarily due to the increase in the original value of trade receivables and bills receivables, which resulted in an increase in the provision for doubtful debts in accordance with the corresponding bad debt provision policy.

截至2020年12月31日止年度，本集團與其客戶的信用政策與截至2019年12月31日止年度相同。我們不斷加強貿易應收款項及應收票據的管理，以求減低所承擔的呆賬風險。此外，充分考慮貿易應收款項及應收票據的性質及其可收回金額後，我們就呆賬計提撥備。於2020年12月31日，我們就貿易應收款項及應收票據所作的呆賬撥備為人民幣2,613.3百萬元，佔我們貿易應收款項及應收票據的29.7%，而於2019年12月31日則為人民幣2,310.6百萬元，佔我們貿易應收款項及應收票據的25.2%。2020年比2019年呆賬撥備增加主要由於貿易應收款項及應收票據原值的增加，根據相應的壞賬計提政策，導致了呆賬撥備的增加。

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(b) Trade and other payables

Our trade and other payables primarily consist of trade and bills payables, other payables related to agency services, accrued salaries, wages and benefits and amounts due to fellow subsidiaries.

The following table sets forth the aging analysis of our trade and bills payables based on the invoice date as at 31 December 2020 and 2019.

Within 3 months	3個月以內
3 to 6 months	3個月至6個月
6 months to 1 year	6個月至1年
Over 1 year	1年以上

The Group's credit policies with its suppliers for the year ended 31 December 2020 remained the same as that for the year ended 31 December 2019.

(b) 貿易及其他應付款項

我們的貿易及其他應付款項主要包括貿易應付款項及應付票據、代理服務相關的其他應付款項、應計薪金、工資及福利及欠同系附屬公司款項。

下表載列於2020年及2019年12月31日我們貿易應付款項及應付票據按發票日期的賬齡分析：

As at 31 December		於12月31日	
		2020	2019
		2020年	2019年
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
			<i>(Restated)</i>
			<i>(重述)</i>
Within 3 months	3個月以內	2,783.0	6,050.1
3 to 6 months	3個月至6個月	515.6	675.7
6 months to 1 year	6個月至1年	2,189.4	1,885.4
Over 1 year	1年以上	8,885.5	6,822.7
		14,373.5	15,433.9

截至2020年12月31日止年度，本集團與其供應商的信用政策與截至2019年12月31日止年度相同。

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V. INDEBTEDNESS

1. Borrowings

Our consolidated borrowings as at 31 December 2020 and 2019 for the purpose of calculating the indebtedness of our Group were as follows:

V. 債務

1. 借貸

於2020年及2019年12月31日，我們用以計算本集團債務的合併借貸如下：

		As at 31 December	
		於12月31日	
		2020	2019
		2020年	2019年
		(RMB million)	RMB million
		(人民幣百萬元)	(人民幣百萬元)
Current:	流動：		
Short-term borrowings	短期借貸		
Bank loans	銀行貸款		
unsecured	無擔保	424.8	196.2
secured	有擔保	299.6	239.1
Subtotal	小計	724.4	435.3
Add: current portion of long-term borrowings	加：長期借貸的流動部分	33.1	8.9
Subtotal	小計	757.5	444.2
Non-current:	非流動：		
Long-term borrowings	長期借貸		
Bank loans	銀行貸款		
unsecured	無擔保	143.6	72.8
secured	有擔保	38.6	47.2
Subtotal	小計	182.2	120.0
Less: current portion of long-term Borrowings	減：長期借貸的流動部分	33.1	8.9
Subtotal	小計	149.1	111.1
Total	總計	906.6	555.3

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Our short-term borrowings primarily include credit borrowings, mortgage borrowings and guarantee borrowings from commercial banks and other financial institutions. As at 31 December 2020, our short-term borrowings (including the current portion of long-term borrowings) amounted to RMB757.5 million, accounting for 83.6% of our total borrowings.

Our long-term borrowings primarily included pledge borrowings from commercial banks and other financial institutions. These included bank borrowings related to related to engineering projects, with the total balance of such borrowings (including the current portion) amounting to approximately RMB182.2 million as at 31 December 2020. As at 31 December 2020, our long-term borrowings (excluding the current portion) amounted to RMB149.1 million, accounting for 16.4% of our total borrowings. The increase in our interest-bearing borrowings to RMB906.6 million as at 31 December 2020 was primarily due to the placement of bank borrowings for engineering projects and infrastructure projects.

All borrowings were denominated in either RMB, US dollars or Japanese Yen and were subject to interest rates ranging from 1.00% to 6.05% per annum.

There had been no material defaults in payment of our bank borrowings and breaches of the finance covenants during the year ended 31 December 2020.

The maturity profile of our interest-bearing borrowings as at 31 December 2020 and 2019 is as follows:

短期借貸主要包括來自商業銀行及其他金融機構的信用借貸、抵押借貸及保證借貸。於2020年12月31日，我們的短期借貸（包括長期借貸的流動部分）為人民幣757.5百萬元，佔我們的借貸總額83.6%。

長期借貸主要包括來自商業銀行的信用及抵押借款。該等借貸包括與工程項目有關的銀行借貸，於2020年12月31日，該等借貸（包括流動部分）的結餘總額約為人民幣182.2百萬元。於2020年12月31日，不包括流動部分的長期借貸為人民幣149.1百萬元，佔我們借貸總額的16.4%。我們的計息借貸於2020年12月31日增加至人民幣906.6百萬元，主要由於工程項目及基建項目新增銀行借款所致。

所有借貸均以人民幣、美元或日元計值並以每年利率1.00%至6.05%計息。

於截至2020年12月31日止年度，我們在償還銀行借貸方面概無重大違約情況，亦無嚴重違反融資契約的情況。

於2020年及2019年12月31日，我們的計息借貸到期日如下：

		As at 31 December	
		於12月31日	
		2020	2019
		2020年	2019年
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
Within 1 year or on demand	1年以內或實時還款	757.5	444.2
After 1 year but within 2 years	1年至2年	32.9	20.8
After 2 years but within 5 years	2年至5年	92.8	57.9
After 5 years	5年以上	23.4	32.4
Total	總計	906.6	555.3

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2. Gearing ratio

The Group monitors capital on the basis of the gearing ratio. Gearing ratio is derived by dividing total borrowings by total assets multiplied by 100%. In 2020, the Group's gearing ratio (total borrowings divided by total assets) was 1.8%, representing certain growth as compared to 1.0% in 2019, mainly attributable to the decrease in total assets and certain increase in borrowings of the Company.

2. 槓桿比率

本集團以槓桿比率基準管理資本。槓桿比率乃將借貸總額除以資產總額再乘以100%得出。2020年，本集團的槓桿比率（借貸總額除以總資產）為1.8%，與2019年的1.0%相比有一定增長，主要是由於公司總資產規模下降以及借貸有一定增長。

VI. RISK FACTORS AND RISK MANAGEMENT

The Company is exposed to various types of risks, including currency risk, interest rate risk, credit risk, liquidity risk, competition risk, investment risk, country risk from overseas business, safety and quality risk, post-project transfer risk, corruption risk, sanctions risk, personnel change risk, material litigation and arbitration risk, market risk and privatization and internal integration risk, etc., in the normal course of business. Our management continuously pays attention to these risks and monitors us to take appropriate measures in accordance with the articles of association of the Company and related systems and implement them in a timely and effective manner, so as to ensure that those risks are manageable.

VI. 風險因素及風險管理

公司在日常業務過程中面臨多類風險，包括貨幣風險、利率風險、信用風險、流動資金風險、競爭風險、投資風險、海外業務國別風險、安全及質量風險、工程移交後風險、舞弊風險、制裁風險、人員變動風險、重大訴訟仲裁風險、市場風險、私有化及內部整合風險等。我們的管理層持續保持對該等風險的關注並督促我們依據公司制訂的章程及相關制度採取適當的措施且及時有效的執行，以確保該等風險可控。

1. Currency risk

Currency risk arises primarily from sales and purchases and our International Engineering Contracting Business overseas and overseas financing which give rise to receivables, payables and cash balances that are primarily denominated in U.S. dollars and Euros. As a matter of relevant policy and in compliance with the PRC laws and regulations, we are not allowed to widely engage in hedging activities. Therefore, we entered into foreign currency forward contracts to lock in the value in RMB for some of our future cash receipts, primarily in respect of the proceeds of our international engineering contracting projects to reduce our currency risk and to obtain certainty of forecasted income generated

1. 貨幣風險

貨幣風險主要來自海外的銷售、採購及國際工程承包業務以及海外融資產生之主要以美元及歐元計價的應收款項、應付款項及現金結餘。由於按照相關政策及中國法律和法規，我們不得廣泛從事對沖活動，因此我們主要就國際工程承包項目的收款訂立遠期外匯合約，以鎖定我們部分未來現金收入的人民幣價值，務求降低貨幣風險及確保從項目業主獲得由於延遲付款所產生的預測收入。本公司維繫及遵守有關規範

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from the deferred payments to be received from the project owners. The Company maintains and follows the internal policies and controls for managing the use of derivative financial instruments and will not participate in pure speculative arbitrage activities.

2. Interest Rate Risk

Interest rate risk arises primarily from borrowings and bank deposits, of which the borrowings bearing interests at variable rates and at fixed rates expose us to cash flow interest rate risk and fair value interest rate risk, respectively. The Company regularly reviews and monitors the mix of our fixed and variable rate borrowings, either through managing the contractual terms of interest-bearing financial assets and liabilities or using of interest rate swaps in order to manage our interest rate risks.

3. Credit Risk

Our credit risk is primarily attributable to trade and other receivables. The Company has a comprehensive credit policy in place and our exposure to these credit risks is monitored on an ongoing basis. With respect to the International Engineering Contracting Business, credit terms granted are negotiated individually on a case-by-case basis and are set forth in the related engineering contracting contracts. The Company conducts monthly reviews on credit risks based on end-of-credit-term period to determine if the Group needs to make any necessary provisions for credits that we have extended to customers. We evaluate our customer's credit status and repayment capability through establishing an appropriate business evaluation system. Meanwhile, we implemented the policy to buy export credit insurance. For the Trading Business, the Company and its trading subsidiaries are required to buy unified export credit insurance from Sinosure; for the International Engineering Contracting Business financed by export seller's credit, the Group typically buys export credit insurance from Sinosure for its projects to meet its finance needs as well as to control credit risk for trade and other receivables.

使用衍生金融工具的內部政策及控制，不參與純粹的投機套利活動。

2. 利率風險

利率風險主要來自借貸及銀行存款，其中按浮動利率及固定利率計息的借貸分別使我們面臨現金流量利率風險及公允價值利率風險。本公司通過管理計息金融資產及負債的合同條款或對利率掉期的使用定期檢討及監察固定利率借貸與浮動利率借貸的比例，以管理利率風險。

3. 信用風險

信用風險主要來自貿易及其他應收款項。本公司已制定完備的信貸制度並持續監控面臨的該等信用風險。就國際工程承包業務，我們給予的信用期視乎個別情況通過協商釐定，並載列於有關工程承包合同。本公司每月基於信用期末審查信用風險，以決定本集團是否須就給予客戶的信貸作出任何必要撥備。我們通過建立合適的業務評估系統，評估客戶的信用狀況及付款能力。同時，我們實行購買出口信用保險制度。就貿易業務，本公司及其貿易附屬公司須向中國信保購買統一出口信用保險；就由出口賣方信貸融資的國際工程承包業務，本集團一般會為其項目向中國信保購買出口信用保險，以應付財務需要以及控制貿易及其他應收款項的信用風險。

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4. Liquidity Risk

Liquidity risk is the risk that the Group is unable to raise sufficient funds at the balance sheet date to meet its financial liabilities when they fall due. In response to liquidity risk, the Company prepares both annual and quarterly financial budgets which include budgeting for capital and utilization of credit facilities to plan and consolidate various financial resources to meet the needs of its business, operations and development. Furthermore, the Group monitors and maintains a level of cash and cash equivalents the management considered adequate to finance its operations and mitigate the effects of fluctuations in cash flow.

5. Competition Risk

The Group competes with both domestic and foreign contractors for the International Engineering Contracting Business. Competition generally stems from price, design, variety of the services provided, service quality, financing solutions, business models and environmental standards. Similar to other Chinese contractors in the industry, the Group faces competition from engineering contractors with advanced technology from the developed countries such as the U.S., Japan and various European countries as the latter have relatively large competitive advantages in, among other aspects, global branch networks, information collection, management and construction capabilities, adaptability, and brand recognition. The Company will continue to leverage our competitive advantage in pricing, especially for projects in the developing countries, benefiting from more competitive labor cost and equipment price. The Company will also continue to leverage the cooperation between the PRC government and foreign governments (especially those of the developing countries) to compete with both domestic and foreign contractors.

4. 流動資金風險

流動資金風險指本集團於結算日未能籌集足夠資金以應付到期的財務負債的風險。為應對流動資金風險，本公司編製年度和季度財務預算，包括對資本和信用額度動用的預算，以計劃和鞏固各種財務資源滿足其業務、營運及發展的需要。此外，本集團監察及維持管理層認為足以為其營運提供資金及減少現金流量波動影響的現金及現金等價物水平。

5. 競爭風險

本集團就其國際工程承包業務與國內外的承包商競爭。競爭主要由價格、設計、所提供服務的多樣性、服務質量、融資方案、業務模式及環境標準所造成。如同行業中其他中國承包商，本集團面對來自發達國家（如美國、日本及多個歐洲國家）且具備領先技術的工程承包商的競爭，後者在（其中包括）全球分支網絡、信息搜集、管理及施工能力、適應性及品牌認知度等各個方面擁有較大的競爭優勢。本公司將繼續藉助在價格方面的競爭優勢，尤其在發展中國家的項目，並受益於具有競爭力的勞動力成本和設備價格。本公司亦將繼續把握中國政府與外國政府（尤其是該等發展中國家政府）之間的合作，與國內外承包商競爭。

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The Group competes with both Chinese and foreign companies for the international trading business. Competition with Chinese companies engaged in the international trading business focuses on price, range of products and range of suppliers and clients, whereas competition with foreign companies focuses on the price and quality of products manufactured by Chinese and foreign suppliers. While competition in the international trading market is intense, given this market is considerably vast, the Company will continue to compete with the Chinese and foreign companies by capitalizing on our financing capabilities and value-adding services. With more than 40 years of operating history in the international trading business, the Directors believe the Group has an edge over our PRC competitors within the industry in terms of our extensive sales and marketing networks, long-established experiences in the international trading market, well-trained business talents, strong capabilities in providing financing solutions and good reputation.

6. Investment Risk

Investment risk mainly represents any discrepancy between actual return and anticipated return from investment. Investment risk is caused by factors which are out of the Company's control or contingent factors which cannot be ascertained when making an investment decision, relevant advance payments for certain projects, decrease of investment in infrastructure by non-governmental investment institutions resulting from changes in policies, significant outlay of working capital over extended period of time, and governmental approvals from and regulatory compliance with various governmental departments when implementing the investment projects. The Company has set up an investment review committee and engaged independent third parties such as financial advisors, taxation advisors and legal counsels during the investment process to carry out comprehensive due diligence, analysis and deliberation with a view to improving the level of decision-making in investment and managing investment risks.

本集團與中外公司就國際貿易業務進行競爭。與從事國際貿易業務的中國公司競爭集中於價格、產品範圍及供貨商及客戶的範圍，而與國外公司的競爭則集中於中外供貨商生產產品的價格及質量的競爭。儘管國際貿易市場競爭激烈，然而由於該市場非常巨大，本公司將利用自身的融資能力及增值服務繼續與中外公司競爭。憑借在國際貿易業務40多年的經營歷史，董事相信，本集團所擁有的廣泛銷售及市場營銷網絡、在國際貿易市場長期累積的經驗、訓練有素的商業人才、提供融資方案的強大能力及良好的聲譽，令本集團比中國同行競爭者更具優勢。

6. 投資風險

投資風險主要指投資的實際回報與預期回報之間的差異。導致投資風險的原因包括受本公司控制範圍之外的因素或作出投資決定時無法確定的隨機因素的影響、墊付若干項目的有關款項、政策變動造成非政府投資機構對基礎設施建設的投資減少、在較長時間內動用大量營運資金以及執行投資項目需自不同政府部門取得政府批准或需遵守有關政府部門的監管規例等。本公司已成立投資審查委員會，並在投資過程中聘請財務顧問、稅務顧問、法律顧問等獨立第三方機構進行充分的盡職調查及分析論證，以提高投資決策水平、管控投資風險。

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7. Country Risk from Overseas Business

Currently, most of the projects of our International Engineering Contracting Business are conducted overseas, especially in developing countries or less-developed regions including some countries and regions in constant social or political turbulence. Our International Engineering Contracting Business may therefore be subject to constantly changing economic, regulatory, social and political conditions in the overseas jurisdictions in which we conduct business or operate our projects. To the extent that the Group's overseas business or operations is affected by unexpected and adverse foreign economic, regulatory, social and political conditions, the Group may experience project disruptions, losses of assets and personnel, and other indirect losses. In some of the high-risk locations where the Group has employees, business or operations, the Group may incur additional costs in safeguarding our personnel and assets. The Company typically seeks to manage potential losses through contractual arrangement which protects us against liabilities due to force majeure and provides for indemnities from project owners, subcontractors and suppliers, as well as purchase of construction, installation and engineering all-risks insurance and third-party liability insurance.

7. 海外業務國別風險

目前，我們大部分的國際工程承包業務項目於海外進行，尤其是在發展中國家或發展較落後的地區，當中包括一些社會或政治持續動蕩的國家及地區。因此，國際工程承包業務在我們進行業務或經營項目的海外司法權區內可能受到上述國家不斷改變的經濟、監管、社會及政治情況影響。倘本集團的海外業務或營運受到意料之外及不利的外國經濟、監管、社會及政治情況影響，本集團可能經歷項目受阻、資產及人員損失及其他間接虧損。在一些本集團擁有僱員、業務或營運的高風險地區內，本集團或會產生額外成本以保障我們的人員及資產。本公司一般尋求透過合同安排規避我們因不可抗力事件而承擔的責任及規定項目業主、分包商及供貨商作出彌償保證，並借著投購建築、安裝及工程一切險以及第三方責任保險，以控制潛在虧損。

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8. Safety and Quality Risk

Due to the nature of construction work involved in our International Engineering Contracting Business, the Group's projects may involve certain inherently dangerous activities, including operations on aerial platform, underground construction, use of heavy machinery and working with flammable and explosive materials. Despite that the Company ensures compliance with the requisite safety requirements and standards, we are subject to the inherent risks of geological catastrophes, fire, toxic gas, equipment failure and explosion and so on. Besides, our employees are subject to the personal risks caused by unstable safety environment. Any personal injury or loss of life our employees may suffer, damage to or destruction of properties and equipment and other losses caused by force majeure would result in the delay in our engineering contracting projects, extended construction time and efforts of our management, suspension of our operations or even imposition of legal liabilities. The Company endeavors to lower our exposure to the abovementioned potential risks associated with our International Engineering Contracting Business by taking measures including making contractual arrangements with the project owners in the event of disruption to the projects due to force majeure, seeking indemnities from the project owners, subcontractors and suppliers, purchasing construction, installation and engineering all-risks insurance, third-party liability insurance and personal accident insurance, strengthening our internal control system on ensuring a safe and high quality working environment for our projects, as well as maintaining close communications with the project owners and local governmental authorities.

8. 安全及質量風險

由於我們的國際工程承包業務所參與的建築工程的性質，本集團的項目可能涉及若干本質上危險的活動，包括在架空平台工作、地下建設、使用重型機械及於工作時使用易燃及爆炸性物料。儘管本公司確保遵守必要的安全要求及標準，我們仍面臨地質災難、火災、毒氣、設備故障及爆炸等固有風險。此外，我們的僱員還面對因不穩定安全環境而產生的人身風險。僱員可能遭受的人身傷害及身亡、財產及設備受損或受到破壞及其他不可抗力事件造成的損失，可能導致我們的工程承包項目延誤、工程時間延長及管理工作加重、營運暫停，甚至須承擔法律責任。本公司透過採取多項措施，包括與項目業主就不可抗力事件而導致項目受阻訂立合約安排，尋求項目業主、分包商及供貨商作出彌償保證，以及投購建築、安裝及工程一切險、第三方責任保險以及人身意外傷害保險，強化我們的內部監控系統以確保項目具備安全及優質的工作環境，以及與項目業主及地方政府機關維持緊密聯繫，務求降低我們所面臨上述與我們的國際工程承包業務有關的潛在風險。

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9. Post-project Transfer risk

Our international engineering contracting projects are contractually completed after the warranty period expires and the project owner issues a final acceptance certificate. During the course of actual use and operation by the project owner, operational or quality issues may arise due to natural factors such as hurricanes and tsunamis or improper operation or maintenance by the project owner's operational staff. The Group is no longer liable for any warranty obligations or other liabilities according to the contracts at that time. However, as some projects are associated with national interests and people's livelihood or have significant effects on the local areas, any flaws or defects in quality that occur after project completion may adversely compromise our reputation, as well as having a negative impact on customers' overall evaluation on us. Some project owners may require us to bear costs for continuous maintenances or replacement of relevant components, causing us losses not foreseeable under the contracts. As corporate reputation is the cornerstone for our market expansion, the Company will continue to step up the training for the project owner's operational staff, and endeavor to enter into operational maintenance support contracts with project owners, so as to enhance the operational and maintenance capabilities of the project owners' operational staff, and avoid or reduce the quality issues caused by improper manual handling as far as possible. At the same time, the Company emphasizes on the cultivation of core markets and the sustainable development of our business while attaching importance to collecting opinions and comments from customers, actively communicating with customers, as well as being committed to maintaining good social benefits and corporate interests.

9. 工程移交後風險

我們的國際工程承包項目在質保期結束並由項目業主簽發最終接收證書之後即已在合同意義上全部完成。在項目業主實際使用及運行過程中，工程可能會因為颶風、海嘯等自然因素或者項目業主運營人員操作或維護不當的原因產生運行或質量問題，此時根據合同本集團不再承擔任何質保義務或其他責任。但是，由於某些工程關乎國計民生或在當地有較大影響，項目完工後產生的任何質量瑕疵或缺陷，可能會給我們的聲譽帶來不利影響，導致客戶對我們的整體評價降低。部分項目業主可能會要求我們繼續投入成本進行維修或更換相應組件，由此將給我們帶來合同預期之外的損失。企業聲譽是我們開拓市場的基石，本公司將繼續加大對項目業主運營人員的培訓力度，盡力與項目業主簽訂運行維護支持合同，提高項目業主運營人員的運行維護水平，盡量避免或減少因人為操作不當原因導致的質量問題發生。同時，本公司注重業務開發的核心市場培養和可持續發展，注重收集客戶的意見和建議，與客戶積極溝通，努力維護良好的社會效益和企業利益。

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10. Corruption Risk

Currently, the PRC government has been strengthening its anti-corruption efforts and governments of various countries for which we have undertaken works are also enhancing their regulatory efforts in anti-commercial bribery. Personal non-compliance or corruption of any employee will bring material adverse impact to the reputation of our Company. Being an international engineering contractor and service provider, the Group cannot avoid carrying out necessary and work-related communications with the PRC government, governments of countries where our works are conducted, Chinese financial institutions and project owners. During this process, we may be exposed to risks associated with personal non-compliance of employees or even corruption risks. The Company will continuously strengthen its internal control and further improve its anti-corruption regime as well as strengthening accountabilities. The Company has already, at the same time, embarked on staff's compliance trainings, so as to enhance the compliance awareness of the staff and increase their compliance consciousness.

10. 舞弊風險

當前，中國政府反腐敗力度日趨加強，我們承攬工程的各國政府亦日益強化反商業賄賂的監管力度，任何僱員的個人違規或舞弊行為，將會給公司聲譽帶來重大不利影響。本集團作為國際工程承包與服務商，與中國政府、工程所在國政府、中國金融機構、項目業主不可避免地進行必要的溝通及工作聯繫，在此過程中，我們可能面臨涉及僱員個人違規的風險，甚至舞弊風險。本公司將持續加強內部控制，進一步完善公司反舞弊制度，強化責任追究，同時已經開展員工合規培訓，提高彼等合規意識，增強彼等遵規守法的自覺性。

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11. Pandemic risk

Affected by the global pandemic, many countries have adopted measures such as immigration control, public health control and strengthened customs clearance management, while some countries have declared a state of emergency or stopped public activities. As a result, some projects may not be implemented as agreed. Faced with the pandemic risk, the Company has strictly deployed and actively responded from top to bottom, and insisted on both pandemic prevention and control and resumption of work and production. As for the overseas projects affected by the pandemic, we have actively and properly utilize legal means to protect the legal rights of the Company, that is to make full use of the clauses such as those on force majeure or unforeseen difficulties in a business contract to strengthen positive communications, discussions and negotiations with the owners in the host countries, and discuss coping strategies together, and to properly deal with the claims for delayed schedule and expenses while actively taking mitigation measures, so as to timely resolve the contract performance risks caused by the pandemic.

11. 疫情風險

受全球疫情影響，諸多國家採取了入境管制、公共衛生管制、加強海關清關管理等措施，部分國家宣佈進入緊急狀態或停止公共活動，導致部分項目可能無法如約履行。面對疫情風險，公司自上而下嚴格部署、積極應對，堅持疫情防控和復工復產兩手抓。對於受疫情影響的境外項目，積極妥善運用法律手段維護公司合法權益，即充分運用商務合同條款中的不可抗力或不可預見的困難等條款與東道國業主等加強正面溝通、協商和談判，共商應對策略，在積極採取減損措施的同時做好工期和費用的索賠工作，及時化解疫情引致的履約風險。

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12. Sanctions Risk

We are a company incorporated in the PRC and we comply with all applicable PRC laws and regulations, undertake the international commitments and international obligations made by China and the relevant resolutions passed by the UN Security Council. However, as a result of our international activities, we are also subject to the laws and regulations of the various countries and regions in which we do business. In order to prevent and control the risk of sanctions, we established an export control internal compliance program (ICP) within the Company. The Company's ICP adopts the principle of comprehensive control (CATCH-ALL), and the scope and content of the ICP control will be adjusted in time in accordance with the changes in the international export control situation and the possible impact on the business of the Company. In particular, if any of our transactions is conducted in or through the United States, or otherwise involves U.S. persons, U.S. dollar clearing in the United States or U.S.-origin goods, U.S. sanctions regulations may be applicable to some or all of such transactions.

In recent years, the U.S. sanctions landscape has evolved substantially, especially those targeted at Iran and Cuba. 16 January 2016 marked the "Implementation Day", which marked the full execution of sanctions relief promised to Iran as part of the Joint Comprehensive Plan of Action (JCPOA) as negotiated by Iran, the P5+1 (the United States, Russia, China, France, the United Kingdom and Germany) and the EU and endorsed by the UN ("Iran Nuclear Deal"). In exchange for curtailing certain nuclear-related activities, Iran was granted relief from certain U.S., EU, and UN sanctions. However, the United States announced on 8 May 2018 that it will withdraw from the Iran Nuclear Deal and restore sanctions against Iran. Therefore, the Company decided to terminate all business ties in Iran thereafter from a prudent perspective and the Company has no existing or implemented project in Iran.

12. 制裁風險

我們為在中國註冊成立的公司，須遵守所有適用的中國法律法規，承擔中國的國際承諾和國際義務、聯合國安理會的有關決議。然而，由於從事國際業務，我們亦須遵守我們開展業務所在不同國家及地區的法律法規。為了防控制裁風險，我們在公司內部建立了出口管制內控合規機制 (ICP)。公司ICP採取的是全面控制原則 (CATCH-ALL)，並且ICP的管控範圍和內容將結合國際出口管制形勢變化和可能給公司業務帶來的影響而及時調整。尤其是，倘我們的任何交易在美國或通過美國開展，或以其他方式涉及美籍人士、於美國的美元結算或美國原產貨品，則美國制裁法規可能適用於部分或全部該等交易。

近年來，美國制裁格局大幅演變，尤其是針對伊朗及古巴的制裁。2016年1月16日為「執行日」，標誌著向伊朗承諾的制裁解除（為伊朗、P5+1（美國、俄羅斯、中國、法國、英國、德國）及歐盟談判並經聯合國認可的聯合全面行動計劃（JCPOA）的一部分）得到全面執行（「伊朗核協議」）。作為伊朗減少若干核相關活動的交換，伊朗免於美國、歐盟及聯合國的若干制裁。然而，美國於2018年5月8日宣佈將退出伊朗核協議並恢復對伊朗的制裁。因此，本公司審慎決定終止在伊朗的所有業務關係，且本公司在伊朗並無現有或已實施項目。

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As to Cuba, following a resumption of formal diplomatic ties between the two countries under the Obama administration and the removal of Cuba from the U.S. government's State Sponsors of Terrorism list, a series of amendments to OFAC's Cuban Assets Control Regulations and Section 746.4 of Export Administration Regulations administered by the Bureau of Industry and Security of United States Department of Commerce expanded the range of transactions in which U.S. persons are allowed to engage with Cuba. However, beginning in November 2017, the former U.S. government (the Trump administration) began to reverse some (but not all) of the changes made by the Obama administration and to re-tighten the U.S. embargo against Cuba. These changes included the creation of the State Department "List of Restricted Entities and Subentities Associated with Cuba" that identifies entities that are "under the control of, or act for or on behalf of, the Cuban military, intelligence, or security services or personnel" (the "Cuba Restricted List"). U.S. persons are prohibited from engaging in certain direct financial transactions with entities on the Cuba Restricted List. Additionally, the Commerce Department will deny licenses in most cases for exports of U.S.-origin items for use by entities on the Cuba Restricted List. Furthermore, on 4 March 2019, the former U.S. government announced that it would authorize U.S. nationals to file a limited range of civil claims against entities operating in Cuba pursuant to Title III of the Cuban Liberty and Democratic Solidarity Act of 1996 (also known as the Helms-Burton Act). Following the regulatory changes in the United States and taking into account the local economic conditions, no potential project carried out in Cuba has been approved by the general manager of the Company. The Company has no existing or implemented project in Cuba and has expressed no willingness to carry out business in Cuba market recently. Pursuant to our ICP control, every potential project carried out in Cuba must be (1) reviewed by the Company's internal export compliance office; (2) reviewed by outside legal counsel; and (3) approved by the general manager of the Company.

至於古巴，繼古巴、美國兩國於奧巴馬政府執政時恢復正式外交關係及美國政府將古巴從國家恐怖主義支持者名單中剔除後，對外國資產管制局的古巴資產管制條例及美國商務部工業與安全局所實施的出口管理條例第746.4條作出的一系列修訂，擴展了美籍人士可在古巴進行的交易範圍。然而，從2017年11月開始，時任美國政府（即特朗普政府）開始撤回奧巴馬政府所施行的部分（並非全部）變革，並重新收緊美國對古巴的禁運。這些變革包括國務院增設「與古巴有關的受限制實體及子實體名單」，當中列明「在古巴軍事、情報或保安部門或人員的控制下或為其行事」的實體（「古巴限制名單」）。美籍人士被禁止與古巴限制名單所列的實體進行某些直接金融交易。此外，大部分供古巴限制名單所列的實體使用的美國產品均不獲商務部授予出口許可證。另外，在2019年3月4日，時任美國政府宣佈將授權美國國民根據1996年《古巴自由與民主聲援法》（亦稱為《赫爾姆斯－伯頓法》）第三章對古巴境內的實體提出有限的民事訴訟。因應美國的監管變化並考慮到當地的經濟狀況，本公司總經理並未批准在古巴進行任何潛在項目。本公司在古巴並無現有或已實施的項目，並且近期內亦無意在古巴市場開展業務。根據我們的ICP管控，在古巴開展的每個潛在項目均須(1)經本公司內部的出口管制辦公室審核；(2)經外部的法律顧問審核；及(3)獲本公司總經理批准。

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Notwithstanding the former U.S. government's revised sanctions policies vis-a-vis Iran and Cuba, we believe we have been in compliance with the Sanctions Undertakings made at the time of the Listing as regards to economic sanctions. We also believe that our internal control policies targeted at sanctions compliance, and in particular our internal compliance program on export control, are sound and sufficient to assist us in navigating the evolving international sanctions landscape. Despite the far-reaching and complex nature of U.S. sanctions programs, our limited activities in the United States and rigorous internal control policies will minimize our exposure and liability to any potential sanctions violations. Of course, it is not possible to foresee which countries or organizations the present U.S. government (the Biden administration) and the future U.S. governments may place under sanctions. However, previous U.S. administrations, including the Trump administration, have provided either a "wind-down" period, or issued a general or specific license, in order to allow affected firms to terminate operations and withdraw from countries placed under new sanctions. Though the termination or forfeiture of any business operations or revenue in relation to any newly sanctioned counterparties, industries, projects or countries, may cause an adverse impact on our operations, financial condition, or ability to carry on business in the jurisdictions concerned, we strive to reduce such hazards through proactive political and economic risk assessment, along with timely legal advice from experienced external counsel. Furthermore, as a result of the foregoing, the Company's exposure in Cuba is so limited that any adverse impact from changes to Cuba sanction by the United States will be minimal.

雖然時任美國政府修訂對伊朗及古巴的制裁政策，但我們認為，我們一直遵守上市時就經濟制裁所作的承諾。我們亦認為，我們針對制裁合規的內部控制政策，尤其是針對出口控制的內部合規方案屬健全，足以在國際制裁格局演變的進程中為我們導航。儘管美國制裁計劃十分深遠複雜，但我們在美國進行的業務有限，且內部控制政策嚴格，將最大限度降低違反潛在制裁的風險及責任。當然，我們不可能預見現任美國政府（即拜登政府）和未來美國政府會對哪些國家或組織實施制裁。然而，往屆美國政府（包括特朗普政府）會給予「緩衝」期，或是頒發一般或特別許可證，以使受影響的公司終止在新受制裁的國家內經營或撤離該等國家。儘管終止與任何新受制裁交易方、行業、項目或國家相關的業務活動，或沒收相關收入可能對我們在所涉及司法管轄區的經營、財務狀況或從事業務的能力造成不利影響，但我們爭取透過積極的政治經濟分析評估，並且及時向經驗豐富的外部顧問尋求法律意見來減少該等危害。此外，由於如上所述本公司在古巴開展活動面臨的風險有限，故美國變更對古巴的制裁對我們產生的不利影響極小。

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13. Personnel Change Risk

Personnel change risk refers to the risk of affecting the Company's operations due to the resignation or leaving office of the Company's senior management personnel. As the Company is a listed company controlled by the state, we have higher requirements for the professional conduct and integrity of senior management personnel. Under such a high standard, situations in which senior management personnel resigns due to personal reasons, systematic personnel transfers or being no longer suitable for serving positions in the Company may occur. However, we have formulated, and will continue to improve, the articles of association of the Company and related rules and regulations, in order to ensure the orderly and efficient normal operation of the Company in spite of temporary absence of individual senior management personnel, with a sound awareness of rules and effective systems. At the same time, in order to avoid frequent changes in senior management personnel and to ensure the stability of the Company's management, we will also continue to strengthen compliance supervision of personnel and further enhance the overall compliance awareness of senior management personnel. Therefore, we believe that personnel change risk is a controllable risk during the standardized and refined operation of the Company.

14. Material Litigation and Arbitration Risk

During the reporting period, there was no litigation or arbitration that would cause a material impact on the operations of the Company. During the reporting period, the progress of non-material litigation and arbitration which occurred during the reporting period was as follows:

13. 人員變動風險

人員變動風險是指公司的高層管理人員辭任、離任，導致公司運營可能受影響的風險。因本公司屬於國有控股上市公司，對高層管理人員的職業操守、廉潔奉公等具有更高要求。在此高標準下，高層管理人員因自身原因辭任、系統人事調動或不適宜繼續在本公司擔任職務的情形可能發生。但是，我們已經制定、亦將不斷完善制定公司章程、相關規則制度等，以健全的規則意識和有效制度保障公司若在個別高層管理人員暫時缺位的異常狀況下仍能夠有序、高效地正常運轉；同時，為避免高層管理人員變動頻繁，保證公司管理層的穩定性，我們也將持續加強對人員的合規督導，進一步提升高層管理人員的全方位合規意識。因此，我們認為人員變動風險是公司規範、精良化運轉過程中的可控風險。

14. 重大訴訟、仲裁風險

本報告期內，未發生對本公司經營產生重大影響的訴訟、仲裁事項。本報告期內發生的非重大訴訟及仲裁事項在本報告期的進展情況如下：

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In December 2015, a Turkish owner (an independent third party) (the “Owner”) initiated an arbitration proceeding against the Company at the International Court of Arbitration of the International Chamber of Commerce (the “Arbitration Court”), alleging that there were flaws in an engineering contracting service provided by the Company and requiring the Company to compensate for various losses and expenses caused by the flaws, including loss of profit, repair costs, and investigation expert fees.

The Company has recently received the final judgement issued by the arbitral tribunal from the arbitrator, pursuant to which the Company shall pay the compensation of approximately USD41.42 million, applicable interest and arbitration related expenses to the Owner, and the Owner shall pay the compensation of approximately USD4.15 million and applicable interest to the Company.

The Company and the Owner have reached a settlement in respect of the execution of the arbitration award, and entered into a settlement agreement (the “Settlement Agreement”). Pursuant to the Settlement Agreement, the Company shall pay EUR34,308,510 (the “Settlement Amount”) to the claimant. From the date on which the Owner receives the aforesaid amount, each party irrevocably releases the other party from all obligations under the arbitration award.

The Company has completed the payment of the Settlement Amount in accordance with the requirements under the Settlement Agreement. The Owner has confirmed the receipt of the Settlement Amount. The execution of the arbitration award has completed, and the Company no longer bears any obligation in respect of the arbitration award.

2015年12月，一名土耳其業主（為獨立第三方）（以下簡稱「業主」）針對本公司向國際商會國際仲裁院（以下簡稱「仲裁院」）提起仲裁程序，指稱本公司提供的某項工程承包服務存在瑕疵，要求本公司賠償瑕疵對其造成的利潤損失、修理費用和調查專家費用等各項損失和費用。

本公司於近日收到仲裁員下發的由仲裁庭作出的最終判決，據此，本公司應向業主支付賠償金約合4,142萬美元及適用的利息及仲裁相關費用，業主應向本公司支付賠償金約合415萬美元及適用的利息。

本公司與業主針對裁決書的執行達成和解及訂立和解協議（以下簡稱「和解協議」）。根據和解協議，本公司應向申索人支付34,308,510歐元（以下簡稱「和解款項」），自業主確認收到前述款項之日起，雙方均不可撤銷地免除對方在仲裁裁決項下的全部義務。

本公司已完全按照和解協議的要求完成和解款項支付，業主確認收到和解款項，仲裁裁決已經執行完畢，本公司對仲裁裁決不再負有任何義務。

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According to the information currently available to the Company and the progress of the above case, the Company is of the view that the above case will not have a material and adverse impact on the current financial position and operating results of the Company.

15. Market Risk

Market risk is defined as the risk of loss to the businesses of entities in the market caused by adverse movements in market rates (including interest rates, exchange rates, stock prices and commodity prices). In accordance with regulatory requirements, the Group conducts compliance management of stock price risks and commodity price risks, continues to improve the market risk management system, and continuously improves stress testing and emergency management to adapt to the increasingly volatile market environment.

During the reporting period, the Group continued to enhance its awareness of active management of market risks, steadily advanced various management tasks, promoted the optimization of daily monitoring systems, and carried out corresponding technological development to enhance the Group's market risk management capabilities.

根據本公司目前可得的資料及上述案件進展情況，本公司認為上述案件不會對本公司的當期財務狀況及經營成果造成重大不利影響。

15. 市場風險

市場風險是指市場價格（利率、匯率、股票價格和商品價格）的不利變動而對市場主體業務發生損失的風險。本集團根據監管規定，對股票價格風險和商品價格風險等進行合規管理，持續完善市場風險管理體系，在壓力測試以及應急管理等方面不斷提高，以適應波動性日益增強的市場經營環境。

報告期內，本集團持續提升市場風險的主動管理意識，穩步推進各項管理工作，推進日常監控體系優化，並進行相應科技開發，提升本集團市場風險管理能力。

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16. Risks in Relation to Privatization and Internal Integration

At present, the Company is being merged into and absorbed by China SUMEC Automotive Industry Consulting Development Co., Ltd.* and the Company will be facing relevant risks brought by privatization and internal integration. Due to the large number of business segments and involved subsidiaries of the Company, the merger and absorption will increase the complexity of the integration of internal organizational structure, and it will take some time for the integration of assets, liabilities, interests and businesses to be in place; in addition, the Company will need to integrate personnel according to the new businesses and management structure after the merger and absorption. Thus, if the Company fails to achieve effective integration in aspects including procurement, production, sales, personnel and management upon the merger and absorption, it will affect the synergy effect after the merger and may lead to the failure to achieve the expected goals in the short term.

The Company continues to establish and improve its governance structure and standardize corporate operations in strict compliance with the relevant laws, regulations and regulatory requirements of the regulatory authorities, formulate a privatization plan based on the Company's development strategies, and clarify the goals, tasks and implementation plans of each stage of privatization to ensure effective implementation of the privatization plan.

16. 私有化及內部整合帶來的相關風險

目前，中國蘇美達汽車工業諮詢發展有限公司對本公司進行吸收合併，本公司將面臨私有化及內部整合帶來的相關風險。由於本公司業務板塊及涉及下屬子公司較多，本次吸收合併將增加內部組織架構整合的複雜性，對資產、負債、權益、業務等事項的整合到位也需要一定時間；此外，吸收合併後本公司需要根據新的業務和管理架構進行人事整合。因此，吸收合併後本公司如果不能實現採購、生產、銷售、人事、管理等各方面的有效整合，將影響合併後協同效應的發揮，並可能導致短期內無法實現預期的目標。

本公司持續嚴格按照相關法律、法規及監管機構規範性要求，建立和完善治理結構、規範公司運作，根據公司發展戰略制定私有化規劃，明確私有化各階段的目標、任務和實施計劃，確保私有化規劃有效執行。

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VII. OUTLOOK

In 2021, as guided by the gist of the Central Economic Working Conference, and in line with the 14th Five-Year Plan for National Economic and Social Development, the Company will adapt to the new normal under the pandemic with a positive attitude, and put new development philosophies into practice with resolve and courage to constantly “identify changes, adapt to changes and seek changes” in an all-out effort to realize CMEC’s new development pattern of high-quality “dual circulation”.

I. General Approach to Business Development

(I) Continuously optimize the 4+X business pattern to create a diverse and complementary business model

The Company will maintain the foundation status of the Engineering Contracting Business, continue to promote the transformation and upgrade of the Trading and Services Businesses, accelerate the transformation of the design consulting business with China Machinery R&D and JiKan Research Institute at the core towards “becoming a technology-based engineering company”, and make steady progress with the integrated business of investment, financing, construction and operation, which will further strengthen the role of investment to drive the engineering contracting business. In addition, in accordance with policy guidance and changes in market demands, the Company will increase efforts in the precise cultivation, incubation and fostering of various emerging businesses taking into account the Company’s business features and resource advantages, in order to create new business growth points.

VII. 前景展望

2021年，公司將以中央經濟工作會議精神為指導，以「國民經濟和社會發展十四五規劃」為引領，積極應對疫情新常態，以不斷「識變、應變、求變」的精神和勇氣，貫徹新發展理念，全力以赴開創CMEC高質量的「雙循環」發展新格局。

一、業務發展總體思路

(一) 不斷優化4+X業務佈局，打造多元互補的業務模式

要堅持工程承包業務的基礎地位不動搖，繼續推動貿易與服務業務的轉型升級，加快以中機院、機勘院為核心的設計諮詢業務向「科技型工程公司」轉型的步伐，穩步推動投融建營一體化業務，進一步提升投資對工程承包的拉動作用。同時，根據政策導向和市場需求變化，結合公司業務特點和資源優勢，加大對各類新興業務的精準培育、孵化和扶植力度，全力打造新的業務增長點。

Management Discussion and Analysis

管理層討論與分析

(II) Implement the market policy of “stabilizing overseas market and cultivating domestic market” and actively integrate into the new environment of dual circulation and mutual promotion

To stabilize overseas market, the Company will develop overseas market with unwavering perseverance and stabilize its base presence in overseas market; and to cultivate domestic market, the Company will play to its strengths while avoiding its shortcomings, and develop the domestic market by “leveraging” through multiple channels and on multiple levels. The Company will meticulously study the national strategic plans and relevant domestic regional policies and industrial policies, continue to strengthen the linkage between domestic and international markets, and actively promote the national layout of the design consulting business.

With an aim to strengthen the development of the investment business and enhance overall synergy, the Company will strive for new business breakthroughs by leveraging its advantages in market development and, after establishing its presence according to market trends, carefully selecting projects in line with the direction of the Company’s principal businesses for further study. The Company will continue to establish a sound environment for internal synergy, improve the industry alliance cooperation mechanism and the third-party cooperation mechanism, and enhance synergy with members of SINOMACH and SINOMACH Engineering Group.

(二) 貫徹落實「穩外耕內」市場方針，積極融入雙循環相互促進新格局

穩外就是要鍥而不捨深耕海外市場，穩住海外基本盤；耕內就是要揚長避短，多渠道、多層面「借力」切入國內市場。要認真研究國家戰略規劃，國內相關區域政策及產業政策，不斷強化國際國內兩個市場聯動，積極推進設計諮詢業務的全國化佈局。

進一步加大投資業務開拓力度和整體協同力度。要發揮公司的市場開發優勢，根據市場趨勢主動佈局，精心篩選出符合公司主營業務方向的項目進行深入跟蹤，爭取實現新的業務突破。繼續營造良好的內部協同氛圍，完善產業聯盟合作機制和第三方合作機制，並加大與國機和國機工程集團成員企業的協同力度。

Management Discussion and Analysis

管理層討論與分析

II. General Approach to Reform and Innovation

(I) Deepened reform of the system and mechanisms

The Company will actively explore mixed ownership reform, upgrade all incentive and restraint mechanisms, and make constant improvements to the remuneration system.

(II) Actively explore model innovation

The Company will step up its efforts in market expansion and innovation, actively encourage the replication of its featured business model, and customize its flexible financing model to break through the financing bottleneck.

(III) Effectively exert technological innovation to lead and support the Company's businesses

For the engineering contracting business, the Company will strive to keep up with the development trends of the latest technologies and solutions in various fields both at home and abroad. For the Trading Business, the Company will continue to increase the technological R&D investment in respect of its core products, and continuously upgrade based on market and customer needs, in order to maintain a leading position in terms of technology. For the design consulting business, the Company will continue to uphold technological innovation as its driving force, accelerate the transformation and application of existing technological achievements and enhance its capacity to provide comprehensive solutions.

二、改革創新總體思路

(一) 深入推進體制機制改革

要繼續探索混合所有制改革，完善各項激勵約束機制，不斷改進薪酬體系。

(二) 積極探索模式創新

要不斷加大市場開拓創新力度，積極推進特色業務模式的複製，靈活定制融資模式，突破融資瓶頸。

(三) 切實發揮科技創新對公司業務的引領與支撐作用

工程承包業務要緊跟國內外各領域新技術和新方案的發展趨勢。貿易業務要持續加強核心產品的科技研發投入，緊密圍繞市場和客戶需求進行升級換代，保持技術領先。設計諮詢業務要堅持以科技創新為動力，加快推進已有科技成果的轉化和技術應用，提升綜合解決方案的供給能力。

Management Discussion and Analysis

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III. General Approach to Management Improvement

In pursuit of comprehensive and sound risk management and control, the Company will continuously optimize its risk control system, implement a regular pandemic control mechanism, strive to manage its exchange rate and capital risks, strengthen compliance management, improve audit quality with stricter audit procedures, and tighten its grip on accountability and production safety.

The Company will prepare for the “14th Five-Year Plan” and enhance top-level design; improve the talent introduction, training, utilization and management system; enhance scientific corporate governance; continue to reinforce awareness for “tightening our belts”; continue to improve management efficiency by streamlining the organizational structure and enhancing differentiated management; effectively enhance the supporting role of informatization on corporate management and control; and strive to increase the management and control capacity of basic functions.

三、管理提升整體思路

全面做好風險管控各項工作，要持續優化風控體系，繼續落實常態化防疫機制，努力應對匯率和資金風險，加強合規經營管理，嚴格審計程序，提高審計質量，壓實責任，緊抓安全生產不放鬆。

要抓好「十四五」規劃編製，強化頂層設計；完善人才引進、培養、使用、管理體系；強化公司科學治理；繼續樹牢「過緊日子」的意識；進一步瘦體強身，精簡組織機構，加強差異化管理，提高管理效率；切實提升信息化對公司管控的支撐作用；大力提升基礎職能管控水平。

Major Corporate Events for the Year

本年度企業大事記

January 1月



1.1 Mansoor, CEO of Hub Power Company, Visited the Company

On 8 January, Chairman BAI Shaotong met with the visiting delegation led by Mansoor, CEO of Hub Power Company, at the headquarter of the Company.

1.1 哈勃電力公司總裁曼蘇爾到公司交流訪問

1月8日，白紹桐董事長在公司總部會見來訪的哈勃電力公司總裁曼蘇爾一行。



1.2 Mr. Narsingh Chaudhary, executive vice president of Black & Veatch, Visited the Company

On 8 January, President FANG Yanshui met with the visiting delegation led by Mr. Narsingh Chaudhary, executive vice president of Black & Veatch.

1.2 美國博萊克威奇 (Black & Veatch) 公司執行副總裁 Narsingh Chaudhary 先生到公司交流訪問

1月8日，方彥水總裁會見了美國博萊克威奇 (Black & Veatch) 公司執行副總裁 Narsingh Chaudhary 先生及其代表團。



1.3 The Secretary of State for Water Affairs of the Ministry of Energy and Water of Angola visited CMEC

On 10 January, President FANG Yanshui met with the visiting Secretary of State for Water Affairs of the Ministry of Energy and Water of Angola, Mr. Lucrecio Alexandre Manuel da Costa, at the Company.

1.3 安哥拉能源水利部水務國務秘書到訪 CMEC

1月10日，方彥水總裁在公司會見了到訪的安哥拉能源水利部水務國務秘書盧克萊西奧·亞歷山大·馬努埃爾·達·科斯塔先生。

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January 1月

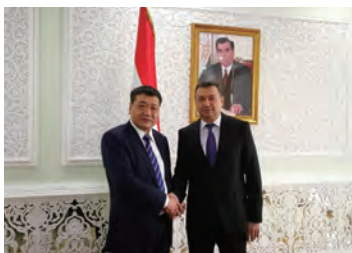


1.4 President FANG Yanshui Visited Uzbekistan

On 20 January, President FANG Yanshui led a team to visit Uzbekistan and met with Zhang Wenchuan, Minister Counselor of the PRC in Uzbekistan, Mr. Mirzamakakhmudov, First Deputy Minister of Energy of Uzbekistan, and Mr. Sanguinov, Director of Uzbekistan Hydro Energy Co., Ltd.

1.4 方彥水總裁訪問烏茲別克斯坦

1月20日，方彥水總裁率隊訪問烏茲別克斯坦，分別同中國駐烏茲別克斯坦公使參贊張汶川、烏茲別克斯坦能源部第一副部長米爾紮馬赫穆德夫先生及烏茲別克斯坦水利能源股份有限公司董事長桑吉諾夫先生進行了會面。



1.5 President FANG Yanshui Visited Tajikistan

On 21 to 22 January, President FANG Yanshui led a team to meet with Tajik Prime Minister Rasuzorda, Chinese Ambassador to Tajikistan Liu Bin, Commercial Counselor Sun Yan, and Tajik Aluminum Group Chairman Mr. Kabirov in Dushanbe, the capital of Tajikistan. They also went to the site of the electrolytic aluminum project of Tajik Aluminum Group to conduct an investigation.

1.5 方彥水總裁訪問塔吉克斯坦

1月21-22日，在塔吉克斯坦首都杜尚別，方彥水總裁率隊分別拜會了塔吉克斯坦總理拉蘇佐爾達、中國駐塔吉克大使劉彬、商務參贊孫岩、塔吉克鋁業集團董事長卡比諾夫先生，並赴塔鋁電解鋁項目現場進行了考察。

Major Corporate Events for the Year

本年度企業大事記

February 2月



2.1 CMEC Ukraine Representative Office Donated Supplies to Help Wuhan Fight Against COVID-19

On 4 February, CMEC Ukraine Representative Office organized a donation activity. The donation ceremony was reported by Ukraine National TV Channel and the Correspondent Station of the Xinhua News Agency in Ukraine.

2.1 CMEC 烏克蘭代表處發起物資捐贈活動支援武漢抗擊疫情

2月4日，CMEC 烏克蘭代表處組織了捐贈儀式。烏克蘭國家電視台，新華社駐烏克蘭記者站對此次捐贈儀式進行了報道。



2.2 CMEC Serbia Branch Collected Anti-epidemic Supplies

On 5 February, CMEC Serbia Branch actively responded to the call of the Group and contacted immediately Serbian suppliers to purchase medical protection materials.

2.2 CMEC 塞爾維亞分公司籌集抗疫物資

2月5日，CMEC 塞爾維亞分公司積極響應集團公司號召，第一時間聯繫塞爾維亞防護物資供應商，想方設法籌集物資。

Major Corporate Events for the Year

本年度企業大事記

March 3月



3.1 Phase II Project of TEL Power Station Kicked off in Block II of Thar Coalfield in Sindh Province, Pakistan

On 6 March, the confirmation letter for the financing closure of the TEL power station project (phase II) in Block II of Thar Coalfield in Sindh Province, Pakistan, which CMEC as a shareholder has undertaken the construction, was issued, marking the official initiation of the project and another remarkable achievement of the China-Pakistan Economic Corridor.

3.1 巴基斯坦信德省塔爾煤田II區塊二期TEL電站項目落地

3月6日，CMEC參股並承建的巴基斯坦信德省塔爾煤田II區塊二期TEL電站項目融資關閉確認函簽發，標誌著項目正式落地，是中巴經濟走廊結出的又一碩果。

April 4月



4.1 Ethiopian Leipzig Waste Power Plant Achieved its Annual Power Generation Target Ahead of Schedule

On 20 April, the Leipzig Waste Power Plant project contracted by CMEC's subsidiary CNEEC reached the contractual performance guarantee indicator of 185 million kWh of annual power generation, and the annual power generation target was achieved ahead of schedule.

4.1 埃塞俄比亞萊比垃圾發電廠提前完成年發電量目標

4月20日，CMEC子公司中電工總承包的萊比垃圾發電廠項目達到年發電量1.85億度的合同性能保證指標，提前完成年發電量目標。

Major Corporate Events for the Year

本年度企業大事記

April 4月



4.2 Chairman BAI Shaotong and China Datang Overseas Investment Co., Ltd. Signed A Strategic Cooperation Agreement

On 30 April, CMEC and China Datang Overseas Investment Co., Ltd. signed a strategic cooperation agreement via video conference.

4.2 白紹桐董事長與大唐集團海外投資公司簽署戰略合作協議

4月30日，CMEC與大唐集團海外投資公司以視頻會議的形式簽署了戰略合作協議。

May 5月



5.1 Live Wires of Zambia Hospital Projects were Handed Over for Use

On 19 May, the two hospitals contracted by CMEC's subsidiary CNCEC completed their inspection. The live wires were handed over to Zambia to support the fight against the epidemic.

5.1 贊比亞醫院項目「火線」移交使用

5月19日，CMEC子公司中成套總承包的兩所醫院全部完成驗收，「火線」移交贊比亞，有力支持當地抗擊疫情。

Major Corporate Events for the Year

本年度企業大事記

June 6月



6.1 Chairman BAI Shaotong and President FANG Yanshui Met with President of Standard Chartered Bank (China) Limited

On 3 June, Chairman BAI Shaotong and President FANG Yanshui met with Ms. Jerry Zhang, president and vice chairwoman of Standard Chartered Bank (China) Limited. The two sides held friendly talks on their business development and future cooperation.

6.1 白紹桐董事長、方彥水總裁會見渣打銀行中國行長

6月3日，白紹桐董事長，方彥水總裁在公司會見了渣打中國行長，總裁兼副董事長張曉蕾一行，雙方就公司業務發展以及未來的合作等事宜進行了友好會談。



6.2 The Main Structure of the First Building of Maldives Housing Project Phase III was completed

On 18 June, the main structure of the first building of Maldives Housing Project phase III contracted by CMEC was completed successfully.

6.2 馬爾代夫住房三期項目首棟主體封頂

6月18日，CMEC總承包的馬爾代夫住房三期項目首棟樓主體結構順利封頂。



6.3 President FANG Yanshui Held a Video Meeting with the Royal Group of Cambodia

On 19 June, CMEC and the Royal Group of Cambodia held a video meeting on cooperation and exchanges between the two sides.

6.3 方彥水總裁與柬埔寨皇家集團召開視頻會議

6月19日，CMEC與柬埔寨皇家集團召開合作交流視頻會議。

Major Corporate Events for the Year

本年度企業大事記

June 6月



6.4 President FANG Yanshui Held a Video Meeting with GE

On 22 June, President FANG Yanshui held a video communication meeting between the Company and GE's steam power generation business president Michael Keroulle.

6.4 方彥水總裁與通用電氣召開視頻會議

6月22日，方彥水總裁在公司與通用電氣蒸汽發電業務總裁邁克爾·科魯爾先生等召開了視頻溝通會。



6.5 CMEC Signs Three International Contracts amid the Covid-19 Pandemic

On 26 June, President FANG Yanshui, on behalf of the Company, signed three contracts through video communication respectively with the Thailand MITT Group, Senegal River Basin Development Organization, and Spain Futuvati Company for the new projects, namely rubbish-derived fuel (RDF) power generation, water conservancy project, and photovoltaic power station.

6.5 抗疫突圍 一日三簽

6月26日，方彥水總裁代表公司通過視頻方式，先後同泰國麥特集團、塞內加爾河流域開發組織、西班牙浮圖瓦蒂公司簽署了垃圾發電、水利樞紐工程和光伏電站三個新項目的合約。

Major Corporate Events for the Year

本年度企業大事記

July 7月



7.1 JiKan Research Institute Won the Bid for the New Landmark Pile Foundation Project in Xi'an

On 2 July, CMEC's subsidiary JiKan Research Institute won the bid for the pile foundation project of the Xi'an super high-rise project.

7.1 機勘院中標西安新地標樁基工程

7月2日，CMEC子公司機勘院中標西安超高層項目樁基工程。



7.2 Main Dam of Broadlands Hydropower Project in Sri Lanka was Successfully Completed

On 2 July, concrete placement for the gravity main dam of the hydropower project in Broadlands, Sri Lanka, contracted by CMEC's subsidiary CNEEC, was successfully completed

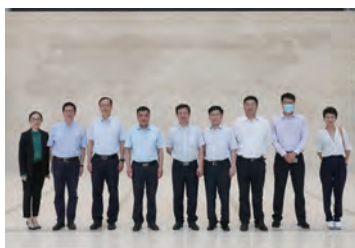
7.2 斯里蘭卡布羅德蘭水電站主壩順利封頂

7月2日，CMEC子公司中電工總承包的斯里蘭卡布羅德蘭水電站項目混凝土重力式主壩順利完成封頂。

Major Corporate Events for the Year

本年度企業大事記

August 8月



8.1 General Manager of China Datang Corporation Renewable Power Co., Limited Visited the Company

On 5 August, President FANG Yanshui met with Liu Guangming, general manager of China Datang Corporation Renewable Power Co., Limited. The two sides had in-depth discussions on issues such as joint development of overseas new energy projects.

8.1 中國大唐集團新能源股份有限公司總經理到公司交流訪談

8月5日，方彥水總裁在公司會見了中國大唐集團新能源股份有限公司總經理劉光明一行，雙方就共同開發海外新能源項目等議題進行了深入探討。



8.2 China Machinery International Won the Bid for the Blockchain Industrial Park Project in Changsha Economic Development Zone

On 5 August, CMEC's subsidiary China Machinery International won the bid for the feasibility study report, survey, plan and preliminary design of the Blockchain Industrial Park project in Changsha Economic Development Zone.

8.2 中機國際中標長沙經開區區塊鏈產業園項目

8月5日，CMEC子公司中機國際中標長沙經開區區塊鏈產業園項目可行性研究報告、勘察、方案及初步設計。

Major Corporate Events for the Year

本年度企業大事記

August 8月



8.3 Iraqi Hillah Wastewater Treatment Plant Project was Published in the People's Daily

On 15 August, the Iraqi Hillah wastewater treatment plant project, which is undertaken by CNEEC, a subsidiary of CMEC, was reported by the People's Daily.

8.3 《人民日報》報道伊拉克希拉污水處理廠項目

8月15日，《人民日報》報道了CMEC子公司中電工承建的伊拉克希拉污水處理廠項目。



8.4 The Kilinochchi Water Supply and Sanitation Project in Jaffna, Sri Lanka Obtained the Taking Over Certificate (TOC)

On 21 August, the Kilinochchi Water Supply and Sanitation Project in Jaffna, Sri Lanka undertaken by CMEC obtained the Taking Over Certificate (TOC) issued by the owner.

8.4 斯里蘭卡賈夫納基里諾奇供水及衛生項目獲得接收證書(TOC)

8月21日，CMEC承建的斯里蘭卡賈夫納基里諾奇供水及衛生項目獲得業主頒發的接收證書(TOC)。

Major Corporate Events for the Year

本年度企業大事記

August 8月



8.5 Vice President TONG Zigang Attended the 2020 Chinese Committee Meeting of China-Arab Joint Chamber of Commerce

On 27 August, 2020 Chinese Committee Meeting of China-Arab Joint Chamber of Commerce was held at the auditorium of China Council for the Promotion of International Trade. CMEC Vice President TONG Zigang attended and addressed the meeting.

8.5 童自剛副總裁參加2020年中國—阿拉伯聯合商會中方理事會年度會議

8月27日，2020年中國—阿拉伯聯合商會中方理事會年度會議在貿促會禮堂召開。CMEC童自剛副總裁參加會議並致辭。

September 9月



9.1 China Machinery International Won the Bid for the Renewal (Phase II) Engineering and Design Project of Shenzhen Guangming District Central Hospital

On 4 September, China Machinery International, a subsidiary of CMEC, won the bid for the renewal (phase II) engineering and design project of Shenzhen Guangming District Central Hospital.

9.1 中機國際中標深圳市光明區中心醫院續建(二期)工程設計項目

9月4日，CMEC子公司中機國際中標深圳市光明區中心醫院續建(二期)工程設計項目。

Major Corporate Events for the Year

本年度企業大事記

September 9月



9.2 Harbin Mayor Visited the Company

On 18 September, President FANG Yanshui met with Sun Zhe, mayor of Harbin City at the Company. The two sides held friendly talks on more extensive cooperation and promotion of high-quality development.

9.2 哈爾濱市市長到訪公司

9月18日，方彥水總裁在公司會見了哈爾濱市市長孫喆，雙方就加強合作、推動共同高質量發展等事項進行了友好溝通。

October 10月



10.1 230kV Ou River Hydropower Station Phase-II Transmission and Transformation Project in Laos Received Taking Over Certificate (TOC)

On 12 October, the 230kV Ou River Hydropower Station Phase-II Transmission and Transformation Project in Laos, undertaken by CMEC, was granted the Taking Over Certificate (TOC) issued by the owner, marking the completion of the project 7 months ahead of the schedule. It was handed over to the owner and put under warranty.

10.1 老撾230kV烏江水電站二期輸變電項目順利獲得接收證書(TOC)

10月12日，CMEC總承包的老撾230kV烏江水電站二期輸變電項目獲得業主簽發的接收證書(TOC)，標誌著該項目相較合同約定工期提前7個月完工、移交業主並進入質保期。

Major Corporate Events for the Year

本年度企業大事記

October 10月



10.2 General Manager of the International Business Division of China National Chemical Engineering Group Co., Ltd. Visited CMEC

On 13 October, Bao Guangdong, general manager of the International Business Division of China National Chemical Engineering Group Co., Ltd. visited CMEC, who was received by a delegation headed by President FANG Yanshui.

10.2 中國化學工程集團有限公司國際事業部總經理到訪公司

10月13日，中國化學工程集團有限公司國際事業部總經理鮑廣東到訪公司，方彥水總裁率隊接待。



10.3 President FANG Yanshui Visited Belarusian Embassy in China

On 23 October, President FANG Yanshui paid a visit to Belarusian Embassy in China for communication and exchanges, making in-depth discussions with Belarusian Charge D'affaires in China on deepening business cooperation and expanding cooperation between the two countries.

10.3 方彥水總裁訪問白俄羅斯共和國駐中國大使館

10月23日，方彥水總裁赴白俄羅斯共和國駐中國大使館進行交流訪問，與白俄羅斯駐中國大使館代辦大使就深化兩國之間業務合作，拓寬合作領域等內容進行深入交流。

Major Corporate Events for the Year

本年度企業大事記

November 11月



11.1 CMEC Signed Contract for Maldives National Stadium Project

At the Maldives National Media Center, CMEC and the Maldivian Government signed a “Framework Agreement on Cooperative Construction of the Maldives National Stadium” on 25 November.

11.1 CMEC簽約馬爾代夫國家體育場項目

11月25日，在馬爾代夫國家媒體中心，CMEC與馬爾代夫政府簽署「馬爾代夫國家體育場項目合作框架協議」。

December 12月



12.1 CMEC Attended the 11th International Infrastructure Investment and Construction Forum

On 2 to 3 December, the 11th International Infrastructure Investment and Construction Forum, which was jointly organized by China International Contractors Association and Macao Trade and Investment Promotion Institute, was held in Macao. A delegation headed by SINOMACH's Deputy General Manager and Chairman of the Company BAI Shaotong attended a series of activities including the opening ceremony.

12.1 CMEC參加第11屆國際基礎設施投資與建設高峰論壇

12月2日—3日，由中國對外承包工程商會和澳門貿易投資促進局共同主辦的第11屆國際基礎設施投資與建設高峰論壇在澳門舉行，國機副總經理、公司董事長白紹桐率隊出席開幕式等系列活動。

Major Corporate Events for the Year

本年度企業大事記

December 12月



12.2 CMEC Signed Agreements on Two Large-scale Railway Cooperation Projects in Argentina

On 11 December, witnessed by the Argentinean President Alberto Fernández, CMEC and the Ministry of Transport of Argentina signed the Supplementary Agreement V on the Argentina Belgrano Freight Railway Renovation Project and the MOU for the Northern Patagonia Corridor Railway Renovation Project.

12.2 CMEC在阿根廷簽署兩個大型鐵路項目合作文件

12月11日，在阿根廷總統阿爾貝托·費爾南德斯見證下，CMEC與阿根廷交通部簽署了阿根廷貝爾格拉諾貨運鐵路改造項目補充協議五和北巴塔哥尼亞走廊鐵路改造項目合作備忘錄。



12.3 Honorary title of “AAA Credit Rating for International Contractors” won by CMEC

On 24 December, the sixth council meeting of the seventh session of China International Contractors Association and the 2020 industry annual conference were held in Xi'an, Shaanxi. President FANG Yanshui attended the relevant meetings and activities.

12.3 CMEC獲得「對外承包工程信用AAA級」榮譽稱號

12月24日，中國對外承包工程商會七屆六次理事會暨2020行業年會在陝西西安召開。方彥水總裁參加了相關會議和活動。

Report of Directors

董事會報告

The Board is pleased to present its report together with the audited consolidated financial statements of the Group prepared in accordance with IFRS for the year ended 31 December 2020.

GLOBAL OFFERING

The Company was incorporated as a part of the reorganization undergone by the Group in preparation for the Listing by converting its predecessor into a joint stock company with limited liability under the Company Law on 18 January 2011. The Company's H Shares were listed on the Stock Exchange on the Listing Date.

PRINCIPAL ACTIVITIES

The Company is a leading international engineering contracting and services provider with a primary focus on EPC projects and particular expertise in the power sector, capable of providing one-stop customized and integrated engineering contracting solutions and services. The Company also conducts the Trading Business and Services Business.

Details of the Company's principal subsidiaries are set out in note 1 to the financial statements in this annual report.

RESULTS

The audited results of the Group for the year ended 31 December 2020 are set out in consolidated statement of profit or loss and the consolidated statement of comprehensive income in this annual report. The financial position of the Group and the Company as at 31 December 2020 is set out in the consolidated statement of financial position and the statement of financial position in this annual report, respectively. The cash flows of the Group for the year ended 31 December 2020 are set out in the consolidated statement of cash flows in this annual report.

A discussion and analysis of the Group's performance during the year ended 31 December 2020 and the key factors affecting its results and financial position are set out in the section headed "Management Discussion and Analysis" of this annual report.

董事會欣然提呈其報告連同根據國際財務報告準則編製的本集團截至2020年12月31日止年度的經審計合併財務報表。

全球發售

2011年1月18日，為籌備上市，作為本集團重組的一部分，根據公司法，本公司通過其前身改製成為一家股份有限公司，以成立本公司。本公司的H股於上市日期在聯交所上市。

主要業務

本公司為領先的國際工程承包及服務商，主要專注於EPC項目，特別專長於電力能源行業，能夠提供一站式訂製及綜合工程承包方案及服務。本公司亦從事貿易業務及服務業務。

本公司主要附屬公司的詳情載於本年報財務報表附註1。

業績

本集團截至2020年12月31日止年度的經審計業績載於本年報合併損益表及合併綜合收益表。本集團及本公司於2020年12月31日的財務狀況分別載於本年報合併財務狀況表及財務狀況表。本集團截至2020年12月31日止年度的現金流量情況載於本年報合併現金流量表。

本集團截至2020年12月31日止年度表現的討論與分析以及影響其業績及財務狀況的主要因素載於本年報「管理層討論與分析」一節。

Report of Directors

董事會報告

FINAL DIVIDEND

Given that the Company is currently in the process of privatization, the Board did not propose to distribute a final dividend for the year ended 31 December 2020. For details on privatization, please refer to the announcement of the Company dated 13 January 2021.

AGM AND CLOSURE OF REGISTER

The circular and the notice of the forthcoming AGM will be published and dispatched to the Shareholders in accordance with the requirements of the Listing Rules and the Articles of Association. The Company will make an announcement on the period of closure of register of members of H Shares in the circular and the notice of the AGM in due course.

BUSINESS REVIEW

A fair review of the business of the Group during the year ended 31 December 2020, a discussion on the Group's future business development and the financial and operational key performance indicators employed by the Directors in measuring the performance of our business are set out in the sections headed "Chairman's Statement" on pages 2 to 10 of this annual report, "Key Operating and Financial Data" on pages 13 to 15 of this annual report, "Management Discussion and Analysis - II. Business Overview" on pages 30 to 43 of this annual report and "Management Discussion and Analysis - VII. Outlook" on pages 82 to 85 of this annual report. The financial risk management objectives and policies of the Group are set out in note 37 to the financial statements in this annual report. Save as disclosed in note 38 to the financial statements in this annual report, there were no significant events that have an effect on the Group subsequent to the financial year ended 31 December 2020.

末期股息

鑒於本公司目前正處於私有化進程中，董事會不建議派付截至2020年12月31日止之年度的末期股息。關於私有化詳情請參閱本公司日期為2021年1月13日的公告。

股東週年大會及暫停辦理股份過戶登記

應屆股東週年大會的通函及通告將根據上市規則規定及章程公佈並寄予股東。本公司將適時於股東週年大會通函及通告內公佈暫停辦理H股股份過戶登記期間。

業務回顧

對本集團截至2020年12月31日止年度業務的公平回顧、有關本集團未來業務發展的討論及董事評估業務表現時使用的財務與經營主要表現指標，載於以下章節：本年報第2至10頁的「董事長致辭」，本年報第13至15頁的「重要經營及財務數據」，本年報第30至43頁的「管理層討論與分析－II. 業務概覽」及本年報第82至85頁的「管理層討論與分析－VII. 前景展望」。本集團的財務風險管理目標及政策載於本年報財務報表附註37。除本年報財務報表附註38所披露外，截至2020年12月31日止財政年度後並沒有對本集團有影響的重大事項。

PRINCIPAL RISKS AND UNCERTAINTIES

A number of factors may affect the results and business operations of the Group, some of which are inherent to the industries the Group operates in and some are from external sources. As regards the principal risks and uncertainties facing the Group, please refer to the section headed “Management Discussion and Analysis - VI. Risk Factors and Risk Management” on pages 66 to 81 of this annual report.

KEY RELATIONSHIPS

(i) Employees

We are in strict compliance with the Labor Contract Law of the People’s Republic of China and the laws and regulations of labor and employment in overseas areas of operation, respect human rights, implement equal and non-discriminatory labor and employment policies, and equally treat staffs of different races, nationalities, ethnic groups, genders, ages and religions, and firmly prohibit the employment of child laborers, oppose all forms of employment discrimination and forced labor, and establish equal labor relations that meet the prescribed requirements with employees.

We focus on identifying the value of employees, constantly strengthening the development and training of talents, broadening the career development channels of staffs, optimizing the training system, enriching the ways of incentives for talents, and try our best to activate the enthusiasm and creativity of staffs.

We build a good career development environment for our staffs, improve our talent reserve mechanism, optimize reasonable talent structure, form a team of key talents, establish a talent flow mechanism, improve our talent training system so as to mainly solve the problem of shortage and gap of key talents, which lays a foundation for the Company to cultivate innovative international talents.

主要風險及不確定因素

諸多因素可能影響本集團的業績及業務經營，部分因素屬本集團所參與經營的行業所固有的，部分因素則來源於外部。有關本集團面臨的主要風險及不確定因素，請參閱本年報第66至81頁「管理層討論與分析－VI.風險因素及風險管理」一節。

重要關係

(i) 僱員

我們嚴格遵守《中華人民共和國勞動合同法》及海外運營所在地勞動用工的法律法規，尊重人權，奉行平等、非歧視的勞動用工政策，平等對待不同種族、國籍、民族、性別、年齡、宗教信仰的員工，堅決杜絕使用童工，反對各種形式的就業歧視和強迫勞動，與員工建立平等規範的勞工關係。

我們注重挖掘員工價值，不斷加強對人才開發與培養，拓寬員工職業發展通道，優化完善培訓體系，豐富人才激勵方式，最大限度地調動員工的積極性和創造性。

我們為員工營造良好的職業發展環境，完善人才儲備機制，健全合理的人才結構，打造關鍵的人才隊伍，建立人才流動機制，完善人才培訓體系，重點解決公司關鍵人才短缺、斷檔問題，為公司培養創新性國際人才奠定基礎。

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We made efforts to form core competitive advantages of elites and leading talents in the industry as well as build a transparent and open development environment. We develop a career development channel system of “smooth vertical development and horizontal cross-sector development” for our staffs and help our staffs build a reasonable career development plan, which form a broad career development platform for our staffs and promote their sustainable development.

We respect the opinions of our staffs, carry out democratic management, and constantly promote and improve the democratic management system for the enterprise which mainly includes the trade union system and the congress of staffs system, and further open up the channels of democratic participation, democratic management and democratic supervision for staffs.

(ii) Customers

Our major customers are primarily project owners of our engineering contracting projects for our International Engineering Contracting Business, and many of them are governments, governmental agencies or state-owned entities of overseas countries.

To ensure delivery of quality services to our customers, we adopt strict internal control and risk management systems throughout the entire process of a project.

We have developed long-standing relationships with a number of our customers.

我們致力打造產業精英和行業領軍人才的核心競爭優勢，營造透明公開的發展環境，為員工開闢「縱向通暢、橫向互通」的職業發展通道體系，幫助員工建立合理的職業發展規劃，為員工打造廣闊的職業發展平台，促進員工持續發展。

我們尊重員工意見，實行民主管理，不斷推進和完善以工會制度、職工代表大會制度為主要內容的企業民主管理體系，進一步暢通職工民主參與、民主管理、民主監督的渠道。

(ii) 客戶

我們的重要客戶主要為我們國際工程承包業務中工程承包項目的項目業主，許多項目業主為政府、政府機構或海外國家的國有單位。

為保證向客戶提供優質的服務，我們在整個項目流程中採用嚴格的內部控制及風險管理制度。

我們已與許多客戶建立了長期合作關係。

There are no unified standard credit terms granted to customers of the construction business and trading business. The credit terms granted to customers of the construction business are negotiated individually on a case-by-case basis and set forth in the relevant contracts. The credit terms granted to customers of the trading business are normally about three to six months. The bills receivables are generally due within 180 days from the date of issuance. The Group's credit policy is set out in note 37(a) to the financial statements in this annual report. An ageing analysis of our trade receivable is set out in note 22(a) to the financial statements in this annual report.

(iii) Suppliers and subcontractors

In almost all of our engineering contracting projects, we act as the main contractor managing and overseeing the entire project while we procure equipment and machinery for the construction of our projects from various suppliers and subcontract works to subcontractors in areas including design, exploration, logistics, installation, construction and supervision.

We carefully select our suppliers and subcontractors, primarily based on their qualifications, track record, financial strength and quotation. We maintain an updated list of qualified and reliable suppliers and subcontractors with a proven track record and long-term relationships with us. We entered into agreements with our suppliers and subcontractors in relation to each project and require them to comply with service standards. We have a number of measures to manage and monitor the performance of our suppliers and subcontractors in terms of both quality and delivery time and to ensure compliance with the applicable safety and other requirements.

The trade payables are non-interest-bearing and are usually paid within the agreed period, usually become due within 180 days. The bills payables are generally due within 180 days from the date of issuance. An ageing analysis of our trade payables is set out in note 24 to the financial statements in this annual report.

建造業務及貿易業務的客戶並無獲授統一標準信用期。授予建造業務客戶的信用期乃按個別情況逐次協商，並載列於有關合同內。授予貿易業務客戶的信用期一般約為三至六個月。應收票據一般於發行日期起計180日內到期。本集團的信用政策載於本年報財務報表附註37(a)。貿易應收款項的賬齡分析載於本年報財務報表附註22(a)。

(iii) 供應商及分包商

在我們的大多數工程承包項目中，我們為負責管理及監督整個項目的總承包商，同時，我們自多個供應商採購我們項目建設所需的設備及機械，並將包括設計、勘探、物流、安裝、建築及監管等工程分包予分包商。

我們審慎選擇供應商及分包商，主要基於其資質、往績記錄、財務實力及報價。我們保留優質可靠的供應商及擁有良好往績記錄及長期合作關係的分包商的最新名單。我們就各個項目與供應商及分包商訂立協議並要求其遵守服務準則。就質量及交付時間而言，我們採取多種措施對供應商及分包商的表現進行管理及監控，保證其遵守適用安全及其他規定。

貿易應付款項為免息，通常於協議期間內支付且通常於180日內到期。應付票據通常於發行日期起計180日內到期。貿易應付款項的賬齡分析載於本年報財務報表附註24。

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ENVIRONMENTAL POLICIES

We are subject to different levels of local environmental laws and regulations governing air pollution, noise emissions, hazardous substances, waste water and waste discharge and treatment and other environmental matters depending on the relevant local jurisdiction in which we operate. Through our quality, safety and environmental protection control management system, we ensure compliance with safety and environmental requirements through various stages: (1) at the design stage, we ensure that our design is compliant with applicable safety and environmental laws, regulations and mandatory standards and enhance environmental awareness and professional ethics of the designers through education and training; (2) at the procurement stage, we check and control the equipment and materials used by ourselves and our subcontractors and ensure that the procurement meets safety and environmental requirements; and (3) at the construction stage, we seek to manage factors that may affect safety and environmental protection during the construction process through establishing safety and environmental management objectives, identifying hazardous substances, and abiding by preventive measures and training.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best knowledge of our Directors, in 2020, we were in compliance with all relevant PRC laws and regulations in all material respects and have obtained all necessary licenses, approvals and permits from relevant and appropriate regulatory authorities for our business operations in the PRC; the operations of our overseas subsidiaries were not in breach of any applicable laws and regulations of the relevant jurisdictions and our overseas subsidiaries' business operations were in compliance with the applicable laws and regulations of the jurisdictions in all material respects where the overseas subsidiaries were incorporated.

環保政策

我們須遵守我們經營所在的相關當地司法管轄區有關管治空氣污染、噪聲排放、有害物質、廢水及廢物排放及處理情況及其他環境事宜的不同級別地方環境法律法規。我們通過質量、安全及環境保護管控系統，確保透過以下不同階段遵守安全及環保規定：(1)於設計階段，確保我們的設計符合適用安全及環境法律法規及法定標準，並通過教育與培訓提升設計師的環保意識及專業道德；(2)於採購階段，我們檢查及管控我們自用及分包商所用的設備及材料，確保採購符合安全及環保規定；及(3)於建設階段，通過設立安全及環保管理目標，識別有害物質及堅持預防措施及培訓，我們致力於管理建設過程中可能影響安全及環保的因素。

遵守法律及法規

據董事所深知，於2020年，我們於所有重大方面均遵守相關中國法律法規，並就中國的業務經營自相關及適當的監管部門取得所有必要的執照、批准及許可；我們海外附屬公司的經營並無違反相關司法管轄區的任何適用法律法規，且我們海外附屬公司的業務經營亦於所有重大方面符合有關海外附屬公司註冊成立所在司法管轄區的適用法律法規。

PERMITTED INDEMNITY

Pursuant to the Articles of Association, the Company is entitled to establish a necessary system of insurance for the liabilities of its Directors, Supervisors and senior management for the purpose of lowering the risk that may be incurred from regular performance of duties by such parties. The Company has arranged appropriate and valid insurance coverage for Directors', Supervisors' and senior management's liabilities in respect of legal actions against them arising out of corporate activities during the year ended 31 December 2020. The indemnity provision and Directors', Supervisors' and senior management's liability insurance remained in force as of the date of this report.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that will or may result in the Company's issuance of shares or that require the Company to enter into any agreements that will or may result in the Company's issuance of shares were entered into by the Company during the year ended 31 December 2020 or subsisted at the end of the year.

FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities for the last five financial years is set out in the section headed "Financial Highlights" of this annual report. This summary does not form part of the audited consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2020, the Group's five largest suppliers accounted for 15.74% (2019 (Restated): 12.20%) of the Group's total purchases. The Group's largest supplier accounted for 4.46% (2019 (Restated): 3.45%) of the Group's total purchases.

For the year ended 31 December 2020, the Group's sales to its five largest customers accounted for 22.06% (2019 (Restated): 23.98%) of the Group's total sales. The Group's sales to its largest customer accounted for 9.58% (2019 (Restated): 7.39%) of the Group's total sales.

獲准許的彌償

根據章程規定，本公司有權就其董事、監事及高級管理人員責任設立必要的保險制度，以降低該等人員正常履行職責而可能引致的風險。截至2020年12月31日止年度，本公司已為董事、監事及高級管理人員投購合適有效的保險，覆蓋彼等因企業活動而可能承擔的訴訟責任，彌償撥備及董事、監事及高級管理人員之責任保險於本報告日期仍然生效。

股票掛鈎協議

截至2020年12月31日止年度期間或年度結束時，本公司概無訂立任何股票掛鈎協議將會或可能導致本公司發行股份，或規定本公司訂立任何協議將會或可能導致本公司發行股份。

財務概要

本集團於過往五個財政年度的業績、資產及負債之概要載於本年報「財務摘要」一節。本概要並不構成經審計合併財務報表的一部分。

主要客戶及供應商

截至2020年12月31日止年度，本集團的五大供應商佔本集團採購總額的15.74%（2019年（重述）：12.20%）。本集團的最大供應商佔本集團採購總額的4.46%（2019年（重述）：3.45%）。

截至2020年12月31日止年度，本集團向其五大客戶作出的銷售額佔本集團銷售總額22.06%（2019年（重述）：23.98%）。本集團向其最大客戶作出的銷售額佔本集團銷售總額9.58%（2019年（重述）：7.39%）。

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None of the Directors, the Supervisors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, owns more than 5% of the number of the issued Shares) had any interest in the Group's five largest customers and suppliers.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2020 are set out in note 13 to the financial statements in this annual report.

ISSUED CAPITAL

Details of movements in the issued capital of the Group during the year ended 31 December 2020 are set out in consolidated statement of changes in equity in the financial statements.

RESERVES

Details of movements in the reserves of the Group during the year ended 31 December 2020 are set out in consolidated statement of changes in equity in this annual report, and details of movements in the reserves of the Group during the year ended 31 December 2020 are set out in the consolidated statement of changes in equity in the financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2020, the Company's reserves available for distribution, calculated in accordance with the provisions of Company Law, amounted to approximately RMB7,461.1 million (as at 31 December 2019: RMB7,471.5 million).

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 December 2020 are set out in note 26 to the financial statements in this annual report.

本公司董事、監事或彼等任何緊密聯繫人或任何股東（就董事所深知，擁有已發行股份數目5%以上）概無於本集團五大客戶及供應商擁有任何權益。

物業、廠房及設備

本集團於截至2020年12月31日止年度的物業、廠房及設備的變動詳情載於本年報財務報表附註13。

已發行股本

本集團於截至2020年12月31日止年度的已發行股本變動詳情載於本年財務報表中的合併權益變動表。

儲備

本集團於截至2020年12月31日止年度的儲備變動詳情載於本年報合併權益變動表，而本集團於截至2020年12月31日止年度的儲備變動詳情載於本年財務報表中的合併權益變動表內。

可分派儲備

於2020年12月31日，根據公司法條文計算本公司可供分派的儲備約為人民幣7,461.1百萬元（於2019年12月31日：人民幣7,471.5百萬元）。

銀行貸款及其他借貸

本集團於2020年12月31日的銀行貸款及其他借貸之詳情載於本年報財務報表附註26。

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董事會報告

THE BOARD

The Directors during the year ended 31 December 2020 and up to the date of this report were:

Executive Directors:

Mr. FANG Yanshui (*appointed as a Director on 14 February 2020 with immediate effect*)

Ms. AI Wei (*appointed as a Director on 18 December 2020 with immediate effect*)

Non-executive Directors:

Mr. BAI Shaotong

Mr. YU Benli (*resigned on 25 September 2020 with immediate effect*)

Mr. ZHANG Fusheng (*resigned on 25 September 2020 with immediate effect*)

Mr. MA Jian (*appointed as a Director on 25 September 2020 with immediate effect*)

Mr. ZHANG Zhiyu (*appointed as a Director on 25 September 2020 with immediate effect*)

Mr. WANG Yuqi (*appointed as a Director on 25 September 2020 with immediate effect, and resigned on 18 December 2020 with immediate effect*)

INEDs:

Mr. LIU Li

Ms. LIU Hongyu

Mr. FANG Yongzhong

Mr. WU Tak Lung

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Biographical details of the current Directors, Supervisors and senior management of the Group are set out in the section headed “Directors, Supervisors, Senior Management and Employees” of this annual report.

董事會

於截至2020年12月31日止年度內及直至本報告日期，董事包括：

執行董事：

方彥水先生（於2020年2月14日委任為董事並即時生效）

艾威女士（於2020年12月18日委任為董事並即時生效）

非執行董事：

白紹桐先生

余本禮先生（於2020年9月25日辭任並即時生效）

張福生先生（於2020年9月25日辭任並即時生效）

馬堅先生（於2020年9月25日委任為董事並即時生效）

張治宇先生（於2020年9月25日委任為董事並即時生效）

王玉琦先生（於2020年9月25日委任為董事並即時生效，於2020年12月18日辭任並即時生效）

獨立非執行董事：

劉力先生

劉紅宇女士

方永忠先生

吳德龍先生

董事、監事及高級管理人員

本集團現任董事、監事及高級管理人員的履歷詳情載於本年報「董事、監事、高級管理人員及僱員」一節。

Report of Directors

董事會報告

CONFIRMATION OF INDEPENDENCE OF INEDS

The Company has received an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the INEDs and the Company considers such Directors to be independent for the year ended 31 December 2020.

SERVICE CONTRACT AND LETTER OF APPOINTMENT OF DIRECTORS AND SUPERVISORS

As approved at the 2020 first extraordinary general meeting on 14 February 2020, (i) Mr. BAI Shaotong has been approved, confirmed and ratified for being appointed as a non-executive Director and the chairman of the third session of the Board, whose term of service commenced from 5 December 2019 until the expiration of the term of third session of the Board; (ii) Mr. FANG Yanshui has been appointed as an executive Director of the third session of the Board, whose term of service commenced from 14 February 2020 until the expiration of the term of third session of the Board; and (iii) Ms. WANG Huifang has been appointed as a shareholder representative Supervisor of the third session of the Supervisory Board, whose term of service commenced from 14 February 2020 until the expiration of the term of the third session of the Supervisory Board.

As approved at the 2020 second extraordinary general meeting on 25 September 2020, (i) Mr. MA Jian, Mr. ZHANG Zhiyu and Mr. WANG Yuqi have been appointed as the non-executive Directors of the third session of the Board, whose term of service commenced from 25 September 2020 until the expiration of the term of the third session of the Board; (ii) Mr. ZHANG Hong has been appointed as a shareholder representative Supervisor of the third session of the Supervisory Board, whose term of service commenced from 25 September 2020 until the expiration of the term of the third session of the Supervisory Board.

As approved at the employees' general meeting of the Company on 27 November 2020, Mr. He Bing has been elected as the staff representative supervisor of the third session of the Supervisory Board, whose term of service commenced from 27 November 2020 until the expiration of the term of third session of the Supervisory Board.

獨立非執行董事的獨立性確認書

本公司已接獲各獨立非執行董事根據上市規則第3.13條的規定作出其符合獨立性之年度確認書，且本公司認為該等董事於截至2020年12月31日止年度內皆為獨立人士。

董事及監事的服務合同及委任函

經2020年2月14日舉行的2020年第一次臨時股東大會批准，(i)白紹桐先生已獲批准、確認及追認委任為第三屆董事會非執行董事及董事長，任期自2019年12月5日至第三屆董事會任期屆滿為止；(ii)方彥水先生已獲委任為第三屆董事會執行董事，任期自2020年2月14日起至第三屆董事會任期屆滿為止；及(iii)王惠芳女士已獲委任為第三屆監事會股東代表監事，任期自2020年2月14日起至第三屆監事會任期屆滿為止。

經2020年9月25日舉行的2020年第二次臨時股東大會批准，(i)馬堅先生、張治宇先生及王玉琦先生已獲委任為第三屆董事會非執行董事，任期自2020年9月25日起直至第三屆董事會任期屆滿為止；(ii)張弘先生已獲委任為第三屆監事會股東代表監事，任期自2020年9月25日起至第三屆監事會任期屆滿為止。

經2020年11月27日舉行的本公司職工代表大會批准，何兵先生已獲選為第三屆監事會職工代表監事，任期自2020年11月27日起直至第三屆監事會任期屆滿為止。

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As approved at the 2020 third extraordinary general meeting on 18 December 2020, Ms. AI Wei has been appointed as an executive Director of the third session of the Board, whose term of service commenced from 18 December 2020 until the expiration of the term of the third session of the Board.

After their appointment or ratification of appointment, Mr. BAI Shaotong, Mr. FANG Yanshui, Mr. MA Jian, Mr. ZHANG Zhiyu, Mr. WANG Yuqi (resigned on 18 December 2020) and Ms. AI Wei have entered into service contract or appointment letter with the Company for a term of service commencing from the date of their respective appointment and ending on 4 March 2021 or on the date when the fourth session of the Board is elected by the Shareholders. The Company shall be entitled to enter into a service contract with Ms. WANG Huifang (resigned on 25 September 2020), Mr. ZHANG Hong and Mr. HE Bing.

For the year ended 31 December 2020, none of the Directors or Supervisors had entered or proposed to enter into a service contract and/or an appointment letter with any member of the Group which will not expire or is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No Director or Supervisor or their connected entities had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or its holding company or any of its subsidiaries or fellow subsidiaries was a party subsisted at the end of the year or at any time during the year ended 31 December 2020.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed under the sections headed "Connected Transactions" and "Continuing Connected Transactions", there has been no contract of significance (whether for the provision of services to the Company or not) between the Company or any of its subsidiaries and controlling shareholders (as defined in the Listing Rules) of the Company or any of its subsidiaries during the year ended 31 December 2020.

經2020年12月18日舉行的2020年第三次臨時股東大會批准，艾威女士已獲委任為第三屆董事會執行董事，任期自2020年12月18日起直至第三屆董事會任期屆滿為止。

彼等獲委任或追認委任後，白紹桐先生、方彥水先生、馬堅先生、張治宇先生、王玉琦先生（於2020年12月18日辭任）及艾威女士已分別與本公司訂立服務合同或委任函，任期分別自彼等獲委任之日起，至2021年3月4日或股東選出第四屆董事會之日止。本公司有權與王惠芳女士（於2020年9月25日辭任）、張弘先生及何兵先生訂立服務合同。

截至2020年12月31日止年度，概無董事及監事與本集團任何成員公司訂立或擬訂立於一年後屆滿或本公司不得在一年內毋須作出賠償（法定賠償除外）而可終止的任何服務合同及／或委任函。

董事及監事於重大合約之權益

截至2020年12月31日止年度，各董事及監事或其關連實體概無於本公司或其控股公司或其任何附屬公司或同系附屬公司所訂立、對本集團業務而言屬重大且於本年末或任何時間仍然存續的任何合約中直接或間接擁有重大權益。

控股股東於重大合約之權益

截至2020年12月31日止年度，除「關連交易」及「持續關連交易」兩節所披露者外，本公司或任何其附屬公司以及本公司或任何其附屬公司之控股股東（定義見上市規則）概無重大合約（不論是否為本公司提供服務）。

Report of Directors

董事會報告

MANAGEMENT CONTRACTS

No contracts (except for the Directors' service contracts) concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or subsisted during the year ended 31 December 2020.

EMOLUMENT POLICY

The Remuneration Committee was set up for reviewing the Group's emolument policy and remuneration structure for all of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

The Company does not adopt any pre- or post-IPO share award scheme and share option scheme as incentive to eligible employees.

REMUNERATION OF DIRECTORS, SUPERVISORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors, Supervisors and five highest paid individuals are set out in notes 7 and 8 to the financial statements in this annual report.

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

Pursuant to Rules 13.51(B) of the Listing Rules, the change to Directors', Supervisors' or chief executive's information subsequent to the date of the 2020 interim report of the Company and up to the date of this report are set out below:

On 25 September 2020, Mr. ZHANG Fusheng resigned as a non-executive Director of the Company due to the change of job arrangement and ceased to be a member of each of the Audit Committee and the Remuneration Committee of the Board.

管理合約

截至2020年12月31日止年度，概無就本公司整體業務或其任何主要部分的管理及行政訂立或訂有任何合約（惟董事服務合約除外）。

薪酬政策

已設立薪酬委員會，旨在根據本集團的經營業績、董事與高級管理人員的個人表現及可資比較的市場慣例，檢討本集團的薪酬政策以及所有董事及高級管理人員的薪酬架構。

本公司概無採納任何首次公開發售前或後股份獎勵計劃及購股權計劃，作為對合資格僱員的獎勵。

董事、監事及五位最高薪酬人士的薪酬

有關董事、監事及五位最高薪酬人士的薪酬詳情載於本年報財務報表附註7及8。

董事、監事及行政總裁資料變動

根據《上市規則》第13.51(B)條，於本公司2020年中期報告日期後及直至本報告日期為止之董事、監事及行政總裁資料變更載列如下：

於2020年9月25日起，張福生先生因工作安排變動辭任本公司非執行董事，並不再擔任董事會審計委員會及董事會薪酬委員會成員。

Report of Directors

董事會報告

On 25 September 2020, Mr. YU Benli resigned as a non-executive Director of the Company due to the change of job arrangement and ceased to be the chairman and a member of the Operation and Risk Management Committee and a member of the Strategy and Development Committee of the Board.

On 25 September 2020, Ms. WANG Huifang resigned as a shareholder representative Supervisor and the chairman of the Supervisory Board due to the change of job arrangement.

On 25 September 2020, Mr. MA Jian was appointed as a non-executive Director of the Company and a member of the Audit Committee of the Board.

On 25 September 2020, Mr. ZHANG Zhiyu was appointed as a non-executive Director of the Company and a member of each of the Remuneration Committee and the Operation and Risk Management Committee of the Board.

On 25 September 2020, Mr. WANG Yuqi was appointed as a non-executive Director of the Company and a member of the Strategy and Development Committee of the Board. On 18 December 2020, Mr. WANG Yuqi resigned as a non-executive Director of the Company due to the change of job arrangement and ceased to be a member of the Strategy and Development Committee of the Board.

On 25 September 2020, Mr. ZHANG Hong was appointed as a shareholder representative Supervisor and the chairman of the Supervisory Board.

On 27 November 2020, Ms. LIU Ting resigned as a staff representative Supervisor due to job arrangement.

On 27 November 2020, Mr. HE Bing was appointed as a staff representative Supervisor.

於2020年9月25日起，余本禮先生因工作安排變動辭任本公司非執行董事，並不再擔任董事會經營與風險管理委員會主席兼成員及戰略與發展委員會成員。

於2020年9月25日起，王惠芳女士因工作安排變動辭任監事會股東代表監事及監事會主席。

於2020年9月25日起，馬堅先生獲委任為本公司非執行董事及董事會審計委員會成員。

於2020年9月25日起，張治宇先生獲委任為本公司非執行董事、董事會薪酬委員會及經營與風險管理委員會成員。

於2020年9月25日起，王玉琦先生獲委任為本公司非執行董事及董事會戰略與發展委員會成員。於2020年12月18日起，王玉琦先生因工作安排變動辭任本公司非執行董事，並不再擔任董事會戰略與發展委員會成員。

於2020年9月25日起，張弘先生獲委任為股東代表監事及監事會主席。

於2020年11月27日起，劉婷女士因工作安排辭任職工代表監事。

於2020年11月27日起，何兵先生獲委任為職工代表監事。

Report of Directors

董事會報告

On 7 September 2020, Mr. ZHANG Hong, a shareholder representative Supervisor, has been resigned as an executive director of Wallong (Hong Kong) Limited. On 11 September 2020, Mr. ZHANG was appointed as the chairman of the board of supervisory of YTO Group Corporation* (中國一拖集團有限公司). On 28 September 2020, Mr. ZHANG was appointed as the chairman of the board of supervisory of Sumec Corporation Limited* (蘇美達股份有限公司).

On 3 November 2020, Mr. ZHANG Zhiyu, a non-executive Director, resigned as a director of Sinomach Automobile Co., Ltd.* (國機汽車股份有限公司) (Shanghai Stock Exchange stock code: 600335). In September 2020, Mr. ZHANG resigned as a director of China Hi-Tech Group Corporation* (中國恆天集團有限公司). On 5 August 2020, Mr. ZHANG served as a director of China Foma (Group) Co., Ltd.* (中國福馬機械集團有限公司) and China YTO Group Corporation* (中國一拖集團有限公司).

On 2 November 2020, Mr. LIU Li, an INED, was appointed as a member of the related-party transaction control committee of China International Capital Corporation Limited (中國國際金融股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 3908). On 18 November 2020, Mr. LIU has been resigned as an independent non-executive director of Bank of Communications Co., Ltd. (交通銀行股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 3328).

On 8 December 2020, Ms. LIU Hongyu, an INED, has been resigned as an independent director of Lanpec Technologies Limited (甘肅藍科石化高新裝備股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601798).

On 14 October 2020, Mr. LIU Li, an INED, has been resigned as an independent director of Success Electronics Ltd (宇順電子股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002289).

On 18 December 2020, Ms. AI Wei was appointed as an executive Director of the Company and a member of the Strategy and Development Committee of the Board.

於2020年9月7日，股東代表監事張弘先生辭任華隆(香港)有限公司執行董事。於2020年9月11日，張先生擔任中國一拖集團有限公司的監事會主席。於2020年9月28日，張先生擔任蘇美達股份有限公司的監事會主席。

於2020年11月3日，非執行董事張治宇先生辭任國機汽車股份有限公司(上海證券交易所股票代碼：600335)的董事。於2020年9月，張先生辭任中國恆天集團有限公司董事。於2020年8月5日，張先生擔任中國福馬機械集團有限公司及中國一拖集團有限公司董事。

於2020年11月2日，獨立非執行董事劉力先生獲委任為在聯交所主板上市的中國國際金融股份有限公司(股票代碼：3908)的關聯交易控制委員會成員。於2020年11月18日，劉先生辭任在聯交所主板上市的交通銀行股份有限公司(股票代碼：3328)的獨立非執行董事。

於2020年12月8日，獨立非執行董事劉紅宇女士辭任在上海證券交易所上市的甘肅藍科石化高新裝備股份有限公司(股票代碼：601798)的獨立董事。

於2020年10月14日，獨立非執行董事劉力先生辭任在深圳證券交易所上市的宇順電子股份有限公司(股票代碼：002289)的獨立董事。

於2020年12月18日起，艾威女士獲委任為本公司執行董事及董事會戰略與發展委員會成員。

INTERESTS, SHORT POSITIONS AND SHARE OPTION SCHEME OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2020, none of the Directors, Supervisors or members of the senior management of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which would have to be notified to the Company and the Stock Exchange pursuant to divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

No time during the year ended 31 December 2020 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director, Supervisor or their respective spouse or children under 18 years of age, or were any such rights exercised by them; nor was the Company, its holding company and any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors, the Supervisors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate.

董事、監事及高級管理人員於股份、相關股份及債券的權益、淡倉及購股權

於2020年12月31日，概無本公司董事、監事或高級管理人員於本公司或其相關法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中擁有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（包括彼等根據證券及期貨條例的該等條文被當做或被視為擁有的權益或淡倉），或按證券及期貨條例第352條記載於本公司於該條所指的登記冊內的權益或淡倉，或根據《標準守則》須知會本公司及聯交所的權益或淡倉。

董事及監事購買股份或債券的權利

截至2020年12月31日止年度期間，概無授予任何董事、監事或彼等各自的配偶或未滿18歲的子女通過購入本公司股份或債券的方式而獲益的權利，或由彼等行使任何該等權利；亦無由本公司、其控股公司或其任何附屬公司或同系附屬公司作出安排以令董事、監事，或彼等各自的配偶或未滿18歲的子女於任何其他法人團體獲得該等權利。

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董事會報告

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

As at 31 December 2020, so far as it was known by or otherwise notified to any Directors or the chief executive of the Company, the particulars of the corporations or persons (other than a Director, Supervisor or chief executive of the Company) which/who had 5% or more interests and short positions in the Shares and the underlying Shares as recorded in the register kept under section 336 of the SFO were as follows:

主要股東及其他人士於股份及相關股份的權益及淡倉

於2020年12月31日，據任何董事或本公司最高行政人員所知或以其他方式獲知會，根據證券及期貨條例第336條存置的登記冊所記錄擁有股份及相關股份5%或以上權益及淡倉的法團或人士（董事、監事或本公司最高行政人員除外）詳情如下：

Long positions and Short positions in the Shares

股份的好倉及淡倉

Name of Shareholders	Class of Shares	Capacity/ Nature of Interest	Number of Issued Shares/ Underlying Shares Held	Total	Approximate	Approximate
					Percentage of Shareholding in the Relevant Class of Shares (Note 1)	Percentage of Shareholding in the Total Shares (Note 1)
股東名稱	股份類別	身份／權益性質	所持已發行股份／ 相關股份數目	總數	佔有關股份類別 股權概約百分比 (附註1)	佔股份總數股 權概約百分比 (附註1)
SINOMACH	Domestic Shares	Interests of beneficial owner/ Personal interests	3,185,255,700 (Note 2) (Long position)	3,217,430,000	100%	77.99%
國機	內資股	實益擁有人權益／個人權益	3,185,255,700 (附註2) (好倉)			
		Interests of controlled corporation/ Corporate interests 受控法團權益／法團權益	32,174,300 (Note 2) (Long position) 32,174,300 (附註2) (好倉)			

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Name of Shareholders	Class of Shares	Capacity/ Nature of Interest	Number of Issued Shares/ Underlying Shares Held	Total	Approximate	Approximate
					Percentage of Shareholding in the Relevant Class of Shares <i>(Note 1)</i>	Percentage of Shareholding in the Total Shares <i>(Note 1)</i>
股東名稱	股份類別	身份／權益性質	所持已發行股份／ 相關股份數目	總數	佔有關股份類別 股權概約百分比 <i>(附註1)</i>	佔股份總數股 權概約百分比 <i>(附註1)</i>
Citigroup Inc.	H Shares	1,266 Shares as Interests of controlled corporations and 54,420,513 Shares as approved lending agent/ Corporate and other Interests	54,421,779 <i>(Note 3)</i> (Long position)	54,421,779	5.99%	1.35%
花旗集團	H股	1,266股股份為受控法團權益及 54,420,513股股份為核准借出代理人／法團及其他權益	54,421,779 <i>(附註3)</i> (好倉)			
Cape Ann Asset Management Limited	H Shares	Investment manager/Other Interests	54,241,000 (Long position)	54,241,000	5.97%	1.31%
	H股	投資經理／其他權益	54,241,000 (好倉)			

Notes:

- (1) This percentage is calculated on the basis of the number of underlying Shares/total Shares that had been issued by the Company as of 31 December 2020.
- (2) SINOMACH was beneficially interested in 3,185,255,700 Domestic Shares, representing approximately 77.21% of our total share capital. China United was beneficially interested in 32,174,300 Domestic Shares, representing approximately 0.78% of our total share capital. Since China United is a wholly-owned subsidiary of SINOMACH, SINOMACH is, therefore, deemed to be interested in the Domestic Shares held by China United. The following Shares which are referred to in the notes above represent the same block of Shares in which all the relevant parties are deemed under the SFO to be interested.
- (3) The 54,421,779 Shares as referred to in note 3 above.

Among these 54,421,779 Shares, 1,154 Shares were held by Citigroup Global Markets Limited, an indirect non-wholly-owned subsidiary of Citigroup Inc., 112 Shares were held by Citigroup Global Markets Hong Kong Limited, an indirect wholly-owned subsidiary of Citigroup Inc. and 54,420,513 Shares in lending pool were held by Citibank, N.A., an indirect wholly-owned subsidiary of Citigroup Inc.. Accordingly, Citigroup Inc. is deemed to be interested in 54,421,779 Shares.

附註：

- (1) 該百分比乃以本公司截至2020年12月31日已發行的相關股份數目／股份總數計算。
- (2) 國機於3,185,255,700股內資股中實益擁有權益，佔我們總股本約77.21%。中國聯合於32,174,300股內資股中實益擁有權益，佔我們總股本約0.78%。由於中國聯合為國機的全資附屬公司，因此，國機被視為於中國聯合所持內資股中擁有權益。上文附註所述的以下股份指根據證券及期貨條例視為擁有權益的所有相關各方的同一批股份。
- (3) 上文附註3所述的54,421,779股股份。

該等54,421,779股股份中，1,154股股份由花旗集團間接非全資附屬公司花旗環球金融有限公司持有，112股股份由花旗集團間接全資附屬公司花旗環球金融香港有限公司持有，而54,420,513股股份由花旗集團之間接全資附屬公司花旗銀行持有。因此，花旗集團被視為於54,421,779股股份中擁有權益。

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Save as disclosed above, and as at 31 December 2020, the Directors were not aware of any persons (who were not Directors, Supervisors or the chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed under divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to section 336 of the SFO, to be entered in the register referred to therein.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2020, the Company did not redeem any of its H Shares listed on the Stock Exchange nor did the Company or any of its subsidiaries purchase or sell any of such shares.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the Company Law, which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

NON-COMPETITION UNDERTAKING

SINOMACH entered into a non-competition agreement dated 12 July 2011 as supplemented by a supplemental agreement dated 10 December 2012 (together as **“Non-competition Agreement”**)

除上文披露者外，及截至2020年12月31日，董事並不知悉任何人士（並非董事、監事或本公司主要行政人員）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部規定須予披露的權益或淡倉，或須根據證券及期貨條例第336條登記於該條所述的股東名冊的權益或淡倉。

購買、出售或贖回上市證券

截至2020年12月31日止年度，本公司並無贖回其於聯交所上市之任何H股，而本公司或其任何附屬公司亦無購買或出售任何該等股份。

優先認股權

章程或公司法概無條文規定本公司須向現有股東按比例提呈發售新股的優先認股權。

避免同業競爭承諾

國機與本公司於2011年7月12日簽訂避免同業競爭協議，並經日期為2012年12月10日的補充協議所補充（統稱「**避免同業競爭**」）

with the Company. Pursuant to the agreement, SINOMACH provided certain non-competition undertakings to the Company and granted the option to acquire certain retained business which overlaps with the Company's International Engineering Contracting Business in the Core Sectors (the “**Relevant Sectors**”) and right of first refusal for any new business opportunities in relation to the Relevant Sectors. Pursuant to the Non-competition Agreement, the INEDs are responsible for reviewing the implementation of the undertakings under the agreement on an annual basis. During the year ended 31 December 2020, the INEDs have reviewed the implementation of the Non-competition Agreement and confirmed that SINOMACH has been in full compliance with the agreement and there was no breach by SINOMACH.

SINOMACH has confirmed in writing to the Company of its compliance with the Non-competition Agreement for disclosure in this annual report during the year ended 31 December 2020. Furthermore, as contemplated in the Non-competition Agreement, SINOMACH shall transfer all its equity interest in CNCEC, CNEEC and China National Automation Control System Corporation (“**CACS**”) to the Company within three years after the

協議」。根據協議，國機向本公司作出若干避免同業競爭承諾，並授予收購與本公司於核心行業（「**相關行業**」）國際工程承包業務重疊的部分保留業務的選擇權及就相關行業所產生的新商機的優先選擇權。根據避免同業競爭協議，獨立非執行董事每年負責檢討協議項下承諾的執行情況。截至2020年12月31日止年度，獨立非執行董事已對避免同業競爭協議的遵守情況作了檢討，並確認國機完全遵守有關協議，且概無作出任何違反行為。

截至2020年12月31日止年度，國機已以書面形式向本公司確認，其已就避免同業競爭協議的遵守情況於本年報中作出披露。此外，根據避免同業競爭協議，國機應於上市後三年內向本公司轉讓其於中成套、中電工及中國自動化控制系統總公司（「**中國自控**」）的全部股權。本公司於2016年5

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Listing. The acquisition of the entire equity interests of CNCEC by the Company was completed on 23 May 2016. The Company and SINOMACH entered into an agreement on 24 November 2017 to acquire the entire equity interests of CNEEC by the Company. The acquisition of the entire equity interests of CNEEC by the Company was completed on 4 April 2018. Following the acquisition of CNEEC, on 17 December 2019, the Company acquired 64.82% equity interest in CHPI, and the transaction was completed on 23 April 2020. The acquisition of the equity interest in CACS by the Company is currently expected to be delayed. Please refer to the announcement and circular both published on 5 February 2016 and 24 November 2017 and the announcements published on 23 May 2016, 12 January 2018, 9 April 2018, 17 December 2019 and 15 May 2020 on the respective websites of the Stock Exchange and the Company for further details.

DIRECTORS' AND SUPERVISORS' INTEREST IN COMPETING BUSINESS

As at 31 December 2020, none of the Directors, the Supervisors or their respective close associates had engaged in or had any interest in any business which competes or may compete with the businesses of the Group.

RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken in the ordinary course of business by the Group during the year ended 31 December 2020 are set out in note 35 to the financial statements in this annual report. Save as disclosed in aforesaid note 35 and in the paragraph headed "Connected Transactions" below, none of the related party transactions as disclosed constituted disclosable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules and the Company had complied with the relevant requirements of Chapter 14A of the Listing Rules during the year ended 31 December 2020.

月23日完成收購中成套的全部股權。本公司於2017年11月24日與國機訂立了一份收購中電工全部股權的協議。本公司於2018年4月4日完成收購中電工全部股權。繼收購中電工之後，本公司於2019年12月17日收購哈成套64.82%的股權，該交易於2020年4月23日交割完成。目前預計本公司會延遲收購中國自控的股權。詳情請參閱在聯交所網站及本公司網站分別刊發的2016年2月5日及2017年11月24日的公告及通函以及2016年5月23日、2018年1月12日、2018年4月9日、2019年12月17日及2020年5月15日的公告。

董事及監事於競爭性業務中的權益

於2020年12月31日，概無董事、監事或彼等各自的緊密聯繫人從事或於任何與本集團業務形成競爭或可能形成競爭的業務中擁有權益。

關聯方交易

截至2020年12月31日止年度，於本集團日常業務過程進行之關聯方交易之詳情載於本年報財務報表附註35。除上述附註35以及下文「關連交易」一段所披露者外，截至2020年12月31日止年度，概無已披露之關聯方交易構成《上市規則》須予披露不獲豁免關連交易或不獲豁免持續關連交易，而本公司已遵守《上市規則》第14A章之相關規定。

CONNECTED TRANSACTIONS

i. Continuing Connected Transactions

The continuing connected transactions of the Company are also related party transactions, which are disclosed in note 35 to the financial statements in accordance with International Accounting Standard 24 “Related Party Disclosure”.

The table below set out the annual caps and the actual transaction amount of such continuing connected transactions for 2020:

Continuing Connected Transactions	Connected person	Annual cap	Actual Transaction
		for 2020	Amount for
		2020年	2020年
		年度上限	實際交易金額
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
		(Note (i))	(附註(i))
1. Provision of engineering services and products by our Group to SINOMACH Group 本集團向國機集團提供工程服務及產品	Anhui Jinchen Yiyao Co., Ltd. 安徽今辰醫藥有限公司	3,900.0	605.4
	China Ocean Engineering Construction General Bureau 中海工程建設總局有限公司		
	China National Machinery Industry International Co., Ltd. 中國機械國際合作股份有限公司		
	Guangdong Xinhaijun Development Co., Ltd. 廣東新海俊發展有限公司		
	Hainan Yuhai Industrial Development Co., Ltd. 海南榆海實業發展有限公司		
	Shanghai Haihong Industrial (Group) Co., Ltd. 上海海虹實業(集團)有限公司		
	Shanghai Haihong Industrial Group Chaohu C-dragon Pharmaceutical Co., Ltd. 上海海虹實業(集團)巢湖今辰藥業有限公司		

關連交易

i. 持續關連交易

亦屬關聯方交易的本公司持續關連交易已根據國際會計準則第24號「關聯方披露」於財務報表的附註35披露。

下表載列該等持續關連交易於2020年的年度上限及實際交易金額：

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Continuing Connected Transactions	Connected person	Annual cap for 2020 2020年 年度上限 (RMB million) (人民幣百萬元) (Note (i)) (附註(i))	Actual Transaction Amount for 2020 2020年 實際交易金額 (RMB million) (人民幣百萬元)
持續關連交易	關連人士		
	Shanghai Honghai Property Management Co., Ltd. 上海虹海物業管理有限公司		
	Suzhou Industrial Park Tianlong Zhiyao Co., Ltd. 蘇州工業園區天龍製藥有限公司		
	China Ocean Aviation Group Limited 中國海洋航空集團有限公司		
	Jiangsu SUMEC New Energy Development Co., Ltd. 江蘇蘇美達新能源發展有限公司		
	Erzhong (Deyang) Heavy Industries Co., Ltd. 二重(德陽)重型裝備有限公司		
	China National Machinery Industry Corporation 中國機械工業集團有限公司		
	Xi'an Heavy Technology Co., Ltd. 西安重型技術有限責任公司		
	Jiangsu SUMEC Machinery & Electric Technology Co., Ltd. 江蘇蘇美達機電科技有限公司		
	China National Heavy Machinery Corporation 中國重型機械有限公司		
	Luoyang Tractor Research Institute Co., Ltd. 洛陽拖拉機研究所有限公司		
	China Automotive Industrial Import & Export Co., Ltd. 中國汽車工業進出口有限公司		
	China United Northwest Institute for Engineering Design & Research Co., Ltd. 中聯西北工程設計研究院有限公司		

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Continuing Connected Transactions	Connected person	Annual cap	Actual Transaction
		for 2020	Amount for
持續關連交易	關連人士	2020年	2020年
		年度上限	實際交易金額
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
		(Note (i))	(附註(i))
2. Receipt of engineering services and products from SINOMACH Group by our Group 本集團接受國機集團的工程服務及產品	China National Cable Engineering Corporation 中國電纜工程有限公司	2,500.0	154.1
	China CACS Engineering Corporation 中國自控系統工程有限公司		
	Changzhou Jiangnan Environmental Engineering Co., Ltd. 常州江南環境工程有限公司		
	The Fourth Construction of China Machinery Industry Co., Ltd. 中國機械工業第四建設工程有限公司		
	Lanpec Technologies Limited 甘肅藍科石化高新裝備股份有限公司		
	Tianjin Wuyue Construction Supervision Co., Ltd. 天津五岳工程建設監理有限公司		
	Zhejiang Xin'an Engineering Consultation Co., Ltd 浙江信安工程諮詢有限公司		
	China Luyuan International Engineering Co., Ltd. 中國陸源國際工程有限公司		
	China Machinery Industry Construction Group INC. 中國機械工業建設集團有限公司		
	China Machinery Industry International Cooperation Co., Ltd. 中國機械工業國際合作有限公司		
	China Construction Machinery Co., Ltd. 中工工程機械成套有限公司		
	Shenyang Academy of Instrumentation Science Co., Ltd. 瀋陽儀表科學研究院有限公司		
	Chongqing Materials Research Institute Co., Ltd. 重慶材料研究院有限公司		

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Continuing Connected Transactions	Connected person	Annual cap for 2020 2020年 年度上限 (RMB million) (人民幣百萬元) (Note (i)) (附註(i))	Actual Transaction Amount for 2020 2020年 實際交易金額 (RMB million) (人民幣百萬元)
持續關連交易	關連人士		
	China General Machinery Engineering Corporation 中國通用機械工程有限公司		
	CMCU Engineering Construction General Bureau 中機中聯工程有限公司		
	China Ocean Aviation Group Limited 中國海洋航空集團有限公司		
	China United Northwest Institute for Engineering Design & Research Co., Ltd. 中聯西北工程設計研究院有限公司		
	CMEC International Exhibition Co., Ltd. 西麥克國際展覽有限責任公司		
	China IPPR International Engineering Co., Ltd. 中國中元國際工程有限公司		
	Beijing Prominion Publishing Co., Ltd. 北京卓眾出版有限公司		
	Sinomach Shidai Home Ownership Chengdu Co., Ltd. 國機時代置業成都有限公司		
	Hefei General Machinery Research Institute Co., Ltd. 合肥通用機械研究院有限公司		
	China National Machinery Industry International Co., Ltd. 中國機械國際合作股份有限公司		

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Continuing Connected Transactions	Connected person	Annual cap	Actual Transaction
		for 2020	Amount for 2020
持續關連交易	關連人士	2020年 年度上限	2020年 實際交易金額
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
		(Note (i))	(附註(i))
3. Trading procurement by our Group from SINOMACH Group 本集團向國機集團進行貿易採購	N/A 不適用	800.0	-
4. Sales of trading products by our Group to SINOMACH Group 本集團向國機集團銷售貿易產品	N/A 不適用	200.0	-
5. Receipt of integrated services by the Group to SINOMACH Group 本集團接受國機集團綜合服務	N/A 不適用	500.0	-
6. Provision of integrated services by our Group to SINOMACH Group 本集團向國機集團提供綜合服務	China IPPR International Engineering Co., Ltd. 中國中元國際工程有限公司	500.0	17.0
	China SINOMACH Heavy Industry Corporation 中國國機重工集團有限公司		
	CMEC International Exhibition Co., Ltd. 西麥克國際展覽有限責任公司		
	Automotive Engineering Corporation 中國汽車工業工程有限公司		
	China CAMC Engineering Co., Ltd. 中工國際工程股份有限公司		
	SINOMACH Academy of Science and Technology Co., Ltd. 國機集團科學技術研究院有限公司		
	China National Cable Engineering Corporation 中國電纜工程有限公司		
	Electromechanical Industry Shanghai Consignment Co., Ltd. 機電工業上海聯銷有限公司		
	The Fourth Construction of China Machinery Industry Co., Ltd. 中國機械工業第四建設工程有限公司		

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Continuing Connected Transactions	Connected person	Annual cap	Actual Transaction
		for 2020	Amount for 2020
持續關連交易	關連人士	2020年 年度上限	2020年 實際交易金額
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
		(Note (i))	
		(附註(i))	
	Fong's National Engineering (Shenzhen) Co., Ltd. 立信染整機械(深圳)有限公司		
	CMCU Engineering Construction General Bureau 中機中聯工程有限公司		
	Shanghai Haihong Industrial (Group) Co., Ltd. 上海海虹實業(集團)有限公司		
	China National Machinery Industry International Co., Ltd. 中國機械國際合作股份有限公司		
7. Financing services to our Group from SINOMACH Group 國機集團向本集團提供金融服務			
(1) Deposit services 存款服務	Sinomach Finance Co., Ltd 國機財務有限責任公司	3,900.0	3,895.2
(2) General loan services 一般貸款服務		No annual cap 無年度上限	-
(3) General financial services 一般金融服務		25.0	-

Notes:

- (i) The annual cap is disclosed in the announcement and circular of the Company dated 19 October 2017 and 8 November 2017, respectively and such new annual cap was approved by Shareholders at the 2017 first extraordinary general meeting of the Company on 5 December 2017 (the "2017 First EGM").
- (ii) The actual transaction amount represents the highest daily deposit balance plus accrued interest.

附註：

- (i) 年度上限已於本公司日期分別為2017年10月19日的公告及2017年11月8日通函內披露，該新年度上限已獲股東於2017年12月5日本公司舉行的2017年第一次臨時股東大會（「2017年第一次臨時股東大會」）批准。
- (ii) 實際交易金額代表每日最高存款結餘與應計利息之和。

1. Provision of engineering services and products by our Group to SINOMACH Group

2018 provision of engineering services and products agreement (the “**2018 Provision of Engineering Services and Products Agreement**”) was entered into on 19 October 2017 by and between the Company and SINOMACH to provide engineering services and products, including but not limited to undertaking turnkey project and provision of general contracting services in the power sector and procurement services and products to SINOMACH Group for the engineering contracting projects undertaken by SINOMACH Group, in particular those engineering contracting projects subcontracted to our Group by SINOMACH Group, details of which were disclosed in the Company’s announcement and circular published on 19 October and 8 November 2017, respectively. 2018 Provision of Engineering Services and Products Agreement and the proposed annual caps for the years ended 31 December 2018, 2019 and 2020 for the continuing connected transactions contemplated thereunder have been approved by the 2017 First EGM.

2018 Provision of Engineering Services and Products Agreement is able to increase the revenue and profits of the International Engineering Contracting Business and to expand the Group’s market share in the international engineering contracting market. In particular, it is able to allow us to participate in certain large-scale engineering contracting projects undertaken by SINOMACH Group. Most of the engineering contracting projects subcontracted to the Group by SINOMACH Group are large-scale projects which last for a few years. The relationship between the Group and SINOMACH Group has been mutually beneficial, fair and reasonable and in the interest of the Company and the Shareholders as a whole.

1. 本集團向國機集團提供工程服務及產品

2018提供工程服務和產品框架協議（「**2018提供工程服務和產品框架協議**」）已由本公司與國機於2017年10月19日訂立。據此，本集團就國機集團所承接的工程承包項目，尤其是國機集團分包予本集團的工程承包項目，向國機集團提供工程服務及產品，包括（但不限於）承接交鑰匙項目、提供電力能源行業的總承包服務以及採購服務及產品，有關詳情於本公司分別於2017年10月19日及11月8日刊登的公告及通函內披露。2018年提供工程服務和產品框架協議及其項下擬進行的持續關連交易於截至2018年、2019年及2020年12月31日止年度之建議年度上限已獲2017年第一次臨時股東大會批准。

2018提供工程服務和產品框架協議可增加國際工程承包業務的收入及盈利，並擴大本集團於國際工程承包市場的市場份額。尤其是，該框架協議讓我們可以參與由國機集團承接的某些大型工程承包項目，該等項目一直由國機集團負責。國機集團分包予本集團的工程承包項目大部分為歷時數年的大型項目。本集團與國機集團一直維持的互利、公平、合理關係符合本公司及股東整體利益。

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Please refer to relevant disclosure below for principal terms and conditions of 2018 Provision of Engineering Services and Products Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, a connected person of the Company under the Listing Rules.

During the year ended 31 December 2020, the annual cap of this continuing connected transaction was RMB3,900.0 million and the actual transaction amount was RMB605.4 million.

2. Receipt of engineering services and products from SINOMACH Group by our Group

2018 receipt of engineering services and products agreement (the “**2018 Receipt of Engineering Services and Products Agreement**”) was entered into on 19 October 2017 by and between the Company and SINOMACH to receive engineering services and products from SINOMACH Group, including but not limited to design, installation, construction, building, subcontracting and procurement services and products relating to its engineering contracting projects, details of which were disclosed in the Company’s announcement and circular published on 19 October and 8 November 2017, respectively. 2018 Receipt of Engineering Services and Products Agreement and the proposed annual caps for the years ending 31 December 2018, 2019 and 2020 for the continuing connected transactions contemplated thereunder have been approved by the 2017 First EGM.

The 2018 Receipt of Engineering Services and Products Agreement is able to allow the Group to subcontract part of our construction works in line with the common practice of participants in the international engineering contracting market. In view of the fact that

有關2018提供工程服務和產品框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此根據上市規則，其連同其附屬公司為本公司的關連人士。

於截至2020年12月31日止年度，本持續關連交易的年度上限為人民幣3,900.0百萬元，而實際交易金額則為人民幣605.4百萬元。

2. 本集團接受國機集團提供的工程服務及產品

2018接受工程服務和產品框架協議（「**2018接受工程服務和產品框架協議**」）已由本公司與國機於2017年10月19日訂立。據此，本集團接受國機集團提供的工程服務及產品，包括（但不限於）與其工程承包項目有關的設計、安裝、施工、建設、分包及採購服務及產品，有關詳情於本公司分別於2017年10月19日及11月8日刊登的公告及通函內披露。2018接受工程服務和產品框架協議及其項下擬進行的持續關連交易於截至2018年、2019年及2020年12月31日止年度之建議年度上限已獲2017年第一次臨時股東大會批准。

2018接受工程服務和產品框架協議使本集團可分包部分建築工程，此乃與國際工程承包市場參與者的慣常做法相符。鑒於國機集團在國際工程承包市場營運成

SINOMACH Group is a well-established participant with good reputation within the international engineering contracting market which possesses strong capacity and experience in the manufacturing, design, research and development of various engineering products, the Group has preference in sourcing relevant engineering services and products from SINOMACH Group to gain benefits from such technical strengths of them.

Please refer to relevant disclosure below for principal terms and conditions of the 2018 Receipt of Engineering Services and Products Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, a connected person of the Company under the Listing Rules.

During the year ended 31 December 2020, the annual cap of this continuing connected transaction was RMB2,500.0 million and the actual transaction amount was RMB154.1 million.

3. Trading procurement by our Group from SINOMACH Group

2018 trading procurement agreement (the “**2018 Trading Procurement Agreement**”) was entered into on 19 October 2017 by and between the Company and SINOMACH to source various trading products from SINOMACH Group to support our Trading Business, which consist of, but not limited to, agriculture machinery and equipment, agriculture transportation vehicles, logging equipment and mining equipment, details of which were disclosed in the Company’s announcement published on 19 October 2017.

In the view of the strong manufacturing capacity of SINOMACH Group, the 2018 Trading Procurement Agreement is able to facilitate the Trading Business.

熟且聲名顯赫，不僅擁有突出的能力，而且在各類工程產品的製造、設計、研發方面亦累積豐富經驗，本集團優先向國機集團採購相關工程服務及產品，以從其技術優勢獲益。

有關2018接受工程服務和產品框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此根據上市規則，其連同其附屬公司為本公司的關連人士。

於截至2020年12月31日止年度，本持續關連交易的年度上限為人民幣2,500.0百萬元，而實際交易金額則為人民幣154.1百萬元。

3. 本集團向國機集團進行貿易採購

2018貿易採購框架協議（「**2018貿易採購框架協議**」）已由本公司與國機於2017年10月19日訂立。據此，本集團自國機集團採購各種貿易產品，包括（但不限於）農業機械設備、農業運輸車輛、測井設備及採礦設備，以支持我們的貿易業務，有關詳情於本公司於2017年10月19日刊登的公告內披露。

鑒於國機集團的產能強大，2018貿易採購框架協議可促進貿易業務。

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Please refer to relevant disclosure below for principal terms and conditions of the 2018 Trading Procurement Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, a connected person of the Company under the Listing Rules.

During the year ended 31 December 2020, the annual cap of this continuing connected transaction was RMB800.0 million and the actual transaction amount was RMB nil.

4. Sales of trading products by our Group to SINOMACH Group

2018 trading sales agreement (the “**2018 Trading Sales Agreement**”) was entered into on 19 October 2017 by and between the Company and SINOMACH to sell various trading products to SINOMACH Group under the Trading Business, details of which were disclosed in the Company’s announcement published on 19 October 2017.

The 2018 Trading Sales Agreement is able to increase the revenue and profits of the Trading Business and to expand the market share in the international trading market.

Please refer to relevant disclosure below for principal terms and conditions of the 2018 Trading Sales Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, a connected person of the Company under the Listing Rules.

During the year ended 31 December 2020, the annual cap of this continuing connected transaction was RMB200.0 million and the actual transaction amount was RMB nil.

有關2018貿易採購框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此根據上市規則，其連同其附屬公司為本公司的關連人士。

於截至2020年12月31日止年度，本持續關連交易的年度上限為人民幣800.0百萬元，而實際交易金額則為人民幣零元。

4. 本集團向國機集團銷售貿易產品

2018貿易銷售框架協議（「**2018貿易銷售框架協議**」）已由本公司與國機於2017年10月19日訂立。據此，本集團向國機集團出售貿易業務的多種貿易產品，有關詳情於本公司於2017年10月19日刊登的公告內披露。

2018貿易銷售框架協議能增加我們貿易業務的收入及溢利，擴大我們在國際貿易市場的市場份額。

有關2018貿易銷售框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此根據上市規則，其連同其附屬公司為本公司的關連人士。

於截至2020年12月31日止年度，本持續關連交易的年度上限為人民幣200.0百萬元，而實際交易金額則為人民幣零元。

5. Receipt of integrated services by the Group to SINOMACH Group

The Receipt of Integrated Services Agreement (the “**Receipt of Integrated Services Agreement**”) was entered into on 19 October 2017 by and between the Company and SINOMACH to receive integrated services, including but not limited to exhibition and conference services, technological research and development service, management consulting services, design consulting services, property leasing and management services in respect of the services business from SINOMACH Group, details of which were disclosed in the Company’s announcement published on 19 October 2017.

SINOMACH Group is a well-established industry player with good reputation within the services business market, which possesses strong capacity and experience in the design consulting, research and development of various services, the Group has preference in sourcing relevant integrated services from SINOMACH Group to benefit from such technical strengths of SINOMACH Group. The Receipt of Integrated Services Agreement is able to enhance completion of the services business undertaken by the Group at efficient timing and with better quality.

Please refer to relevant disclosure below for principal terms and conditions of the Receipt of Integrated Services Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, a connected person of the Company under the Listing Rules.

During the year ended 31 December 2020, the annual cap of this continuing connected transaction was RMB500.0 million and the actual transaction amount was RMB nil.

5. 本集團接受國機集團綜合服務

接受綜合服務框架協議（「**接受綜合服務框架協議**」）已由本公司與國機於2017年10月19日訂立，以就服務業務接受國機集團提供的綜合服務，包括但不限於展覽及會議服務、科技研究開發服務、管理諮詢服務、設計諮詢服務、物業租賃和管理服務。有關詳情於本公司載於2017年10月19日刊登的公告內披露。

國機集團於服務業務市場為發展完善且聲譽良好的行業參與者，不單產能強大，在設計諮詢及研發各類服務亦具備豐富經驗，本集團傾向自國機集團尋求相關綜合服務，以自其技術優勢獲益。接受綜合服務框架協議使我們所承接的服務業務能高效地及以更好質量完成。

有關接受綜合服務框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此根據上市規則，其連同其附屬公司為本公司的關連人士。

於截至2020年12月31日止年度，本持續關連交易的年度上限為人民幣500.0百萬元，而實際交易金額則為人民幣零元。

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6. Provision of integrated services by our Group to SINOMACH Group

2018 integrated services agreement (the “**2018 Integrated Services Agreement**”) was entered into on 19 October 2017 by and between the Company and SINOMACH to provide integrated services such as legal services, exhibition and conference services, storage and transportation services, tendering services, agency services, property management services and design services to SINOMACH Group in respect of the business undertaken by SINOMACH Group, details of which were disclosed in the Company’s announcement published on 19 October 2017.

SINOMACH Group has engaged the Group to provide them with certain integrated services which the Group is qualified in providing. The 2018 Integrated Services Agreement is able to increase the revenue and profits of the Group.

Please refer to relevant disclosure below for principal terms and conditions of the 2018 Integrated Services Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, a connected person of the Company under the Listing Rules.

During the year ended 31 December 2020, the annual cap of this continuing connected transaction was RMB500.0 million and the actual transaction amount was RMB17.0 million.

Principal terms of the agreements

Each of the Renewed Provision of Engineering Services and Products Agreement, Renewed Receipt of Engineering Services and Products Agreement, Renewed Trading Procurement Agreement, Renewed

6. 本集團向國機集團提供綜合服務

2018綜合服務框架協議（「**2018綜合服務框架協議**」）已由本公司與國機於2017年10月19日訂立。據此，本集團就國機集團所承接的業務向國機集團提供綜合服務（例如法律諮詢服務、展覽及會議服務、倉存及運輸服務、招標服務、代理服務、物業管理服務及設計諮詢服務），有關詳情於本公司於2017年10月19日刊登的公告內披露。

國機集團已聘請本集團向彼等提供本集團合資格提供的某些綜合服務。2018綜合服務框架協議可增加本集團的收入及盈利。

有關2018綜合服務框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此根據上市規則，其連同其附屬公司為本公司的關連人士。

於截至2020年12月31日止年度，本持續關連交易的年度上限為人民幣500.0百萬元，而實際交易金額則為人民幣17.0百萬元。

協議的主要條款

重訂提供工程服務和產品框架協議、重訂接受工程服務和產品框架協議、重訂貿易採購框架協議、重訂貿易銷售框架協議及重

Trading Sales Agreement and Renewal Integrated Services Agreement (collectively the “**Renewed Agreements**”) and the Receipt of Integrated Services Agreement are framework agreements that comprises the general terms and conditions upon which the Group and SINOMACH Group shall carry out the particular type of transactions contemplated thereunder. Members of SINOMACH Group and members of the Group may from time to time enter into detailed agreements in respect of the specific services and/or products to be provided or received by the Group, provided that the terms of such detailed agreements shall not be inconsistent with the terms of the respective framework agreement. The actual services and/or products to be provided or received by our Group shall be subject to such detailed agreements entered into between the relevant member of SINOMACH Group and the relevant member of the Group from time to time.

Each of the 2018 Provision of Engineering Services and Products Agreement, 2018 Receipt of Engineering Services and Products Agreement, 2018 Trading Procurement Agreement, 2018 Trading Sales Agreement and 2018 Integrated Services Agreement (collectively “**2018 Agreements**”) is to extend the terms to another 3 years, and the Receipt of Integrated Services Agreement is also for a term of 3 years, all commencing from 1 January 2018 and ending on 31 December 2020 and may be renewed on terms to be agreed upon by SINOMACH and the Company. Each of such framework agreements (i) may be terminated by a non-defaulting party by serving a written default notice to the defaulting party stipulating the relevant breach and the defaulting party having failed to remedy such breach within a reasonable period after its receipt of the default notice; and (ii) shall be terminated automatically if the performance of the transactions contemplated thereunder will be in breach of the requirements under the Listing Rules or the necessary approvals required under the Listing Rules or relevant waivers from the Stock Exchange cannot be obtained.

訂綜合服務框架協議（統稱「**重訂框架協議**」）和接受綜合服務框架協議均為框架協議，本集團及國機集團須按其中所載一般條款及條件進行擬根據該等協議進行的特定種類交易。國機集團成員公司及本集團成員公司可不時就將由本集團提供或接受的特定服務及／或產品訂立詳細協議，但該等詳細協議的條款不得抵觸相應框架協議的條款。本集團實際提供或接受的服務及／或產品視乎國機集團相關成員公司及本集團相關成員公司不時訂立的詳細協議而定。

2018提供工程服務和產品框架協議、2018接受工程服務和產品框架協議、2018貿易採購框架協議、2018貿易銷售框架協議及2018綜合服務框架協議（統稱「**2018框架協議**」）將各協議年期延長三年，接受綜合服務框架協議的年期為三年，均自2018年1月1日起至2020年12月31日止，並可按國機與本公司商定的條款續期。每一份該等框架協議可在下列情況下終止：(i)非違約方向違約方發出說明有關違反行為的書面違約通知，而違約方於收到違約通知後一段合理期間內仍無法彌補有關違反行為；及(ii)若履行據此擬進行的交易將違反上市規則規定或不能取得上市規則規定的必要批准或聯交所授予的相關豁免，則自動終止。

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The pricing policy, payment terms and all other material terms and conditions of the Renewed Agreements remained unchanged. The Receipt of Integrated Services Agreement adopts new pricing policies and new payment terms, pursuant to which the price payable for the subject services and/or products thereunder shall be determined in accordance with, among others, price prescribed by the government, price range guided by the government, price guided by the industry, price negotiated between the parties. Pursuant to the new payment terms, the Payment and settlement for transactions shall be subject to the specific terms on timing and method of payment and settlement under the separate agreements. Details for the terms and conditions of the Renewed Agreements, 2018 Agreements and the Receipt of Integrated Services Agreement were disclosed in the Company's announcements and circulars published on 14 and 17 November 2014, 19 October and 8 November 2017, respectively.

7. Financing services to our Group from SINOMACH Group

2018 Financial Service Agreement (the “**2018 Financial Services Agreement**”) entered into by and between the Company and Sinomach Finance Co., Ltd. (the “**Finance Company**”), a subsidiary of SINOMACH Group, on 19 October 2017. The New Financial Services Agreement dated 14 November 2014 (the “**New Financial Services Agreement**”) will be expired on 31 December 2017. The 2018 Financial Services Agreement has become effective upon approved by the 2017 First EGM for a term for 3 years from 1 January 2018 to 31 December 2020. The proposed annual caps for the years ended 31 December 2018, 2019 and 2020 for the continuing connected transactions contemplated under the 2018 Financial Services Agreement have been approved by the 2017 First EGM.

重訂框架協議的定價政策、支付條款及所有其他重大條款及條件維持不變。接受綜合服務框架協議採納新定價政策和支付條例，據此，就其項下的標的服務及／或產品應付的價格將根據（其中包括）政府規定的價格、政府指引的價格範圍、行業指引的價格、各方協定的價格釐定。根據新支付條款，各交易須根據各單位協議有關支付及結算時間與方式的具體條款支付及結算。重訂框架協議、2018框架協議和接受綜合服務的條款及條件之詳情已於本公司分別於2014年11月14日及17日，2017年10月19日及11月8日刊登的公告及通函內披露。

7. 國機集團向本集團提供之金融服務

本公司與國機財務有限責任公司（「**財務公司**」）（國機集團的附屬公司）於2017年10月19日訂立2018金融服務合作協議（「**2018金融服務合作協議**」）。日期為2014年11月14日的新金融服務合作協議（「**新金融服務合作協議**」）將於2017年12月31日到期。2018金融服務合作協議經本公司於2017年第一次臨時股東大會批准生效，其三年年期為2018年1月1日至2020年12月31日。2018金融服務合作協議項下擬進行的持續關連交易於截至2018年、2019年及2020年12月31日止年度之建議年度上限已獲2017年第一次臨時股東大會批准。

Financial services and major terms

The pricing policy, payment terms and all other material terms and conditions of the New Financial Services Agreement remain unchanged. Pursuant to the 2018 Financial Services Agreement, the Finance Company agrees to provide to the Group the following financial services:

Type 1 - Deposit Services

The Finance Company will provide deposit taking services for current deposits, call deposits, deposits with maturity of 1-day and 7-day respectively and time deposits (3-month, 6-month, 1-year, 3-years and other deposit periods as required by the regulatory policies).

Type 2 - General Loan Services

The Finance Company will provide various types of loans to the Group (including working capital loans, fixed assets loans, finance leases, purchaser's credit business and domestic factoring).

Type 3 - General Financial Services

The general financial services to be provided by the Finance Company to the Group include collection, payment and settlement services, provision of entrusted loans, issuance of letters of guarantee and bank guarantee, issuance of bank letters of credit, handling of bank acceptance, handling of bill acceptance and discounting, financial and financing consultation, arrangement of credit certification and related consultation and agency services, underwriting of corporate bonds designated investment business, acceptance bill custody business, trans-bank cash management platform service and other businesses which are approved by CBRC (former CBIRC) to carry out. The Finance Company would charge the corresponding fees.

金融服務及主要條款

新金融服務合作協議的定價政策、支付條款及所有其他重大條款及條件保持不變。根據2018金融服務合作協議，財務公司同意向本集團提供下列金融服務：

第一類 – 存款服務

財務公司將提供活期存款、協定存款、通知存款（期限分別為：1天和7天）、定期存款（期限分別為：3個月、6個月、1年、3年及其他符合監管政策要求的其他存期）等接受存款服務。

第二類 – 一般貸款服務

財務公司將向本集團提供各類貸款（包括流動資金貸款、固定資產貸款、融資租賃、買方信貸業務、消費信貸及國內保理）。

第三類 – 一般金融服務

財務公司將向本集團提供的一般金融服務包括：收付款及結算服務、提供委託貸款、開具保函及代開銀行保函、代開銀行信用證、代理銀行承兌總匯票、辦理票據承兌及貼現、財務和融資顧問、信用鑒證及相關的諮詢及代理服務、承銷企業債券委託投資業務、承兌匯票託管業務、跨銀行現金管理平台服務以及經中國銀監會（中國銀保監會前身）批准的可從事的其他業務。財務公司將收取相應手續費。

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In relation to the Entrusted Loans, the Finance Company shall complete the release of the Entrusted Loans on the date of receipts of the Entrusted Deposits of the Group and its subsidiaries, and commit that the Group and its subsidiaries would repay the loans by their own, without provision of any guarantee by the Group and its subsidiaries, provided that the Group will require guarantee for the Entrusted Loans business of its subsidiaries, the Finance Company shall cooperate to complete the relevant procedures according to the instruction from the Group.

The pricing policy of the Finance Company is subject to the guidelines set by the CBRC or PBOC (as applicable). Therefore, the fees charged by the Finance Company for its services to be provided to the Company are comparable to those charged by the financial institutions in the PRC for similar services. Furthermore, the Finance Company is subject to various rules and regulations issued by the CBRC in relation to its provision of deposit services, including the mandatory requirements on its asset-liability ratios, and has established comprehensive internal control and risk management systems, and implemented corporate governance guidelines in accordance with the relevant regulatory requirements.

For details for the 2018 Financial Services Agreement, please refer to the Company's announcement and circular published on 19 October and 8 November 2017, respectively, on the respective websites of the Stock Exchange and the Company.

The Finance Company is a subsidiary of SINOMACH which is the controlling shareholder of the Company and is a connected person of the Company under the Listing Rules.

During the year ended 31 December 2020, the cap for the maximum daily deposit balance (including any interest accrued thereon) with the Finance Company was RMB3,900.0 million and the actual amount was RMB3,895.2 million. No annual cap has been set for the general loan services with the Finance Company and the actual amount

關於委託貸款，財務公司在收到本集團及其附屬公司委託存款的當日完成委託貸款的發放，並承諾本集團及其附屬公司償貸自主，無需本集團及其附屬公司提供任何擔保，但如本集團對其附屬公司的委託貸款業務提出擔保要求，財務公司將按照本集團指示配合辦理相關手續。

財務公司的定價政策須受中國銀監會或中國人民銀行制訂的指引規限（如適用）。因此，財務公司就其向本公司提供的服務收取的費用，與金融機構於中國就類似服務收取的費用相若。此外，財務公司須受中國銀監會就其提供存款服務（包括其資產負債率的強制規定）發佈的各種不同規則及法規規限，並已根據相關監管規定設立全面內部監控及風險管理系統，並實施企業管治指引。

有關2018金融服務合作協議的詳情，請參閱本公司在聯交所網站及本公司網站分別刊發的2017年10月19日及11月8日的公告及通函。

財務公司為本公司的控股股東國機附屬公司，因此根據上市規則，其為本公司的關連人士。

於截至2020年12月31日止年度，在財務公司的每日最高存款結餘（包括其任何應計利息）上限為人民幣3,900.0百萬元，而實際金額為人民幣3,895.2百萬元。在財務公司的一般貸款服務無年度上限，而實際金額為人民幣零

was RMB nil. The annual caps for the total fees to be charged by the Finance Company for the provision of general financial services are RMB25.0 million, and the actual amount was RMB nil.

The INEDs have reviewed each of the above mentioned continuing connected transactions and confirmed that the transactions have been conducted:

- (1) in the ordinary and usual course of business of the Company;
- (2) on normal commercial terms or, if there are no sufficient comparable transactions to determine whether they are on normal commercial terms, from the perspective of the Company, on terms no less favorable than the terms available to or from independent third parties; and
- (3) in accordance with relevant agreements governing the relevant transactions on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Board engaged the auditor of the Company to conduct a limited assurance engagement on the above continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditors’ Letter on Continuing Connected Transactions under Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported their conclusion to the Board stating that:

- a. nothing has come to the auditors’ attention that causes the auditor to believe that the non-exempt continuing connected transactions have not been approved by the Board;

元。在財務公司的一般金融服務而收取費用的年度上限為人民幣25.0百萬元，而實際金額為人民幣零元。

獨立非執行董事已審閱上述各項持續關連交易，並確認該等交易：

- (1) 在本公司日常業務中進行；
- (2) 按照一般商業條款進行，若可供比較的交易不足以判斷該等交易的條款是否為一般商業條款時，則對本公司而言，該等交易的條款不遜於獨立第三方可取得或獲提供的條款；及
- (3) 乃根據有關交易的協議條款進行，而交易條款屬公平合理，並符合股東的整體利益。

根據上市規則第14A.56條，董事會已委聘本公司核數師按照香港會計師公會所頒佈的香港核證委聘準則第3000號「歷史財務資料審計或審閱以外之核證委聘」及參考實務說明第740號「關於上市規則所述持續關連交易的核數師函件」就上述持續關連交易履行有限核證委聘。核數師已將彼等的結果向董事會匯報，當中指出：

- a. 核數師並無注意到任何事項令彼等相信該等不獲豁免的持續關連交易未獲董事會批准；

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- b. for transactions involving the provision of goods or services by the Group, nothing has come to the auditors' attention that causes the auditor to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
 - c. nothing has come to the auditors' attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
 - d. with respect to the aggregate amount of each of the non-exempt continuing connected transactions set out above, nothing has come to the auditors' attention that causes the auditor to believe that the non-exempt continuing connected transactions have exceeded the maximum aggregate annual value disclosed above.
- b. 就本集團提供貨品或服務所涉及的交易而言，核數師並無注意到任何事項令彼等相信該等交易在所有重大方面未有按照本集團的定價政策進行；
 - c. 核數師並無注意到任何事項令彼等相信該等交易在所有重大方面未有按照規管該等交易的相關協議所進行；及
 - d. 就上述各項不獲豁免的持續關連交易之總金額而言，核數師並無注意到任何事項令彼等相信該等不獲豁免的持續關連交易之金額超出上文所披露的年度上限總額。

The auditor has issued their unqualified letter containing their findings and conclusions in respect of the abovementioned transactions in accordance with Rule 14A.56 of the Listing Rules. The Company has provided a copy of the said letter to the Stock Exchange.

核數師已根據上市規則第14A.56條發出載有彼等對上述交易的調查結果與結論的無保留意見函件。本公司已向聯交所提供上述函件的副本。

In respect of the above-mentioned non-exempt connected transactions, the Directors also confirmed that they are connected transactions under Chapter 14A, and the Company was in compliance with the disclosure requirements under Chapter 14A of the Listing Rules.

就上述不獲豁免的關連交易而言，董事亦確認其屬於上市規則第14A章所述之關連交易，本公司已遵循上市規則第14A章的披露規定。

EVENTS AFTER THE REPORTING PERIOD

The material events after the reporting period are disclosed in note 38 to the financial statements in this annual report.

報告期後事項

重大報告期後事項於本年報財務報表附註38內予以披露。

AUDIT COMMITTEE

The Audit Committee had reviewed together with the management and external auditor of the Company the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the year ended 31 December 2020.

審計委員會

審計委員會已與本公司的管理層及外聘核數師審閱本集團採納的會計準則及政策以及截至2020年12月31日止年度經審計合併財務報表。

CODE OF CONDUCT REGARDING EMPLOYEES' SECURITIES TRANSACTIONS

The Company also adopted its own code of conduct regarding employees' securities transactions on terms no less exacting than the standard set out in the Model Code for the compliance by its relevant employees who are likely to be in possession of unpublished price-sensitive or inside information of the Company in respect of their dealings in the Company's securities.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as its own code of corporate governance. The Company has complied with the code provisions as set out in the CG Code during the year ended 31 December 2020 and up to the date of this report.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

SUFFICIENCY OF PUBLIC FLOAT

The Stock Exchange granted to the Company a waiver (the "Public Float Waiver") from strict compliance with Rule 8.08(1) of the Listing Rules. Pursuant to the Public Float Waiver, the Company's prescribed minimum percentage of Shares which must be in public hands must not be less than 22.01% of the total issued share capital of the Company. Based on information publicly available to the Company and to the knowledge of the Directors, at least 22.01% of the Company's total issued share capital, the prescribed minimum percentage of public float approved by the waiver and permitted under the Listing Rules, are held by the public at all times as of the date of this report.

僱員進行證券交易的行為守則

本公司亦已採納其僱員證券交易的行為守則，該套守則所載條款不遜於《標準守則》所訂標準，由可能擁有本公司未公佈股價敏感或內幕資料的相關僱員在買賣本公司證券時遵守。

企業管治

本集團致力於維持企業管治的高標準以確保股東利益及提高公司價值及問責性。本公司已採用《企業管治守則》作為其企業管治守則。本公司於截至2020年12月31日止年度至本報告日期一直遵守《企業管治守則》所載的守則條文。

本公司將繼續檢討及提升其企業管治常規，以確保遵守《企業管治守則》。

充足的公眾持股量

聯交所向本公司授予豁免批准本公司毋須嚴格遵守上市規則第8.08(1)條的規定（「公眾持股量規定豁免」）。根據公眾持股量規定豁免，公眾於本公司持有的指定最低股份百分比不得少於本公司已發行總股本的22.01%。根據本公司可公開的資料及就董事所知，截至本報告日期，本公司已發行總股本中至少22.01%（該豁免規定且根據上市規則所批准的指定最低公眾持股量百分比）一直由公眾持有。

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INDEPENDENT AUDITORS

There were no changes of independent auditors in the past 3 years.

COMPLIANCE WITH SANCTIONS UNDERTAKINGS

As disclosed in the Prospectus, the Company and the Directors have covenanted to the Stock Exchange that they will not, directly or indirectly, (1) use any of the proceeds from the Global Offering, or make such proceeds available to any individual or entity, to fund any activities in or business of or with (i) any individual or entity or (ii) in any country or territory, that at the time of such funding, is the target of any sanctions administered by OFAC, or (2) engage in any activity that is sanctionable under the ISA (as amended by the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010), the Executive Order 13846 or the Executive Order 13871 (collectively, the “**Executive Orders**”) for so long as the ISA or Executive Orders remain in effect (the “**Sanctions Undertakings**”). The Directors confirmed that both the Company and the Directors were in compliance with the Sanctions Undertakings as at the date of this report. In particular, the Company has taken the following measures to ensure compliance with the Sanctions Undertakings:

1. Proceeds Account - The Company has opened and maintained separate designated bank accounts for the proceeds from the Listing in Hong Kong as at the date of this report (the “**Proceeds Accounts**”). The Proceeds Accounts are segregated from other normal bank accounts of our Company and designated for the sole use of deposit and deployment of the proceeds from Listing. With such segregation and designation, the Proceeds Accounts record all transactions and activities within these bank accounts and trace the flow of funds in and out of the Proceeds Accounts. As at 31 December 2015, the proceeds from the Company’s

獨立核數師

於過往三年，獨立核數師概無變動。

恪守制裁承諾

誠如招股章程所披露，本公司及董事已向聯交所承諾，彼等將不會直接或間接(1)動用任何全球發售所得款項，或向任何個人或實體提供該等所得款項，以向在(i)任何個人或實體或(ii)任何國家或領土(彼等於下述撥資之時，為外國資產管制局所實施的任何制裁的目標)開展的任何活動或彼等本身或與彼等進行的任何業務提供資金；或(2)於伊朗制裁法(經2010年全面制裁伊朗、問責及撤資法修訂)、執行令13846號或執行令13871號(統稱「**執行令**」)保持有效期間內參與受伊朗制裁法或執行令所制裁的任何活動(「**制裁承諾**」)。董事作出確認，截至本報告日期，本公司及董事均恪守制裁承諾。尤其是，公司已採取下列措施，以確保遵守制裁承諾：

1. 所得款項賬戶－本公司已就截至本報告日期於香港上市的所得款項開立及維持單獨的指定銀行賬戶(「**所得款項賬戶**」)。所得款項賬戶獨立於本公司的其他一般銀行賬戶，並指定作唯一用途，即存入及調配上市所得款項。鑒於上述賬戶是獨立及指定賬戶，所得款項賬戶會記錄在該等銀行賬戶內進行的所有交易及活動，並可追蹤所得款項賬戶的資金流進出情況。截至2015年12月31日，本公司香港上市

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Listing in Hong Kong has been fully utilized for the intended purposes. For details, please refer to page 145 of the 2015 annual report of the Company dated 27 April 2016.

- Accounting measures - The Company has ensured that separate books and records are in place to monitor the activities, including deposits and disbursements, of the Proceeds Accounts.
- Internal control policies - We have formulated a dedicated set of internal control policies particularly in respect of the Proceeds Accounts to regulate various aspects of operating the Proceeds Accounts, such as the designated use, record keeping (e.g. the underlying documents for projects or transactions towards which the proceeds will be applied), regular review, responsible personnel to be appointed, accountability and reporting line and other necessary operational procedures.
- Internal compliance program on export control (the “ICP”) - With the Company’s existing ICP platform, the export control office has continued to be responsible for project screening, evaluation and approval from an export control perspective to ensure the nature and location of the activities or business, as well as the identity of the counterparties and products involved, etc., would not violate the Sanctions Undertakings.

In recent years the US sanctions landscape has evolved substantially, especially those targeted at Iran. 16 January 2016 marked the “Implementation Day”, which marked the full execution of sanctions relief promised to Iran as part of the Joint Comprehensive Plan of Action (JCPOA) as negotiated by Iran, the P5+1 (United States, Russia, China, France, United Kingdom, Germany) and the EU and endorsed by the UN. In exchange for curtailing certain nuclear-related activities, Iran was granted relief from certain U.S., EU, and UN sanctions.

For details, please refer to the Company’s announcement published on the respective websites of the Stock Exchange and the Company on 23 March 2016. However, the United

的所得款項已全部用作擬定用途。詳情請參見本公司於2016年4月27日公佈的2015年度報告第145頁。

- 會計措施 - 本公司已確保擁有分立的賬簿及記錄，以監察所得款項賬戶的存入及支出等活動。
- 內部控制政策 - 我們已制定一套專用的內部控制政策，尤其是在所得款項賬戶上，以規範操作所得款項賬戶的多個方面，如指定用途、記錄保存（如將動用所得款項的項目或交易的相關文件）、定期審閱、將予委任的負責人員、問責及匯報程序以及其他必要營運程序。
- 有關出口管制的內控合規機制（「內控合規機制」） - 憑借本公司現有的內控合規機制平台，出口管制辦公室已繼續負責從出口管制層面進行項目篩選、評估及批准，確保所涉及的活動或業務的性質及地點以及交易对手的身份及產品等將不違反制裁承諾。

近年來，美國制裁格局發生了巨大變化，尤其是針對伊朗的制裁變動。2016年1月16日被定為「執行日」，標誌著經伊朗、P5+1（美國、俄羅斯、中國、法國、英國、德國）及歐盟談判及聯合國批准，全面解除對伊朗的制裁成為《聯合全面行動計劃》的一部分。作為伊朗減少若干核相關活動的交換，美國、歐盟及聯合國解除對伊朗的若干制裁。

詳情請參閱本公司分別載於聯交所及本公司網站的2016年3月23日刊發的公告。然而，美國於2018年5月8日宣佈將退出伊朗

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States announced on 8 May 2018 that it will withdraw from the Iran Nuclear Deal and restore sanctions against Iran. So the Company decided to terminate all business ties in Iran thereafter from a prudent perspective and the Company has no existing or implemented project in Iran.

In addition, given the new development in the sanctions landscape on Cuba, Holland & Knight LLP has advised the Company that, despite the remaining U.S. embargo on Cuba, the Company (and its shareholders and investors) would face very limited risks in engaging in Cuba activities if done from outside of U.S., and similarly limited risks if done under U.S. authorization from or through a U.S. subsidiary of the Company. With Cuba having been removed from the U.S. Department of State's State Sponsors of Terrorism ("SST") list, the reputational risks and heightened due diligence (especially for non-U.S. financial institutions) associated with transactions involving countries placed on SST list has been reduced significantly, even though the U.S. embargo remains in place. For details, please refer to the Company's announcement published on the respective websites of the Stock Exchange and the Company on 19 December 2016.

By Order of the Board
BAI Shaotong
Chairman

Beijing, the PRC, 25 March 2021

核協議並恢復對伊朗的制裁。因此，本公司審慎決定終止在伊朗的所有業務關係，且本公司在伊朗並無現有或已實施項目。

此外，考慮到古巴制裁格局的新發展，Holland & Knight LLP告知本公司：儘管美國對古巴繼續禁運，但倘在美國境外參與古巴活動，本公司（及其股東與投資者）面臨的風險非常有限，倘根據本公司的美國授權或透過本公司的一家美國附屬公司參與古巴活動，亦會面臨類似的風險。美國國務院已將古巴從國家恐怖主義支持者（「恐怖主義支持者」）名單中刪除，儘管美國禁運仍然持續，但與涉及名列恐怖主義支持者名單的國家進行交易的信譽風險及高度盡職調查（尤其是非美金融機構）已顯著降低。詳情請參閱本公司分別載於聯交所及本公司網站的2016年12月19日刊發的公告。

承董事會命
董事長
白紹桐

中國北京，2021年3月25日

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE REPORT

The Board is pleased to present this corporate governance report in the annual report of the Company for year ended 31 December 2020 (the “Year”). In addition, certain information regarding the Directors and the Board committees has been updated as at the date of this annual report.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as its own code of corporate governance. The Company has complied with the code provisions as set out in the CG Code during the Year and up to the date of this report.

Chairman and President

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals. Under the current organization structure of the Company, Mr. BAI Shaotong is the chairman of the Board (the “Chairman”) and Mr. FANG Yanshui is the president of the Company (the “President”). The balance of power and authority is ensured by the operation of the senior management and the Board, which comprise experienced and high caliber individuals. Pursuant to the Articles of Association, the primary duties and responsibilities of the Chairman include:

- a) presiding over the shareholders’ general meetings; and convening and presiding over meetings of the Board, examining the implementation of the resolutions of the Board;

企業管治報告

董事會欣然呈列本公司截至2020年12月31日止年度（「本年度」）之年報所載之企業管治報告。此外，於本年報日期，若干有關董事及董事會委員會的資料經已更新。

企業管治常規

本集團致力維持高水準的企業管治，以保障股東權益以及提升企業價值及問責性。本公司已採納《企業管治守則》作為其企業管治守則。本公司於本年度內及截至本報告日期謹遵《企業管治守則》之守則條文規定。

董事長及總裁

根據《企業管治守則》之守則條文A.2.1條規定，董事長及行政總裁之角色應有所區分，應由不同人士擔任。於本公司目前的組織架構下，白紹桐先生為董事會董事長（「董事長」）及方彥水先生為本公司總裁（「總裁」）。由經驗豐富的人才組成的高級管理人員及董事會可確保權力與職權平衡。根據章程，董事長的主要職務及職責包括：

- a) 主持股東大會以及召開並主持董事會會議、檢討董事會決議的實施情況；

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- b) organizing the formulation of regulations on the operation of the Board, and coordinating the operation of the Board;
- c) hearing regular or non-regular performance reports on the Company's senior management; and
- d) giving opinions guiding the execution of board resolutions, signing the Company's share certificates, debentures and other important documents, and representing the Company in signing important legally binding documents with third parties.

The major responsibilities of the President include:

- a) leading the production, operation and management of the Company, and reporting his works to the Board;
- b) organizing the implementation of the resolutions of the Board, the Company's annual business plans and investment plans;
- c) preparing the Company's annual budgets and final accounts, and providing recommendations to the Board;
- d) formulating the plans for merger, division or reorganization of the wholly-owned subsidiaries and controlled subsidiaries of the Company;
- e) preparing plans for the establishment of the Company's basic management system and the internal management structure, preparing plans for the establishment of domestic and overseas branches of the Company, formulating specific rules and regulations of the Company;
- f) appointing or removing the management personnel, except for those that shall be appointed or removed by the Board;
- g) formulating the remunerations, benefits and incentive programs, as well as the appointment and removal of the Company's employees;

- b) 組織制定有關董事會運作的各項制度及協調董事會的運作；
- c) 聽取本公司高級管理人員定期或不定期的工作報告；及
- d) 對董事會決議的執行提出指導意見，簽署本公司股票、債券與其他重要文件並代表本公司對外簽署有法律約束力的重要文件。

總裁的主要職責包括：

- a) 領導本公司的生產、營運及管理並向董事會匯報；
- b) 組織董事會決議案、本公司年度業務計劃及投資計劃的實施；
- c) 編製本公司年度預算及決算賬目並向董事會提供建議；
- d) 制定合併、分拆或重組本公司全資附屬公司及受控附屬公司的計劃；
- e) 編製建立本公司基本管理系統及內部管理架構的計劃、編製建立本公司國內及海外分公司的計劃、制定本公司特殊規則及規例；
- f) 委任或解僱管理人員（須由董事會委任或撤職的人士除外）；
- g) 制定薪酬、福利及獎勵計劃、委任及解僱本公司僱員；

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- h) proposing to convene an extraordinary board meeting when emergency arises; and
- i) determining on investment, financing, contracts and transactions of the Company within the scope of authorization of the Board.

SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company adopted the Model Code as its own code of conduct regarding securities transactions by the Directors and Supervisors on terms no less exacting than the required standard set out in the Model Code. Upon specific enquiry of all the Directors and Supervisors, all the Directors and Supervisors confirmed that they had complied with the Model Code during the Year.

The Company also adopted its own code of conduct regarding employees' securities transactions on terms no less exacting than the standard set out in the Model Code for the compliance by its relevant employees who are likely to be in possession of unpublished price-sensitive information or inside information of the Company in respect of their dealings in the Company's securities.

- h) 於出現緊急事件時建議召開特別董事會會議；及
- i) 釐定屬董事會授權範疇的本公司投資、融資、合約及交易。

董事及監事的證券交易

本公司已採納《標準守則》，作為董事及監事進行證券交易的行為守則，其條款不遜於《標準守則》所載的規定標準。對全體董事及監事作出專門查詢後，各董事及監事均確認，彼等於本年度內一直遵守《標準守則》。

本公司亦採納一套其條款不遜於《標準守則》所訂標準的僱員進行證券交易的行為守則，以供可能掌握本公司的未公開價格敏感資料或內幕消息的相關僱員遵照規定買賣本公司證券。

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企業管治報告

BOARD OF DIRECTORS

The Board is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group's values and standards and ensures that the requisite financial and human resources support are in place for the Group to achieve its objectives. The functions performed by the Board include but not limited to formulating the Group's business plans and strategies, reviewing the Company's financial results and performance and approving its interim and annual results; approving appointment, removal or re-appointment of the Board members upon the recommendation of the Nomination Committee; approving the remuneration package of directors and senior management of the Company upon the recommendation of the Remuneration Committee, deciding all significant financial (including major capital expenditure) and operational issues, formulating, monitoring and reviewing the Group's corporate governance, and all other functions reserved to the Board under the Articles of Association. The Board may from time to time delegate certain functions to senior management of the Group if and when considered appropriate. The senior management is mainly responsible for the execution of the business plans, strategies and policies adopted by the Board and assigned to it from time to time.

All Directors shall ensure that they carry out their duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its Shareholders at all times.

董事會

董事會主要負責監察及監管本集團的業務事宜管理及整體表現。董事會確立本集團的價值及標準，並確保本集團擁有必需的財務及人力資源支持以達至其目標。董事會履行的職能包括但不限於制定本集團業務計劃及策略、審閱本公司財務業績及表現以及批准其中期及年度業績；於獲得提名委員會推薦建議後批准委任、解僱或重新委任董事會成員；於獲得薪酬委員會推薦建議後批准本公司董事及高級管理人員的薪酬組合、決定所有重大財務（包括主要資本開支）及經營問題；制定、監察及檢討本集團的企業管治；以及根據章程由董事會保留的所有其他職能。董事會可於有需要時不時向本集團高級管理人員轉授若干職能。高級管理人員主要負責執行董事會採納及向其不時轉授的業務計劃、戰略及政策。

全體董事須確保彼等履行職責時本著真誠並遵守適用法律及法規，以及於任何時間符合本公司及其股東之利益。

Corporate Governance Report

企業管治報告

Currently, the Board comprises the following nine Directors:

Executive Directors

FANG Yanshui (*President*)
AI Wei

Non-Executive Directors

BAI Shaotong (*Chairman*)
MA Jian
ZHANG Zhiyu

INEDs

LIU Li
LIU Hongyu
FANG Yongzhong
WU Tak Lung

The biographical details of each of the Directors are set out in the section headed “Directors, Supervisors, Senior Management and Employees” of this annual report.

Save as disclosed in this annual report, there was no financial, business, family or other material relationship among the Directors.

The executive Directors are responsible for the leadership and control of the Company and overseeing the Group’s businesses, strategic decisions and performances and are responsible for promoting the success of the Company by directing and supervising its affairs.

The four INEDs are responsible for ensuring a high standard of financial and other mandatory reporting of the Board as well as providing a balance in the Board in order to effectively exercise independent judgment on the corporate actions of the Company so as to protect Shareholders’ interest and overall interest of the Group.

董事會目前由以下九名董事組成：

執行董事

方彥水 (*總裁*)
艾威

非執行董事

白紹桐 (*董事長*)
馬堅
張治宇

獨立非執行董事

劉力
劉紅宇
方永忠
吳德龍

各董事的個人履歷載於本年報「董事、監事、高級管理人員及僱員」一節。

除於本年報披露者外，董事之間概無任何財務、業務、親屬或其他重要關係。

執行董事負責領導及控制本公司並監管本集團的業務、策略決策及表現，並負責透過指導及監管本公司之事務推動其成功發展。

四名獨立非執行董事負責確保董事會作出高水準的財務及其他法定報告，並平衡董事會，以就本公司的公司行動有效行使獨立判斷，從而保護股東利益及本集團的整體利益。

Corporate Governance Report

企業管治報告

Throughout the Year, the Company had at all times met the requirement of the Listing Rules that the number of INEDs must represent at least one-third of the Board members and at least one of the INEDs shall have appropriate professional qualifications of accounting or related financial management expertise. The Company has four INEDs currently representing half of the Board and therefore the Company has complied with the Listing Rules.

All Directors, including the INEDs, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The INEDs were invited to serve on the Audit Committee, the Remuneration Committee, the Nomination Committee, the Strategy and Development Committee and the Operation and Risk Management Committee.

As regards the CG Code provision requiring directors to disclose the number and nature of offices held in public companies or organizations and other significant commitments as well as their identity and the time involved to the issuer, the Directors agreed to disclose their commitments to the Company in a timely manner.

The Company has arranged appropriate insurance coverage on the liabilities of the Directors and senior management in respect of any legal actions taken against them arising out of performing their duties. The insurance coverage is reviewed on an annual basis.

Confirmation of Independence

Each of the INEDs has made an annual confirmation of independence by reference to Rule 3.13 of the Listing Rules and the Board is satisfied that all INEDs were independent and met the independent guidelines set out in Rule 3.13 of the Listing Rules, up to the date of this annual report.

於本年度，本公司於任何時候符合《上市規則》的規定，規定獨立非執行董事的人數須佔董事會成員至少三分之一，且至少一名獨立非執行董事擁有適當的專業會計資格或相關財務管理專業。本公司現時有四名獨立非執行董事，佔全體董事會成員的半數，因此本公司已遵守《上市規則》。

全體董事（包括獨立非執行董事）令董事會具備廣泛珍貴之業務經驗、知識及專業技能，從而提高董事會履行職能的效率和效益。獨立非執行董事獲邀加入本公司審計委員會、薪酬委員會、提名委員會、戰略與發展委員會以及經營與風險管理委員會。

就有關要求董事向發行人披露彼等於公眾公司或組織機構任職的次數及性質，以及其他重大承擔，連同彼等之身份及投入時間之企業管治守則條文而言，董事同意及時向本公司披露彼等之承擔。

本公司已為董事及高級管理人員投購合適的責任保險，保障彼等因履行職務而可能要面臨的訴訟。該保險範圍乃按年檢討。

獨立性確認書

各名獨立非執行董事已根據《上市規則》第3.13條作出年度獨立性確認書。董事會信納全體獨立非執行董事均為獨立，並於截至本年報日期符合《上市規則》第3.13條所載的獨立性指引。

Corporate Governance Report

企業管治報告

Directors' Induction and Continuous Professional Development

Each newly appointed Director has received formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

The Company has from time to time provided briefings to all Directors to develop and refresh the Directors' duties and responsibilities. Continuing briefing and professional development for Directors will be arranged whenever necessary. The Directors are provided with monthly updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge his or her duties. All Directors are also encouraged to attend relevant training courses at the Company's expense. They have been required to provide the Company with their training records.

During the Year, all Directors had participated in continuous professional development ("CPD") to develop and refresh their knowledge and skills by reading materials and/or attending briefings by legal counsels or seminars organised by professional bodies on corporate governance or updates on laws, rules and regulations relating to the roles, functions and duties of a director.

董事之入職及持續專業發展

每名新委任董事均將於首次接受委任時獲得正式、全面及專門的入職簡介，以確保對本公司的業務及營運均有適當的理解，並充分知悉董事於《上市規則》及相關法定規定下的責任及義務。

本公司不時為全體董事舉行簡介會，以提高及重溫董事的職能及責任。如有需要，會為董事安排持續的簡介會及專業發展。董事亦可每月獲取有關本公司表現、狀況及前景的最新消息，使整個董事會及各董事得以履行彼等的職責。全體董事亦獲鼓勵出席相關的培訓課程，費用由本公司承擔。彼等須向本公司提供其培訓記錄。

於本年度內，所有董事均參與持續專業發展（「持續專業發展」），透過閱讀有關企業管治或有關董事角色、職能及責任的法律、規則及法規最新資料及／或出席法律顧問的簡介會或專業團體舉辦的講座，以發展及更新彼等的知識及技能。

Corporate Governance Report

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Individual record of each Director who received training for the Year is summarised as follows:

本年度接受培訓的各董事的個人記錄概述如下：

Directors 董事		Types of CPD 持續專業發展的種類 (Notes) (附註)
Executive Directors		
Mr. FANG Yanshui (appointed on 14 February 2020)	執行董事 方彥水先生 (於2020年2月14日獲委任)	A and B A及B
Ms. AI Wei (appointed on 18 December 2020)	艾威女士 (於2020年12月18日獲委任)	A and B A及B
Non-executive Directors		
Mr. BAI Shaotong	非執行董事 白紹桐先生	A and B A及B
Mr. YU Benli (resigned on 25 September 2020)	余本禮先生 (於2020年9月25日辭任)	A and B A及B
Mr. ZHANG Fusheng (resigned on 25 September 2020)	張福生先生 (於2020年9月25日辭任)	A and B A及B
Mr. MA Jian (appointed on 25 September 2020)	馬堅先生 (於2020年9月25日獲委任)	A and B A及B
Mr. ZHANG Zhiyu (appointed on 25 September 2020)	張治宇先生 (於2020年9月25日獲委任)	A and B A及B
Mr. WANG Yuqi (appointed on 25 September 2020 and resigned on 18 December 2020)	王玉琦先生 (於2020年9月25日獲委任，於2020年12月18日辭任)	A and B A及B
INEDs		
Mr. LIU Li	獨立非執行董事 劉力先生	A and B A及B
Ms. LIU Hongyu	劉紅宇女士	A and B A及B
Mr. FANG Yongzhong	方永忠先生	A and B A及B
Mr. WU Tak Lung	吳德龍先生	A and B A及B

Notes:

- A: attending seminars/forums/workshops/conferences relevant to the business or directors' duties
- B: studying regulatory updates on laws, rules and regulations relating to directors' roles and functions

附註：

- A: 出席有關業務或董事職責的研討會／論壇／工作坊／會議
- B: 學習有關董事角色及職能的法律、規則及法規的監管事項更新資料

All Directors had provided the Company with their training records for the Year.

全體董事已向本公司提供彼等於本年度的培訓記錄。

Meetings of Board and Board Committees and Directors' Attendance Records

The Company adopts the practice of holding board meetings regularly, at least four times a year. Notices of not less than fourteen days are given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and committee meetings, reasonable notice is generally given. The agenda and accompanying board papers are dispatched to the Directors or committee members at least fourteen days before the regular meetings and at least five days before the extraordinary meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings. When the Directors or committee members are unable to attend a meeting, he or she may appoint in writing another Director to attend the meeting on his or her behalf. The power of attorney shall specify the scope of authorization. The proxy shall exercise the rights of the Director within the scope of the authorization. A Director failing to attend the board meeting in person or by proxy shall be deemed as having waived his or her voting rights at such meeting.

The company secretary or her delegate is responsible for keeping all minutes of the Board meetings and the Board committees. Draft minutes are normally circulated to Directors for comments within a reasonable time after each meeting and the final version is open for Directors' inspection. According to the Listing Rules, any directors and their close associates with a material interest in the transactions to be discussed at the Board meetings will abstain from voting on resolutions approving such transactions and will not be counted in the quorum at meetings.

Any Director wishing to do so in the furtherance of his or her duties may take independent professional advice at the Company's expense. Directors get familiar with the Group's principal activities through initial induction, ongoing participation at the Board and committee meetings, and meeting with key members of management. The Directors are encouraged to update their skills and knowledge.

董事會及董事會委員會的會議及董事的出席記錄

本公司採納定期舉行董事會會議之慣例，最少一年舉行四次會議。全體董事將獲發不少於十四天之通知以召開定期董事會會議，令全體董事均有機會出席定期會議並討論議程事項。就其他董事會及委員會會議而言，一般將獲發合理通知。會議議程及隨附之董事會文件最少於定期會議舉行之前十四天及臨時會議舉行之前五天寄發予董事或委員會成員，以確保彼等有足夠時間審閱文件及為會議作充足準備。倘董事或委員會成員未能出席會議，彼可以用書面形式委任另一名董事代其出席會議。授權書須訂明授權範圍。委任代表可行使授權範圍內的董事權利。未能親身或委任代表出席董事會會議的董事視作已放棄彼等於有關會議上的投票權。

公司秘書或其委任代表負責保存董事會會議及董事會委員會的所有會議記錄。會議記錄草案一般會於每次會議之後的合理時間內發給董事傳閱，以供其發表意見，最終版本可供董事查閱。根據《上市規則》，任何於董事會會議上將予討論的交易中擁有重大利益的董事及彼等的緊密聯繫人，均須就批准有關交易的決議案放棄投票，且不得計入會議的法定人數。

任何董事可為履行職責而尋求獨立專業意見，費用由本公司承擔。董事可透過初加入職簡介、持續參與董事會及委員會會議，以及與管理層主要成員會面，藉以熟悉本集團的主要業務。本公司鼓勵董事提升彼等技能及知識。

Corporate Governance Report

企業管治報告

During the Year and up to the date of 25 March 2021, the Company held nineteen Board meetings (including written resolutions), one annual general meeting and two class meetings and three extraordinary general meetings (collectively, the “Shareholders’ Meetings”). Details of attendance of the Directors are as follows:

於本年度及截至2021年3月25日，公司已舉行十九次董事會會議（包括書面決議）、一次股東週年大會及兩次類別股東大會以及三次臨時股東大會（合稱「股東大會」）。董事出席詳情載列如下：

Directors 董事		Board meetings 董事會會議	Shareholders’ Meetings 股東大會
Executive Directors 執行董事			
Mr. FANG Yanshui (appointed on 14 February 2020)	方彥水先生 (於2020年2月14日獲委任)	19/19	5/5
Ms. AI Wei (appointed on 18 December 2020)	艾威女士 (於2020年12月18日獲委任)	6/19	N/A 不適用
Non-Executive Directors 非執行董事			
Mr. BAI Shaotong	白紹桐先生	19/19	6/6
Mr. YU Benli (resigned on 25 September 2020)	余本禮先生 (於2020年9月25日辭任)	10/19	5/5
Mr. ZHANG Fusheng (resigned on 25 September 2020)	張福生先生 (於2020年9月25日辭任)	10/19	5/5
Mr. MA Jian (appointed on 25 September 2020)	馬堅先生 (於2020年9月25日獲委任)	9/19	1/1
Mr. ZHANG Zhiyu (appointed on 25 September 2020)	張治宇先生 (於2020年9月25日獲委任)	9/19	1/1
Mr. WANG Yuqi (appointed on 25 September 2020 and resigned on 18 December 2020)	王玉琦先生 (於2020年9月25日獲委任， 於2020年12月18日辭任)	3/19	1/1
INEDs 獨立非執行董事			
Mr. LIU Li	劉力先生	19/19	6/6
Ms. LIU Hongyu	劉紅宇女士	19/19	6/6
Mr. FANG Yongzhong	方永忠先生	19/19	6/6
Mr. WU Tak Lung	吳德龍先生	19/19	6/6

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy and discussed all measurable objectives set for implementing the policy.

The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All the appointments of the Board members will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

BOARD COMMITTEES

The Board has established, with written terms of reference, five Board committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee, the Strategy and Development Committee and the Operation and Risk Management Committee (together, the “**Board Committees**”), to oversee particular aspects of the Company's affairs. The Board Committees are provided with sufficient resources to discharge their duties.

The written terms of reference for each Audit Committee, Remuneration Committee and Nomination Committee are in line with the Listing Rules and they are posted on the respective websites of the Stock Exchange and the Company.

董事會成員多元化政策

董事會採納董事會成員多元化政策，並就政策實施討論所有重要目標。

本公司認同及著重董事會成員多元化所帶來的裨益。本公司致力確保董事會擁有適合本公司業務所需而在技能、經驗及在意見多元化方面取得平衡。所有董事會成員的委任將繼續以甄選優秀人才為基準，並充分顧及董事會成員多元化的裨益。甄選候選人將按多方面作考慮，包括但不限於性別、年齡、文化及教育背景、經驗（專業或其他方面）、技能及知識。本公司將會按照獲甄選候選人將會為董事會帶來的益處及貢獻而作出最終決定。

董事會委員會

董事會已成立五個擁有書面職權範圍的董事會委員會，即審計委員會、薪酬委員會、提名委員會、戰略與發展委員會以及經營與風險管理委員會（統稱「**董事會委員會**」），以監察本公司特定範疇的事務。董事會委員會獲提供充足資源以履行彼等職能。

審計委員會、薪酬委員會及提名委員會的書面職權範圍均符合《上市規則》，並分別刊載於聯交所及本公司網站。

Corporate Governance Report

企業管治報告

Audit Committee

The Board established the Audit Committee with written terms of reference in compliance with the CG Code. The Audit Committee comprises two INEDs and one non-executive Director, namely Mr. LIU Li, Ms. LIU Hongyu and Mr. MA Jian, the majority of them are INEDs. Mr. LIU Li is the chairman of the Audit Committee.

The primary duties of the Audit Committee include, among others:

- a) To review the financial statements and reports and consider any significant or unusual items raised by the internal audit division or external auditor before submission to the Board;
- b) To review the relationship with the external auditor by reference to the work performed by the auditor, their fees and terms of engagement, and make recommendations to the Board on the appointment, re-appointment and removal of external auditor; and
- c) To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and internal audit system and associated procedures, including the adequacy of the resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function.

During the Year and up to the date of 25 March 2021, the Audit Committee held five meetings to review and supervise the financial reporting process and internal control review. It had in conjunction with Ernst & Young, the existing external auditor of the Company, reviewed the Group's the unaudited interim results for 2020 and audited annual results for the Year and recommended the same to the Board for their consideration and approval. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made. The Audit Committee also carried out and discharged its other duties as set out in the CG Code.

審計委員會

董事會根據《企業管治守則》成立審計委員會，並以書面制定其職權範圍。審計委員會由兩名獨立非執行董事及一名非執行董事組成，即劉力先生、劉紅宇女士及馬堅先生，大部分成員為獨立非執行董事。劉力先生為審計委員會主席。

審計委員會的主要職責包括（其中包括）：

- a) 於呈交董事會前審閱財務報表及報告，並考慮內部審計機構或外聘核數師提出之任何重大或不尋常項目；
- b) 透過參考核數師進行的工作、其費用及委聘條款檢討與外聘核數師的關係，並就委任、重新委任及罷免外聘核數師向董事會提出建議；及
- c) 檢討本公司的財務申報系統、內部監控系統以及內部審計系統及相關程序的充足度與成效，包括資源充足度、員工資格及經驗、培訓課程及本公司的會計及財務申報職能預算。

於本年度及截至2021年3月25日，審計委員會曾召開五次會議，審閱及監察財務申報程序及內部監控。其與本公司現任外聘核數師安永會計師事務所審閱本集團2020年未經審計中期業績及截至本年度的經審計全年業績，並就此向董事會作出建議，以供董事會考慮及批准。審計委員會認為，編製該等業績符合適用會計準則及規定，且已作出足夠的披露。審計委員會亦履行其於《企業管治守則》所載的其他職責。

Corporate Governance Report

企業管治報告

Details of attendance of the Audit Committee meetings are as follows:

審計委員會會議的出席詳情如下：

Directors 董事	Attendance 出席次數
Mr. LIU Li (<i>Chairman</i>)	劉力先生(主席) 5/5
Ms. LIU Hongyu	劉紅宇女士 5/5
Mr. ZHANG Fusheng (resigned on 25 September 2020)	張福生先生 (於2020年9月25日辭任) 3/5
Mr. MA Jian (appointed on 25 September 2020)	馬堅先生(於2020年9月25日獲委任) 2/5

Remuneration Committee

The Board established the Remuneration Committee with written terms of reference in compliance with the CG Code. The Remuneration Committee comprises two INEDs and one non-executive Director, namely Mr. FANG Yongzhong, Mr. ZHANG Zhiyu and Mr. LIU Li, the majority of them are INEDs. Mr. FANG Yongzhong is the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee include, among others:

- To make recommendations to the Board on the Company's policy and structure for remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing the remuneration policy;
- To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; and
- To determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management, or to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

薪酬委員會

董事會根據《企業管治守則》成立薪酬委員會，並以書面制定其職權範圍。薪酬委員會由兩名獨立非執行董事及一名非執行董事組成，即方永忠先生、張治宇先生及劉力先生，大部分成員為獨立非執行董事。方永忠先生為薪酬委員會主席。

薪酬委員會之主要職責包括(其中包括)：

- 就本公司董事及高級管理人員的薪酬政策及構架，及就設立正規而具透明度的程序制定薪酬政策，向董事會提出建議；
- 因應董事會所訂企業的方針及目標而檢討及批准管理層的薪酬建議；及
- 以授權職責釐定個別執行董事及高級管理人員的薪酬待遇，或就個別執行董事及高級管理人員的薪酬待遇向董事會提出建議。

Corporate Governance Report

企業管治報告

During the Year and up to the date of 25 March 2021, the Remuneration Committee held two meetings to review the remuneration packages of the Directors and the senior management and relevant remuneration, performance systems of the Company.

Details of attendance of the Remuneration Committee meetings are as follows:

於本年度及截至2021年3月25日，薪酬委員會舉行兩次會議，以審閱董事及高級管理人員的薪酬待遇以及本公司薪酬績效相關制度。

薪酬委員會會議的出席詳情如下：

Directors		Attendance
董事		出席次數
Mr. FANG Yongzhong (<i>Chairman</i>)	方永忠先生 (<i>主席</i>)	2/2
Mr. LIU Li	劉力先生	2/2
Mr. ZHANG Fusheng (resigned on 25 September 2020)	張福生先生 (於2020年9月25日辭任)	0/2
Mr. ZHANG Zhiyu (appointed on 25 September 2020)	張治宇先生 (於2020年9月25日獲委任)	2/2

Remuneration Policy of Directors

Each Director has entered into service contract or letter of appointment with the Company. The current executive Directors are entitled to an annual fixed fee (tax included) pursuant to the service contract entered into with the Company. The fee includes, among others, salaries, benefits, duty subsidies and pension contribution as determined in accordance with the laws and regulations of the PRC and the policy guidance issued by the senior regulatory authorities as well as the duties, performance and working experience of the executive Directors. Meanwhile, the executive Directors are also entitled to management bonus as determined by the Board or the Remuneration Committee with reference to the overall operating results and performance of the Company. The decision to grant such management bonus was made by the general meeting or the Board under the authorisation of the general meeting. Each non-executive Director and each INED is entitled to fixed subsidy, which is determined with reference to the prevailing market price, pursuant to the service contract or letter of appointment entered into with the Company. Reasonable fees incurred by the Directors during their services in the Company shall be borne by the Company.

董事薪酬政策

各董事已與本公司訂立服務合同或委任函。現任執行董事根據其與本公司訂立的服務合同於每年獲得固定的袍金(含稅)。該袍金包括本公司按中國法律法規和上級監管機構發佈的政策指引、根據執行董事的職務、表現及工作經驗釐定的工資、福利、崗位津貼及退休金供款等。同時，執行董事亦可獲得董事會或薪酬委員會參考本公司的整體經營業績及其表現後釐定的管理花紅。管理花紅的發放事宜由股東大會或由股東大會授權董事會決定。各非執行董事和各獨立非執行董事根據其與本公司訂立的服務合同或委任函獲得固定津貼，該津貼是參考現行市價釐定。董事在其為本公司提供服務期間招致的合理費用由本公司承擔。

Nomination Committee

The Board established the Nomination Committee with written terms of reference in compliance with the CG Code. The Nomination Committee comprises two INEDs and one non-executive Director, namely Ms. LIU Hongyu, Mr. FANG Yongzhong and Mr. BAI Shaotong, the majority of them are INEDs. Mr. BAI Shaotong is the chairman of the Nomination Committee.

The primary duties of the Nomination Committee include, among others:

- a) To review the structure, size and composition of the Board on a regular basis according to the operating activities, asset size and equity structure of the Company and make recommendations regarding any proposed changes;
- b) To make recommendations to the Board on appointment or re-appointment of and succession planning for Directors;
- c) To identify candidates who are qualified/suitable to join the Board and to select or make recommendations to the Board on the selection of candidates nominated for directorships;
- d) To assess the candidates for the senior management of the Company and its wholly-owned and controlled subsidiaries, and provide appraisal opinions to the Board; and
- e) To assess the independence of the INEDs.

During the Year and up to the date of 25 March 2021, the Nomination Committee meeting held two meetings to review the structure, size and composition of the Board, review and recommend new director candidates for the third session of the Board, and deal with matters by participating in the Board meetings, among others, to discuss and assess the independence of the INEDs; and recommend the senior management of the Company.

提名委員會

董事會根據《企業管治守則》成立提名委員會，並以書面制定其職權範圍。提名委員會由兩名獨立非執行董事及一名非執行董事組成，即劉紅宇女士、方永忠先生及白紹桐先生，大部分成員為獨立非執行董事。白紹桐先生為提名委員會主席。

提名委員會之主要職責包括(其中包括)：

- a) 根據本公司之業務活動、資產規模及股權架構定期檢討董事會之架構、規模及組成，並就任何建議變動提出建議；
- b) 就董事委任或重新委任及繼任計劃向董事會提出建議；
- c) 物色合資格／適合加入董事會的人選，並挑選或就挑選獲提名擔任董事的人選向董事會提出建議；
- d) 評估本公司及其全資及受控附屬公司之高級管理人員人選，並向董事會提供評估意見；及
- e) 評估獨立非執行董事之獨立性。

於本年度及截至2021年3月25日，提名委員會舉行兩次會議，以審閱董事會的架構、規模及人員組成，審閱及建議第三屆董事會增補董事候選人，並透過出席董事會議處理事宜，其中包括，以討論及評估獨立非執行董事之獨立性，以及建議本公司高級管理人員。

Corporate Governance Report

企業管治報告

Details of attendance of the Nomination Committee meetings are as follows:

提名委員會會議的出席詳情如下：

Directors 董事		Attendance 出席次數
Mr. BAI Shaotong (<i>Chairman</i>)	白紹桐先生 (主席)	2/2
Ms. LIU Hongyu	劉紅宇女士	2/2
Mr. FANG Yongzhong	方永忠先生	2/2

Nomination Policy

The key objective of the Nomination Policy shall include, among others:

提名政策

提名政策的主要目標包括(其中包括)：

Selection Criteria

- Effect on the Board's composition and diversity, including but not limited to the candidate's gender, age, cultural and educational background, geographical location, professional experience, skills, knowledge and length of service, etc.
- Commitment of the candidate to devote sufficient time to effectively carry out his/her duties.
- Independence of the candidate.
- Potential or actual conflicts of interest that may arise if the candidate is selected.
- Length of service of the independent non-executive Director to be re-appointed.
- Provide consent in relation to their standing for election as a non-executive Director and the public disclosure of their personal data on any documents or the relevant website.

甄選準則

- 對董事會的組成及成員多元化的影響，包括但不限於候選人的性別、年齡、文化及教育背景、地區、專業經驗、技能、知識和服務任期等。
- 候選人投入充足的時間且有效地履行其職責的承諾。
- 候選人的獨立性。
- 候選人因獲選而引發潛在或實際的利益衝突。
- 對於擬續任的獨立非執行董事，其已服務的年限。
- 候選人同意就其參選非執行董事或與此有關的事情在任何文件或相關網站公開披露其個人資料。

Corporate Governance Report

企業管治報告

- Nomination Committee may request candidates to provide additional information and documents, if considered necessary.
- Give advice to the Board in relation to the succession plans for directors.
- 提名委員會如認為有必要，可以要求候選人提供額外資料及文件。
- 就董事的繼任計劃向董事會提出建議。

Nomination Procedures

- Nomination Committee shall identify or select candidates according to the selection criteria.
- Nomination Committee shall conduct assessment on candidates, including but not limited to interviews and background search, if necessary.
- Nomination Committee shall hold Nomination Committee meeting to consider and resolve the matter on the nomination.
- Nomination Committee shall recommend the holding of general meeting and board meeting to consider and resolve the matter on the nomination.
- Appointment of directors shall be made according to the decision made during the general meeting and board meeting.

Supervision and Review

The Nomination Committee is responsible for the supervision of execution of this nomination policy, reviewing this nomination policy and discussing on whether amendments shall be made in due course, and giving advice to the Board in this regard. Amendments shall be implemented only after the approval of the Board.

提名程序

- 提名委員會依據甄選準則，物色及挑選候選人。
- 如若必要，提名委員會對候選人開展評估，包括但不限於個人訪談、背景調查等。
- 提名委員會召開提名委員會會議審議提名候選人事項，並形成決議。
- 提名委員會建議召開股東大會和董事會會議，審議提名候選人事項，並形成決議。
- 根據股東大會和董事會會議決議委任董事。

監督及檢討

提名委員會負責監察本提名政策的執行，並在適當的時候重新審核本提名政策，討論是否需要做出的修訂，向董事會提出建議，經董事會批准後實施。

Corporate Governance Report

企業管治報告

Appointment and Re-election of Directors

The current executive Directors and non-executive Directors have entered into a service contract or letter of appointment with the Company for a term commencing from the date of the general meeting at which the respective executive Directors or non-executive Directors were appointed, until the end of the term of the third session of the Board and may be terminated in accordance with the respective terms of the service agreements.

Each of the INEDs has signed a letter of appointment with the Company for a term commencing from the date of the general meeting at which the respective INEDs were appointed until the end of the term of the third session of the Board.

None of the Directors has a service agreement which is not terminable by the Group within one year without payment of compensation (other than statutory compensation).

In accordance with the Articles of Association, all Directors shall be elected or replaced at the Shareholders' general meetings with a term of office of three years. Upon expiry of the term of office, a director shall be eligible to offer himself/herself for re-election and re-appointment. Any person appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office until the Company's next AGM and that person shall then be eligible for re-election and re-appointment.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles of Association and the Nomination Policy. The Nominee Committee is responsible for reviewing the Board composition, monitoring the appointment, re-election and succession planning of Directors.

委任及重選董事

現任執行董事及非執行董事均已與本公司訂立服務合同或委任函，任期為自股東大會委任其為執行董事或非執行董事之日起，至第三屆董事會任期結束之日止，並可根據服務協議各自的條款予以終止。

各獨立非執行董事均已與本公司簽立委任函，任期為自股東大會選舉其為獨立非執行董事之日起，至第三屆董事會任期結束之日止。

概無董事已訂立本集團不得於一年內毋須作出賠償（法定賠償除外）而終止的任何服務協議。

根據章程，全體董事須於股東大會上膺選或換屆，任期為三年。於任期屆滿後，董事合資格膺選連任及重新委任。由董事會委任以填補董事會空缺或作為新增董事的任何人士，其任期直至本公司下屆股東週年大會為止，而該名人士其後合資格膺選連任及重新委任。

委任、重選及罷免董事的程序及過程載於章程及提名政策。提名委員會負責審閱董事會組成、監察董事的委任、重選及繼任計劃。

Corporate Governance Report

企業管治報告

Strategy and Development Committee

The Strategy and Development Committee comprises two Executive Directors, one Non-Executive Director and one INED, namely Mr. BAI Shaotong, Mr. FANG Yanshui, Ms. AI Wei and Mr. LIU LI. Mr. BAI Shaotong is the chairman of Strategy and Development Committee.

The primary duties of the Strategy and Development Committee include, among others:

- a) To conduct research in respect of, and formulating the strategy and business development of our Company, including the medium to long term plans, and supervising the implementation of our Company's strategic planning;
- b) To present assessment reports on the implementation of our Company's strategic planning, management and business development; and
- c) To research and analyse major issues encountered by our Company in the course of its development.

During the Year and up to the date of 25 March 2021, the Strategy and Development Committee did not hold meeting.

戰略與發展委員會

戰略與發展委員會由兩名執行董事、一名非執行董事及一名獨立非執行董事組成，即白紹桐先生、方彥水先生、艾威女士及劉力先生。白紹桐先生為戰略與發展委員會主席。

戰略與發展委員會之主要職責包括（其中包括）：

- a) 就本公司的策略及業務發展（包括中長期計劃）進行研究及制定策略，並監督本公司策略規劃之實施；
- b) 就本公司策略規劃、管理及業務發展之實施呈列評估報告；及
- c) 研究及分析本公司於發展過程中遇上的重大事項。

於本年度及截至2021年3月25日，戰略與發展委員會並無舉行會議。

Corporate Governance Report

企業管治報告

Operation and Risk Management Committee

The Operation and Risk Management Committee comprises one Executive Director, one Non-Executive Director and two INEDs, namely Mr. FANG Yanshui, Mr. ZHANG Zhiyu, Mr. FANG Yongzhong and Mr. WU Tak Lung. Mr. FANG Yanshui is the chairman of Operation and Risk Management Committee.

The primary duties of the Operation and Risk Management Committee include, among others:

- a) To review and evaluate the progress of significant investments, operating activities, and significant business operation;
- b) To review and evaluate the decision making standards and mechanisms as regards significant operating decisions, significant risks, significant events, and significant business procedures; and
- c) To establish sound and comprehensive risk management, strategies and solutions in respect of the risk management and internal control system with a view to ensuring the effective and efficient operation of such system.

During the Year and up to the date of 25 March 2021, the Operation and Risk Management Committee held two meetings to discuss and consider the internal control system work report for 2019 and 2020 of the Company.

經營與風險管理委員會

經營與風險管理委員會由一名執行董事、一名非執行董事及兩名獨立非執行董事組成，分別為方彥水先生、張治宇先生、方永忠先生及吳德龍先生。方彥水先生為經營與風險管理委員會主席。

經營與風險管理委員會之主要職責包括（其中包括）：

- a) 審閱及評估重大投資、營運活動及主要業務過程；
- b) 檢討及評估有關重大營運決策、主要風險、重大事項及主要業務程序之決策準則及機制；及
- c) 就風險管理及內部監控系統建立有效及全面風險管理、戰略及解決方案，以確保系統得以有效運作。

於本年度及截至2021年3月25日，經營與風險管理委員會舉行兩次會議，以討論及審議本公司2019年度及2020年度年內內部監控體系工作報告。

Corporate Governance Report

企業管治報告

Details of attendance of the Operation and Risk Management Committee meetings are as follows:

經營與風險管理委員會會議的出席詳情如下：

Directors 董事	Attendance 出席次數
Mr. YU Benli (<i>Chairman</i>) (resigned on 25 September 2020)	余本禮先生 (主席) (於2020年9月25日辭任) 1/2
Mr. FANG Yanshui (<i>Chairman</i>) (appointed on 14 February 2020)	方彥水先生 (主席) (於2020年2月14日獲委任) 2/2
Mr. ZHANG Zhiyu (appointed on 25 September 2020)	張治宇先生 (於2020年9月25日獲委任) 1/2
Mr. FANG Yongzhong	方永忠先生 2/2
Mr. WU Tak Lung	吳德龍先生 2/2

Delegation by the Board

The Board reserves its decision-making right over all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, risk management system, material transactions (in particular those that may involve conflict of interests), financial information and other significant financial and operational matters. Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently.

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to significant transactions entered into by the management as defined under the relevant Working Rules for the General Manager (《總經理工作規則》).

董事會授權

董事會保留於本公司所有主要事項之決策權，包括：批准及監察所有政策事宜、整體策略及預算、風險管理系統、重大交易（特別是可能涉及利益衝突之交易）、財務資料以及其他重大財務及營運事宜。董事可尋求獨立專業意見以履行其職責，費用由本公司承擔，且本公司鼓勵董事跟高級管理人員進行獨立溝通及諮詢。

本集團之日常管理、行政及營運已授權高級管理人員處理。授權功能及責任由董事會定期檢討。根據相關《總經理工作規則》所界定，管理層訂立重大交易前須取得董事會之批准。

Corporate Governance Report

企業管治報告

Corporate Governance Functions of the Board

The Board recognizes that corporate governance should be the collective responsibility of the Directors which include:

- a. To develop, review and implement the Company's policy and practices on corporate governance;
- b. To review and monitor the training and continuous professional development to the Directors and senior management;
- c. To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- d. To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- e. To review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- f. To develop, review and monitor the implementation of the Shareholders' communication policy to ensure its effectiveness, and make recommendation to the Board where appropriate to enhance Shareholders' relationship with the Company.

董事會的企業管治職能

董事會認為企業管治乃董事的共同責任，當中包括：

- a. 制定、檢討及實行本公司的企業管治政策及常規；
- b. 檢討及監察董事與高級管理人員的培訓及持續專業發展；
- c. 檢討及監察本公司遵守法例及監管規定的政策及常規；
- d. 制定、檢討及監察適用於僱員及董事的行為守則及合規手冊（如有）；
- e. 檢討本公司遵守《企業管治守則》及企業管治報告披露的合規情況；及
- f. 制定、檢討及監察股東通訊政策的實施以確保其成效，並於適當情況下向董事會提供建議，以加強股東與本公司的關係。

Corporate Governance Report

企業管治報告

Remuneration of Directors, Supervisors and Senior Management

Particulars of the Directors' and Supervisors' remuneration for the Year are set out in note 7 to the financial statements in this annual report.

There were five employees being classified as senior management during the Year. Pursuant to code provision of B.1.5 of the CG Code, the annual remuneration of the members of the senior management (other than the Directors and Supervisors) for the Year by band is set out below:

Remuneration bands (RMB) 薪酬等級 (人民幣元)		Number of individuals 人數
0 to 1,000,000	0至1,000,000	0
1,000,001 to 1,500,000	1,000,001至1,500,000	5
1,500,001 to 2,000,000	1,500,001至2,000,000	0
2,000,001 to 2,500,000	2,000,001至2,500,000	0

During the Year, no Directors, Supervisors or chief executives waived or agreed to waive any emoluments, and no emoluments were paid by the Group to the Directors, Supervisors, chief executives or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

董事、監事及高級管理人員的薪酬

本年度的董事及監事薪酬詳情載於本年報財務報表附註7。

於本年度，共有五名僱員被歸類為高級管理人員。根據企業管治守則第B.1.5條守則條文，高級管理人員（董事及監事除外）的年度薪酬等級載列如下：

截至本年度，概無董事、監事或行政總裁放棄或同意放棄任何薪酬，本集團亦無向董事、監事、行政總裁或五名最高薪酬人士支付薪酬，作為吸引彼等加入或加入本集團時的獎勵或離職賠償。

Corporate Governance Report

企業管治報告

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements for the Year, which give a true and fair view of the state of affairs of the Company and the Group's results and cash flows for the year then ended and are properly prepared on a going concern basis in accordance with the applicable statutory requirements and accounting standards.

Pursuant to code provision C.1.1 of the CG Code, the management provides such explanation and information to the Board to enable it to make an informed assessment of the financial and other information put before the Board for approval. The Company also provides the members of the Board with monthly updates on the Company's performance, financial positions and prospects.

The Directors were not aware of any material uncertainties which may affect the Company's business or cast significant doubt upon the Company's ability to continue as a going concern.

Ernst & Young has also stated its reporting responsibility in the independent auditor's report of the consolidated financial statements for the Year.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board has overall and ongoing responsibility to maintain sound and effective risk management and internal control systems of the Company in order to manage rather than eliminate risk of failure to achieve business objective, and to provide reasonable but not absolute assurance against material misstatement or loss.

董事對財務報表的責任

董事知悉彼等的責任為編製本年度的合併財務報表。合併財務報表真實公平地反映本公司事務狀況及本集團於截至該日止年度的業績及現金流量，並根據適用法律規定及會計準則按持續經營基準妥善編製。

根據《企業管治守則》C.1.1條守則條文，管理層向董事會提供該等說明及資料，使董事會可就有待其批准的財務及其他資料作出知情評估。本公司亦會每月向董事會成員提供有關本公司業績、財務狀況及前景的更新資料。

董事並不知悉可能影響本公司業務或對本公司的持續經營能力造成重大疑問的任何重大不確定因素。

安永會計師事務所已於本年度的合併財務報表的獨立核數師報告內作出其申報責任聲明。

內部監控及風險管理

董事會持續全權負責維持本公司穩健及有效的風險管理及內部監控系統，該系統旨在管理可能導致無法達到業務目標之風險，而非排除此風險，並提供合理而非絕對的保證，以免出現錯誤陳述或損失。

Corporate Governance Report

企業管治報告

The Board executes the decision-making right over operation. It endeavors to establish and improve the internal control policies and plans and supervise the implementation of the internal control system to safeguard shareholder investments and Company assets, thus being responsible for the establishment and supervision of the internal control system of the Company. It is the responsibility of the Board to establish, improve, review and effectively implement the internal control system.

In terms of management structure, the Company has optimized the organizational structure and implemented a flat management. The relevant functional departments are sufficiently staffed, taking charge of financial operations and monitoring, internal control, risk management, compliance management, internal audit, anti-corruption and production safety. In addition, the Company arranges reasonable budgets to provide regular trainings for the staff of the Company and its subsidiaries performing functions such as finance, risk management, compliance management and internal audit so as to ensure that they are fully qualified and experienced.

All departments are under direct leadership of the President and management of the Company, who is thereby enable to report instantly to the Board on the operations of each department and problems received. Accordingly, any significant matter (if subject to disclosure to the market) identified by the staff could be reported to the management in a timely, accurate and effective manner. The management of the Company assessed such significant matter in accordance with internal management requirements and procedures in a timely manner and made corresponding decisions. The decisions of the management of the Company could be implemented accurately and timely under supervision.

In respect of legal compliance, in 2020, the Company has put great efforts in the prevention of and response to various compliance risks, strictly operated and managed in accordance with laws and regulation, and adhered to integrated management and control of legal risk prevention, compliance management and legal supervision, and continued the enhancement of legal function.

董事會執行營運決策權，並致力建立及改善內部監控政策與計劃，以及監管內部監控系統的實施，以保障股東投資與公司資產，故董事會負責建立及監察本公司之內部監控系統。董事會之職責為建立、改善、檢討並有效實行內部監控系統。

管理架構上，公司優化了組織結構設置，實行了扁平化管理。相關職能部門配備了充足的人員，負責財務運作和監控、內部控制、風險管理、合規管理、內部審計、反舞弊及安全生產等具體工作。此外，公司安排合理預算，定期為公司及附屬公司財務、風險管理、合規管理、內部審計等職能員工提供培訓，確保其擁有足夠的素質和經驗。

公司總裁及管理層直接領導各部門，並能將各部門運作情況及反映的問題及時向董事會匯報。因此，員工發現的重大情況(如需在市場披露)能夠被及時、準確、有效地傳遞到公司管理層。公司管理層根據相應的內部管理規定和程序及時評估這些重大情況，並制定相應決策。公司管理層的決策能夠正確、及時地貫徹和監督執行。

在法律合規方面，2020年公司精心做好各項合規風險防範與應對工作，嚴格依法依規經營管理，堅持法律風險防範、合規管理和法律監督三位一體管控，並持續推進法律職能。

Corporate Governance Report

企業管治報告

In 2020, the Company continued to strengthen the financial management and kept on emphasizing the importance of budget control. We advanced the overseas on-site financial management, continuously improved the financial management and controlling system of the local branches and encouraged geographical and localized financial management. We continuously deepened our frontline management and proactively engaged in preliminary research and decision-making for the investment business. Innovative financial management policies were implemented, the centralized financial management standard was therefore enhanced. The Company continued to strengthen the financial foundation, upgrade our financial tools and implement efficient management and control of various financial risks arose from the Company's overseas capital payables and receivables and invoice management through online overseas accounting and invoice module, resulting in an advancement of the informatization of the Company's financial management.

In respect of export control, in 2018, the Company coped with the risk arose from export control resulting from international environment and Sino-US relationship proactively, and kept track on the change in export control regulations. We completed the first round of export control external assessment, and incorporated the investment business into the scope of export control management and assessment.

2020年，公司持續加強財務管理工作，不斷發揮預算管理的價值引領作用。優化境外現場財務管理，不斷完善區域公司財務管控體系，推動財務區域化、屬地化管理。持續深化前線管理職能，積極參與投資業務前期調研、決策。創新財務管控措施，提升集團化財務管理水平。持續夯實財務基礎，升級財務工具，通過海外報賬、發票模塊上線對公司海外資金收支以及發票管理中的各項財務風險實現了更加有效的管控，公司財務信息化水平邁上了一個新的台階。

在出口管制方面，2018年公司積極應對國際形勢和中美關係帶來的出口管制風險，嚴密跟蹤出口管制法律的變化。完成了第一次出口管制外審工作，並將投資業務納入出口管制管理和審核範疇。

Disclosure of Inside Information

The Group acknowledges its responsibilities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and the Listing Rules and the overriding principle that inside information should be announced immediately when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the “Guidelines on Disclosure of Inside Information” published by the Securities and Futures Commission of Hong Kong in June 2012;
- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website;
- the Group has strictly prohibited unauthorized use of confidential or inside information; and
- the Group has established and implemented procedures for responding to external enquiries about the Group’s affairs, so that only the Executive Directors, the Joint Company Secretaries and investor relations officers are authorized to communicate with parties outside the Group.

The Group’s risk management and internal control systems will be reviewed and assessed on an on-going basis by the Audit Committee and Operation and Risk Management Committee, respectively, which will report the same to the Board, and will be further reviewed and assessed at least once each year by the Board.

披露內幕消息

本集團知悉其根據香港法例第571章證券及期貨條例及《上市規則》應履行的責任，整體原則是內幕消息必須在有所決定後即時公佈。處理及發佈內幕消息的程序及內部監控措施如下：

- 本集團處理事務時會充分考慮《上市規則》項下的披露規定以及香港證券及期貨事務監察委員會於2012年6月頒佈的「內幕消息披露指引」；
- 本集團已透過財務報告、公告及公司網站等途徑向公眾廣泛及非獨家披露資料，實施及披露其公平披露政策；
- 本集團已嚴格禁止未經授權使用機密或內幕消息；及
- 本集團已就外界查詢本集團事務訂立及執行回應程序，據此，僅執行董事、聯席公司秘書及投資者關係專員方獲授權與本集團外部人士溝通。

審計委員會以及經營與風險管理委員會將持續檢討及評估本集團之風險管理及內部監控系統，並向董事會匯報結果，而董事會則每年最少對本集團之內部監控系統進行一次進一步檢討及評估。

Corporate Governance Report

企業管治報告

During the Year, the Board assessed the risk management and internal control systems of the Company and its subsidiaries such as financial control, operation control, compliance control and risk management systems and was not aware of any material problems or any material mistakes. The Board believes that the current monitoring system of the Company is effective and that the qualifications and experience of the staff performing accounting and financial reporting functions and the training programs of the Company as well as the experiences and resources for setting the budget of the Company are adequate.

INTERNAL AUDIT

The audit department of the Company (the “**Audit Department**”) adhered to risk-oriented strategy, strictly complied with the auditing procedures, enhanced the auditing quality and ensured the accomplishment of the audit target. Rectification was furthered, therefore the internal auditing result could be obtained efficiently and effectively. Audit information platform was improved so as to raise the auditing efficiency.

INDEPENDENT AUDITORS’ REMUNERATION

For the Year, the remunerations (pre-tax) paid or payable to the external auditors in respect of audit services and review service amounted to RMB7.09 million and RMB2.96 million, respectively. The amount for 2020 review service comprised the service fee on review of interim financial statements. The Audit Committee was satisfied that the review service in 2020 did not affect the independence of the auditor.

董事會在本年度內對本公司及其附屬公司的財務監控、運作監控、合規監控及風險管理等風險管理及內部監控系統進行審查，未發現公司內部控制存在任何重大問題，或出現任何重大失誤。董事會認為本公司目前的監控體系是有效的，並認為本公司進行會計及財務匯報的員工的資歷和經驗、員工培訓及有關預算方面的經驗和資源是足夠的。

內部審計

本公司審計部（「**審計部**」）堅持風險導向，嚴格實施審計程序，提高審計質量，確保審計目標的實現；加大跟蹤督促整改力度，促進內部審計成果及時有效運用；完善審計信息化平台，提升審計效率。

獨立核數師薪酬

截至本年度，付予或應付予外聘核數師有關審計服務及審閱服務的薪酬（稅前）分別為人民幣7.09百萬元及人民幣2.96百萬元。2020年審閱服務的費用為審閱中期財務報表的服務費用。審計委員會信納2020年度審閱服務並沒有影響到核數師的獨立性。

Corporate Governance Report

企業管治報告

JOINT COMPANY SECRETARIES

On 11 May 2020, Ms. SUN Runhai (“**Ms. SUN**”) was appointed by the Board to succeed Ms. WANG Weiling, who resigned as one of the joint company secretaries of the Company (the “**Joint Company Secretary**”), the secretary to the Board and the authorised representative of the Company on 11 May 2020. She is responsible for advising the Board on corporate governance matters and ensuring that the Board policies and procedures, and the applicable laws, rules and regulations are followed.

In order to uphold good corporate governance and ensure compliance with the Listing Rules and applicable Hong Kong laws, the Company has appointed Sir KWOK Siu Man KR (“**Sir Seaman**”), as its joint Company Secretary to assist Ms. SUN to discharge her duties as the Company Secretary.

Sir Seaman resigned as a Joint Company Secretary on 18 December 2020 and Ms. CHENG Lucy (“**Ms. CHENG**”) was appointed as a Joint Company Secretary in place of Sir Seaman on the same day. Ms. CHENG was nominated by Boardroom Corporate Services (HK) Limited to be a Joint Company Secretary. For the purpose of code provision F.1.1 of the CG Code, Ms. CHENG keeps close contact with Ms. SUN, being the person with sufficient seniority at the Company.

For the Year, each of Ms. SUN and Ms. CHENG has undertaken 15 hours of relevant professional training, respectively, in compliance with Rule 3.29 of the Listing Rules.

聯席公司秘書

於2020年5月11日，孫潤海女士（「孫女士」）已獲董事會委任接替王瑋玲女士（於2020年5月11日辭任本公司聯席公司秘書（「聯席公司秘書」）、董事會秘書及本公司授權代表）。彼負責就企業管治事宜向董事會提供意見，並確保已遵從董事會政策與程序，以及適用法例、規則及規例。

為維持良好企業管治並確保遵守《上市規則》與適用香港法例，本公司已委聘郭兆文黎剎騎士勳賢（「郭勳賢」）為其聯席公司秘書，以協助孫女士履行其作為公司秘書之職務。

郭勳賢於2020年12月18日辭任聯席公司秘書，而曾若詩女士（「曾女士」）於同日獲委任接替郭勳賢的聯席公司秘書一職。曾女士由寶德隆企業服務（香港）有限公司提名為聯席公司秘書。就企業管治守則守則條文第F.1.1條而言，曾女士與孫女士保持緊密聯繫，孫女士於本公司具備資深資歷。

於本年度，為遵守《上市規則》第3.29條，孫女士及曾女士已分別接受15個小時之相關專業培訓。

Corporate Governance Report

企業管治報告

DIVIDEND POLICY

In order to enhance transparency of the Company and facilitate the Shareholders and investors to make informed investment decisions relating to the Company, the Board adopted a dividend policy of the Company (the “**Dividend Policy**”).

According to the Dividend Policy, when determining whether to declare any dividend in the future and the amount of dividend to be declared, the Company shall consider a number of factors, including but not limited to:

- results of operation;
- cash flows and financial condition;
- operation and capital requirement;
- amount of distributable profit based on the generally accepted accounting principles in the PRC or International Financial Reporting Standards, whichever is lower; and
- statutory and contractual restrictions on the payment of dividends by the Company.

In addition to the above, the Company can only distribute dividends out of the after-tax profit after the following allocations have been made: (i) recovery of accumulated losses, if any; (ii) mandatory allocations to the statutory common reserve fund equivalent to 10% of the after-tax profit, unless the common reserve fund reaches 50% of our registered capital or above; and (iii) allocations to discretionary common reserve fund, subject to the Shareholders’ approval at the Shareholders meeting.

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the PRC laws, the Articles of Association and the Board’s discretion. The Board will review the Dividend Policy on a regular basis.

股息政策

為提高本公司之透明度及讓股東及投資者便於進行有關本公司之知情投資決定，董事會採納本公司之股息政策（「**股息政策**」）。

根據股息政策，於未來釐定是否宣派任何股息及釐定將予宣派之股息金額時，本公司須考慮若干因素，包括但不限於：

- 經營業績；
- 現金流及財務狀況；
- 經營及資金需求；
- 可予分派利潤之金額乃根據中國之廣泛接受會計原則或國際財務報告準則（以較低者為準）；及
- 限制本公司派付股息之法定及合同限制。

除上述者外，本公司僅可在：(i)彌補累計虧損（如有）；(ii)對法定公積金作出相等於除稅後溢利10%的強制分配（除非公積金達到我們的註冊資本的50%或以上）；及(iii)對任意公積金作出的分配後，從除稅後溢利分派股息，但須待股東於股東大會上批准後方可作實。

本公司並無任何預先釐定股息分派比例或分派比率。股息宣派、派付及其金額將視乎中國法律、章程及董事會之酌情決定而定。董事會將定期審閱股息政策。

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, when the Company convenes an AGM, Shareholders holding 3% or more of the total voting shares of the Company shall be entitled to propose new resolutions to the Company in writing which should be submitted to the convener 10 days prior to the convening of the general meeting. The convener of the general meeting shall issue a supplemental notice of general meeting to other Shareholders within 2 days of the receipt of such proposal and incorporate such newly proposed matters falling within the scope of duties of the general meeting into the agenda of such meeting. The new agenda shall be tabled to the general meeting for consideration.

Shareholders can submit their written recommendations through the following facsimile, e-mail or postal address:

Facsimile: 86 10 6332 1086

E-mail: ir@cmec.com

Postal address: No. 178 Guang'anmenwai Street, Xicheng District, Beijing, the PRC (Postal Code: 100055)

Pursuant to article 57 of the Articles of Association, general meetings shall be convened where Shareholders who individually or jointly hold 10% or more of the Shares make a request to convene an extraordinary general meeting in writing. The matter for consideration proposed by the party requesting the holding of the extraordinary general meeting shall be included in the agenda of such meeting.

As for proposing a person for election as a director, the procedures are set out in the Articles of Association which is available on the respective websites of the Stock Exchange and the Company.

All resolutions put forward at shareholder meetings will be voted on by poll based on shareholding pursuant to the Listing Rules and poll results will be posted on the respective websites of the Stock Exchange and the Company in a timely manner after each shareholder meeting.

股東權利

為保障股東權益及權利，倘本公司召開股東週年大會，持有本公司具表決權股份總數3%或以上的股東有權以書面形式向本公司提出新決議案，書面建議須於召開股東大會之前10天呈交召集人。股東大會召集人須於接獲有關建議2天內向其他股東發出股東大會補充通知，將符合股東大會職責範圍的相關新建議事項加入大會議程。新議程將於股東大會上提出以供審議。

股東可通過以下傳真、電郵、郵寄地址提交彼等的書面建議：

傳真：86 10 6332 1086

電郵：ir@cmec.com

郵寄地址：中國北京西城區廣安門外大街178號（郵編：100055）

根據章程第57條，倘個別或共同持有10%或以上股份的股東作出書面要求召開臨時股東大會，則須召開股東大會。要求舉行臨時股東大會的人士所提呈以供審議的事項須加入該大會的議程。

至於建議一名人士膺選董事方面，有關程序載於章程內，而章程可分別於聯交所及本公司的網站查閱。

於股東大會提呈之所有決議案將根據《上市規則》以按股數投票方式表決，而表決結果將於各股東大會後適時分別刊載於聯交所及本公司的網站。

Corporate Governance Report

企業管治報告

Enquiries to the Board

Shareholders who intend to put forward their enquiries about the Company to the Board could send their enquiries to Room 804, 8/F, Tower 1, South Sea Centre, 75 Mody Road, Tsimshatsui East, Kowloon, Hong Kong, and provide sufficient contact information for the timely and proper handling and record keeping of the relevant enquiries.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

In 2012, the Company successfully completed its Listing in Hong Kong. Through roadshow presentations around the globe, its investor relations website, investor enquiry hotline, investor mailbox and other communication channels, the Company maintains close liaisons with investors worldwide in a timely and efficient manner. Moreover, through investment forums, corporate visits, teleconferences and various other channels, the Company maintains proactive and frank exchanges with investors and analysts. The Company has attached great importance to listening to Shareholders and investors and accepting reasonable suggestions and opinions from them. It strives to continuously enhance its operating results, present a true picture of the Company's financial and operational status to Shareholders and investors, actively facilitate the internal communications in respect of the feedback from the capital market, and continuously perfect and enrich the system aiming to canvass information in relation to investor relations. The management over investor relations involves an all-faceted interactive communication process.

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognizes the importance of timely and non-selective disclosure of information, which will enable shareholders and investors to make informed investment decisions. In 2020, the Company will gradually develop a systematic structure of investor relations featured by its own characteristics. The Company aims at actively participating in all kinds of summits in capital market and strengthen communication with investors, as well as strive to achieve timely and transparent information disclosures.

向董事會查詢

有意就本公司事宜向董事會作出查詢的股東可將查詢送交香港九龍尖沙咀東麼地道75號南洋中心第1座8樓804室，並提供足夠的聯絡資料，以便有關查詢及時獲得公司恰當的處理和記錄。

與股東之溝通及投資者關係

於2012年，本公司成功在香港完成上市。本公司透過於世界各地進行的路演、其投資者關係網站、投資者查詢熱線、投資者信箱及其他溝通渠道，及時並有效保持與全球各地投資者的緊密聯繫。此外，本公司透過投資論壇、公司訪問、電話會議及各類其他渠道，積極及真誠與投資者及分析師交流。本公司十分重視聆聽並接受股東及投資者的合理建議和意見，致力持續改善其營運業績、向股東及投資者呈列本公司的真實財務與營運狀況、積極促進有關來自資本市場反饋意見的內部交流，以及持續優化及加強系統，目的是宣揚有關投資者關係的資料。投資者關係管理涉及全面互動溝通程序。

本公司認為，與股東之有效溝通對改善投資者關係及了解本集團業務、表現及策略甚為重要。本公司亦確認適時及非選擇性披露資料之重要性，將有助股東及投資者作出知情投資決定。在2020年，公司將逐步形成具有自身特色的投資者關係體系架構。本公司旨在積極參加資本市場各類峰會活動，加強與投資者的溝通互動，努力使信息及時披露及具透明度。

Corporate Governance Report

企業管治報告

The AGM provides opportunity for shareholders to communicate directly with the Directors. The Chairman, the President, the chairman of each of the Board Committees and the independent auditor of the Company, Ernst & Young, will attend the AGM to answer Shareholders' questions.

To promote effective communication, the Company adopts a shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and its Shareholders and maintains a website at www.cmec.com, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access. The Company also maintained frequent contacts with Shareholders and investors through various channels such as meetings, telephone and emails. For example, we will convene telephone meetings to answer enquiries from Shareholders and investors, as well as arrange one-on-one conversation with investors. In addition, we arranged on-site visits to the Group's projects and non-deal roadshows for investors and research analysts.

The Company has adopted a shareholders' communication policy with the objective of ensuring that the Shareholders, both individual and institutional shareholders (collectively, the "**Shareholder(s)**") and, in appropriate circumstances, the investment community at large, are provided with ready, equal, balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments and governance) in a timely manner, for the purpose of enabling the Shareholders to exercise their rights in an informed manner, and allowing them and the investment community to engage actively with the Company.

Information about the Company will be communicated to the Shareholders and the investment community mainly through the Company's financial reports (interim and annual reports), annual general meetings and other general meetings that may be convened, as well as by making available all the disclosures submitted to the Stock Exchange and its corporate communications on the respective websites of the Stock Exchange and the Company.

股東週年大會為股東提供直接與董事溝通的機會。董事長、總裁、各董事會委員會主席及本公司獨立核數師安永會計師事務所將出席股東週年大會，以回應股東提問。

為推動有效溝通，本公司採納股東通訊政策，旨在建立本公司與其股東的雙向關係及溝通，並設有網站 www.cmec.com，以供公眾人士查閱有關本公司業務營運及發展、財務資料、企業管治常規及其他資料的最新消息。本公司亦透過會議、電話及電郵等各種渠道與股東及投資者保持緊密聯繫，例如，召開電話會議回覆股東及投資者的提問及安排一對一的投資者訪談等。另外，我們為投資者及研究分析師安排本集團項目的實地考察及非交易路演。

本公司已採納股東溝通政策，目標是確保股東，包括個人及機構（以下統稱「股東」），及在適當情況下包括一般投資人士，均可適時取得方便、相同、平衡及容易理解的本公司資料（包括其財務表現、策略目標及計劃、重大發展及管治），一方面使股東可在知情情況下行使權力，另一方面也讓股東及投資人士與本公司加強溝通。

本公司向股東及投資人士傳達本公司資料的主要渠道為：本公司的財務報告（中期及年度報告）、股東週年大會及其他可能召開的股東大會，並將所有呈交予聯交所的披露資料及公司通訊分別登載在聯交所及本公司網站。

Corporate Governance Report

企業管治報告

INFORMATION DISCLOSURE

The Company discloses information in compliance with the Listing Rules, and publishes periodic reports and announcements to the public in accordance with the relevant laws and regulations. The primary focus of the Company is to ensure information disclosure is timely, fair, accurate, truthful and complete, thereby enabling Shareholders, investors as well as the public to make rational and informed decisions regarding the Company.

CONSTITUTIONAL DOCUMENT

At the AGM held on 29 June 2020, the amendments to the Articles of Association were approved by the Shareholders, among others, the amendments to the Articles of Association shortens the notice period for convening the shareholders meetings of the Company. Saved as the above, here is no material change in the amendments to the Articles of Association. An updated version of the Articles and Association is available on the respective websites of the Stock Exchange and the Company.

ANNUAL GENERAL MEETING

All Shareholders are encouraged to attend the forthcoming AGM and exercise their right to vote. Further details of business to be conducted at the general meeting will be set out in the circular and notice to the Shareholders to be sent and posted on the respective websites of the Stock Exchange and the Company in due course.

資料披露

本公司根據《上市規則》披露資料，並根據相關法例及規例定期向公眾人士公佈報告及公告。本公司重點確保及時、公平、準確、真實及完整地披露資料，讓股東、投資者及公眾人士得以作出有關本公司的理性及知情決定。

章程文件變動

章程的修訂於2020年6月29日召開的股東週年大會經股東批准通過，(其中包括)章程的修訂縮減召開本公司股東大會的通知期限。除了上述事項外，章程的修訂並無重大變動。章程的更新版本可分別於聯交所及本公司網站查閱。

股東週年大會

本公司鼓勵全體股東出席應屆股東週年大會並行使彼等表決權。有關於股東大會進行之事宜的進一步詳情將載於稍後寄發予股東之通函及通告內，該等通函及通告亦將適時分別於聯交所及本公司網站內刊發。

Report of the Supervisory Board

監事會報告

The Supervisory Board is pleased to present this report of the Supervisory Board in the annual report of the Company for the year ended 31 December 2020.

In 2020, all members of the Supervisory Board have practically performed their supervisory functions to safeguard the rights and interests of the Group and the Shareholders in accordance with relevant provisions in the Company Law, the Articles of Association, the Rules of Procedures of the Supervisory Board and the Listing Rules. Members of the Supervisory Board carried out examination of the Company's financial accounts and supervision of the management of the Company, compliance in operation, implementation of resolutions of the general meetings, internal control, the Directors, the president and other senior management for their compliance with the laws, administrative regulations and the Articles of Association, etc. in executing their respective duties.

I. MEMBERS OF THE SUPERVISORY BOARD AND CHANGES IN MEMBERS DURING THE REPORTING PERIOD

According to the Articles of Association, the term of office of the third session of the Supervisory Board has expired on 5 March 2021. According to relevant provisions in the Company Law and the Articles of Association, all Supervisors of the third session of the Supervisory Board will continue to perform their duties as supervisors in accordance with applicable laws and regulations until the re-election or the appointment of members of the fourth session of the Supervisory Board takes effect.

According to relevant provisions in the Articles of Association and the Company Law, the Supervisory Board shall comprise three Supervisors, including two Shareholder representative Supervisors and one staff representative Supervisor. According to the Articles of Association, the election of the two Shareholder representative Supervisors shall be subject to approval at the general meeting by Shareholders, while the staff representative supervisor shall be elected by staff of the Company at the staff representative meeting. The term of office of Supervisors will be three years.

監事會欣然呈列於本公司截至2020年12月31日止年度的年報的監事會報告。

2020年，監事會全體成員依照公司法、章程、監事會議事規則及上市規則的有關規定，切實履行監督職責，維護本集團及股東的權益。監事會成員對本公司財務賬目進行檢查並對本公司的管理情況、依法運營情況、股東大會決議執行情況、內控情況、董事、總裁及其他高級管理層行使其各自職責時對法律、行政法規及章程的遵守情況等進行了監督。

一、監事會成員及報告期內成員變動情況

根據章程的規定，第三屆監事會的任期已於2021年3月5日屆滿。根據公司法及章程的相關規定，第三屆監事會的全體監事將根據適用法律及法規繼續履行彼等作為監事的職責，直至第四屆監事會成員的重選或委任生效為止。

根據章程及公司法的相關規定，監事會應由三名監事組成，包括兩名股東代表監事及一名職工代表監事。根據章程的規定，選舉兩名股東代表監事須獲股東於股東大會上批准，而職工代表監事將由本公司職工於職工代表大會選舉。監事的任期將為三年。

Report of the Supervisory Board

監事會報告

As at the date of this annual report, the Supervisory Board of the Company comprises Mr. ZHANG Hong, Mr. GUO Weihua and Mr. HE Bing.

As announced by the Company on 25 September 2020, Mr. ZHANG Hong has been elected as the Shareholder representative Supervisor for the third session of the Supervisory Board at the 2020 second extraordinary general meeting held on 25 September 2020. Mr. ZHANG Hong has been elected as the chairman of the third session of the Supervisory Board at the twelfth meeting of the third session of the Supervisory Board held on 25 September 2020. Mr. ZHANG Hong's term of service commenced on 25 September 2020 until the expiration of the term of the third session of the Supervisory Board. Ms. WANG Huifang resigned as the Shareholder representative Supervisor of the third session of the Supervisory Board and the chairman of the Supervisory Board on the same day with immediate effect.

As announced by the Company on 27 November 2020, Mr. HE Bing has been elected as the staff representative Supervisor for the third session of the Supervisory Board at the staff representative meeting held on 27 November 2020. Mr. HE Bing's term of service commenced on 27 November 2020 until the expiration of the term of the third session of the Supervisory Board. Ms. LIU Ting resigned as the staff representative Supervisor of the third session of the Supervisory Board on the same day with immediate effect.

II. MEETINGS OF THE SUPERVISORY BOARD

During the year of 2020 and up to the date of this report of the Supervisory Board (being 25 March 2021), six meetings of the Supervisory Board were held.

On 14 February 2020, the Company held the eighth meeting of the third session of the Supervisory Board to elect the chairman of the third session of the Supervisory Board.

截至本年報日期，張弘先生、郭偉華先生及何兵先生為本公司監事會成員。

誠如本公司於2020年9月25日所公佈，於2020年9月25日舉行的2020年第二次臨時股東大會上，張弘先生已獲補選為第三屆監事會股東代表監事。於2020年9月25日舉行的第三屆監事會第十二次會議上，張弘先生已獲選為第三屆監事會主席。張弘先生的任期自2020年9月25日起至第三屆監事會任期屆滿為止。王惠芳女士辭去第三屆監事會股東代表監事及監事會主席於同日立即生效。

誠如本公司於2020年11月27日所公佈，於2020年11月27日舉行的職工代表大會上，何兵先生已獲選為第三屆監事會職工代表監事。何兵先生的任期自2020年11月27日起至第三屆監事會任期屆滿為止。劉婷女士辭去第三屆監事會職工代表監事於同日立即生效。

二、監事會會議情況

於2020年度內至本監事會報告日期（2021年3月25日），監事會舉行了六次會議。

於2020年2月14日，本公司舉行第三屆監事會第八次會議，以選舉本公司第三屆監事會主席。

Report of the Supervisory Board

監事會報告

On 30 March 2020, the Company held the ninth meeting of the third session of the Supervisory Board to consider the 2019 audited financial statements, the 2019 results announcement and the 2019 report of the Supervisory Board of the Company.

於2020年3月30日，本公司舉行第三屆監事會第九次會議，以審議本公司2019年經審計財務報表、2019年業績公告及2019年監事會報告。

On 26 August 2020, the Company held the tenth meeting of the third session of the Supervisory Board to consider the 2020 reviewed interim financial statements and the 2020 interim results announcement of the Company.

於2020年8月26日，本公司舉行第三屆監事會第十次會議，以審議本公司2020年經審閱中期財務報表及2020年中期業績公告。

On 7 September 2020, the Company held the eleventh meeting of the third session of the Supervisory Board to consider the resignation of Ms. WANG Huifang as a Supervisor of the Company and the recommendation to appoint a new Supervisor candidate of the third session of the Supervisory Board.

於2020年9月7日，本公司舉行第三屆監事會第十一次會議，以審議王惠芳女士辭任本公司監事職務及推薦本公司第三屆監事會增補監事候選人。

On 25 September 2020, the Company held the twelfth meeting of the third session of the Supervisory Board to elect the chairman of the third session of the Supervisory Board.

於2020年9月25日，本公司舉行第三屆監事會第十二次會議，以選舉本公司第三屆監事會主席。

On 25 March 2021, the Company held the thirteenth meeting of the third session of the Supervisory Board to consider the 2020 audited financial statements, the 2020 results announcement and the 2020 report of the Supervisory Board of the Company.

於2021年3月25日，本公司舉行第三屆監事會第十三次會議，以審議本公司2020年經審計財務報表、2020年業績公告及2020年監事會報告。

Report of the Supervisory Board

監事會報告

III. INDEPENDENT OPINION ISSUED BY THE SUPERVISORY BOARD ON RELEVANT MATTERES

1. Management of the Company

The Board of the Company as whole and each Director have earnestly performed their duties with integrity and diligence, and each Director has earnestly understood the operation of the Company and thoroughly discussed the Company's affairs before making decisions. The management of the Company faithfully fulfilled their duties and responsibilities as stipulated in the laws, regulations and the Articles of Association, and earnestly implemented the resolutions approved by the Board. Facing with the harsh and complicated market environment, the management has actively taken challenges and earnestly performed their duties according to their terms of reference and implemented the decisions of the Board in a scientific way.

2. Operation of the Company

In 2020, the Company strictly complied with the laws and regulations, and operated in accordance with the Listing Rules. The Company managed to achieve satisfying results in areas of operation, cost control, project construction, implementation and management, internal management, work safety and market expansion, which laid a solid foundation for the smooth and faster development of the Company and its target of becoming excellent and strong. The Company further improved the systems of internal controls, and enhanced, in particular, the system of business processes and responsibility assignment of all functional departments of the Company, making further progress in corporate governance.

三、監事會就有關事項發表的獨立意見

1. 本公司管理情況

本公司董事會整體及每名董事均認真履行了誠信及勤勉責任，董事在認真了解本公司運營情況及進行充分討論的情況下，對本公司決策事項進行了決策。本公司管理層忠實履行了法律、法規及章程規定的職責，認真執行了董事會通過的各項決議。管理層面對嚴峻複雜的市場環境，積極應對，在職權之內認真履行職責，科學執行董事會決策。

2. 本公司營運情況

於2020年，本公司能夠嚴格執行法律、法規，按上市規則運作。本公司營運、成本控制、項目建設、實施及管理、內部管理、工作安全及市場開拓等方面均取得了令人滿意的成績，為本公司做優做強，實現更好更快發展奠定了堅實基礎。本公司進一步完善了內部控制的各項制度，特別是完善了本公司各職能部門的業務流程和責任分配體系，企業管治水平進一步提高。

Report of the Supervisory Board

監事會報告

3. Implementation of the resolutions of General Meetings

In 2020 and up to the date of this report of the Supervisory Board, the members of the Supervisory Board attended six general meetings and sit in on nineteen meetings of the Board, exercising supervision in respect of the lawfulness and compliance of the procedures of the matters considered by the Board meetings.

The Supervisory Board made no objection to the reports and resolutions proposed at the general meetings and considered that the Board earnestly implemented the resolutions approved by the general meetings.

4. Financial matters of the Company

Members of the Supervisory Board monitored and examined the financial management system and the financial condition and reviewed relevant financial information of the Company. Upon examination, the Supervisory Board concluded that the Company had strictly complied with the relevant financial laws, regulations and financial policies, and that the financial system has an integrated structure; the financial management system was sound and implemented effectively; the accounting treatment was in line with the consistency principles; and the Company's financial reports gave an objective and fair view of the financial position and operating results of the Company.

The Supervisory Board reviewed the unqualified auditor's report issued by Ernst & Young (安永會計師事務所) and Ernst & Young Hua Ming LLP (Special General Partnership) (安永華明會計師事務所(特殊普通合伙)) in respect of the audited consolidated financial statements of the Company for the year ended 31 December 2020 prepared in accordance with IFRS and Accounting Standards for Business Enterprises of the PRC respectively, and raised no objection to such reports.

3. 股東大會決議案執行情況

於2020年度內至本監事會報告日期，監事會成員出席了6次股東大會，列席參加了19次董事會會議，對董事會會議審議之事項的程序合法性和合規性實施監督。

監事會對於股東大會上提呈的各項報告和議案並無異議，並認為董事會認真執行了經股東大會批准的各项決議案。

4. 本公司財務事項

監事會成員對本公司的財務管理制度和財務狀況進行了監督檢查，審閱了本公司相關財務資料。通過審查，監事會認為本公司嚴格遵守了相關金融法律、法規及財務政策，財務系統組織結構完整，財務管理制度健全且獲有效執行；會計處理方法遵循了一貫性原則；本公司財務報告客觀、公允地反映了本公司的財務狀況及營運業績。

監事會審閱了安永會計師事務所及安永華明會計師事務所(特殊普通合伙)分別就根據國際財務報告準則及中國企業會計準則編製的截至2020年12月31日止年度的經審計合併財務報表出具的無保留意見的審計報告，對該報告無異議。

Report of the Supervisory Board

監事會報告

5. Internal control of the Company

Members of the Supervisory Board monitored and examined the internal control of the Company and reviewed relevant internal control information of the Company. Upon review, the Supervisory Board concluded that the Company was under the effective management of the Board and the management during the reporting period, and the Company continued to improve the internal control system and improve the risk management and control capabilities, ensuring the regulated and stable operation of the Company.

6. Information disclosure system

Members of the Supervisory Board monitored and examined the Company's information disclosure system and reviewed relevant documents of the Company publicly disclosed. Upon examination, the Supervisory Board concluded that, during the reporting period, the Company's information disclosure and other management processes strictly abided by the Listing Rules and the provisions of the Company's information disclosure system, and relevant information was disclosed in a lawful, timely and comprehensive manner, and no false information was found. The Supervisory Board also did not discover that the Directors, Supervisors and senior management, as well as relevant parties who have access to inside information, had used inside information to buy and sell stocks and harm the interests of the Company and Shareholders.

5. 本公司內控情況

監事會成員對本公司的內控狀況進行了監督檢查，審閱了本公司相關內部控制的資料。通過審查，監事會認為，本公司在報告期內處於董事會和管理層的有效管理之下，且本公司持續完善內部控制體系，提高風險管控能力，確保本公司規範穩健運營。

6. 信息披露制度的情況

監事會成員對本公司的信息披露制度進行了監督檢查，審閱了本公司進行公開披露的相關文件。通過審查，監事會認為，報告期內，本公司信息披露等管理流程嚴格遵守上市規則和本公司信息披露制度的規定，對相關信息進行了依法、及時、全面地披露，未發現虛假信息。監事會亦未發現本公司董事、監事和高級管理人員以及相關內幕信息知情人有利用內幕信息買賣股票、損害本公司和股東利益的行為。

Report of the Supervisory Board

監事會報告

7. Others

Members of the Supervisory Board participated in the review of the annual performance appraisal of the Company's management. Upon examination, the Supervisory Board concluded that the annual performance appraisal of the management by the Board was conducted strictly in accordance with the appraisal procedures approved by the Articles of Association and the general meeting. The Supervisory Board made no objection to the appraisal results.

In 2021, the Supervisory Board will continue to carry out its fiduciary duties to implement effective supervision on the Company, its Directors and senior management in accordance with the relevant provisions of the Company Law, the Articles of Association, the Rules of Procedures of the Supervisory Board and the Listing Rules and pay close attention to the operation and management condition of the Company as well as any significant development of the Company, so as to facilitate the profit growth of the Company and to dutifully protect the interests of all Shareholders and the Company. In addition, the Supervisory Board will further consolidate resources for supervision so as to enhance our management, helping and ensuring the realization of the Company's work goals in 2021.

By order of the Supervisory Board
ZHANG Hong
Chairman of the Supervisory Board

Beijing, the PRC, 25 March 2021

7. 其他

監事會成員參與了對本公司管理層年度績效考核工作的檢查。通過審查，監事會認為，本公司董事會對管理層的年度績效考核工作，是嚴格依據公司章程及股東大會批准的考核程序進行的，監事會對考核結果沒有異議。

2021年，監事會將依據公司法、章程、監事會議事規則及上市規則的有關規定，繼續謹遵誠信原則，對本公司、其董事及高級管理人員實施有效監督，且密切關注本公司的營運及管理情況，並關注本公司的任何重大發展，藉以促進本公司的盈利增長，並忠實維護全體股東及本公司的利益。另外，監事會將進一步整合監督資源，促進管理提升，助力和保障本公司2021年度各項工作目標的順利實現。

承監事會命
張弘
監事會主席

中國北京，2021年3月25日

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

I. EXECUTIVE DIRECTORS

Mr. FANG Yanshui (方彥水先生)

Mr. FANG, aged 49, is currently the President, the executive Director and deputy secretary of the Party committee of the Company. He was appointed as the President on 30 December 2019 and appointed as the executive Director on 14 February 2020. He has over 25 years of experience in engineering contracting. Mr. FANG joined our Company in August 1993. Mr. FANG successively served as a sales representative, the deputy general manager of the Third International Engineering Division under No.4 Complete Engineering Department, the deputy general manager of No.4 Division and the general manager and the secretary of General Party Branch of the Third International Engineering Division and the general manager of No.4 Complete Engineering Department. Mr. FANG was promoted to the assistant to the general manager of our Company and the general manager of No.4 Division in September 2015. He served as the vice president of the Company from February 2017 to December 2019. Mr. FANG graduated from Hunan University in 1993, majoring in industrial foreign trade. Mr. FANG is a senior engineer.

Ms. AI Wei (艾威女士)

Ms. AI, aged 52, is currently an executive Director and a deputy party secretary of the Company. Ms. AI has almost 30 years of experience in the management of trading businesses. Ms. AI joined the Company in July 1991. During the period from January 1992 to January 1998, Ms. AI served at CMEC Machine Tool Co., Ltd. (中設機床工具有限責任公司). From January 1998 to August 2005, Ms. AI served as manager of the third division of CMEC International Trading Co., Ltd., and she was promoted and worked as deputy general manager from September 2005 to May 2007. Thereafter, Ms. AI was appointed as general manager of CMEC General Machinery Import & Export Co., Ltd. in May 2007 and served at that position until October 2013. Ms. AI was promoted and worked as an assistant general manager of our Company from May 2010 to October 2013. From

I. 執行董事

方彥水先生

方先生，現年49歲，現任本公司總裁、執行董事兼黨委副書記。彼於2019年12月30日獲委任為總裁，並於2020年2月14日獲委任為執行董事。彼擁有超過25年的工程承包業務經驗。方先生於1993年8月加入本公司，歷任任業務員、第四成套事業部國際工程三部副總經理、第四事業部副總經理兼國際工程三部總經理、黨總支書記、第四工程成套事業部總經理，並於2015年9月晉升為本公司總經理助理兼第四事業部總經理。彼於2017年2月至2019年12月擔任本公司副總裁。方先生於1993年在湖南大學畢業，主修工業外貿。方先生為高級工程師。

艾威女士

艾女士，現年52歲，現任本公司執行董事兼黨委副書記。艾女士擁有近30年的貿易業務管理經驗。艾女士於1991年7月加入本公司，於1992年1月至1998年1月間任職於中設機床工具有限責任公司。於1998年1月至2005年8月間，艾女士擔任中設國際貿易有限責任公司三分部經理，並於2005年9月晉升為副總經理直至2007年5月，其後於2007年5月被任命為中設通用機械進出口有限責任公司的總經理，並擔任這一職務直至2013年10月。彼於2010年5月晉升為本公司總經理助理直至2013年10月。於2013年10月至2014年11月獲委任為

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October 2013 to November 2014, Ms AI was appointed as deputy general manager of China Perfect Machinery Industry Corp., Ltd. (中國浦發機械工業股份有限公司), a subsidiary of SINOMACH. From November 2014 to November 2020, Ms. AI was a vice president of the Company and was in charge of the import and export trading businesses of the Company. Since November 2020, Ms. AI has been a deputy party secretary of the Company, and was appointed on 18 December 2020. Ms. AI graduated from Peking University majoring in economics and management in 1991. Ms. AI is a senior international business specialist.

II. NON-EXECUTIVE DIRECTORS

Mr. BAI Shaotong (白紹桐先生)

Mr. BAI, aged 58, is currently the chairman of the Board, a non-executive Director and secretary of the Party committee. He was appointed as the chairman of the Board and non-executive Director on 5 December 2019. He has successively served as a standing committee member of the Party committee, a deputy general manager and the general manager of the engineering contracting division of SINOMACH since December 2017 and he has also served as the Director and the chairman of China National Machinery Industry Engineering Group since 27 December 2019. From December 2011 to December 2017, he served as a standing committee member of the Party committee and a secretary of the disciplinary committee of Harbin Electric Corporation* (哈爾濱電氣集團公司) and successively served as a standing committee member of the Party committee, a secretary of the disciplinary committee and the chairman of the supervisory committee of Harbin Electric Company Limited* (哈爾濱電氣股份有限公司). From January 2010 to December 2011, he served as the general manager and deputy secretary of the Party group of China Huadian Corporation Jiangsu Branch* (中國華電集團公司江蘇分公司). He successively served as the deputy general manager, a member of the Party group, the deputy secretary of the Party group, the executive deputy general manager and the general manager of China Huadian Engineering (Group)

中國浦發機械工業股份有限公司(國機的附屬公司)副總經理。艾女士自2014年11月至2020年11月擔任本公司副總裁,主管本公司的進出口貿易業務。2020年11月至今,艾女士擔任本公司黨委副書記,並於2020年12月18日獲委任為本公司執行董事。艾女士於1991年在北京大學畢業,主修經濟管理。艾女士為高級國際商務師。

II. 非執行董事

白紹桐先生

白先生,現年58歲,現任董事會董事長、非執行董事及黨委書記。白先生於2019年12月5日獲委任為董事會董事長兼非執行董事。彼於2017年12月起至今先後擔任國機黨委常委、副總經理及工程承包事業部總經理,並於2019年12月27日起兼任中國機械工業工程集團董事及董事長。於2011年12月至2017年12月擔任哈爾濱電氣集團公司黨委常委、紀委書記及先後擔任哈爾濱電氣股份有限公司黨委常委、紀委書記及監事會主席。於2010年1月至2011年12月擔任中國華電集團公司江蘇分公司總經理、黨組副書記。於2001年5月至2010年1月先後擔任中國華電工程(集團)有限公司副總經理、黨組成員、黨組副書記、常務副總經理、總經理,期間(i)於2001年3月至2003年7月兼任中國華電工程(集團)公司人力資源部主任及市場部主任及(ii)於2005年4月至2010年2月先後兼任國電南京自動化股份公司副董事長、董事長。於1999年2月至2001年5月先後擔任中國華電電站裝備工程(集團)總公司總經理助理、電

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Co., Ltd.* (中國華電工程(集團)有限公司) from May 2001 to January 2010, during which, he was also (i) the director of the human resources department and the director of the marketing department of China Huadian Engineering (Group) Corporation* (中國華電工程(集團)公司) from March 2001 to July 2003 and (ii) the vice chairman and chairman of Guodian Nanjing Automation Co., Ltd.* (國電南京自動化股份有限公司) from April 2005 to February 2010, successively. He successively served as an assistant to the general manager, the general manager and the deputy general manager of the power station equipment department and a member of the Party group of China Huadian Power Station Equipment Engineering Group Corporation* (中國華電電站裝備工程(集團)總公司) from February 1999 to May 2001, during which, he was also the director of the human resources department of China Huadian Power Station Equipment Engineering Group Corporation from October 2000 to March 2001; and an assistant engineer, engineer, the vice section chief and section chief of the power station equipment department of the Electric Machinery Bureau under the Ministry of Electric Power Industry, and the deputy general manager of the power station equipment department and general manager of the general affairs department of China Huadian Power Station Equipment Engineering Group Corporation from July 1987 to February 1999, successively.

Mr. BAI graduated from the Power Engineering Department of Northeast China Institute of Electric Power with a bachelor's degree in thermal power engineering for power plants (電廠熱能動力工程) in 1987, and obtained a master's degree in business administration from China Europe International Business School (中歐國際工商學院) in 2008.

Mr. MA Jian (馬堅先生)

Mr. MA, aged 66, is currently a non-executive Director of the Company, and was appointed on 25 September 2020. Mr. MA has over 30 years of experience in mechatronics and business management. From March 1980 to April 2015, Mr. MA primarily served as the assistant to the director, director of the technical transformation office, a deputy director, the director, the dean, the deputy party secretary, the party

站裝備部總經理、副總經理、黨組成員，期間於2000年10月至2001年3月兼任中國華電電站裝備工程(集團)總公司人力資源部主任，於1987年7月至1999年2月先後擔任電力工業部電力機械局助理工程師、工程師、電站裝備處副處長、處長、中國華電電站裝備工程(集團)總公司電站裝備部副總經理兼綜合部總經理。

白先生於1987年畢業於東北電力學院動力工程系，獲得電廠熱能動力工程學士學位，並於2008年於中歐國際工商學院獲得工商管理碩士學位。

馬堅先生

馬先生，現年66歲，現任本公司非執行董事，於2020年9月25日獲委任。馬先生擁有超過30年的機電一體化及企業管理經驗。自1980年3月至2015年4月，馬先生在中國電器科學研究院有限公司(前身為中國電器科學研究院、廣州電器科學研究院、廣州電器

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secretary, the general manager and the chairman of China National Electric Apparatus Research Institute Co. Ltd.* (中國電器科學研究院有限公司) (formerly known as China National Electric Apparatus Research Institute* (中國電器科學研究院), Guangzhou Electric Apparatus Research Institute* (廣州電器科學研究院) and Guangzhou Electric Apparatus Research Institute (廣州電器科學研究所)) in succession. From October 2012 to April 2015, he also served as a director and the chairman of SUMEC Group Corporation* (江蘇蘇美達集團有限公司).

From April 2015 to July 2016, Mr. MA has served as the chairman of SUMEC Group Corporation. Since April 2015, he has served as a director of China Foma (Group) Co., Ltd.* (中國福馬機械集團有限公司). Since December 2019, he has served as a director of SINOMACH Academy of Science and Technology Co., Ltd.* (國機集團科學技術研究院有限公司).

China National Electric Apparatus Research Institute Co. Ltd., SUMEC Group Corporation, China Foma (Group) Co., Ltd. and SINOMACH Academy of Science and Technology Co., Ltd. are subsidiaries of SINOMACH. Mr. MA graduated from the department of electrical engineering of Zhejiang University in 1980 with a bachelor's degree of engineering in electrical engineering.

Mr. MA is a senior engineer (professor level) and received a special government allowance from the State Council.

Mr. ZHANG Zhiyu (張治宇先生)

Mr. ZHANG, aged 65, is currently a non-executive Director of the Company, and was appointed on 25 September 2020. Mr. ZHANG has over 30 years of experience in machinery manufacturing, foreign trade of the electromechanical product and management. From March 1982 to August 1986, Mr. ZHANG served as an assistant engineer and a deputy factory director of Xuzhou Mining Equipment No. 2 Factory* (徐州礦山設備二廠). From August 1986 to October 1990, he successively served as a deputy chief, deputy director and a director of the chief engineer office of Xuzhou Heavy Machinery Factory* (徐州重型機械廠). From

科學研究所), 主要歷任所長助理、技術改造辦公室主任、副所長、所長、院長、黨委副書記、黨委書記、總經理、董事長。期間於2012年10月至2015年4月兼任江蘇蘇美達集團有限公司董事及董事長。

馬先生自2015年4月至2016年7月擔任江蘇蘇美達集團有限公司董事長，自2015年4月起至今擔任中國福馬機械集團有限公司董事，並於2019年12月起至今擔任國機集團科學技術研究院有限公司董事。

中國電器科學研究院有限公司、江蘇蘇美達集團有限公司、中國福馬機械集團有限公司及國機集團科學技術研究院有限公司是國機的附屬公司。馬先生於1980年畢業於浙江大學電機系電機專業，獲得電機專業工學學士學位。

馬先生為教授級高級工程師，享受國務院政府特殊津貼。

張治宇先生

張先生，現年65歲，現任本公司非執行董事，於2020年9月25日獲委任。張先生擁有超過30年的機械製造、機電產品進出口貿易及管理經驗。張先生於1982年3月至1986年8月在徐州礦山設備二廠擔任助理工程師和副廠長。於1986年8月至1990年10月，在徐州重型機械廠歷任副科長、副主任及總師辦主任。於1990年10月至1992年7月擔任江蘇省機械設備進出口集團公司綜合計劃部經理。於1992

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October 1990 to July 1992, he served as a manager of comprehensive planning department of Jiangsu Machinery Equipment Import & Export Corporation* (江蘇省機械設備進出口集團公司). From July 1992 to December 2016, he successively served as a deputy chief economist, a deputy general manager and an executive deputy general manager of SUMEC Group Corporation (江蘇蘇美達集團有限公司) (formerly known as SUMEC Group Corporation (江蘇蘇美達集團公司), China Jiangsu Machinery Equipment Import & Export Group Corporation* (中設江蘇機械設備進出口集團公司) and China Jiangsu Machinery Equipment Import & Export Corporation* (中設江蘇機械設備進出口公司)). From July 1992 to March 1995, he also served as a manager of SUMEC Group Corporation Import and Export Branch and the general manager of SUMEC Trading Company* (江蘇蘇美達貿易公司).

From October 2015 to November 2020, Mr. ZHANG had been served as a director of Sinomach Automobile Co., Ltd.* (國機汽車股份有限公司) (Shanghai Stock Exchange stock code: 600335). From January 2018 to September 2020, he had been served as a director of China Hi-Tech Group Corporation* (中國恆天集團有限公司).

Since 5 August 2020, Mr. ZHANG has served as a director of China Foma (Group) Co., Ltd.* (中國福馬機械集團有限公司) and China YTO Group Corporation* (中國一拖集團有限公司).

SUMEC Group Corporation, Sinomach Automobile Co., Ltd., China Hi-Tech Group Corporation, China Foma (Group) Co., Ltd. and China YTO Group Corporation are subsidiaries of SINOMACH.

Mr. ZHANG graduated from Hebei Institute of Mechano-Electric Engineering in 1982 with a bachelor's degree of engineering in machinery manufacturing technique and equipment. Mr. ZHANG is a senior engineer (professor level) and a senior international business engineer and received a special government allowance from the State Council.

年7月至2016年12月就職於江蘇蘇美達集團有限公司(前身為江蘇蘇美達集團公司)、中設江蘇機械設備進出口集團公司、中設江蘇機械設備進出口公司，歷任副總經濟師、副總經理及常務副總經理，期間於1992年7月至1995年3月期間兼任江蘇蘇美達集團有限公司進出口分公司經理和江蘇蘇美達貿易公司總經理。

張先生曾於2015年10月至2020年11月擔任國機汽車股份有限公司(上海證券交易所股票代碼：600335)董事。張先生曾於2018年1月起2020年9月擔任中國恆天集團有限公司董事。

張先生於2020年8月5日至今擔任中國福馬機械集團有限公司和中國一拖集團有限公司董事。

江蘇蘇美達集團有限公司、國機汽車股份有限公司、中國恆天集團有限公司、中國福馬機械集團有限公司、中國一拖集團有限公司是國機的附屬公司。

張先生於1982年在河北機電學院畢業，獲得機械製造工藝及設備專業工學學士學位。張先生為教授級高級工程師及高級國際商務師，享受國務院政府特殊津貼。

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III. INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LIU Li (劉力先生)

Mr. LIU, aged 65, is currently an independent non-executive Director of the Company, and was appointed on 13 January 2011. He was a teacher at the department of physics, the Beijing Institute of Iron and Steel (北京鋼鐵學院) from September 1984 to January 1986. From January 1986 to date, Mr. LIU has been holding various teaching positions at the Guanghua School of Management (光華管理學院), and its predecessor, the department of economics of the school of economics and management (經濟學院經濟管理系), Peking University, including lecturer, associate professor, professor, supervisor for doctoral students, the director of the finance department and a director of the MBA program at the Guanghua School of Management, Peking University. Mr. LIU is also a deputy director of the Research Center of Finance & Securities at Peking University.

Currently, Mr. LIU is also an independent non-executive director of China International Capital Corporation Limited (中國國際金融股份有限公司) a company listed on the Main Board of the Stock Exchange (stock code: 3908). Besides, he is nominated as the chairman of corporate governance committee and the members of both audit committee and risk control committee the company. On November 2020, the company was listed on the Shanghai Stock Exchange (stock code: 601995) and Mr. LIU is nominated as the member of the Related-Party Transaction Control Committee. He is also an independent director of Cnpc Capital Company Limited (中國石油集團資本股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000617).

In addition, Mr. LIU had been an independent director of Success Electronics Ltd (宇順電子股份有限公司), a company listed on the Shenzhen stock exchange (stock code: 002289) and an independent non-executive director of Bank of Communications Co., Ltd. (交通銀行股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 3328) during the past three years.

III. 獨立非執行董事

劉力先生

劉先生，現年65歲，現任本公司獨立非執行董事，於2011年1月13日獲委任。1984年9月至1986年1月，劉先生曾任北京鋼鐵學院物理系教師。自1986年1月至今，劉先生在北京大學光華管理學院以及其前身經濟學院經濟管理系任教，歷任北京大學光華管理學院講師、副教授、教授、博士生導師以及金融系主任及MBA項目主任等多個教職。劉先生亦為北京大學金融與證券研究中心副主任。

目前，劉先生亦擔任在聯交所主板上市的中國國際金融股份有限公司(股份代號：3908)之獨立非執行董事。此外，彼被提名為該公司治理委員會主席、審計委員會及風險控制委員會成員。該公司於2020年11月在上海證券交易所上市(股票代碼：601995)，劉先生並被提名為該公司關聯交易控制委員會成員。彼亦擔任在深圳證券交易所上市的中國石油集團資本股份有限公司(股票代碼：000617)的獨立董事。

此外，劉先生於過去三年內曾擔任在深圳證券交易所上市的宇順電子股份有限公司(股票代碼：002289)及在聯交所主板上市的交通銀行股份有限公司(股份代號：3328)之獨立非執行董事。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

In 1982 and 1984, Mr. LIU graduated from Peking University with a bachelor's degree and a master's degree in physics, respectively. Mr. LIU is also a member of the Chinese Institute of Certified Public Accountants (non-practicing).

Ms. LIU Hongyu (劉紅宇女士)

Ms. LIU, aged 57, is currently an independent non-executive Director of the Company and was appointed on 13 January 2011. From July 1985 to May 1988, she served as an officer at the financial management office of the People's Bank of China Sichuan branch (四川省人民銀行). From May 1988 to April 1993, Ms. LIU served as a legal counsel for the Agricultural Bank of China (Beijing Branch) and from April 1993 to April 2004, she was the managing partner at Beijing Tongda Law Firm (北京市同達律師事務所). In 2004, Beijing Tongda Law Firm and Jincheng Law Firm (金誠律師事務所) merged and the merged firm was renamed as Beijing Jincheng & Tongda Law Firm (北京金誠同達律師事務所) where Ms. LIU became one of its founding partners. From December 2014 to December 2020, Ms. LIU served as an independent director of Lanpec Technologies Limited (甘肅藍科石化高新裝備股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601798). Currently, Ms. LIU is an independent director of the Bank of Beijing Co., Ltd. (北京銀行股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601169), and an independent non-executive director of Gome Electrical Appliances Holding Limited (國美電器控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 00493).

In 1985, Ms. LIU graduated from Southwest University of Political Science and Law (西南政法大學) with a bachelor's degree in law. She graduated from the Graduate School of the Chinese Academy of Social Sciences (中國社會科學院研究生院) in economic law in 1998. Ms. LIU also obtained an EMBA degree from the Guanghua School of Management, Peking University in 2003.

於1982年及1984年，劉先生畢業自北京大學，分別獲得物理學學士及碩士學位。劉先生亦為中國註冊會計師協會會員（非執業）。

劉紅宇女士

劉女士，現年57歲，現任本公司獨立非執行董事，於2011年1月13日獲委任。在1985年7月至1988年5月間，曾擔任四川省人民銀行金融管理處幹部。在1988年5月至1993年4月間，劉女士曾擔任中國農業銀行北京分行法律顧問，並在1993年4月至2004年4月間任北京市同達律師事務所主任。2004年，北京市同達律師事務所與金誠律師事務所合併更名為北京金誠同達律師事務所，劉女士任北京金誠同達律師事務所創始合夥人之一。在2014年12月至2020年12月間，劉女士曾擔任在上海證券交易所上市的甘肅藍科石化高新裝備股份有限公司（股票代碼：601798）的獨立董事。現時，劉女士擔任在上海證券交易所上市的北京銀行股份有限公司（股票代碼：601169）的獨立董事，以及在聯交所主板上市的公司國美電器控股有限公司（股份代號：00493）的獨立非執行董事。

1985年，劉女士畢業於西南政法大學，獲法律學士學位。1998年，劉女士從中國社會科學院研究生院的經濟法專業畢業。2003年，劉女士亦獲得北京大學光華管理學院的高級管理人員工商管理碩士學位。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

Mr. FANG Yongzhong (方永忠先生)

Mr. FANG, aged 69, is currently an independent nonexecutive Director of the Company, and was appointed on 29 July 2011. In September 1971, he joined the construction machinery factory of the Shenyang Railway Bureau (瀋陽鐵路局施工機械廠). Mr. FANG then joined the engineering department of the Shenyang Railway Bureau (瀋陽鐵路局瀋陽工程處) and held a number of positions within the bureau including technician, assistant engineer, engineer, vice section chief, section chief, vice departmental director and departmental director between February 1977 and August 1994.

Mr. FANG was appointed as a vice director of the Shenyang sub-bureau of the Shenyang Railway Bureau in August 1994 and between August 1994 and December 1999, he was also general manager of Shenyang Engineering Corporation of the Shenyang Railway Bureau. From December 1999 to December 2003, Mr. FANG served at Shenyang Railway Engineering Construction Group Co., Ltd. (瀋陽鐵路工程建設集團有限公司) as the chairman of the board and general manager. From December 2003 to March 2008, Mr. FANG held various positions at China Railway No.9 Group Co., Ltd. (中鐵九局集團有限公司) including director, deputy general manager and vice chairman of the board of directors. From March 2008 to December 2012, Mr. FANG was also an external director of China Railway Science & Industry Group (中鐵科工集團有限公司) (“CrSiG”), China Railway No. 5 Engineering Group Co., Ltd. (中鐵五局(集團)有限公司) (“China railway no.5 Bureau”), China Overseas Engineering Group Co., Ltd. (中國海外工程有限責任公司) (“COVEC”) and China Railway & Airport Construction Group Corporation (中國中鐵航空港建設集團有限公司) (“CaCCC”) and is a supervisor and the chairman of the supervisory board of China Railway Construction and Engineering Group (中鐵建工集團有限公司) (“CrCEG”). These five companies are subsidiaries of China Railway Group Limited (中國中鐵股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 00390) and the Shanghai Stock Exchange (stock code: 601390).

方永忠先生

方先生，現年69歲，現任本公司獨立非執行董事，於2011年7月29日獲委任。彼於1971年9月加入瀋陽鐵路局施工機械廠。方先生其後加入瀋陽鐵路局瀋陽工程處，且於1977年2月至1994年8月間於該局擔任技術員、助理工程師、工程師、副段長、段長、副處長和處長等不同職務。

方先生於1994年8月獲任為瀋陽鐵路局瀋陽分局副局長，並於1994年8月至1999年12月間於瀋陽鐵路局瀋陽工程總公司擔任總經理。在1999年12月至2003年12月間，方先生加入瀋陽鐵路工程建設集團有限公司擔任董事長兼總經理。在2003年12月至2008年3月間，方先生於中鐵九局集團有限公司擔任不同職務，包括董事、副總經理及副董事長等。在2008年3月至2012年12月，方先生亦是中鐵科工集團有限公司(「中鐵科工集團」)、中鐵五局(集團)有限公司(「中鐵五局」)、中國海外工程有限責任公司(「中國海外工程公司」)及中國中鐵航空港建設集團有限公司(「中國中鐵航空港建設公司」)的外部董事，及中鐵建工集團有限公司(「中鐵建工集團」)的監事及監事會主席。這五家公司為在聯交所主板及上海證券交易所上市的中國中鐵股份有限公司(聯交所股份代號：00390；上海證券交易所股票代碼：601390)的附屬公司。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

As an external director, Mr. FANG participates in board meetings of CRSIG, China Railway No.5 Bureau, COVEC and CACCC, representing the interests of the respective shareholder, China Railway Group Limited. However, Mr. FANG is not involved in the day to day management of CRSIG, China Railway No.5 Bureau, COVEC and CACCC. As a supervisor and the chairman of the supervisory board of CRCEG, Mr. Fang participates in meetings of the supervisory board and the board of directors of CRCEG, representing the interests of the shareholder, China Railway Group Limited. However, Mr. FANG is not involved in the day to day management of CRCEG.

Mr. FANG completed his studies in railway engineering (工程系鐵道工程專業) and graduated from the Shanghai Railway Institute (上海鐵道學院) in 1977, and also obtained an EMBA in decision-making management from International East-West University (美國國際東西方大學決策管理學) in December 1995. Mr FANG is a senior engineer and a registered national first class architect.

Mr. WU Tak Lung (吳德龍先生)

Mr. WU, aged 56, is currently an independent nonexecutive Director of the Company, and was appointed on 20 February 2014. He is a member of Hong Kong Institute of Certified Public Accountants, a fellow member of Hong Kong Securities and Investment Institute, the Association of Chartered Certified Accountants, the Taxation Institute of Hong Kong and the Hong Kong Institute of Chartered Secretaries. Mr. WU was awarded the bachelor's degree of business administration in accounting by the Hong Kong Baptist University and the master's degree of business administration (MBA) jointly by the University of Manchester and the University of Wales.

作為外部董事，方先生分別代表股東中國中鐵股份有限公司的權益，參與中鐵科工集團、中鐵五局、中國海外工程公司及中國中鐵航空港建設公司的董事會會議。然而，方先生不參與中鐵科工集團、中鐵五局、中國海外工程公司及中國中鐵航空港建設公司的日常管理。作為中鐵建工集團的監事及監事會主席，方先生代表股東中國中鐵股份有限公司的權益，參與中鐵建工集團的監事會及董事會會議。然而，方先生不參與中鐵建工集團的日常管理。

1977年，方先生畢業於上海鐵道學院工程系鐵道工程專業，並於1995年12月從美國國際東西方大學決策管理學系畢業，取得高級管理人員工商管理碩士學位。方先生為高級工程師和國家一級註冊建造師。

吳德龍先生

吳先生，現年56歲，現任本公司獨立非執行董事，於2014年2月20日獲委任。彼為香港會計師公會會員、香港證券及投資學會、特許公認會計師公會、香港稅務學會及香港特許秘書公會資深會員。吳先生獲香港浸會大學頒授會計學工商管理學士學位，並獲曼徹斯特大學及韋爾斯大學聯合頒發工商管理碩士學位。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

Mr. WU had worked in an international accounting firm, Deloitte Touche Tohmatsu, for five years, and was then employed by several listed and private companies in Hong Kong as head of corporate finance and executive director. Mr. WU currently served as an independent non-executive director of Kam Hing International Holdings Limited (錦興國際控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 2307), Sinomax Group Limited (盛諾集團有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1418), Henan Jinma Energy Company Limited (河南金馬能源股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 6885), Minth Group Limited (敏實集團有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 425), Zhongguancun Science-Tech Leasing Co., Ltd. (中關村科技租賃股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1601) and Sinopharm Group Co., Ltd. (國藥控股股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1099). Moreover, he was an independent non-executive director of Beijing Media Corporation Limited (北青傳媒股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1000), First Tractor Company Limited (第一拖拉機股份有限公司), a company listed on both the Main Board of the Stock Exchange (stock code: 00038), and the Shanghai Stock Exchange (stock code: 601038), Sinotrans Shipping Limited (中外運航運有限公司), a company listed on the Main Board of the Stock Exchange and was delisted in January 2019 (stock code: 368) and Olympic Circuit Technology Co., Ltd (廣東世運電路科技有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603920) in the last three years.

吳先生曾於一家國際核數師行德勤•關黃陳方會計師行工作五年，其後於香港多間上市及私人公司服務，擔任企業融資主管及執行董事。吳先生現為錦興國際控股有限公司(聯交所主板上市的公司，股份代號：2307)、盛諾集團有限公司(聯交所主板上市的公司，股份代號：1418)、河南金馬能源股份有限公司(聯交所主板上市的公司，股份代號：6885)、敏實集團有限公司(聯交所主板上市的公司，股份代號：425)、中關村科技租賃股份有限公司(聯交所主板上市的公司，股份代號：1601)及國藥控股股份有限公司(聯交所主板上市的公司，股份代號：1099)的獨立非執行董事。此外，彼曾於過去三年內在北青傳媒股份有限公司(聯交所主板上市的公司，股份代號：1000)、第一拖拉機股份有限公司(同時在聯交所主板(股份代號：00038)及上海證券交易所(股票代碼：601038)上市的公司)、中外運航運有限公司(聯交所主板上市的公司，已於2019年1月除牌，股份代號：368)及廣東世運電路科技有限公司(上海證券交易所上市的公司，股票代碼：603920)擔任獨立非執行董事。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

IV. SUPERVISORS

Mr. ZHANG Hong (張弘先生)

Mr. ZHANG, aged 58, was appointed as a Supervisor and the Chairman of the third session of the Supervisory Board on 25 September 2020. Mr. ZHANG has over 30 years of experience in machinery manufacturing, engineering trading, asset management and business operation management. From December 1983 to June 1993, Mr. ZHANG successively served as an assistant engineer and an engineer of Xuzhou loader factory* (徐州裝載機廠), Xuzhou Construction Machinery Group Import & Export Co., Ltd.* (徐州工程機械集團公司進出口公司); he served as a salesperson in the business department of China Jiangsu International Economic and Technical Cooperation Corporation Xuzhou Branch* (中國江蘇國際經濟技術合作公司徐州分公司) from June 1993 to January 1994; he successively served as a representative, the chief representative of the Bangladesh representative office of China National Construction & Agricultural Machinery Import & Export Corporation* (中國工程與農業機械進出口總公司) from January 1994 to September 2001, he served as the general manager of Jiangsu Wallong-Hsin Import & Export Corporation* (江蘇華隆興進出口公司) from September 2001 to December 2009. From December 2009 to June 2020, he successively served as the general manager, a director, the party secretary and the chairman of Sinomach Capital Management Corporation* (國機資產管理有限公司) (formerly known as Sinomach Capital Management Corporation* (國機資產管理公司) and Beijing Hualong Import & Export Corporation* (北京華隆進出口公司)). Since June 2020, Mr. ZHANG has served as the chairman of the second dispatched Supervisory Board of SINOMACH.

From June 2014 to September 2020, Mr. ZHANG served as an executive director of Wallong (Hong Kong) Limited. Since September 2020, Mr. ZHANG has served as the chairman of the supervisory board of China YTO Group Corporation* (中國一拖集團有限公司) and SUMEC Group Corporation* (蘇美達股份有限公司).

IV. 監事

張弘先生

張先生，現年58歲，於2020年9月25日獲委任為監事及第三屆監事會主席。張先生擁有超過30年的機械製造、工程貿易、資產管理及企業運營管理經驗。張先生於1983年12月至1993年6月先後分別在徐州裝載機廠、徐州工程機械集團公司進出口公司擔任助理工程師及工程師，於1993年6月至1994年1月於中國江蘇國際經濟技術合作公司徐州分公司擔任業務部業務員，於1994年1月至2001年9月在中國工程與農業機械進出口總公司駐孟加拉代表處先後擔任代表、總代表，於2001年9月至2009年12月擔任江蘇華隆興進出口公司總經理。於2009年12月至2020年6月在國機資產管理有限公司(前身為國機資產管理公司、北京華隆進出口公司)先後擔任總經理、董事、黨委書記及董事長。2020年6月至今，張先生擔任國機第二派駐監事會主席。

張先生於2014年6月至2020年9月擔任華隆(香港)有限公司執行董事。2020年9月至今，張先生擔任中國一拖集團有限公司和蘇美達股份有限公司的監事會主席。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

China National Construction & Agricultural Machinery Import & Export Corporation, Sinomach Capital Management Corporation, Wallong (Hong Kong) Limited, China YTO Group Corporation and SUMEC Group Corporation are subsidiaries of SINOMACH.

Mr. ZHANG graduated from Jiangsu Radio and Television University in 1983 majoring in mechanical engineering. Mr. ZHANG is a senior engineer.

Mr. GUO Weihua (郭偉華先生)

Mr. GUO, aged 59, a professor-level senior engineer, is a Supervisor and was appointed on 24 June 2019. He is the chairman and secretary of the party committee of China United. Mr. GUO joined the Second Design and Research Institute of Mechanical Industry (predecessor of China United) as a water supply and drainage engineer in July 1984. Since February 1991, Mr. GUO served as the party branch secretary and vice president and secretary of the sixth party branch of Xiamen branch, deputy director of the First Architectural Engineering Design and Research Institute, president, assistant to the president and vice president of Ningbo branch and president of the Architectural Engineering Institute of the company, respectively. Since October 2001, he was appointed as director, vice-general manager, general manager, secretary of the party committee and chairman of the company, respectively, and since December 2016 till now, Mr. GUO has been the chairman and secretary of the party committee of the company. From December 2014 to December 2017, Mr. GUO served as a director of Lanpec Technologies Limited (甘肅藍科石化高新裝備股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601798). From May 2015 to October 2016, he served as an independent director of Shanghai Datun Energy Resources Company Limited (上海大屯能源股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600508). Mr. GUO graduated with a bachelor's degree in engineering from Hunan University in 1984, majoring in water supply and drainage.

中國工程與農業機械進出口總公司、國機資產管理有限公司、華隆(香港)有限公司、中國一拖集團有限公司和蘇美達股份有限公司是國機的附屬公司。

張先生於1983年畢業於江蘇廣播電視大學機械工程專業。張先生為高級工程師。

郭偉華先生

郭先生，現年59歲，教授級高級工程師，於2019年6月24日獲委任為監事。彼為中國聯合的董事長兼黨委書記。郭先生於1984年7月加入機械工業第二設計研究院(中國聯合的前身)擔任給排水工程師。自1991年2月起，郭先生分別擔任該公司廈門分院黨支部書記兼副院長、第六黨支部書記，第一建築工程設計研究所副所長兼寧波分院院長、院長助理、副院長兼建築工程院院長等職位。從2001年10月起，彼分別被任命為該公司董事、副總經理、總經理、黨委書記、董事長等職位。並自2016年12月至今，郭先生擔任該公司董事長兼黨委書記。於2014年12月至2017年12月期間，郭先生曾擔任在上海證券交易所上市的甘肅藍科石化高新裝備股份有限公司(股票代碼：601798)的董事。於2015年5月至2016年10月期間，彼曾擔任在上海證券交易所上市的上海大屯能源股份有限公司(股票代碼：600508)的獨立董事。郭先生於1984年畢業於湖南大學，專業給排水並取得工學學士學位。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

Mr. HE Bing (何兵先生)

Mr. HE, aged 54, was appointed as Supervisor on 27 November 2020. Mr. He is currently the deputy general manager of the Legal and Risk Management Department of the Company. He has over 30 years of experience in legal practice. Mr. HE joined the Company in August 1989. From August 1989 to March 2014, he successively held different positions in the Company, including the lawyer of the Legal Department, the legal adviser of the Legal Consulting Business Division, the deputy general manager of the Legal Consulting Department, the deputy general manager of the Legal Department, the deputy general manager of the Legal Compliance Department and the deputy general manager of the Legal and Risk Management Department. He served as the legal adviser of No. 5 Complete Plant Division of the Company from September 2009 to January 2012. From March 2014 to January 2016, he served as the general manager of the Legal Department of China National Electric Engineering Co., Ltd. Since January 2016, he has been serving as the deputy general manager of the Legal and Risk Management Department of the Company.

Mr. HE graduated from the Faculty of Law of Renmin University of China with a bachelor degree in law in 1989, and obtained a master's degree in law from Peking University Law School in 2003. Mr. HE has the qualification of senior economist and first-grade legal adviser.

V. SENIOR MANAGEMENT

Mr. TONG Zigang (童自剛先生)

Mr. TONG, aged 50, is currently the vice president of our Company (appointed in February 2017) and is in charge of our Company's International Engineering Contracting Business. He has over 25 years of experience in engineering contracting business. Mr. TONG joined our Company in June 2006. Prior to his joining our Company, Mr. TONG successively served as a sales representative of the Second Engineering Department and the deputy general manager of the Fourth Engineering Department of China Machinery-

何兵先生

何先生，現年54歲，於2020年11月27日獲委任為監事。何先生現為本公司法律與風險管理部副總經理。其擁有超過30年法律從業經驗。何先生於1989年8月加入本公司。於1989年8月至2014年3月期間，先後於本公司擔任多個職位，包括法律部律師、法律諮詢事業部法律顧問、法律諮詢部副總經理、法律部副總經理、法律合規部副總經理及法律與風險管理部副總經理，並於2009年9月至2012年1月期間，兼任本公司第五工程成套事業部法律顧問。於2014年3月至2016年1月期間，曾擔任中國電力工程有限公司法律部總經理。自2016年1月起，擔任本公司法律與風險管理部副總經理。

何先生於1989年畢業於中國人民大學法律系法學專業，取得大學法學學士學位，並於2003年於北京大學法學院取得研究生法律碩士學位。何先生擁有高級經濟師及一級法律顧問資質。

V. 高級管理層

童自剛先生

童先生，現年50歲，現任本公司副總裁（於2017年2月獲委任），主管本公司的國際工程承包業務。彼擁有超過25年的工程承包業務經驗。童先生於2006年6月加入本公司。於加入本公司前，童先生曾於1994年8月至2006年6月先後擔任中國機械對外經濟技術合作總公司第二工程部業務員及第四工程部副總經理。童先生於2006年

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building International Corporation (中國機械對外經濟技術合作總公司) from August 1994 to June 2006. During the period from June 2006 to September 2015, Mr. TONG successively served as the general manager of the Second International Engineering Department and the Sixth International Engineering Department under No.3 Complete Engineering Department of the Company, the deputy general manager and the general manager of No.3 Complete Engineering Department. Mr. TONG was promoted to the assistant to the general manager of our Company and the general manager of the Third Department in September 2015. Mr. TONG graduated from Beijing University of Technology in 1994, majoring in mechanical engineering and manufacturing, and obtained a bachelor's degree in engineering, Mr. TONG graduated from the School of Economics at Renmin University of China (中國人民大學), majoring in global economy as an incumbency graduate student, and obtained a master's degree in economics in 2000. Mr. TONG is a senior engineer. Mr. TONG also obtained the International Premium Project Manager (IPMP Class A, 國際特級項目經理) which was awarded by the International Project Management Association (IPMA, 國際項目管理協會).

Mr. JING Xinbao (荊新保先生)

Mr. JING, aged 53, was appointed as the secretary of the discipline inspection committee of the Company in May 2020 and is in charge of the discipline inspection works of the Company. Mr. JING has over 30 years of extensive experience in machinery manufacturing and corporate management.

Mr. JING joined the Company in May 2020. Before joining the Company, from July 1988 to May 2008, Mr. JING served as a special technician of technical department, the deputy director of special technology office, the director of branch factory, an assistant to director of factory, the director of factory office, the deputy director of factory, a member of the party committee, the secretary of the discipline inspection committee and other positions at Zhengzhou Textile Machinery Factory. From April 2004 to September 2008, Mr. JING served as a member of standing committee

6月至2015年9月間先後擔任本公司第三工程成套事業部國際工程二部及國際工程六部總經理、第三工程成套事業部副總經理及總經理。並於2015年9月晉升為本公司總經理助理兼第三事業部總經理。童先生於1994年畢業於北京工業大學，主修機械設計及製造，獲工學學士學位，於2000年畢業於中國人民大學經濟學院，在職研究生世界經濟專業，獲經濟學碩士學位。童先生為高級工程師。童先生亦獲得由國際項目管理協會(IPMA)授予的國際特級項目經理(IPMPA級)資格。

荊新保先生

荊先生，現年53歲，於2020年5月獲委任為本公司紀委書記，負責公司紀檢監察工作。荊先生於機械製造、企業管理方面擁有超過30年的豐富經驗。

荊先生於2020年5月加入本公司。在加入本公司前，荊先生於1988年7月至2008年5月先後擔任鄭州紡織機械廠技術處特種工藝技術員、特種工藝室副主任、分廠廠長、廠長助理、廠部辦公室主任、副廠長、黨委委員、紀委書記等多個職位。荊先生於2004年4月至2008年9月擔任安徽省安慶市市委常委、副市長(掛職)。於2008年10月至2009年12月擔任中國恒天

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and the deputy mayor (acting) of Anqing, Anhui Province. From October 2008 to December 2009, he served as the head of economy operation department of China Hi-Tech Group Corporation* (中國恒天集團有限公司) and China Textile Machinery Group Co., Ltd. (中國紡織機械(集團)有限公司). From May 2008 to May 2020, he served as an assistant to general manager, the chief economist, the chairman of labour union and an employee director of China Hi-Tech Group Corporation (which was consolidated into SINOMACH Group since 29 June 2017, and is currently a wholly-owned subsidiary of SINOMACH).

Mr. JING graduated from Huazhong University of Science (華中理工大學) in 1988, majoring in applied chemistry, and obtained a bachelor's degree in science. He graduated from Huazhong University of Science and Technology (華中科技大學) in December 2004, majoring in inorganic chemistry, and obtained a bachelor's degree in science. He graduated from Tsinghua University in January 2005, majoring in executive master of business administration, and obtained a master degree in executive business administration. Mr. JING is a senior engineer.

Mr. ZHANG Zhiliang (張之亮先生)

Mr. ZHANG, aged 52, is currently the financial director of the Company. Mr. Zhang has over 30 years of experience in financial management.

Mr. ZHANG joined the Company in August 1989. He served as an accountant of the financial department until May 2000, and was appointed as the deputy general manager of the financial department of the Company in May 2000. Subsequently, Mr. ZHANG served as the deputy director of the financial department, the general manager of financial headquarters and the deputy director of shareholding system reform office of the Company during August 2003 to December 2007. From December 2007 to August 2016, he served as the general manager of the corporate finance department, the general manager of treasury department, the general manager of investment and financing and capital utilization department and the general manager of investment and financing headquarters

集團有限公司、中國紡織機械(集團)有限公司經濟運行部部長。於2008年5月至2020年5月期間歷任中國恒天集團有限公司(自2017年6月29日,中國恒天集團有限公司整體併入國機集團,現為國機的全資附屬公司)總經理助理、總經濟師、工會主席、職工董事。

荊先生於1988年畢業於華中理工大學,主修化學系應用化學專業,獲得理學學士學位;於2004年12月畢業於華中科技大學,主修無機化學專業,獲得理學碩士學位;並於2005年1月畢業於清華大學,主修高級管理人員工商管理碩士專業,獲得高級管理人員工商管理碩士學位。荊先生為高級工程師。

張之亮先生

張先生,現年52歲,現任本公司財務總監。張先生擁有超過30年金融及財務管理經驗。

張先生於1989年8月加入本公司,擔任財務部會計直至2000年5月,並於2000年5月獲委任為本公司財務部副總經理。其後張先生於2003年8月至2007年12月期間先後擔任本公司財務部副主任、財務總部總經理兼股份制改革辦公室副主任、股份制改革辦公室副主任。彼於2007年12月至2016年8月擔任本公司企業融資部總經理、資金部總經理、投融資與資本運營部總經理、投融資總部總經理,2016年8月至2019年9月獲委任為公司總經理助理兼投融資總部總經

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of the Company. From August 2016 to September 2019, he was appointed as an assistant to general manager and the general manager of investment and financing headquarters of the Company, and served as the investment director of the Company from September 2019 to July 2020. During the period from December 2007 to September 2009, he served as the general manager of China Everbest Financial Company (華盛昌財務公司), a wholly-owned subsidiary of the Company, as well as the general manager of China Everbest Development International Limited (華盛昌發展有限公司), a wholly-owned subsidiary of the Company. In July 2020, Mr. Zhang was appointed as the financial director of the Company, and continued to serve as the general manager of China Everbest Development International Limited.

Mr. ZHANG graduated from Renmin University of China in 1989, majoring in finance, and obtained a bachelor's degree in economics. Mr. ZHANG is a senior accountant.

Mr. DUAN Xiangwei (段向威先生)

Mr. DUAN, aged 46, is currently the vice president and chief legal advisor of the Company.

Mr. DUAN joined the Company in April 2005. From April 2005 to December 2011, he served as the secretary to the general office, the legal advisor of legal consultation department, the legal advisor of business unit under legal consultation department, the legal advisor of No. 3 Complete Engineering Department and the party branch secretary of legal consultation department of the Company. From January 2012 to March 2019, he served as the general manager of legal compliance department and the general manager of legal and risk management department of the Company. Mr. DUAN was appointed as the chief legal advisor and the general manager of legal and risk management department of the Company in March 2019. Mr. DUAN has been serving

理，並於2019年9月至2020年7月擔任公司投資總監。期間於2007年12月至2009年9月兼任華盛昌財務公司(公司全資附屬公司)總經理，並兼任華盛昌發展有限公司(公司全資附屬公司)總經理。張先生於2020年7月獲委任本公司財務總監，並繼續兼任華盛昌發展有限公司總經理。

張先生於1989年畢業於中國人民大學，主修財政金融系金融學專業，獲得經濟學學士學位。張先生為高級會計師。

段向威先生

段先生，現年46歲，現任本公司副總裁兼總法律顧問。

段先生於2005年4月加入本公司。於2005年4月至2011年12月歷任本公司辦公室秘書、法律諮詢部法律顧問、法律諮詢部事業部法律顧問、第三工程成套事業部法律顧問兼法律諮詢部黨支部書記。於2012年1月至2019年3月期間，先後擔任本公司法律合規部總經理、法律與風險管理部總經理。段先生於2019年3月獲委任為本公司總法律顧問兼法律與風險管理部總經理。段先生於2012年2月起至今兼任西邁克(北京)國際經濟法律諮詢有限責任公司(本公司全資附屬公司)執行

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as an executive director and the general manager of CMEC (Beijing) International Economic & Legal Advisors Inc., a wholly-owned subsidiary of the Company, since February 2012. In November 2020, Mr. Duan was promoted to the vice president and the chief legal advisor of the Company. He continued to serve as the general manager of legal and risk management department, as well as the executive director and the general manager of CMEC (Beijing) International Economic & Legal Advisors Inc.

Mr. DUAN graduated from University of International Business and Economics, majoring in laws, and obtained postgraduate certificate and a master's degree in laws. Mr. DUAN possesses legal profession qualification in the PRC, and is a senior economist.

Mr. XIE Ke (謝克先生)

Mr. XIE, aged 48, is currently the vice president and general manager of operational management department of the Company.

Mr. XIE joined the Company in 1996. In July 1996, he was an intern of the engineering service department of CMEC International Engineering Company (中設國際工程公司), a subsidiary of the Company, and was an officer of the engineering service department from March 1997 to May 1998. Mr. XIE was the chief representative at the Korea office of the Company from May 1998 until October 1999. From October 1999 to August 2020, he served as the commercial manager of no. 5 complete set project of the Company, the general representative of the Malaysia office, the deputy general manager of the Second International Engineering Department under No. 5 Complete Engineering Department, the deputy general manager of Complete Engineering Management Department, the general manager of strategic and operational development department, the general manager of strategic development and collaborated

董事、總經理。段先生於2020年11月晉升為本公司副總裁兼總法律顧問，並繼續兼任法律與風險管理部總經理、西邁克(北京)國際經濟法律諮詢有限責任公司執行董事、總經理。

段先生畢業於對外經濟貿易大學，主修專業法律，獲研究生學歷、法律碩士學位。段先生擁有中國法律職業資格，為高級經濟師。

謝克先生

謝先生，現年48歲，現任本公司副總裁兼運行管理部總經理。

謝先生於1996年加入本公司。於1996年7月任中設國際工程公司(本公司的附屬公司)工程勞務部實習生，並於1997年3月至1998年5月擔任工程勞務部業務員。謝先生於1998年5月任本公司派駐韓國代表處首席代表至1999年10月。於1999年10月至2020年8月先後擔任本公司成套五部項目商務經理、駐馬來西亞代表處總代表、第五工程成套事業部國際工程二部副總經理、第五工程成套事業部副總經理兼國際工程一部總經理、工程成套管理部副總經理、戰略與經營發展部總經理、戰略發展與協同管理部總經理、貿易與服務管理部總經理。自2020年8月起獲委任為公司總

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management department and the general manager of trade and service management department. Since August 2020, Mr. XIE was appointed as an assistant to general manager, the general manager of each of strategic development and collaborated management department and trade and service management department of the Company. He was promoted to the vice president of the Company and the general manager of operational management department in November 2020.

Mr. XIE graduated from Kim Il-sung University in 1996, majoring in Korean. He graduated from the School of International Business Administration of University of International Business and Economics in 2002, majoring in corporate management. In 2011, he obtained Level B Certification of International Project Manager Professional (IPMP).

經理助理兼戰略發展與協同管理部總經理、貿易與服務管理部總經理，並於2020年11月晉升為本公司副總裁，兼運行管理部總經理。

謝先生於1996年畢業於朝鮮金日成綜合大學，主修朝鮮語專科。2002年結業於對外經濟貿易大學國際工商管理學院，主修企業管理。2011年，獲得國際項目管理專業資質認證(IPMP) B級證書。

VI. EMPLOYEES

As at 31 December 2020, the Group had 5,389 employees in total. The following table sets forth the number of employees according to different job functions:

VI. 僱員

於2020年12月31日，本集團共有5,389名僱員。下表載列按不同職能劃分的僱員數目：

		Number of employees 僱員數目
Business Staff	業務人員	5,008
International Engineering Contracting Business	國際工程承包業務	4,424
Trading Business	貿易業務	438
Services Business	服務業務	146
Management, finance and administration	管理、財務和行政	338
Others	其他	43
Total	合計	5,389

The following tables set forth the Group's staff structure by geographical location, academic qualification, designation and age, respectively:

下表分別載列按地理位置、學歷、職稱及年齡劃分的本集團員工架構：

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Analysis of the Group's staff by geographical location

按地理位置劃分的本集團員工分析

No. 編號	Geographical location 地理位置		Number of staff 員工數目	Percentage 百分比
1	China	中國	5,220	96.87%
2	Asia (excluding China and Turkey)	亞洲(不包括中國及土耳其)	75	1.39%
3	Africa	非洲	53	0.98%
4	Europe (including Turkey)	歐洲(包括土耳其)	32	0.59%
5	South America	南美洲	6	0.11%
6	North America	北美洲	3	0.06%
Total		合計	5,389	100%

Analysis of the Group's staff by academic qualification

按學歷劃分的本集團員工分析

No. 編號	Academic qualification 學歷		Number of staff 員工數目	Percentage 百分比
1	Postgraduate or above	研究生或以上	1,660	30.80%
2	Undergraduate	學士學位	3,006	55.78%
3	College diploma or below	專科文憑或以下	723	13.42%
Total		合計	5,389	100%

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Analysis of the Group's staff by designation

按職稱劃分的本集團員工分析

No. 編號	Designation 職稱		Number of staff 員工數目	Percentage 百分比
1	Senior Grade	高級	1,475	27.37%
2	Intermediate Grade	中級	1,885	34.98%
3	Junior Grade and below	初級及以下	2,029	37.65%
Total		合計	5,389	100%

Analysis of the Group's staff by age

按年齡劃分的本集團員工分析

No. 編號	Age 年齡		Number of staff 員工數目	Percentage 百分比
1	56 years old and above	56歲及以上	391	7.26%
2	46-55 years old	46至55歲	829	15.38%
3	36-45 years old	36至45歲	1,605	29.78%
4	35 years old and below	35歲及以下	2,564	47.58%
Total		合計	5,389	100%

1. Staff Development and Incentives

In 2020, the Company further improved performance management system and formulated overall reform plan for optimization of business department's positions, performance and salary. The Company implemented new regulations on management selection and finished the election process of the subsidiaries and subordinate party committees, so as to perfect the organization and structure of the Company. Management members were appointed for relevant positions, age structure of the management team was improved and back up management team was established.

1. 員工發展和激勵

2020年，公司進一步完善了績效管理體系，制定事業部崗位、績效與薪酬優化項目整體改革方案。公司重新制定了幹部選拔任用規定，完成了到任期的子公司和下屬黨委的換屆工作，完善了公司組織構架，選任多名相關崗位的幹部，優化了幹部隊伍年齡結構，建立了後備幹部庫。

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In terms of staff cultivating, the Company formulates the construction plans for talent teams and continuously enhanced the establishment of the Company's six talent teams, including "senior management personnel, project management personnel, engineering and technical personnel, professional management personnel, marketing personnel, investment and capital operation personnel", which reinforces the base of key talent reserve.

The Company will establish diversified career development channels in the future, especially continue to focus on building development channels for core business staff, further improve the retirement schemes, and therefore ensure both the development channels and retirement schemes are in place, in order for employees to share development opportunities and reform results. The Company will further establish and perfect a more rational, open and scientific employment system by constantly consolidating the fruits of talents introduction and enhancing the exchanges between the cadre and the talents.

2. Staff Remuneration

For the year ended 31 December 2020, the Group incurred staff costs of approximately RMB1,015.5 million. Staff's remuneration comprises basic salary and performance salary. The performance salary is determined according to the assessment of performance of the whole staff.

3. Staff Training

In respect of staff training, in 2020, the Company made use of innovative training method and intensified the training, and built a two level training system with the headquarters, each department office and subsidiary as main body, innovated in training methods and devoted greater efforts to training in-service cadres at all levels and new recruits.

在人才培養方面，公司制定人才隊伍建設規劃，持續加強「高級管理人才、項目管理人才、工程技術人才、專業管理人才、市場營銷人才、投資和資本運作人才」六支人才隊伍建設，夯實關鍵人才儲備根基。

在未來，公司要建立多元化職業發展通道，尤其會繼續著力打通核心業務人員的晉升通道，進一步完善人員退出機制，形成晉升有通道，退出有機制的局面，讓員工共享發展機遇及改革成果。公司還將通過不斷鞏固人才引進成果，加強幹部與人才的交流，進一步制定及完善更合理、公開和科學的僱傭制度。

2. 僱員薪酬

截至2020年12月31日止年度，本集團產生的員工成本約人民幣1,015.5百萬元。僱員薪酬由基本工資和績效工資兩部分組成。績效工資依據本集團全員業績考核結果確定。

3. 僱員培訓

在人才培訓方面，2020年，公司創新培訓方法，加大培訓力度，構建以公司本部和各部室、子公司為主體的兩級培訓體系，創新培訓方式，並加大對各級在職幹部員工和新入職員工的培訓力度。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

We provide systematic and effective training for our employees. We provide sustainable and specific education training for our senior management, middle management as well as technical and operational staff with a view to improving the quality and ability of our staff at different levels.

To regulate the management of staff training, the Company has formulated comprehensive measures for administering employees' education and training, which effectively promote the establishment of the Company's education training system. The Company focuses on the training needs of the senior management, middle management, technical and operational staff as well as the development needs of the Company when formulating and implementing education training programmes. The Company aims to implement a diversified training system for the staff so as to encourage the staff to participate in training.

The Company will further strengthen to train young cadre in the future and establish different levels of cadre, which lays the foundation for the sustainable development of the Company. The Company will also improve three-level talents training system among overseas, domestic institutions and the Company to ensure the comprehensive coverage of senior management, middle management and every ordinary staff of the Company in the training system.

4. Guarantee of Staff Rights

The Group strictly complies with the relevant PRC laws and regulations and makes contributions to various pension contribution plans, medical insurance plans, unemployment insurance plans, maternity insurance plans and personal injury insurance plans.

我們為僱員提供系統性及實效性培訓，分別對高級管理人員、中層管理人員以及各專業技術及業務人員進行針對性強的持續教育培訓，以不斷提高各級僱員的素質及能力。

為對僱員培訓實行規範化管理，本公司已制定完善的員工教育和培訓管理辦法，卓有成效地推進公司教育培訓體系建設。在教育培訓計劃的制定和實施過程中，尤其關注高級管理人員、中層管理人員、各專業技術及業務人員的培訓需求，並根據本公司不斷發展的需要，實現配套的員工多樣化培訓體系，以鼓勵更多僱員參與培訓。

在未來，本公司將進一步加強培育年輕幹部，形成人才梯隊，為公司可持續發展奠定基礎。本公司亦將改善海外機構、國內機構及本公司之間的三級人才培訓體系，確保培訓體系全面涵蓋本公司高級管理層、中級管理層及每名普通員工。

4. 員工權利保障

本集團嚴格遵守相關中國法律法規，對各種養老保險計劃、醫療保險計劃、失業保險計劃、生育保險計劃及人身傷害保險計劃作出供款。

Independent Auditor's Report

獨立核數師報告



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To the shareholders of China Machinery Engineering Corporation
(Established in the People's Republic of China with limited liability)

致中國機械設備工程股份有限公司股東
(於中華人民共和國註冊成立的股份有限公司)

OPINION

We have audited the consolidated financial statements of China Machinery Engineering Corporation (the "Company") and its subsidiaries (the "Group") set out on pages 214 to 403, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with 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"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本核數師(以下簡稱「我們」)已審核第214頁至第403頁所載中國機械設備工程股份有限公司(「貴公司」)及其附屬公司(「貴集團」)的合併財務報表,包括於2020年12月31日的合併財務狀況表、截至該日止年度的合併損益表、合併綜合收益表、合併權益變動表和合併現金流量表,以及合併財務報表附註,包括主要會計政策概要。

我們認為,該等合併財務報表已根據國際會計準則委員會(「國際會計準則委員會」)頒佈的國際財務報告準則(「國際財務報告準則」)真實而公允地反映貴集團於2020年12月31日的合併財務狀況以及彼等截至該日止年度的合併財務業績及合併現金流量,並已按照香港公司條例的披露規定妥為編製。

意見基礎

我們已根據香港會計師公會(「香港會計師公會」)頒佈的香港核數準則(「香港核數準則」)進行審核。我們根據該等準則須承擔的責任在本報告中「核數師就審核合併財務報表須承擔的責任」中進一步詳述。根據香港會計師公會之專業會計師職業道德守則(「守則」),我們獨立於貴集團,並已遵循守則履行其他職業道德責任。我們相信,我們所獲得的審核憑證能充足和適當地為我們的意見提供基礎。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

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

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

關鍵審核事項

根據我們的專業判斷，關鍵審核事項為我們審核本期合併財務報表中最重要的事項。此等事項是我們在整體審核合併財務報表和作出意見時進行處理的，而不會就此等事項單獨發表意見。就下文各事項，我們在報告中描述我們的審核過程處理該事宜的方法。

我們已履行了本報告「核數師就審核合併財務報表承擔的責任」部分闡述的責任，包括與該等事項相關的責任。相應地，我們的審核工作包括執行為應對評估的合併財務報表重大錯誤陳述風險而設計的審核程序。我們執行審核程序的結果，包括應對下述關鍵審核事項所執行的程序，為隨附合併財務報表發表審核意見提供了基礎。

Independent Auditor's Report

獨立核數師報告

Key audit matter

關鍵審核事項

Revenue recognition for construction contracts

建造合同收入確認

The Company derives a significant portion of its revenues from construction-type contracts that are accounted for by applying the percentage-of-completion ("POC") method.

貴公司收入主要來自建造類合同，該類合同按完工百分比法入賬。

The POC method involves the use of significant management judgement and estimates including estimates of the progress towards completion, the scope of deliveries and services required, total contract costs, remaining costs to completion, total contract revenues and contract risks. In addition, revenue, cost and gross profit realised on such contracts can vary (sometimes significantly) from the Company's original estimates because of changes in conditions.

使用完工百分比法涉及重大管理層判斷及估計，包括對竣工進度的估計，交付範圍及所需服務、合同成本總額、竣工尚需發生的成本、合同收入總額及合同風險。此外，建造合同實際發生的收入、成本及毛利會因條件變更而偏離（有時嚴重偏離）貴公司的初始估計。

The disclosures about construction contracts are included in note 2.4, note 3, note 5 and note 21 to the consolidated financial statements.

有關建造合同的披露載於合併財務報表附註2.4、附註3、附註5及附註21。

How our audit addressed the key audit matter

關鍵審核事項在審核中的處理方法

We tested the internal controls of the Company over its processes to record contract costs and contract revenues under the percentage-of-completion ("POC") method.

我們對貴公司按完工百分比法記錄合同成本及合同收入的流程進行了內控測試。

We evaluated the judgements and estimates of management in determining the estimated total contract costs through the review of contract cost budget and other relevant project documentation, and the discussion of the status of projects under construction with management, finance and technical staff of the Company.

我們通過檢查合同成本預算及相關項目文件及與貴公司管理層、財務及技術員工討論在建項目的狀態，評估管理層確定合同預計成本總額所作判斷及估計。

We performed tests of details, including vouching to invoices or other source documents, for the costs incurred, and assessing the status of the projects on a sample basis.

基於抽樣基礎，我們進行細節測試，包括檢查已產生的成本之發票或其他原始文檔，及評估項目狀態。

We retested the calculation of the POC for certain key projects.

我們就若干關鍵項目重新測試完工百分比的計算。

We also assessed the adequacy of the relevant disclosures.

我們亦評估相關披露的充足度。

Key audit matter

關鍵審核事項

Impairment of trade and other receivables

貿易及其他應收款項減值撥備

The Group has significant trade and other receivables from customers and other stakeholders. Allowances for the impairment of these balances are estimated by management through the application of significant judgement and use of subjective assumptions. Allowances for expected credit losses ("ECLs") for trade and other receivables are made based on the assessment of the recoverability of such receivables as appropriate. When determining whether a trade or other receivable is collectable, significant management judgement is involved. Management ascertains the ECLs for trade and other receivables based on various factors including, amongst others, historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment, the extent of collateral or credit enhancements available, and other information concerning the creditworthiness of the debtors.

貴集團有來自客戶及其他利益相關者的大量貿易及其他應收款項。該等餘額的減值撥備由管理層運用重大判斷及主觀假設進行估計。貿易及其他應收款項預期信用損失（「預期信用損失」）撥備乃根據對該等應收款項可收回性進行的評估（如適用）而作出。於釐定貿易或其他應收款項是否能夠收回時涉及重大管理層判斷。管理層根據多項因素確定貿易及其他應收款項預期信用損失，包括（其中包括）過往信用損失經驗、就債務人特定前瞻性因素作出的調整及經濟環境、可動用抵押品或增信措施的程度，以及有關債務人信用度的其他資料。

The disclosures about impairment of trade and other receivables are included in note 2.4, note 3 and note 22 to the consolidated financial statements.

貿易及其他應收款項減值的披露載於合併財務報表附註2.4、附註3及附註22。

How our audit addressed the key audit matter

關鍵審核事項在審核中的處理方法

We tested the internal controls over the Group's impairment allowance assessment procedures as appropriate. We obtained direct external confirmations for trade and other receivable balances on a sample basis, and performed alternative audit procedures for unreturned confirmations.

我們測試貴集團減值撥備評估程序（如適用）的內部控制。我們已基於抽樣基礎取得貿易及其他應收款項結餘的直接外部確認函，並就未有回應確認函進行其他審核程序。

We evaluated the basis and assumptions of the ECL model used by management in the calculation of the ECLs. Our procedures to assess the recoverability of trade and other receivables included, among others, inquiry of management's judgements, testing of historical payment patterns, assessment of the relevant forward-looking factors, and verification of the extent of collateral and credit enhancements available.

我們評估管理層於計算預期信用損失時所使用的預期信用損失基準及假設。我們就評估貿易及其他應收款項可收回性而進行的程序包括（其中包括）查詢管理層的判斷、測試過往付款模式、評估相關前瞻性因素，以及核實可動用抵押品及增信措施的程度。

In addition, we evaluated the adequacy of the disclosures regarding the ECL allowances for trade and other receivables.

此外，我們評估與貿易及其他應收款項預期信用損失撥備相關披露的充足度。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

年報所載的其他資料

貴公司董事須對其他資料承擔責任。其他資料包括年報中所包含的所有資料，但不包括合併財務報表及我們就此發出的核數師報告。

我們對合併財務報表作出的意見並無涵蓋其他資料，且我們不會對其他資料發表任何形式的核證結論。

就審核合併財務報表而言，我們的責任為閱讀其他資料，從而考慮其他資料是否與合併財務報表或我們在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若我們基於已進行的工作認為其他資料出現重大錯誤陳述，我們須報告有關事實。我們就此並無須報告的事項。

董事就合併財務報表須承擔的責任

貴公司董事須負責根據國際會計準則委員會頒佈之國際財務報告準則及香港公司條例之披露規定，編製表達真實且公允之合併財務報表，及落實其認為編製合併財務報表所必要的內部控制，以使合併財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

編製合併財務報表時，貴公司董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非貴公司董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為會計基礎。

Independent Auditor's Report

獨立核數師報告

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our 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.

審計委員會協助貴公司董事履行職責、監督貴集團的財務報告過程。

核數師就審核合併財務報表須承擔的責任

我們的目標為合理確保合併財務報表整體不存在由於欺詐或錯誤而導致的重大錯誤陳述，並出具載有我們意見的核數師報告。我們報告乃僅向全體股東（作為整體）作出，不作其他用途。我們概不就本報告的內容對任何其他人士負上或承擔任何責任。

合理確定屬高層次的核證，惟不能保證根據香港核數準則進行的審核工作總能發現所存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘合理預期個別或整體錯誤陳述可影響使用者根據該等合併財務報表作出的經濟決定時，則被視為重大錯誤陳述。

我們根據香港核數準則進行審核的工作之部分，是運用專業判斷，並在整個審核過程保持專業懷疑態度。我們亦：

- 識別及評估合併財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，針對該等風險設計及執行審核程序，以及獲得充足及適當的審核憑證為我們的意見提供基礎。由於欺詐可能涉及合謀、偽造、故意遺漏、誤導性陳述或凌駕內部控制的情況，因此未能發現因欺詐而造成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。

Independent Auditor's Report

獨立核數師報告

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 了解與審核有關的內部控制，以設計在各種情況下均恰當的審核程序，但並非旨在對貴集團的內部控制的有效性發表意見。
- 評估所用會計政策是否恰當，以及貴公司董事所作出的會計估計和相關披露是否合理。
- 對董事採用的以持續經營為會計基礎是否恰當作出總結，並根據已獲取的審核憑證，確定是否存在可能對貴集團持續經營的能力構成重大疑慮的事件或情況等重大不確定因素。倘我們認為存在重大不確定因素，則須在核數師報告中提請注意合併財務報表內的相關披露，或如果相關披露不足，則須修訂我們的意見。我們的結論乃基於截至核數師報告日期所獲得的審核憑證。然而，未來事件或情況可能導致貴集團無法持續經營。
- 評估合併財務報表（包括披露）的整體呈列方式、架構及內容，以及合併財務報表是否公允地反映相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足且適當的審核憑證，以就合併財務報表發表意見。我們須負責指導、監督和執行貴集團的審核工作。我們須為我們的審核意見承擔全部責任。

Independent Auditor's Report

獨立核數師報告

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

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

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 Yee Chung Man.

Ernst & Young

Certified Public Accountants
Hong Kong

25 March 2021

我們就(其中包括)審核工作的計劃範圍、時間安排以及重大審核發現(包括我們在審核過程中發現的任何內部控制的重大缺失)與審計委員會進行溝通。

我們亦向審計委員會作出聲明, 確認我們已遵守有關獨立性的道德要求, 並就所有被合理認為可能影響我們獨立性的關係和其他事宜以及消除不利影響的行動或採取的防範措施(如適用)與彼等進行溝通。

我們通過與審計委員會溝通, 釐定對本期合併財務報表審核工作而言至關重要的事項, 即關鍵審核事項。除非法律或法規不容許公開披露此等事項, 或於極罕有的情況下, 我們認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露, 否則我們會於核數師報告中描述此等事項。

負責此審核項目及簽發本獨立核數師報告的項目合夥人為余仲文。

安永會計師事務所

執業會計師
香港

2021年3月25日

Consolidated Statement of Profit or Loss

合併損益表

Year ended 31 December 2020 • 截至2020年12月31日止年度

			2020	2019
			2020年	2019年
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
				(Restated)
				(重述)
REVENUE	收入	5	19,100,165	28,348,250
Cost of sales	銷售成本	6	(15,426,795)	(23,516,827)
Gross profit	毛利		3,673,370	4,831,423
Other revenue	其他收入	5	52,363	40,991
Other income, net	其他收入淨額	5	175,835	31,826
Selling and distribution expenses	銷售及分銷開支		(666,207)	(1,112,971)
Administrative expenses	行政開支		(1,117,740)	(1,426,029)
Impairment losses on financial and contract assets, net	金融及合同資產減值虧損淨額		(346,856)	(387,595)
Other operating expenses	其他經營開支		(6,704)	(20,385)
PROFIT FROM OPERATIONS	經營溢利		1,764,061	1,957,260
Finance income	財務收入	6	517,392	789,570
Finance expenses	財務開支	6	(936,874)	(134,490)
Net finance (expense)/income	財務(開支)/收入淨額	6	(419,482)	655,080
Share of profits and losses of:	應佔以下溢利及虧損：			
Joint ventures	合營公司		20,240	27,825
Associates	聯營公司		213,082	198,520
PROFIT BEFORE TAX	除稅前溢利	6	1,577,901	2,838,685
Income tax	所得稅	9	(377,655)	(638,422)
PROFIT FOR THE YEAR	年內溢利		1,200,246	2,200,263

Consolidated Statement of Profit or Loss

合併損益表

Year ended 31 December 2020 • 截至2020年12月31日止年度

			2020	2019
			2020年	2019年
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
				(Restated)
				(重述)
Attributable to:	歸屬於：			
Owners of the parent	母公司擁有人		1,186,591	2,193,493
Non-controlling interests	非控股權益		13,655	6,770
			1,200,246	2,200,263
EARNINGS PER SHARE	母公司普通權益			
ATTRIBUTABLE TO ORDINARY	持有人應佔每股盈利			
EQUITY HOLDERS OF THE				
PARENT				
Basic and diluted (RMB)	基本及攤薄(人民幣)	12	29 cents (分)	53 cents (分)

Consolidated Statement of Comprehensive Income

合併綜合收益表

Year ended 31 December 2020 • 截至2020年12月31日止年度

		2020	2019
		2020年	2019年
	Note	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元
			(Restated)
			(重述)
PROFIT FOR THE YEAR	年內溢利	1,200,246	2,200,263
OTHER COMPREHENSIVE (LOSS)/ INCOME	其他綜合(虧損)/收益		
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:	於後續期間不能重分類進損益的其他綜合收益：		
Remeasurement of defined benefit obligations	重新計量設定受益義務	28	(5,480)
Equity investments designated at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的股權投資	59,966	56,412
Share of other comprehensive income of associates	分佔聯營公司其他綜合收益	1,036	25,363
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	於後續期間不能重分類進損益的其他綜合收益淨額	32,472	76,295
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:	於後續期間能重分類進損益的其他綜合虧損：		
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司的財務報表產生的匯兌差額	(169,684)	(8,545)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	於後續期間能重分類進損益的其他綜合虧損淨額	(169,684)	(8,545)
OTHER COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR, NET OF TAX	年內其他綜合(虧損)/收益(扣除稅項)	(137,212)	67,750
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年內綜合收益總額	1,063,034	2,268,013

Consolidated Statement of Comprehensive Income

合併綜合收益表

Year ended 31 December 2020 • 截至2020年12月31日止年度

		2020 2020年 <i>RMB'000</i> 人民幣千元	2019 2019年 <i>RMB'000</i> 人民幣千元 (Restated) (重述)
Attributable to:	歸屬於：		
Owners of the parent	母公司擁有人	1,061,652	2,260,297
Non-controlling interests	非控股權益	1,382	7,716
		1,063,034	2,268,013

Consolidated Statement of Financial Position

合併財務狀況表

31 December 2020 • 2020年12月31日

			31 December	31 December
			2020	2019
			2020年	2019年
			12月31日	12月31日
	<i>Notes</i>		RMB'000	RMB'000
	<i>附註</i>		人民幣千元	人民幣千元
				(Restated)
				(重述)
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment		物業、廠房及設備	13 2,706,107	2,495,207
Investment properties		投資物業	14 615,103	632,593
Right-of-use assets		使用權資產	15 1,761,829	1,806,626
Intangible assets		無形資產	16 444,182	440,556
Investments in joint ventures		對合營公司的投資	17 418,639	405,798
Investments in associates		對聯營公司的投資	18 1,509,785	1,368,578
Trade and other receivables		貿易及其他應收款項	22 5,703,364	6,537,503
Deferred tax assets		遞延稅項資產	27 676,556	655,243
Equity investments designated at fair value through other comprehensive income		以公允價值計量且其變動計入其他綜合收益的股權投資	19 631,418	550,659
Total non-current assets		非流動資產總額	14,466,983	14,892,763
CURRENT ASSETS		流動資產		
Inventories		存貨	20 540,903	466,795
Trade and other receivables		貿易及其他應收款項	22 11,528,102	10,638,033
Contract assets		合同資產	21 4,644,301	5,205,445
Financial assets at fair value through profit or loss		以公允價值計量且其變動計入損益的金融資產	157,543	176,780
Restricted deposits		受限制存款	23 1,307,488	1,231,226
Time deposits with original maturity of over three months		原始到期日超過三個月的定期存款	23 3,545,228	5,825,624
Cash and cash equivalents		現金及現金等價物	23 14,828,680	15,563,218
Total current assets		流動資產總額	36,552,245	39,107,121

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Consolidated Statement of Financial Position

合併財務狀況表

31 December 2020 • 2020年12月31日

			31 December	31 December
			2020	2019
			2020年	2019年
			12月31日	12月31日
	<i>Notes</i>		RMB'000	RMB'000
	<i>附註</i>		人民幣千元	人民幣千元
				(Restated)
				(重述)
CURRENT LIABILITIES	流動負債			
Borrowings	借貸	26	757,531	444,218
Contract liabilities	合同負債	25	12,534,339	13,620,421
Trade and other payables	貿易及其他應付款項	24	17,377,106	19,650,242
Lease liabilities	租賃負債	15	36,443	27,854
Defined benefit obligations	設定受益義務	28	45,120	43,490
Tax payable	應繳稅項		146,913	466,301
Total current liabilities	流動負債總額		30,897,452	34,252,526
NET CURRENT ASSETS	流動資產淨額		5,654,793	4,854,595
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總額減流動負債		20,121,776	19,747,358
NON-CURRENT LIABILITIES	非流動負債			
Borrowings	借貸	26	149,093	111,087
Trade and other payables	貿易及其他應付款項	24	879,374	870,867
Lease liabilities	租賃負債	15	32,296	36,378
Defined benefit obligations	設定受益義務	28	597,296	586,457
Deferred tax liabilities	遞延稅項負債	27	153,296	108,829
Total non-current liabilities	非流動負債總額		1,811,355	1,713,618
Net assets	淨資產		18,310,421	18,033,740

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Consolidated Statement of Financial Position

合併財務狀況表

31 December 2020 • 2020年12月31日

			31 December	31 December
			2020	2019
			2020年	2019年
			12月31日	12月31日
		<i>Notes</i>	RMB'000	<i>RMB'000</i>
		<i>附註</i>	<i>人民幣千元</i>	<i>人民幣千元</i>
				(Restated)
				(重述)
EQUITY	權益			
Issued capital	已發行股本	29	4,125,700	4,125,700
Reserves	儲備	30	14,071,756	13,769,319
Total equity attributable to owners of the parent	母公司擁有人應佔權益總額		18,197,456	17,895,019
Non-controlling interests	非控股權益		112,965	138,721
Total equity	權益總額		18,310,421	18,033,740

Director Bai Shaotong
董事 白紹桐

Director Fang Yanshui
董事 方彥水

Consolidated Statement of Changes in Equity

合併權益變動表

Year ended 31 December 2020 • 截至2020年12月31日止年度

		Attributable to owners of the parent 歸屬於母公司擁有人								
		Issued capital	Capital reserve	Fair value reserve of financial assets at FVOCI	Statutory surplus reserve	Exchange fluctuation reserve	Retained profits	Non-controlling interests	Total equity	
		已發行股本	資本儲備	以公允價值計量且其變動計入其他綜合收益的金融資產的公允價值儲備	法定盈餘公積金	匯兌波動儲備	保留溢利	小計	非控股權益	權益總額
Note		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
附註		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 29)	(note 29)	(note 29)	(note 29)	(note 29)	(note 29)	(note 29)	(note 29)	(note 29)
At 1 January 2020	於2020年1月1日	4,125,700	1,857,440	57,999	1,542,949	(47,742)	10,358,673	17,895,019	138,721	18,033,740
Profit for the year	年內溢利	-	-	-	-	-	1,186,591	1,186,591	13,655	1,200,246
Other comprehensive income/(loss) for the year:	年內其他綜合收益/(損失):									
Exchange differences on translation of foreign operations	外幣報表折算差額	-	-	-	-	(167,265)	-	(167,265)	(2,419)	(169,684)
Remeasurement losses on defined benefit plans, net of tax	設定受益計劃重新評估虧損，扣稅後	-	-	-	-	-	(18,676)	(18,676)	(9,854)	(28,530)
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	以公允價值計量且其變動計入其他綜合收益的股權投資的公允價值變動，扣稅後	-	-	59,966	-	-	-	59,966	-	59,966
Share of other comprehensive income of associates	分佔聯營公司其他綜合收益	-	-	1,036	-	-	-	1,036	-	1,036
Total comprehensive income/(loss) for the year	年內綜合收益/(損失)總額	-	-	61,002	-	(167,265)	1,167,915	1,061,652	1,382	1,063,034
Business combination under common control	同一控制下的業務合併	31	(100,886)	-	-	-	-	(100,886)	-	(100,886)
Dividends declared to shareholders of the Company	已向本公司股東宣派的股息	-	-	-	-	-	(654,336)	(654,336)	-	(654,336)
Profit appropriation to reserves	轉撥至儲備的溢利	-	-	-	82,933	-	(82,933)	-	-	-
Dividends declared to non-controlling shareholders of subsidiaries	已向附屬公司非控股股東宣派的股息	-	-	-	-	-	-	-	(2,319)	(2,319)
Others	其他	-	-	-	-	-	(3,993)	(3,993)	(24,819)	(28,812)
At 31 December 2020	於2020年12月31日	4,125,700	1,756,554*	119,001*	1,625,882*	(215,007)*	10,785,326*	18,197,456	112,965	18,310,421

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Consolidated Statement of Changes in Equity

合併權益變動表

Year ended 31 December 2020 • 截至2020年12月31日止年度

		Attributable to owners of the parent 歸屬於母公司擁有人								
		Issued capital	Capital reserve	Fair value reserve of financial assets at FVOCI 以公允價值計量且其變動計入其他綜合收益的金融資產的公允價值儲備	Statutory surplus reserve 法定盈餘公積金	Exchange fluctuation reserve 匯兌波動儲備	Retained profits	Sub-total	Non-controlling interests	Total equity
		已發行股本 RMB'000 人民幣千元 (note 29) (附註29)	資本儲備 RMB'000 人民幣千元	公允價值儲備 RMB'000 人民幣千元	法定盈餘公積金 RMB'000 人民幣千元	匯兌波動儲備 RMB'000 人民幣千元	保留溢利 RMB'000 人民幣千元	小計 RMB'000 人民幣千元	非控股權益 RMB'000 人民幣千元	權益總額 RMB'000 人民幣千元
At 1 January 2019	於2019年12月31日	4,125,700	1,785,692	(23,776)	1,377,179	(36,548)	9,199,161	16,427,408	85,846	16,513,254
Business combination under common control	同一控制下的業務合併	-	51,663	-	-	-	(11,652)	40,011	21,167	61,178
At 1 January 2019 (Restated)	於2019年1月1日 (重述)	4,125,700	1,837,355	(23,776)	1,377,179	(36,548)	9,187,509	16,467,419	107,013	16,574,432
Profit for the year	年內溢利	-	-	-	-	-	2,193,493	2,193,493	6,770	2,200,263
Other comprehensive income/(loss) for the year:	年內其他綜合收益/(損失):									
Exchange differences on translation of foreign operations	外幣報表折算差額	-	-	-	-	(11,194)	-	(11,194)	2,649	(8,545)
Remeasurement losses on defined benefit plans, net of tax	設定受益計劃重新評估虧損，扣稅後	-	-	-	-	-	(3,777)	(3,777)	(1,703)	(5,480)
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	以公允價值計量且其變動計入其他綜合收益的股權投資的公允價值變動，扣稅後	-	-	56,412	-	-	-	56,412	-	56,412
Share of other comprehensive income of associates	分佔聯營公司其他綜合收益	-	-	25,363	-	-	-	25,363	-	25,363
Total comprehensive income/(loss) for the year	年內綜合收益/(損失) 總額	-	-	81,775	-	(11,194)	2,189,716	2,260,297	7,716	2,268,013
Business combination	業務合併	-	-	-	-	-	-	-	26,553	26,553
Capital contribution from a non-controlling shareholder	一名非控股股東的資本投入	-	-	-	-	-	-	-	10,274	10,274
Dividends declared to shareholders of the Company	已向本公司股東宣派的股息	-	-	-	-	-	(852,782)	(852,782)	-	(852,782)
Profit appropriation to reserves	轉撥至儲備的溢利	-	-	-	165,770	-	(165,770)	-	-	-
Adjustment of deferred tax from valuation surplus	從估值盈餘調整遞延稅項	-	20,085	-	-	-	-	20,085	-	20,085
Dividends declared to non-controlling shareholders of subsidiaries	已向附屬公司非控股股東宣派的股息	-	-	-	-	-	-	-	(2,219)	(2,219)
Others	其他	-	-	-	-	-	-	-	(10,616)	(10,616)
At 31 December 2019 (Restated)	於2019年12月31日 (重述)	4,125,700	1,857,440*	57,999*	1,542,949*	(47,742)*	10,358,673*	17,895,019	138,721	18,033,740

* These reserve accounts comprise the consolidated reserves of RMB14,071,756,000 (31 December 2019 (Restated): RMB13,769,319,000) in the consolidated statement of financial position as at 31 December 2020.

* 該等儲備款項包括列入2020年12月31日的合併財務狀況表中的合併儲備人民幣14,071,756,000元(2019年12月31日(重述): 人民幣13,769,319,000元)。

Consolidated Statement of Cash Flows

合併現金流量表

Year ended 31 December 2020 • 截至2020年12月31日止年度

		2020	2019
		2020年	2019年
	Notes	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元 (Restated) (重述)
CASH FLOWS FROM OPERATING ACTIVITIES	來自經營活動的現金流量		
Profit before tax:	除稅前溢利：	1,577,901	2,838,685
Adjustments for:	調整項目：		
Finance costs	財務成本	<i>6(a)</i> 85,243	82,199
Foreign exchange differences, net	匯兌差額淨額	<i>6(a)</i> 806,783	(270,426)
Share of profits and losses of associates	應佔聯營公司溢利及虧損	(213,082)	(198,520)
Share of profits and losses of joint ventures	應佔合營公司溢利及虧損	(20,240)	(27,825)
Interest income	利息收入	<i>6(a)</i> (219,228)	(249,259)
Investment income on financial assets	金融資產投資收益	<i>5</i> (43,648)	(36,526)
Net losses on disposal of items of property, plant and equipment	處置物業、廠房及設備項目的淨損失	<i>5</i> 1,804	1,736
Dividend income from equity securities	股本證券股息收入	<i>5</i> (3,564)	(3,822)
Net (gains)/losses on foreign currency forward exchange contracts and interest rate swaps	遠期外匯合約及利率掉期(收益)/損失淨額	<i>5</i> (385,364)	9,130
Depreciation of property, plant, equipment and investment properties	物業、廠房、設備及投資物業折舊	<i>6(c)</i> 134,143	112,801
Depreciation of right-of-use assets	使用權資產折舊	<i>6(c)</i> 68,349	82,932
Amortisation	攤銷	41,265	38,725
Impairment and foreseeable contract losses	減值和可預計合同虧損	<i>6(c)</i> 362,972	405,058
		2,193,334	2,784,888
(Increase)/decrease in inventories	存貨(增加)/減少	(90,221)	137,458
Decrease/(increase) in contract assets	合同資產減少/(增加)	545,623	(1,267,428)
Decrease/(increase) in trade and other receivables	貿易及其他應收款項減少/(增加)	191,237	(711,608)
Decrease in contract liabilities	合同負債減少	(1,086,082)	(1,281,130)
Decrease in trade and other payables	貿易及其他應付款項減少	(2,370,892)	(2,358,807)
Decrease in defined benefit obligations	設定受益義務減少	(16,061)	(17,961)
Cash used in operations	經營活動所用現金	(633,062)	(2,714,588)
Income tax paid	已付所得稅	(693,873)	(781,725)
Net cash flows used in operating activities	經營活動所用的現金流量淨額	(1,326,935)	(3,496,313)

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Consolidated Statement of Cash Flows

合併現金流量表

Year ended 31 December 2020 • 截至2020年12月31日止年度

			2020	2019
			2020年	2019年
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
				(Restated)
				(重述)
CASH FLOWS FROM INVESTING ACTIVITIES	來自投資活動的現金流量			
Interest received	已收利息	6(a)	219,228	249,259
Dividends received	已收股息	5	3,564	3,822
Investment income received	已收投資收益		44,683	38,122
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	13	(355,046)	(299,449)
Purchases of equity investments at fair value through other comprehensive income	購買以公允價值計量且其變動計入其他綜合收益的股權投資		(18,962)	(49,677)
Proceeds from disposal of items of property, plant and equipment	處置物業、廠房及設備項目的所得款項		7,435	34,532
Proceeds from disposal of other intangible assets	處置其他無形資產的所得款項		1,301	1,001
Proceeds from settlement of forward exchange contracts and interest rate swaps	結算遠期外匯合約及利率掉期的所得款項		78,723	(43,559)
Additions of other intangible assets	添置其他無形資產		(25,412)	(2,405)
Additions of other long-term assets	添置其他長期資產		(41,487)	(584)
Dividends received from associates	自聯營公司收取的股息		12,885	11,963
Dividends received from joint ventures	自合營公司收取的股息		7,399	-
Interest on financial instruments included in other receivables	其他應收款項以內的金融工具利息		(68,717)	(78,915)
Acquisition of a subsidiary	收購附屬公司	31	(100,886)	74,757
Investments in associates	對聯營公司的投資		-	(220,926)
Purchases of financial assets at fair value through profit or loss	購買以公允價值計量且其變動計入損益的金融資產		(4,319,966)	(192,800)
Proceeds from disposal of financial assets at fair value through profit or loss	處置以公允價值計量且其變動計入損益的金融資產所得款項		3,640,800	151,200
Placing of restricted deposits	存放受限制存款		(275,212)	(216,354)
Proceeds from redemption of restricted deposits	贖回受限制存款所得款項		198,950	200,160
Placing of non-pledged time deposits with original maturity of over three months when acquired	存放獲取時原始到期日超過三個月的無抵押定期存款		(1,559,527)	(9,999,492)
Proceeds from redemption of non-pledged time deposits with original maturity of over three months when acquired	贖回獲取時原始到期日超過三個月的無抵押定期存款所得款項		3,839,923	9,235,739
Net cash flows generated from/(used in) investing activities	投資活動產生/(所用)的現金流量淨額		1,289,676	(1,103,606)

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Consolidated Statement of Cash Flows

合併現金流量表

Year ended 31 December 2020 • 截至2020年12月31日止年度

			2020	2019
			2020年	2019年
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
				(Restated)
				(重述)
CASH FLOWS FROM FINANCING ACTIVITIES	來自融資活動的現金流量			
Proceeds from borrowings	借貸所得款項		752,461	306,286
Repayment of borrowings	償還借貸		(422,009)	(756,427)
Capital contribution from a non-controlling shareholder	一名非控股股東的資本投入		-	10,274
Proceeds from disposal of debt investments	處置債權投資的所得款項		9,893	30,896
Principal portion of lease payments	租賃付款的本金部分		(41,210)	(38,313)
Dividends paid	已付股息		(654,336)	(852,782)
Dividends paid to non-controlling shareholders	已付非控股股東的股息		(3,064)	(4,349)
Interest paid	已付利息		(55,018)	(65,657)
Net cash flows used in financing activities	融資活動所用的現金流量淨額		(413,283)	(1,370,072)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額		(450,542)	(5,969,991)
Cash and cash equivalents at beginning of year	年初的現金及現金等價物	23	15,563,218	21,388,690
Effect of foreign exchange rate changes, net	匯率變動的影響淨額		(283,996)	144,519
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末的現金及現金等價物	23	14,828,680	15,563,218
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物餘額分析			
Cash and bank balances	現金及銀行結餘	23	19,681,396	22,620,068
Restricted deposits	受限制存款	23	(1,307,488)	(1,231,226)
Time deposits with original maturity of over three months	原始到期日超過三個月 的定期存款	23	(3,545,228)	(5,825,624)
Cash and cash equivalents as stated in the statement of cash flows	現金流量表所列現金及現金等價物	23	14,828,680	15,563,218

Notes to the Financial Statements

財務報表附註

31 December 2020 • 2020年12月31日

1. CORPORATE AND GROUP INFORMATION

China Machinery Engineering Corporation (the “Company”) is a joint stock company with limited liability established in the People’s Republic of China (the “PRC”). The registered office of the Company is located at No. 178 Guang’anmenwai Street, Beijing, PRC.

The Company was established on 18 January 2011 as part of the reorganisation (the “Reorganisation”) of China National Machinery & Equipment Import & Export Corporation (the “Predecessor”), a state-owned enterprise. The Company and its subsidiaries (collectively the “Group”) are mainly engaged in the international construction business and trading business.

Prior to the Reorganisation and establishment of the Company, the core business of the Group was controlled and operated by the Predecessor. The Predecessor was wholly owned by China National Machinery Industry Corporation (“SINOMACH”, 中國機械工業集團有限公司). Pursuant to the Reorganisation, the Predecessor transferred its core business together with related assets and liabilities to the Company. Upon establishment, the Company had a total of 3,300 million issued ordinary shares, with a par value of RMB1.00 each. The Company issued to SINOMACH 3,267 million shares, or 99% of the total issued shares, in exchange for the above transfer of business and assets and liabilities from the Predecessor. The Company also issued 33 million shares, or 1% of the total issued shares, to China United Engineering Corporation (“China United”, 中國聯合工程有限公司), a wholly-owned subsidiary of SINOMACH for a cash consolidation of RMB46,930,900.

1. 公司及集團資料

中國機械設備工程股份有限公司(「本公司」)為在中華人民共和國(「中國」)註冊成立的股份有限公司。本公司的註冊辦事處位於中國北京市廣安門外大街178號。

作為國有企業中國機械設備進出口總公司(「前身」)重組(「重組」)的一部分，本公司於2011年1月18日成立。本公司及其附屬公司(統稱為「本集團」)主要從事國際工程業務及貿易業務。

在重組及成立本公司以前，本集團的核心業務由前身控制及經營。前身由中國機械工業集團有限公司(「國機」)全資擁有。根據重組，前身將其核心業務連同相關資產及負債轉讓予本公司。成立後，本公司擁有合共3,300百萬股每股面值人民幣1.00元的已發行普通股。本公司向國機發行3,267百萬股股份，或已發行股份總數的99%，以交換前身轉讓的上述業務及資產及負債。本公司亦向國機的全資附屬公司中國聯合工程有限公司(「中國聯合」)發行33百萬股股份，或已發行股份總數的1%，現金對價為人民幣46,930,900元。

Notes to the Financial Statements

財務報表附註

31 December 2020 • 2020年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

On 21 December 2012, the Company became listed on the Main Board of The Stock Exchange of Hong Kong Limited (“HKSE”). The Company issued 718,000,000 H shares at HK\$5.40 per share by initial public offering (“IPO”) to investors in Hong Kong and overseas. Pursuant to the IPO, a total of 71,800,000 domestic state-owned shares of RMB1.00 each owned by SINOMACH and China United in aggregate were converted into H shares on a one-for-one basis and transferred to the National Council for Social Security Fund of the PRC (“SSF”).

On 2 January 2013, the over-allotment option granted by the Company was fully exercised, and the Company issued and allotted an aggregate of 107,700,000 H shares at HK\$5.40 per share. Accordingly, a total of 10,770,000 domestic state-owned shares of RMB1.00 each owned by SINOMACH and China United were converted into H shares on a one-for-one basis and transferred to the SSF. As at 31 December 2020, a total of 908,270,000 H shares were listed on the HKSE.

In the opinion of the directors of the Company (the “Directors”), the holding company and the ultimate holding company of the Company is SINOMACH, which was established in the PRC.

1. 公司及集團資料(續)

於2012年12月21日，本公司於香港聯合交易所有限公司（「香港聯交所」）主板上市。本公司透過首次公開發售（「首次公開發售」），按每股股份5.40港元的價格向香港及海外投資者發行718,000,000股H股。基於首次公開發售，國機及中國聯合共同擁有的合共71,800,000股每股面值人民幣1.00元的國有內資股已按一換一的基準轉為H股，並轉讓予中國全國社會保障基金理事會（「社保基金理事會」）。

於2013年1月2日，本公司授出的超額配股權已獲悉數行使。因此，本公司已按每股股份5.40港元發行及配發合共107,700,000股H股。因此，國機及中國聯合擁有的10,770,000股每股面值人民幣1.00元的國有內資股已按一換一的基礎轉為H股，並轉讓予社保基金理事會。於2020年12月31日，合共908,270,000股H股在香港聯交所上市。

根據本公司董事（「董事」）的意見，國機（於中國成立）為本公司的控股公司及最終控股公司。

Notes to the Financial Statements

財務報表附註

31 December 2020 • 2020年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries

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

Name	Place and date of incorporation/ registration 註冊成立/註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company		Principal activities	Nature of PRC incorporated company
			Direct 直接	Indirect 間接		
1 CMEC International Engineering Co., Ltd. 中設國際工程有限責任公司	The PRC 9 September 1997 中國 1997年9月9日	RMB50,000,000 人民幣50,000,000元	100%	-	Construction contracting and trading 施工承包及貿易	Limited liability company 有限責任公司
2 China Everbest Development International Limited 華盛昌發展有限公司	Hong Kong SAR 12 August 1988 香港特別行政區 1988年8月12日	HKD980,651,741 980,651,741港元	100%	-	Trading and securities investment 貿易及證券投資	-
3 China Machinery & Equipment (HK) Company Limited 中國機械設備香港有限公司	Hong Kong SAR 20 September 1983 香港特別行政區 1983年9月20日	HKD25,115,970 25,115,970港元	100%	-	Trading 貿易	-
4 CMEC Engineering Machinery Import & Export Co., Ltd. 中設工程機械進出口有限責任公司	The PRC 9 January 1995 中國 1995年1月9日	RMB80,000,000 人民幣80,000,000元	100%	-	Trading 貿易	Limited liability company 有限責任公司
5 CMEC Comtrans International Co., Ltd. 中設國際商務運輸代理有限責任公司	The PRC 5 March 1997 中國 1997年3月5日	RMB20,000,000 人民幣20,000,000元	100%	-	Transportation agency 運輸代理	Limited liability company 有限責任公司

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1. 公司及集團資料(續)

附屬公司資料

本公司主要附屬公司的詳細資料如下：

Notes to the Financial Statements

財務報表附註

31 December 2020 • 2020年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立／註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
6 Ausino Pty. Ltd. 澳大利亞澳華機械有限公司	Australia 13 September 1984 澳大利亞 1984年9月13日	AUD3,974,486 3,974,486澳元	100%	-	Trading 貿易	-
7 CMEC Group Shanghai International Forwarding Co., Ltd. 中設集團上海國際貨代儲運 有限公司	The PRC 30 January 1996 中國 1996年1月30日	RMB10,820,000 人民幣10,820,000元	100%	-	Transportation agency 運輸代理	Limited liability company 有限責任公司
8 Shenzhen CMEC Industry Corporation Limited 深圳市中設實業有限公司	The PRC 18 March 1992 中國 1992年3月18日	RMB9,200,000 人民幣9,200,000元	100%	-	Storage and property services 儲存及物業服務	Limited liability company 有限責任公司
9 CMEC International Trading Co., Ltd. 中設國際貿易有限責任公司	The PRC 16 January 1995 中國 1995年1月16日	RMB8,000,000 人民幣8,000,000元	100%	-	Trading 貿易	Limited liability company 有限責任公司
10 CMEC Machinery & Electric Equipment Import & Export Co., Ltd. 中設機電進出口有限公司	The PRC 16 January 1995 中國 1995年1月16日	RMB20,000,000 人民幣20,000,000元	100%	-	Trading 貿易	Limited liability company 有限責任公司

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1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下：(續)

Notes to the Financial Statements

財務報表附註

31 December 2020 • 2020年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立/註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
11 CMEC Beijing Property Development Co., Ltd. 中國機械設備進出口北京物業 發展有限責任公司	The PRC 15 January 1985 中國 1985年1月15日	RMB5,000,000 人民幣5,000,000元	100%	-	Property management and rental 物業管理及租賃	Limited liability company 有限責任公司
12 CMEC General Machinery Import & Export Co., Ltd. 中設通用機械進出口 有限責任公司	The PRC 9 January 1995 中國 1995年1月9日	RMB6,000,000 人民幣6,000,000元	100%	-	Trading 貿易	Limited liability company 有限責任公司
13 China Machinery and Equipment International Tendering Co., Ltd. 中設國際招標有限責任公司	The PRC 29 April 1996 中國 1996年4月29日	RMB5,000,000 人民幣5,000,000元	100%	-	Tendering for construction contracts 建造合同招標	Limited liability company 有限責任公司
14 China Machinery Industrial Products Co., Ltd. 中設集團裝備製造有限責任公司	The PRC 6 February 2002 中國 2002年2月6日	RMB75,000,000 人民幣75,000,000元	100%	-	Trading 貿易	Limited liability company 有限責任公司
15 CMEC Petrochemical-General Machinery Co., Ltd. 中設石化機械有限公司	The PRC 16 January 1995 中國 1995年1月16日	RMB5,000,000 人民幣5,000,000元	100%	-	Trading 貿易	Limited liability company 有限責任公司

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1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下:(續)

Notes to the Financial Statements

財務報表附註

31 December 2020 • 2020年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立/註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
16 China Machinery International Engineering Design & Research Institute Co., Ltd. 中機國際工程設計研究院有限責任 公司	The PRC 5 October 1993 中國 1993年10月5日	RMB300,000,000 人民幣300,000,000元	100%	-	Engineering design, contracting and supervision 工程設計、承包及監理	Limited liability company 有限責任公司
17 China-East Resources Import & Export Co., Ltd. 中經東源進出口有限責任公司	The PRC 22 July 1993 中國 1993年7月22日	RMB20,000,000 人民幣20,000,000元	100%	-	Trading and construction contracting 貿易及施工承包	Limited liability company 有限責任公司
18 China National Machinery & Equipment Import & Export (Suzhou) Co., Ltd. 中設(蘇州)機械設備工程 有限公司	The PRC 20 February 1987 中國 1987年2月20日	RMB19,562,000 人民幣19,562,000元	100%	-	Trading 貿易	Limited liability company 有限責任公司
19 Shanghai Zhong Jing Import & Export Corporation 上海中經進出口有限責任公司	The PRC 21 December 1995 中國 1995年12月21日	RMB4,580,000 人民幣4,580,000元	100%	-	Trading 貿易	Limited liability company 有限責任公司

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Notes to the Financial Statements

財務報表附註

31 December 2020 • 2020年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下：(續)

Name 名稱	Place and date of incorporation/ registration 註冊成立/註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
20 China Machinery Engineering Wuxi Co., Ltd. 中設無錫機械設備工程 有限公司	The PRC 9 April 1987 中國 1987年4月9日	RMB38,000,000 人民幣38,000,000元	100%	-	Trading 貿易	Limited liability company 有限責任公司
21 Sino American Machinery Corporation 美國華美機械有限公司	United States of America ("USA") 22 August 1983 美利堅合眾國(「美國」) 1983年8月22日	USD1,918,476 1,918,476美元	100%	-	Trading 貿易	-
22 Euro M.E.C. Import & Export GmbH 歐麥克進出口有限公司	Germany 9 March 1990 德國 1990年3月9日	DEM100,000 100,000德國馬克	100%	-	Trading 貿易	-
23 CMEC Japan Co., Ltd. 中設日本株式會社	Japan 2 April 1986 日本 1986年4月2日	JPY50,000,000 50,000,000日元	80%	-	Trading 貿易	-
24 China Machinery Engineering Henan Co., Ltd. 中國機械設備工程(河南) 有限公司	The PRC 17 April 1997 中國 1997年4月17日	RMB4,180,000 人民幣4,180,000元	67%	-	Trading 貿易	Limited liability company 有限責任公司

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財務報表附註

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1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立／註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
25 CMIC Enmei Co., Ltd. 中設燕明株式會社	Japan 13 May 1994 日本 1994年5月13日	JPY26,000,000 26,000,000日元	76.92%	-	Trading 貿易	-
26 CMEC (Beijing) International Economic & Legal Advisors Inc. 西邁克(北京)國際經濟法律 諮詢有限責任公司	The PRC 24 September 1993 中國 1993年9月24日	RMB500,000 人民幣500,000元	100%	-	Legal consultancy 法律諮詢	Limited liability company 有限責任公司
27 China National Machinery & Equipment Import & Export (Fujian) Co., Ltd. 福建中設機械設備進出口 有限公司	The PRC 21 February 2001 中國 2001年2月21日	RMB5,460,000 人民幣5,460,000元	55%	-	Trading 貿易	Limited liability company 有限責任公司
28 China National Machinery & Equipment Import & Export (Hubei) Co., Ltd. 中設(湖北)機械設備工程 有限公司	The PRC 30 November 2007 中國 2007年11月30日	RMB5,000,000 人民幣5,000,000元	51%	-	Trading 貿易	Limited liability company 有限責任公司

1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下:(續)

Continued/...
續/...

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1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下：(續)

Name 名稱	Place and date of incorporation/ registration 註冊成立/註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
29 CMEC Senegal S.A.	Senegal 20 April 2009	XOF10,000,000	100%	-	Construction contracting	-
中國機械設備進出口總公司 塞內加爾股份有限公司	塞內加爾 2009年4月20日	10,000,000西非法郎	100%	-	施工承包	-
30 CMEC Engineering C.A.	Venezuela 11 March 2011	VEF200,000	99.90%	0.10%	Construction contracting	-
西麥克委內瑞拉工程公司	委內瑞拉 2011年3月11日	200,000強勢玻利瓦爾	99.90%	0.10%	施工承包	-
31 CMEC Nigeria Development Limited	Nigeria 25 March 2011	NGN20,000,000	100%	-	Construction contracting	-
CMEC尼日利亞發展有限公司	尼日利亞 2011年3月25日	20,000,000奈拉	100%	-	施工承包	-
32 China Machinery Engineering Argentina S.A.	Argentina 30 July 2012	ARS429,000	90%	10%	Construction contracting	-
中國機械設備工程阿根廷股份 有限公司	阿根廷 2012年7月30日	429,000比索	90%	10%	施工承包	-

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財務報表附註

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1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立/註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
33 China Power Construction Engineering Consulting Central Southern Corporation 中國電力建設工程諮詢中南有限公司	The PRC 11 January 1993 中國 1993年1月11日	RMB12,500,000 人民幣12,500,000元	80%	-	Engineering design 工程設計	Limited liability company 有限責任公司
34 China Machinery Engineering Corporation Namibia (Proprietary) Limited 中國機械設備工程股份有限公司納米比亞有限責任公司	Namibia 11 June 2013 納米比亞 2013年6月11日	NAD20,000 20,000納米比亞元	100%	-	Construction contracting 施工承包	-
35 China Machinery Engineering Corporation (PNG) Limited 中國機械設備工程(巴新)有限公司	Papua New Guinea 22 January 2014 巴布亞新幾內亞 2014年1月22日	USD50,000 50,000美元	100%	-	Construction contracting 施工承包	-
36 Sinland Development PTE. Ltd. 騰新發展有限公司	Singapore 22 July 2014 新加坡 2014年7月22日	USD7,150,000 7,150,000美元	100%	-	Construction contracting 施工承包	-

1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下:(續)

Continued/...
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財務報表附註

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1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立／註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
37 China Jikan Research Institute of Engineering Investigations and Design, Co., Ltd. 機械工業勘察設計研究院 有限公司	The PRC 23 February 1989 中國 1989年2月23日	RMB105,000,000 人民幣105,000,000元	100%	-	Construction research and design 施工勘測及設計	Limited liability company 有限責任公司
38 CMEC Lanka (Private) Limited 中設蘭卡有限責任公司	Sri Lanka 12 February 2015 斯里蘭卡 2015年2月12日	USD1,000,000 1,000,000美元	100%	-	Construction contracting 施工承包	-
39 CMEC Middle East FZE 中設中東區域公司	United Arab Emirates 20 January 2015 阿拉伯聯合酋長國 2015年1月20日	USD5,370,000 5,370,000美元	100%	-	Construction service 施工服務	-
40 China National Complete Engineering Corporation 中國成套工程有限公司	The PRC 5 September 1985 中國 1985年9月5日	RMB100,348,774 人民幣100,348,774元	100%	-	Construction contracting 施工承包	Limited liability company 有限責任公司

1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下：(續)

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1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立／註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
41 CMEC Mexico Engineering, S.DE R.L.DE C.V. 西麥克墨西哥工程 有限責任公司	Mexico 3 August 2015 墨西哥 2015年8月3日	USD100,000 100,000美元	99%	1%	Construction contracting 施工承包	-
42 CMEC Zambia Development Limited 西麥克贊比亞發展股份有限公司	Zambia 14 September 2015 贊比亞 2015年9月14日	USD10,000 10,000美元	100%	-	Construction contracting 施工承包	-
43 CMEC Africa Development Limited 中非發展有限公司	Kenya 16 December 2015 肯尼亞 2015年12月16日	KES20,480,000 20,480,000先令	100%	-	Construction contracting 施工承包	-
44 China Machinery Engineering Yinchuan Free Trade Zone Co., Ltd. 中國機械設備工程 (銀川綜合保稅)有限公司	The PRC 23 June 2016 中國 2016年6月23日	RMB24,000,000 人民幣24,000,000元	100%	-	Trading business 貿易業務	Limited liability company 有限責任公司
45 Maldives Renewable Energy Company Limited 馬爾代夫新能源有限公司	Hong Kong SAR 4 February 2016 香港特別行政區 2016年2月4日	USD1 1美元	100%	-	Construction contracting 施工承包	-

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1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下：(續)

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財務報表附註

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1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立／註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
46 CMEC Engineering XXX 中設蒙古工程有限責任公司	Mongolia 30 November 2016 蒙古 2016年11月30日	USD100,000 100,000美元	100%	-	Construction contracting 施工承包	-
47 CMEC Guinea Equatorial, S.L. 中設赤道幾內亞有限責任公司	Guinea Equatorial 1 June 2017 赤道幾內亞 2017年6月1日	XOF20,000,000 20,000,000西非法郎	100%	-	Construction contracting 施工承包	-
48 CMEC Saudi for Construction LLC 中設沙特建設有限責任公司	Saudi Arabia 20 July 2017 沙特阿拉伯 2017年7月20日	USD270,000 270,000美元	100%	-	Construction contracting 施工承包	-
49 CMEC Dutch Caribbean B.V. 中設荷屬加勒比有限責任公司	Netherlands 14 November 2017 荷蘭 2017年11月14日	USD200,000 200,000美元	100%	-	Trading business 貿易業務	-
50 CMEC Bel Limited 中國機械設備白俄 有限責任公司	Belarus 16 January 2018 白俄羅斯 2018年1月16日	USD500,000 500,000美元	100%	-	Construction contracting 施工承包	-

1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下：(續)

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財務報表附註

31 December 2020 • 2020年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立／註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
51 CMEC Lao Company Limited 中國機械設備老撾有限公司	Laos 16 January 2018 老撾 2018年1月16日	USD1,000,000 1,000,000美元	49%	-	Construction contracting 施工承包	-
52 China National ElectricEngineering Co., Ltd. 中國電力工程有限公司	PRC 27 September 1984 中國 1984年9月27日	RMB888,100,000 人民幣888,100,000元	100%	-	Construction contracting 施工承包	Limited liability company 有限責任公司
53 CMEC Congo S.A.R.L.U 中國機械設備工程股份有限公司 剛果(布)有限責任公司	Congo 8 March 2018 剛果 2018年3月8日	XAF1,000,000 1,000,000 中非金融合作法郎	100%	-	Construction contracting 施工承包	-
54 CMEC Uruguay Corporation S.A 中國機械設備工程烏拉圭股份 有限公司	Uruguay 24 October 2019 烏拉圭 2019年10月24日	UYU 3,000,000 3,000,000烏拉圭比索	90%	10%	Construction contracting 施工承包	-

1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下：(續)

Continued/...
續/...

Notes to the Financial Statements

財務報表附註

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1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

Name 名稱	Place and date of incorporation/ registration 註冊成立/註冊 地點及日期	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務	Nature of PRC incorporated company 中國註冊成立公司性質
			Direct 直接	Indirect 間接		
55 CMEC Pakistan Engineering (Private) Limited 中國機械設備(巴基斯坦) 有限責任公司	Pakistan 29 April 2019 巴基斯坦 2019年4月29日	USD100,000 100,000美元	100%	-	Construction contracting 施工承包	-
56 CMEC Cote D'Ivoire Limited 中國機械設備科特迪瓦 有限責任公司	Cote D'Ivoire 10 July 2019 科特迪瓦 2019年7月10日	XOF1,000,000 1,000,000西非法郎	100%	-	Construction contracting 施工承包	-
57 Harbin Power System Engineering and Research Institute Co., Ltd. 哈爾濱電站設備成套設計 研究所有限公司	The PRC 1 January 1997 中國 1997年1月1日	RMB56,000,000 人民幣56,000,000元	64.82%	-	Construction contracting 施工承包	-
58 CMEC Bahrain S.P.C 中國機械設備工程股份 (巴林)有限公司	Bahrain 29 June 2020 巴林 2020年6月29日	USD133,500 133,500美元	100%	-	Construction contracting 施工承包	-

1. 公司及集團資料(續)

附屬公司資料(續)

本公司主要附屬公司的詳細資料如下:(續)

Notes to the Financial Statements

財務報表附註

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1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

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

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”), which comprise all standards and interpretations approved by the International Accounting Standards Board (the “IASB”), and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments which have been measured at fair value, financial assets at fair value through profit or loss (“FVTPL”) and financial assets at fair value through other comprehensive income (“FVOCI”). These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

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

1. 公司及集團資料(續)

附屬公司資料(續)

上表載列本公司的附屬公司，而董事認為，該等公司主要影響本年度業績或構成本集團大部份資產淨值。董事認為，若詳述其他附屬公司將導致篇幅過於冗長。

2.1 編製基準

該等財務報表乃根據國際財務報告準則(「國際財務報告準則」，包括經國際會計準則委員會(「國際會計準則委員會」)批准的全部準則及詮釋)及香港公司條例的披露要求編製。該等財務報表乃按歷史成本慣例編製，惟以公允價值計量的衍生金融工具、以公允價值計量且其變動計入當期損益的金融資產及以公允價值計量且其變動計入其他綜合收益的金融資產除外。該等財務報表乃以人民幣(「人民幣」)呈列，而除另有指明外，所有數值均調整至最接近的千位數。

合併基準

合併財務報表包括本公司及其附屬公司(統稱「本集團」)截至2020年12月31日止年度的財務報表。附屬公司為本公司直接或間接控制的實體(包括結構性實體)。當本集團對涉及投資對象的可變回報承擔風險或享有權利，以及能透過對投資對象的權力(即賦予本集團現有能以主導投資對象相關活動的既存權利)影響該等回報時，即取得控制權。

Notes to the Financial Statements

財務報表附註

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2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (continued)

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

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

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.1 編製基準 (續)

合併基準 (續)

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

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

附屬公司的財務報表乃按與本公司相同的報告期及一致的會計政策編製。附屬公司的業績自本集團取得控制權當日起合併於賬目內，並繼續合併直至失去有關控制權當日為止。

損益及其他綜合收益各組成部分均歸屬於本集團母公司的擁有人及非控股權益，即使此舉引致非控股權益出現負數結餘。與本集團成員公司之間的交易有關的所有集團內部資產及負債、權益、收入、開支及現金流量於合併入賬時悉數對銷。

倘有任何事實及情況表明上述三項控制權條件的其中一項或多項有變，本集團會重新評估是否控制被投資方。附屬公司的所有權權益在沒有失去控制權的情況下發生變動，則按權益交易入賬。

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2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (continued)

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

Business combination under common control

The Company acquired a 64.82% equity interest in Harbin Power System Engineering and Research Institute Co., Ltd. ("CHPI") in April 2020. The Company and CHPI were under the common control of SINOMACH both before and after the acquisition and such controls were not transitory. Thus, the acquisition was considered to be business combination under common control and the merger accounting basis was adopted. Accordingly, the Group's audited consolidated financial statements for the years ended 31 December 2020 and 31 December 2019 included the financial statements of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under common control, where this was a shorter period, regardless of the date of the common control combination. The net assets of the combining entities or businesses were combined using the existing book values from the controlling parties' perspective. No amount was recognised in consideration for goodwill or excess of the acquirers' interest in the net fair value of the acquirees' identifiable assets, liabilities and contingent liabilities over cost at the time of the common control combination.

2.1 編製基準 (續)

合併基準 (續)

倘本集團失去對一家附屬公司的控制權，則終止確認(i)該附屬公司的資產(包括商譽)及負債；(ii)任何非控股權益的賬面值及(iii)於權益內記錄的累計換算差額；並確認(i)所收代價的公允價值；(ii)所保留任何投資的公允價值及(iii)損益中任何因此產生的盈餘或虧損。依據本集團直接處置相關資產或負債的相同基準，先前於其他綜合收益內確認的本集團應佔組成部分重新分類至損益或保留溢利(倘適當)。

同一控制下的業務合併

本公司於2020年4月收購哈爾濱電站設備成套設計研究所有限公司(「哈成套」)的64.82%股權。收購前後，本公司與哈成套均受國機在同一控制，且控制權並非暫時。因此，該收購被視為同一控制下的業務合併，並採納合併會計基準。故此，本集團截至2020年12月31日及2019年12月31日止年度經審計合併財務報表包括財務報表最早列報日或者合併實體或業務開始受同一控制之日起計的期間(以較短期間為準)各合併實體或業務的業績，而不論同一控制合併的日期。被合併實體或業務的淨資產以就控制方而言的現有賬面值合併。於同一控制合併中並無就商譽或收購方應佔被收購方可識別資產、負債及或有負債的公允淨值超過於收購成本的金額予以確認。

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2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (continued)

Business combinations under common control (continued)

The Group's comparative audited consolidated financial statements for the year ended 31 December 2019 were restated to include the financial statements of CHPI retrospectively under the merger accounting basis as mentioned above.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses etc., incurred in relation to the common control combination that were accounted for by using merger accounting were recognised as expenses in the period in which they were incurred.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the *Conceptual Framework for Financial Reporting 2018* and following new and revised IFRSs for the first time for the current year's financial statements:

Amendments to IFRS 3	<i>Definition of a Business</i>
Amendments to IFRS 9, IAS 39 and IFRS 7	<i>Interest Rate Benchmark Reform</i>
Amendment to IFRS 16	<i>Covid-19-Related Rent Concessions</i> (early adopted)
Amendments to IAS 1 and IAS 8	<i>Definition of Material</i>

2.1 編製基準 (續)

合併基準 (續)

同一控制下的業務合併 (續)

本集團截至2019年12月31日止年度的可比經審計合併財務報表經重述，以按照上述權益結合會計基準追溯計入哈成套的財務報表。

交易成本(包括專業服務費、註冊費、向股東提供資料產生的費用、合併先前單個業務產生的成本或損失，以及其他與採用權益結合會計法計算的同一控制下合併有關的成本)於產生期間確認為當期支出。

2.2 會計政策變更及披露

本集團已就本年度的財務報表首次採納2018年財務報告概念框架及下列新訂及經修訂國際財務報告準則：

國際財務報告準則第3號的修訂本	業務的定義
國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號的修訂本	利率基準改革
國際財務報告準則第16號的修訂本	新冠病毒疫情 相關租金 減免 (提早採納)
國際會計準則第1號及國際會計準則第8號的修訂本	重要性的釋義

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

The nature and the impact of the *Conceptual Framework for Financial Reporting 2018* and the revised IFRSs are described below:

- (a) Conceptual Framework for Financial Reporting 2018 (the “Conceptual Framework”) sets out a comprehensive set of concepts for financial reporting and standard setting, and provides guidance for preparers of financial statements in developing consistent accounting policies and assistance to all parties to understand and interpret the standards. The Conceptual Framework includes new chapters on measurement and reporting financial performance, new guidance on the derecognition of assets and liabilities, and updated definitions and recognition criteria for assets and liabilities. It also clarifies the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The Conceptual Framework did not have any significant impact on the financial position and performance of the Group.

2.2會計政策變更及披露(續)

2018年財務報告概念框架及經修訂國際財務報告準則的性質及影響如下：

- (a) 2018年度財務報告概念框架(「概念框架」)載列有關財務報告及標準制定的整套概念，並為財務報告編製者提供指引以制定一致的會計政策，及協助各方理解及詮釋準則。概念框架包括有關計量及報告財務表現的新章節、有關終止確認資產及負債的新指引以及資產及負債的更新定義及確認標準。其亦澄清監管、審慎及計量不確定性於財務報告之作用。概念框架並非為一項準則，且其中包含的概念概無凌駕任何準則的概念或規定。概念框架未對本集團的財務狀況及表現產生任何重大影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) Amendments to IFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 January 2020. The amendments did not have any impact on the financial position and performance of the Group.

2.2會計政策變更及披露(續)

(b) 國際財務報告準則第3號的修訂本澄清業務的定義，並提供額外指引。修訂本明確可視為業務的一組整合活動和資產，必須至少包括一項投入和一個實質性過程，而兩者必須對創造產出的能力有重大貢獻。業務無須包括創造產出所需的所有投入或過程。修訂本取消了評估市場參與者是否有能力收購業務並能持續生產產出的規定，轉為重點關注所取得的投入和實質性過程能否共同對創造產出作出重大貢獻。修訂本亦已收窄產出的定義，重點關注為客戶提供的貨品或服務、投資收益或日常活動產生的其他收入。此外，修訂本亦提供有關評估所取得過程是否具有實質性的指引，並新增公允價值集中度測試選項，以對所取得的一組活動和資產是否不屬於業務進行簡化評估。本集團對於2020年1月1日或其後發生的交易或其他事件提前應用修訂本。修訂本對本集團的財務狀況及表現並無任何影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- (c) Amendments to IFRS 9, IAS 39 and IFRS 7 address issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate (“RFR”). The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the introduction of the alternative RFR. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group.
- (d) Amendment to IFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 1 June 2020 with earlier application permitted and shall be applied retrospectively. The amendment did not have any significant impact on the financial position and performance of the Group.

2.2會計政策變更及披露(續)

- (c) 國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號的修訂旨在解決以替代無風險利率(「無風險利率」)取代現有利率基準之前的期間的財務報告問題。修訂本提供暫時性寬免，使對沖會計處理能夠在引入替代無風險利率前的不確定時期內持續進行。此外，修訂本要求公司向投資者提供有關直接受該等不確定性因素影響的對沖關係的額外資料。修訂本對本集團的財務狀況及表現並無任何影響。
- (d) 國際財務報告準則第16號的修訂本為承租人提供一個實際可行的權宜方法，就新冠病毒疫情造成的直接後果產生的租金減免選擇不應用租賃變更會計處理。該實際可行權宜方法僅適用於疫情造成的直接後果產生的租金減免，且僅於以下情況適用：(i)租賃付款的變動使租賃對價有所修改，而經修改的對價與緊接變動前的租賃對價大致相同或低於緊接變動前租賃對價；(ii)租賃付款的任何減少僅影響原到期日為2021年6月30日或之前的付款；及(iii)租賃的其他條款及條件並無實質變動。修訂本獲准提早應用，於2020年6月1日或之後開始的年度期間生效並應追溯應用。修訂本對本集團的財務狀況及表現並無任何重大影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- (e) Amendments to IAS 1 and IAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. The amendments did not have any significant impact on the financial position and performance of the Group.

2.2會計政策變更及披露(續)

- (e) 國際會計準則第1號及國際會計準則第8號的修訂本重新界定重要性。根據新定義，倘可合理預期漏報、錯報或掩蓋個別信息將影響使用財務報表作一般目的的主要使用者基於相關財務報表作出的決定，則該信息為重要。修訂本指明，重要性取決於信息的性質或牽涉範圍，或兩者兼備。修訂本對本集團的財務狀況及表現並無任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	<i>Interest Rate Benchmark Reform-Phase 2¹</i>
Amendments to IFRS 3	<i>Reference to the Conceptual Framework²</i>
Amendments to IAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use²</i>
Amendments to IAS 37	<i>Onerous Contracts-Cost of Fulfilling a Contract²</i>
Annual Improvements to IFRS Standards 2018-2020	Amendments to IFRS 1, IFRS 9, and Illustrative Examples accompanying IFRS 16, and IAS 41 ²
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
IFRS 17	<i>Insurance Contracts^{4, 5}</i>
Amendments to IFRS 17	<i>Insurance Contracts^{4, 5}</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current⁴</i>
Amendments to IAS 1	<i>Disclosure of Accounting Policies⁴</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates⁴</i>

- 1 Effective for annual periods beginning on or after 1 January 2021
- 2 Effective for annual periods beginning on or after 1 January 2022
- 3 No mandatory effective date yet determined but available for adoption
- 4 Effective for annual periods beginning on or after 1 January 2023
- 5 As a consequence of the amendments to IFRS 17 issued in October 2020, IFRS 4 was amended to extend the temporary exemption that permits insurers to apply IAS 39 rather than IFRS 9 for annual periods beginning before 1 January 2023

2.3 已頒佈但尚未生效的國際財務報告準則

本集團並未於該等財務報表中應用以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂本	利率基準改革－第二階段 ¹
國際財務報告準則第3號的修訂本	概念框架的引用 ²
國際會計準則第16號的修訂本	物業、廠房及設備：達到預定可使用狀態前的收益 ²
國際會計準則第37號的修訂本	虧損合約－履行合約之成本 ²
國際財務報告準則之年度改進(2018年至2020年)	國際財務報告準則第1號、國際財務報告準則第9號及國際財務報告準則第16號的隨附示例以及國際會計準則第41號的修訂本 ²
國際財務報告準則第10號及國際會計準則第28號的修訂本	投資者與其聯營公司或合營公司之間的資產出售或注資 ³
國際財務報告準則第17號	保險合約 ^{4, 5}
國際財務報告準則第17號的修訂本	保險合約 ^{4, 5}
國際會計準則第1號的修訂本	將負債分類為流動或非流動 ⁴
國際會計準則第1號的修訂本	會計政策之披露 ⁴
國際會計準則第8號的修訂本	會計估計之定義 ⁴

- 1 於2021年1月1日或之後開始的年度期間生效
- 2 於2022年1月1日或之後開始的年度期間生效
- 3 尚未釐定強制生效日期但可供採納
- 4 於2023年1月1日或之後開始的年度期間生效
- 5 由於國際財務報告準則第17號的修訂本於2020年10月頒佈，國際財務報告準則第4號獲修訂以擴大暫時豁免，允許承保人於2023年1月1日之前開始的年度期間應用國際會計準則第39號而非國際財務報告準則第9號

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Further information about those IFRSs that are expected to be applicable to the Group is described below.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative RFR. The Phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021 and shall be applied retrospectively, but entities are not required to restate the comparative information.

2.3 已頒佈但尚未生效的國際財務報告準則(續)

預期適用於本集團的該等國際財務報告準則的進一步資料如下。

國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂本處理過往修訂本未處理的問題，即現有利率基準被其他無風險利率取代。第二階段修訂本提供了實際可行的權宜方法，可在對金融資產及負債合同現金流的釐定基準變動進行會計處理時，毋須調整賬面值即可更新實際利率，惟該等變動須為利率基準改革的直接後果，且釐定合同現金流的新基準與緊接該變動前的上一基準的經濟效果相當。此外，該等修訂允許在不終止對沖關係的情況下，可對對沖指示及對沖文件作出利率基準改革規定下的變更。在過渡中產生的任何損益均按照國際財務報告準則第9號的一般規定處理。當無風險利率被指定為風險構成部分時，該等修訂亦向需要符合獨立可辨別規定的實體提供暫時性豁免。倘實體合理預期無風險利率的風險構成部分將於未來24個月內可獨立識別，則該實體可據此於下達對沖指示後視作已滿足獨立可識別的規定。再者，該等修訂規定實體須披露額外資料，以使財務報表使用者能夠了解利率基準改革對實體的金融工具及風險管理策略的影響。該等修訂於2021年1月1日或之後開始的年度期間生效且將追溯生效，但實體毋須重述比較資料。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

The Group had certain interest-bearing bank borrowings denominated in US dollars and foreign currencies based on the London Interbank Offered Rate (“LIBOR”) as at 31 December 2020. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply this practical expedient upon the modification of these borrowings when the “economically equivalent” criterion is met and expects that no significant modification gain or loss will arise as a result of applying the amendments to these changes.

Amendments to IFRS 3 are intended to replace a reference to the previous Framework for the Preparation and Presentation of Financial Statements with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments also add to IFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 if they were incurred separately rather than assumed in a business combination, an entity applying IFRS 3 should refer to IAS 37 or IFRIC 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈但尚未生效的國際財務 報告準則 (續)

於2020年12月31日，本集團有若干以美元及外幣（按倫敦銀行同業拆款利率（「LIBOR」）計值的計息銀行借款。倘該等借款利率於未來期間替換為無風險利率，本集團將在符合「經濟效果相當」標準並預期概無因對該等變動應用該等修訂而產生重大的修改損益後，本集團將於該等借貸修改後採用此可行的權宜方法。

國際財務報告準則第3號的修訂本旨在將對原財務報表編製及呈列之框架的提述取代為對2018年3月發佈的財務報告之概念框架的提述，而毋須大幅改變其規定。該等修訂亦向國際財務報告準則第3號添加其確認原則的例外情況，允許實體參考概念框架來釐定構成資產或負債的要素。該例外指明，倘負債及或有負債若為單獨產生而非在業務合併中承擔即符合國際會計準則第37號或國際財務報告詮釋委員會詮釋第21號的範疇，則採用國際財務報告準則第3號的實體應分別參考國際會計準則第37號或國際財務報告詮釋委員會詮釋第21號，而非概念框架。此外，該等修訂訂明或有資產並無資格於收購日期確認。本集團預期將於2022年1月1日起採用該等修訂。由於該等修訂預期將應用於收購日期為首次應用日期或其後發生的業務合併，因此本集團於過渡日期將不受該等修訂本的影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Amendments to IAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 37 clarify that for the purpose of assessing whether a contract is onerous under IAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報告準則(續)

國際會計準則第16號的修訂本禁止實體從物業、廠房及設備項目成本中扣除於該資產達到能夠按照管理層擬定方式開展經營所必要的位置及條件期間所產生項目的任何銷售所得款項。該等修訂將於2022年1月1日或之後開始的年度期間生效，且僅將於實體首次應用該等修訂的財務報表所呈列最早期間期初或其後可供使用的物業、廠房及設備項目追溯應用，並可提早應用。該等修訂預計不會對本集團財務報表產生重大影響。

國際會計準則第37號的修訂本澄清，為評估一份合約根據國際會計準則第37號是否屬虧損合約，履行合約的成本應包括與合約直接相關的成本。與合約直接相關的成本包括履行合約的增量成本(例如直接人工及材料)及分配與履行該合約直接相關的其他成本(例如分配於履行合約過程中使用的物業、廠房及設備項目的折舊費用，以及合同管理及監督成本)。一般及行政費用除非合約訂明應向交易對手方收取，否則並非直接與合約相關且不會計入成本。該等修訂將於2022年1月1日或之後開始的年度期間生效，將應用於實體於其應用該等修訂的年度報告期期初尚未履行其所有義務的合約，並可提早應用。首次應用該等修訂的任何累計影響將被確認為對首次應用日期期初權益的調整，而毋須重述比較資料。該等修訂預計不會對本集團財務報表產生重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Amendments to IAS 1 clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to IFRS Standards 2018-2020 sets out amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- IFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務 報告準則 (續)

國際會計準則第1號的修訂本釐清將負債分類為流動或非流動的規定。該等修訂訂明，倘實體須符合特定條件方具有遞延結算負債的權利，則實體有權於報告期末延後償付該負債，惟實體於該日期符合該等條件。實體行使權利遞延結算負債的可能性不會影響負債的分類。該等修訂亦訂明被認為是負債結算的情形。該等修訂將於2023年1月1日或之後開始的年度期間生效，並將追溯應用及可提早應用。該等修訂預計不會對本集團財務報表產生重大影響。

國際財務報告準則之年度改進 (2018年至2020年週期) 載列對國際財務報告準則第1號、國際財務報告準則第9號、國際財務報告準則第16號的隨附示例及國際會計準則第41號的修訂本。預期將適用於本集團的該等修訂詳情如下：

- 國際財務報告準則第9號 *金融工具*：釐清實體評估新增或已修改的金融負債條款與原金融負債條款是否顯著不同時涉及的費用。該等費用僅包括借貸雙方之間的收付款（包括雙方代表對方收支的費用）。實體將該修訂應用於該實體首次應用該修訂的年度報告期期初或之後修改或交換的金融負債。該等修訂將於2022年1月1日或之後開始的年度期間生效，並可提早應用。該修訂預計不會對本集團財務報表產生重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

- IFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB in December 2015 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

- 國際財務報告準則第16號租賃：刪去與國際財務報告準則第16號隨附示例第13號項下租賃物業裝修有關的出租人付款說明。該修訂解決了應用國際財務報告準則第16號時可能對租賃激勵處理方式產生的困惑。

國際財務報告準則第10號及國際會計準則第28號的修訂本處理國際財務報告準則第10號與國際會計準則第28號兩者針對投資者與其聯營或合營公司之間的資產出售或注資規定的一個不一致情況。該等修訂規定，當投資者與其聯營或合營公司之間的資產出售或注資構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營或合營公司的權益為限。該等修訂將按未來適用基準應用。國際會計準則委員會於2015年12月撤銷國際財務報告準則第10號及國際會計準則第28號修訂本的強制生效日期，並將在完成對聯營公司及合營企業的會計處理作出更廣泛的覆核後定出新強制生效日期。然而，該等修訂本現時可提前採用。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

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

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

2.4 主要會計政策概要

於聯營公司及合營公司的投資

聯營公司為本集團擁有一般不少於20%股份投票權的長期權益且本集團可對其行使重大影響力的實體。重大影響力指有權參與投資對象的財務及營運政策決定，但並非控制或共同控制該等政策。

合營公司指一種合營安排，對安排擁有共同控制權的訂約方據此對合營公司的淨資產擁有權利。共同控制指按照合約協定對一項安排所共有的控制，共同控制僅在有關活動要求享有控制權的訂約方作出一致同意的決定時存在。

本集團於聯營公司及合營公司的投資乃採用權益會計法，按本集團應佔的淨資產減任何減值虧損在合併財務狀況表列賬。

倘若會計政策存在任何不一致，將會作出相應調整。

本集團所佔聯營公司及合營公司的收購後業績及其他綜合收益分別計入合併損益表及合併其他綜合收益表。此外，倘於聯營公司或合營公司的權益直接確認出現變動，則本集團會於合併權益變動表確認其應佔任何變動（倘適用）。因本集團與其聯營公司或合營公司之間的交易而產生的未變現收益及虧損將以本集團於聯營公司或合營公司的投資為限予以對銷，惟倘未變現虧損為所轉讓資產減值的憑證則除外。收購聯營公司或合營公司所產生的商譽計入本集團於聯營公司或合營公司投資的一部分。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in associates and joint ventures (continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

2.4 主要會計政策概要(續)

於聯營公司及合營公司的投資(續)

倘於聯營公司的投資變為對合營公司的投資(反之亦然),則不會重新計量保留權益。相反,該投資將繼續根據權益法入賬。在所有其他情況下,倘失去對聯營公司的重大影響力或對合營公司的共同控制權,本集團會按其公允價值計量及確認任何剩餘投資。聯營公司或合營公司於失去重大影響力或共同控制權時的賬面值與剩餘投資及出售所得款項的公允價值之間的任何差額於損益內確認。

當於聯營公司或合營公司的投資分類為持作出售時,該投資根據國際財務報告準則第5號持作出售非流動資產及已終止經營業務入賬。

業務合併及商譽

業務合併乃採用購買法列賬。轉讓對價乃以收購日期的公允價值計量,該公允價值為本集團轉讓的資產於收購日期的公允價值、本集團向被收購方前擁有人承擔的負債及本集團為換取被收購方控制權而發行的股本權益的總和。對於各業務合併,本集團選擇是否以公允價值或被收購方可識別資產淨值的應佔比例,計量於被收購方的非控股權益,即於被收購方中賦予持有人在清盤時按比例分佔資產淨值的現有所有權權益。非控股權益的所有其他組成部分乃按公允價值計量。收購相關成本於產生時費用化。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations and goodwill (continued)

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 is measured at fair value with changes in fair value either recognised in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2.4 主要會計政策概要 (續)

業務合併及商譽 (續)

當所取得的一組活動和資產包含共同為創造產出能力作出重大貢獻的投入及實質過程時，本集團釐定其已收購一項業務。

當本集團收購一項業務時，會根據合同條款、於收購日期的經濟環境及相關條件，評估須承擔的金融資產及負債，以作出適合的分類及標示，其中包括分離被收購方主合同中的嵌入式衍生工具。

如業務合併分階段進行，先前持有的股本權益按其於收購日期的公允價值重新計量，所產生的任何收益或虧損在損益中確認。

收購方將轉讓的任何或有對價按收購日期的公允價值確認。屬金融工具並分類為資產或負債且屬於國際會計準則第39號範圍內的或有對價按公允價值計量，其公允價值變動於損益內或作為其他綜合收益的變動確認。分類為權益的或有對價不重新計量，其後續結算在權益中入賬。

商譽初步按成本計量，即已轉讓對價、非控股權益的確認金額及本集團先前持有的被收購方股本權益的任何公允價值總額，與所收購可識別淨資產及所承擔負債之間的差額。如對價與其他項目的總額低於所收購淨資產的公允價值，該差額於重新評估後將於損益內確認為議價購買收益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations and goodwill (continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 主要會計政策概要 (續)

業務合併及商譽 (續)

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行測試。本集團於12月31日進行商譽的年度減值測試。為進行減值測試，因業務合併而購入的商譽自收購日期起被分配至預期可從合併產生的協同效益中獲益的本集團各現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配至該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位（現金產生單位組別）的可收回金額釐定。當現金產生單位（現金產生單位組別）的可收回金額低於賬面金額時，減值虧損便予以確認。已就商譽確認的減值虧損不得於隨後期間撥回。

如商譽分配至現金產生單位（或現金產生單位組別）而該單位的部分業務已出售，則在釐定出售損益時，與所出售業務相關的商譽會計入該業務的賬面金額。在該等情況下出售的商譽乃根據所出售業務及現金產生單位的保留份額的相對價值進行計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value measurement

The Group measures its derivative financial instruments, debt instruments and equity investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 主要會計政策概要(續)

公允價值計量

於各報告期末，本集團按公允價值計量其衍生金融工具、債務工具及股權投資。公允價值為市場參與者之間於計量日期進行的有序交易中，出售資產所收取或轉讓負債所支付之價格。公允價值計量假設出售資產或轉讓負債的交易於該資產或負債的主要市場，或在無主要市場的情況下，則於對該資產或負債最有利的市場進行。主要或最有利市場須為本集團能參與的市場。假設市場參與者基於最佳經濟利益行事，資產或負債的公允價值使用市場參與者為資產或負債定價所用假設計量。

非金融資產之公允價值計量會計及市場參與者將資產用於最高價值及最佳用途或售予會將資產用於最高價值及最佳用途之另一名市場參與者而產生經濟利益的能力。

本集團針對不同情況使用不同估值方法，確保有足夠數據計量公允價值，並盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets, financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2.4 主要會計政策概要 (續)

公允價值計量 (續)

公允價值於財務報表計量或披露之所有資產及負債，均基於對公允價值計量整體而言屬重要之最低層輸入數據按下述公允價值層級分類：

第一層 – 按同等資產或負債於活躍市場之報價 (未經調整) 計算

第二層 – 按估值方法計算 (計量公允價值的重要最低層輸入數據可直接或間接觀察)

第三層 – 按估值方法計算 (計量公允價值的重要最低層輸入數據不可觀察)

對於按經常性基準於財務報表確認之資產及負債，本集團於各報告期末重新評估分類 (基於對公允價值計量整體而言屬重大之最低層輸入數據)，以確定有否在不同層級之間轉移。

非金融資產減值

當資產 (存貨、合同資產、遞延稅項資產、金融資產及投資物業除外) 存在減值跡象或須對資產進行年度減值測試時，會估計資產的可收回金額。資產的可收回金額是指資產或現金產生單位的使用價值與其公允價值減出售成本兩者之中的較高者，並以個別資產釐定，除非該資產並不產生很大程度上獨立於其他資產或資產組別的現金流入，在此情況下可收回金額按資產所屬現金產生單位釐定。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets (continued)

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.4 主要會計政策概要 (續)

非金融資產減值 (續)

僅當資產的賬面值超過其可收回金額時方可確認減值虧損。評估使用價值時，估計未來現金流量乃以反映當前市場評定的貨幣時間價值以及資產特有風險的稅前折現率折現至其現值。減值虧損乃於其在與該已減值資產的功能一致的該等開支類別中產生期間自損益表中扣除。

在每個報告期末均會評估是否有跡象表明之前確認的減值虧損可能不復存在或有所減少。若存在該跡象，則會估計可收回金額。僅當用於釐定資產的可收回金額的估計有所改變時，先前就該資產確認的減值虧損（商譽除外）才可轉回，但轉回後的數額不能高於假設以往年度沒有就該資產確認減值虧損而原應釐定的賬面值（扣除任何折舊／攤銷）。該減值虧損的轉回於產生期間計入損益表，除非資產以重估金額入賬，於此情況下，則減值虧損撥回將根據該重估資產的相關會計政策入賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the post-employment benefit plan;

2.4 主要會計政策概要(續)

關聯方

倘一方符合以下條件，則視為與本集團有關聯：

- (a) 倘該方屬以下人士或該人士的家庭近親成員，且該人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；

或

- (b) 倘該方為符合下列任何條件的實體：
 - (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 實體為另一實體的聯營公司或合營公司（或為另一實體的母公司、附屬公司或同系附屬公司）；
 - (iii) 該實體與本集團均為同一第三方的合營公司；
 - (iv) 實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司；
 - (v) 實體為本集團或與本集團有關聯的實體就僱員利益設立的離職福利計劃；及該離職福利計劃之資助僱主；

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties (continued)

- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity) and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

2.4 主要會計政策概要 (續)

關聯方 (續)

- (vi) 實體受(a)所識別人士控制或共同控制；
- (vii) 於(a)(i)所識別人士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；及
- (viii) 該實體或一個集團任何成員公司(該實體屬一部分)，向本集團或本集團母公司提供主要管理人員服務。

物業、廠房及設備以及折舊

除在建工程外，物業、廠房及設備按成本減累計折舊及任何累計減值虧損列賬。當一項物業、廠房及設備分類為持作出售或當其組成為持作出售的處置組合的一部分時，其毋須折舊並根據國際財務報告準則第5號入賬。物業、廠房及設備項目成本包括其購入價及使資產達致其擬定用途的運作狀況及地點的任何直接應佔成本。

成本亦可包括由權益轉撥外幣購買物業、廠房及設備合資格作現金流量對沖的任何收益或虧損。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment and depreciation (continued)

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	2.71% to 3.80%
Office and other equipment	9.50% to 19.00%
Motor vehicles	11.88%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊(續)

物業、廠房及設備項目投產後產生的維修及保養等開支，一般於產生期間計入損益表。於符合確認標準的情況下，大型檢測開支計入資產賬面值，作為重置成本。倘物業、廠房及設備之重要部分須定期更換，則本集團確認該等部分為具特定使用年期之個別資產並相應計提折舊。

折舊乃以直線法在估計使用年內將各物業、廠房及設備項目的成本撇銷至其剩餘價值。就此而言使用的主要年折舊率如下：

樓宇	2.71%至3.80%
辦公室及其他設備	9.50%至19.00%
汽車	11.88%

倘物業、廠房及設備項目的各部分有不同的可使用年期，該項目的成本將在各部分之間作合理分配，而每部分將個別計提折舊。剩餘價值、使用年期及折舊方法至少於各財政年度結算日檢討，並於適當時調整。

初始確認的物業、廠房及設備項目(包括任何重要部分)於出售或預期使用不會再產生未來經濟利益時終止確認。於資產終止確認年度在損益表確認的任何出售或報廢收益或虧損，乃有關資產出售所得款項淨額與賬面值之差額。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment and depreciation (continued)

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured at cost including transaction costs both at initial recognition and subsequent to initial recognition.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	2.11%-4.75%
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The carrying amounts of investment properties measured using the cost method are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

2.4 主要會計政策概要 (續)

物業、廠房及設備以及折舊 (續)

在建工程指正在建設的樓宇，按成本減任何減值虧損入賬且不計提折舊。成本包括建設期間建設的直接成本及相關借入資金的資本化借貸成本。在建工程於落成可用時按適當類別重新分類至物業、廠房及設備。

投資物業

投資物業乃於土地及樓宇持有之收益，用以賺取租金收入及／或資本升值，而非用於產品或服務之生產或供應或行政用途；或於日常業務營運中銷售。該等物業乃按成本計量，包括初始確認及初始確認後的交易成本。

折舊乃以直線法在估計使用年期內將各物業、廠房及設備項目的成本撇銷至其剩餘價值。就此而言使用的主要年率如下：

樓宇	2.11%-4.75%
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倘發生任何事件或情況變化顯示投資物業之賬面值可能無法收回，則會對採用成本方法計量的投資物業之賬面值進行檢討，以釐定是否出現減值。

報廢或出售投資物業所產生的任何收益或虧損於報廢或出售年度在損益表內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties (continued)

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under “Property, plant and equipment and depreciation” for owned property and/or accounts for such property in accordance with the policy stated under “Right-of-use assets” for property held as a right-of-use asset up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under “Property, plant and equipment and depreciation” above. For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the statement of profit or loss.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 主要會計政策概要(續)

投資物業(續)

就轉為自用物業或存貨的投資物業而言，用作日後入賬的推定物業成本，為改變用途之日的公允價值。倘本集團擁有的自用物業轉變為投資物業，本集團根據自用物業「物業、廠房及設備以及折舊」項下所列政策將物業入賬，及／或根據截至改變用途之日作為使用權資產持有之「使用權資產」項下所列政策對該物業進行入賬，並根據上述「物業、廠房及設備以及折舊」項下所列政策，按物業在該日的賬面值和公允價值的差額記入重估賬。就轉為投資物業的存貨而言，物業在該日的公允價值和其之前賬面值的差額會於損益表確認。

無形資產(商譽除外)

單獨取得的無形資產於初始確認時按成本計量。通過業務合併取得的無形資產的成本為收購日期的公允價值。無形資產的可使用年期評定為有限期或無限期。有限期的無形資產隨後按可使用經濟年期攤銷，於有跡象顯示無形資產可能出現減值時評估減值。有限可使用年期的無形資產的攤銷期及攤銷方法至少於各財政年度結算日覆核一次。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (other than goodwill) (continued)

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Concession assets

The Group is engaged in certain service concession arrangements in which the Group carries out construction work (e.g., hydropower stations) in exchange for a right for the Group to operate the asset concerned in accordance with pre-established conditions set by the granting authority. In accordance with IFRIC Interpretation 12 Service Concession Arrangements (IFRIC 12), the assets under the concession arrangements may be classified as intangible assets or financial assets. The assets are classified as intangibles if the operator receives a right (a license) to charge users of the public service or as financial assets if the operator has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. The Group classifies the non-current assets linked to the long-term investment in these concession arrangements as “concession assets” within intangible assets on the statement of financial position if the intangible asset model is adopted. Such concession assets represent the consideration received for its construction service rendered. Once the underlying infrastructure of the concession arrangements is completed, the concession assets are amortised over the term of the concession using straight-line method under the intangible asset model.

2.4 主要會計政策概要 (續)

無形資產 (商譽除外) (續)

無固定年期的無形資產將每年個別地或者於現金產生單位層面進行減值測試。該等無形資產不進行攤銷。無固定年期的無形資產須每年評估其可使用年期，以確定無固定年期的評估是否依然可行。否則，可使用年期的評估從無固定年期變更為有固定年期，將採用未來適用法進行會計處理。

特許經營資產

本集團涉及若干服務特許經營安排，據此，本集團按照授權當局所預定條件開展建築工程（如水電站），以換取有關資產的經營權。根據國際財務報告詮釋委員會詮釋第12號服務特許經營安排，特許經營安排下的資產可列作無形資產或金融資產。如果經營者取得權利（特許權）向公共服務使用者收費，則將資產列作無形資產，如果經營者擁有無條件從授權當局就建造服務收取現金或其他金融資產的合同權利，則列作金融資產。如採用無形資產模式，則本集團會將該等特許經營安排下長期投資相關的非流動資產於財務狀況表內列作無形資產類別中的「特許經營資產」。該等特許經營資產指就其所提供的建造服務而收取的對價。於特許經營安排的相關基礎設施落成後，特許經營資產根據無形資產模式以直線法按特許經營期攤銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (other than goodwill) (continued)

Software

Purchased software is stated at cost less any impairment losses and is amortised on the straight-line basis over the estimated useful lives of 2 to 5 years.

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.4 主要會計政策概要(續)

無形資產(商譽除外)(續)

軟件

已購買的軟件乃按成本減任何減值虧損列賬，按其估計可使用年期(兩至五年)以直線法攤銷。

研究及開發費用

所有研究費用均於產生時自損益表扣除。

新產品開發計劃產生的開支僅於本集團證明在技術上能夠完成無形資產令其可供使用或出售、有意完成及有能力使用或出售該資產、該資產將如何帶來日後經濟利益、具有完成計劃所需的資源且能夠可靠地計量開發期間支出時，方會資本化並以遞延方式入賬。未能符合此等條件的產品開發開支概於發生時列作開支。

租賃

本集團於合約開始時評估合約是否為或包含租賃。倘合約為換取對價而給予在一段時間內控制已識別資產使用的權利，則該合約為或包含租賃。

本集團作為承租人

本集團對所有租賃(惟短期租賃及低價值資產租賃除外)採取單一確認及計量方法。本集團確認租賃負債以支付租賃款項，而使用權資產指使用相關資產的權利。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

Group as a lessee (continued)

At inception or on reassessment of a contract that contains a lease component and non-lease component(s), the Group adopts the practical expedient not to separate non-lease component(s) and to account for the lease component and the associated non-lease component(s) (e.g., property management services for leases of properties) as a single lease component.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	36 to 50 years
Plant and machinery	2 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

訂立或重新評估包含租賃組成部分及非租賃組成部分之合約時，本集團採取實際可行的權宜之計，不將非租賃組成部分分離，並考慮租賃組成部分及相關之非租賃組成部分(例如，物業租賃管理服務)作為單一租賃組成部分。

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可供使用當日)確認。使用權資產按成本減累計折舊及減值虧損計量，並根據租賃負債的重新計量進行調整。使用權資產成本包括已確認租賃負債的款額、已產生初始直接成本及於開始日期或之前作出的租賃款項減已收租賃獎勵。使用權資產按租賃期及資產之估計使用壽命中的較短者按直線法折舊，如下：

租賃土地	36至50年
廠房及機械	2至5年

倘租賃資產所有權於租賃期結束時轉移至本集團或成本反映購買選擇權的行使，則使用該資產的估計使用壽命計算折舊。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

2.4 主要會計政策概要(續)

租賃((續)

本集團作為承租人(續)

(b) 租賃負債

租賃負債於租賃開始日期按租期內將作出的租賃付款現值確認。租賃付款包括定額付款(含實質定額款項)減應收租賃獎勵款項、取決於指數或利率的可變租賃付款以及預期根據剩餘價值擔保下支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及尚在租賃期內反映本集團正行使終止租賃選擇權時，有關終止租賃支付的罰款。不取決於指數或利率的可變租賃付款在出現觸發付款的事件或條件的期間內確認為支出。

於計算租賃付款的現值時，由於租賃內所含利率不易釐定，故本集團應用租賃開始日期的增量借款利率計算。於開始日期後，租賃負債金額的增加反映利息的增加，並因支付租賃款項而減少。此外，倘有任何修改，即租期變更、租賃付款變更(例如某一指數或比率的變更導致未來租賃付款發生變化)或購買相關資產的選擇權評估的變更，則重新計量租賃負債的賬面值。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

Group as a lessee (continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as an operating lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.4 主要會計政策概要 (續)

租賃 (續)

本集團作為承租人 (續)

(c) 短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於其機械設備短期租賃(即自生效日期起租賃期為12個月或以下且不包含購買選擇權之租賃),亦將低價值資產租賃之確認豁免應用於被視為低價值之辦公設備及筆記型電腦租賃。

短期租賃及低價值資產租賃的租賃付款於租賃期內按直線法確認為支出。

本集團作為出租人

當本集團作為出租人,本集團於租賃開始時(或當存在租賃變更時)將其每項租賃分類為經營租賃。

本集團不轉讓資產所有權的絕大部分風險及利益的租約歸類為經營租約。倘合約包括租賃及非租賃部分,本集團根據相對獨立的售價基準將合約對價分配予各部分。租金收入於租賃期內按直線法入賬,由於其經營性質,計入當期損益。磋商及安排一項經營性租賃時產生的初始直接成本計入租賃資產的賬面值,並按與租金收入相同的基準於租期內確認。或有租金於其賺取期間確認為收入。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 主要會計政策概要(續)

投資及其他金融資產

初始確認及計量

金融資產在初始確認時按攤餘成本、以公允價值計量且其變動計入其他綜合收益及以公允價值計量且其變動計入損益進行分類。

金融資產在初始確認時的分類取決於金融資產的合同現金流特徵及本集團管理金融資產的商業模式。惟不包含重大融資部分或本集團已就此應用實務中的不調整重大融資部分影響的應收款項外，本集團初始按公允值加上(倘金融資產並非按公允值計入損益)交易成本計量金融資產。不包含重要融資組成部分或本集團已應用實務中的不調整重大融資部分影響的貿易應收款項，按照國際財務報告準則第15號所確定的交易價格，按照下文「收入確認」所述的政策進行計量。

為了通過攤餘成本或以公允價值計量且其變動計入其他綜合收益對金融資產進行分類及計量，金融資產須產生僅支付未償本金及利息(「SPPI」)的現金流。不論業務模式，具有並非SPPI之現金流特徵之金融資產分類為以公允價值計量且其變動計入損益計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

初始確認及計量(續)

本集團管理金融資產的業務模式是指其如何管理其金融資產以產生現金流。業務模式決定現金流來自收取合同現金流、出售金融資產還是兩者兼而有之。按攤餘成本分類及計量之金融資產按目的為持有金融資產以收取合同現金流之業務模式持有，而以公允價值計量且其變動計入其他綜合收益之金融資產則按目的為收取合同現金流及出售之業務模式持有。不屬於上述業務模式之金融資產，以公允價值計量且其變動計入當期損益。

金融資產的所有定期購買及出售在交易日確認，即本集團承諾購買或出售資產的日期。定期購買或出售是指在市場規則或慣例規定的期限內，購買或出售需要交付資產的金融資產。

後續計量

就後續計量而言，金融資產分為以下幾類：

以攤餘成本計量的金融資產(債務工具)

以攤餘成本計量的金融資產後續使用實際利率法計量，並可能受減值影響。當資產終止確認、修訂或減值時，收益或虧損於損益中確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 主要會計政策概要 (續)

投資及其他金融資產 (續)

後續計量 (續)

以公允價值計量且其變動計入其他綜合收益的金融資產 (債務工具)

就以公允價值計量且其變動計入其他綜合收益的債務投資而言，利息收入、匯兌重估及減值虧損或撥回於損益表內確認並按與以攤餘成本計量的金融資產相同的方式計算。剩餘公允價值變動於其他綜合收益內確認。於終止確認後，於其他綜合收益內確認的累計公允價值變動重新計入損益表。

以公允價值計量且其變動計入其他綜合收益的金融資產 (股權投資)

於初步確認時，本集團可選擇於權益投資符合國際會計準則第32號金融工具：列報項下的權益投資定義且並非持作買賣時，將其股本投資不可撤回地分類為指定以公允價值計量且其變動計入其他綜合收益的權益工具。分類乃按個別工具基準釐定。

該等金融資產的收益及虧損概不會被重新計入損益。當確立支付權時，股息於綜合收益表中確認為其他收入，惟當本集團於作為收回金融資產一部分成本的所得款項中獲益時則除外，於此等情況下，該等收益於其他綜合收益入賬。指定以公允價值計量且其變動計入其他綜合收益的權益工具不受減值評估影響。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

2.4 主要會計政策概要 (續)

投資及其他金融資產 (續)

後續計量 (續)

以公允價值計量且其變動計入損益的金融資產

以公允價值計量且其變動計入損益的金融資產按公允價值於財務狀況表列賬，而公允價值變動淨額於損益表中確認。

該類別包括本集團並無不可撤回地選擇以公允價值計量且其變動計入其他綜合收益進行分類的衍生工具及權益投資。權益投資的股息在支付權確立時，與股利相關的經濟利益有可能流向本集團，股利的金額能夠可靠地計量時亦於損益表中確認為其他收入。

當嵌入混合合約（包含金融負債及非金融主體）的衍生工具具備與主體不緊密相關的經濟特徵及風險；具備與嵌入式衍生工具相同條款的單獨工具符合衍生工具的定義；且混合合約並非以公允價值計量且其變動計入損益，則該衍生工具與主體分開並作為單獨衍生工具列賬。嵌入式衍生工具以公允價值計量，且其變動計入損益。

僅當合約條款出現變動，大幅改變其他情況下所需現金流量時；或當原分類至以公允價值計量且其變動計入損益的金融資產獲重新分類時，方進行重新評估。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss (continued)

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.4 主要會計政策概要 (續)

投資及其他金融資產 (續)

後續計量 (續)

以公允價值計量且其變動計入損益的金融資產 (續)

嵌入混合合約(包含金融資產主體)的衍生工具不得單獨列賬。金融資產主體連同嵌入式衍生工具須整體分類為以公允價值計量且其變動計入損益的金融資產。

終止確認金融資產

金融資產(或如適用,一項金融資產的一部分或一組同類金融資產的一部分)在下列情況將終止確認(即從本集團的合併財務狀況表中刪除):

- 收取該項資產所得現金流量的權利已經屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,或已根據「轉付」安排,有責任在無重大延誤情況下將所收取現金流量悉數付予第三方;及(a)本集團已轉讓該項資產的絕大部分風險及回報;或(b)本集團既無轉讓亦無保留該項資產絕大部分風險及回報,但已轉讓該項資產的控制權。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial assets (continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2.4 主要會計政策概要(續)

終止確認金融資產(續)

倘本集團轉讓其收取一項資產所得現金流量的權利或已訂立轉付安排，會評估其有否保留該項資產擁有權的風險及回報，以及保留的程度。倘本集團既無轉讓或保留該項資產的絕大部分風險及回報，亦無轉讓該項資產的控制權，本集團會在本集團持續參與該項資產的前提下繼續確認該已轉讓資產。於該情況下，本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團保留的權利及義務的基準計量。

本集團以擔保形式繼續涉入轉讓資產，該已轉讓資產乃以該項資產之原賬面值及本集團可能需要支付之最高代價兩者之較低者計量。

金融資產減值

本集團對所有並非以公允價值計量且其變動計入當期損益的債務工具的預期信用損失計提撥備。預期信用損失法是基於合同規定的到期合同現金流量與本集團預期收到的所有現金流量之間的差額，按接近原本的實際利率的利率將該差額折現。預期現金流量將包括出售所持抵押的現金流量或組成合約條款的其他信用提升措施。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)

金融資產減值(續)

一般模式

預期信用損失於兩個階段進行確認。對於自初始確認後並無顯著增加的信用風險，預期信用損失就可能於未來12個月內出現的違約事件計提撥備(12個月預期信用損失)。對於自初始確認後有顯著增加的信用風險，須在信用損失預期的剩餘年期計提虧損撥備，不論違約事件於何時發生(存續期預期信用損失)。

於各報告日期，本集團評估自初始確認後金融工具的信用風險是否顯著增加。本集團作出評估時會對於報告日期金融工具發生的違約風險及於初始確認日期起金融工具發生的違約風險進行比較，並考慮無需付出不必要成本或努力而可得到的合理及可支持資料，包括歷史及前瞻性資料。

本集團將合約付款逾期90日的金融資產視作違約。然而，於若干情況下，當內部或外部資料顯示本集團不可能在本集團採取任何信用提升安排前悉數收回未償還合約金額時，本集團亦可能認為該金融資產違約。金融資產於不能合理預期收回合約現金流量時撇銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (continued)

General approach (continued)

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

2.4 主要會計政策概要 (續)

金融資產減值 (續)

一般模式 (續)

以公允價值計量且其變動計入其他綜合收益的債務投資及按攤餘成本計量的金融資產，在一般模式下可能會發生減值，並且在以下階段分類用於預期信用損失計量，惟採用下文詳述的簡化模式的應收款項及合同資產除外。

第一階段 – 自初始確認以來信用風險沒有顯著增加的金融工具，其虧損撥備按相等於12個月預期信用損失的金額計量

第二階段 – 自初始確認以來信用風險顯著增加，但並不屬於信用減值金融資產的金融工具，其虧損撥備按相等於存續期預期信用損失的金額計量

第三階段 – 於報告日發生信用減值的金融資產（但不是購買或原始信用減值），其虧損撥備按相等於存續期預期信用損失的金額計量

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (continued)

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For trade receivables and contract assets that contain a significant financing component and lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bills payable, derivative financial instruments and interest-bearing bank and other borrowings.

2.4 主要會計政策概要 (續)

金融資產減值 (續)

簡易法

對於不包含重要融資組成部分的應收款項及合同資產，或當本集團採取實務中不調整重要融資組成部分的影響時，本集團在計算信用減值損失時採用簡易法。根據簡易法，本集團不跟蹤信用風險的變化，而是在每個報告日期基於存續期預期信用損失確認減值準備。本集團根據其歷史信用損失經驗建立了一個撥備矩陣，並根據債務人具體的前瞻性因素及經濟環境加以調整。

對於包含重要融資組成部分的應收款項及合同資產以及應收租賃款項，本集團選擇採用上述簡易法計算信用減值損失的會計政策。

金融負債

初始確認及計量

於初始確認時，金融負債會被分類為以公允價值計量且其變動計入損益的金融負債、貸款及借貸或應付款項、或指定為於有效對沖中作為對沖工具之衍生工具（如適用）。

所有金融負債初始按公允價值確認，如屬貸款、借貸及應付款項，則扣除直接應佔交易成本。

本集團的金融負債包括貿易及其他應付款項、應付票據、衍生金融工具以及計息銀行及其他借貸。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities (continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in the statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

2.4 主要會計政策概要(續)

金融負債(續)

後續計量

金融負債的後續計量按如下分類進行：

以公允價值計量且其變動計入損益的金融負債

以公允價值計量且其變動計入損益的金融負債包括持有待售的金融負債及於初始確認時指定為以公允價值計量且其變動計入損益的金融負債。

如果獲取金融負債的目的是為了在近期再次購買，則該金融負債分類為持有待售金融負債。此類金融負債包括本集團在國際財務報告準則第9號所界定的套期關係中，未被指定為套期工具的衍生金融工具。單獨嵌入衍生工具亦分類為持有待售金融負債，除非他們被指定為有效的對沖工具。持有待售金融負債的損益於損益表中確認。於損益表確認的公允價值淨損益不包括就該等金融負債收取的任何利息。

只有符合國際財務報告準則第9號的規定時，方可在初始確認時指定為以公允價值計量且其變動計入損益的金融負債。指定為以公允價值計量且其變動計入當期損益的負債損益於損益表中確認，惟本集團自有信用風險所產生的損益乃於其他綜合收益呈列，且隨後並無重新分類至損益。於損益表確認的公允價值淨損益並不包括就該等金融負債收取的任何利息。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities (continued)

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

2.4 主要會計政策概要 (續)

金融負債 (續)

以攤餘成本列賬的金融負債 (貸款及借貸)

經初始確認後，計息貸款及借貸隨後以實際利率法按攤餘成本計量，除非折現影響為微不足道，在該情況下則按成本列賬。當負債終止確認及按實際利率法進行攤銷程序時，其收益及虧損在損益表內確認。

攤餘成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分的費用或成本後計算。實際利率攤銷計入損益表的財務成本內。

財務擔保合約

本集團發出的財務擔保合約乃因特定債務人無法按債務工具的條款支付到期款項，而須向合約持有人支付款項以彌補其因此招致的損失之合約。財務擔保合約初始乃按公允價值並就與發出擔保直接相關的交易成本進行調整後，確認為負債。於初始確認後，本集團按以下兩者中之較高者計量財務擔保合約：(i) 根據「金融資產減值」所載政策所釐定的預期信用損失；及(ii) 初始確認的金額減(倘使用)已確認的累計收入。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risk and interest rate risk, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss.

2.4 主要會計政策概要(續)

終止確認金融負債

於負債項下的責任被解除或取消或屆滿時，金融負債將被終止確認。

於負債項下的責任被解除或取消或屆滿時，金融負債將被終止確認。如現有金融負債由同一債權人以條款大相徑庭的負債所取代，或現有負債條款作出重大修訂，此類置換或修訂將被視為終止確認本來的負債及確認新負債，有關賬面值的差額於損益表中確認。

抵銷金融工具

於具現有法定權利抵銷確認金額及有意以淨額結算，或同時變賣資產及償還負債，金融資產及金融負債互相抵銷並於財務狀況表內呈報淨額。

衍生金融工具

初始確認及後續計量

本集團利用遠期外匯合約及利率掉期交易等衍生金融工具對沖其與外幣及利率風險。該等衍生金融工具初始按訂立衍生合約當日之公允價值確認，其後則按公允價值重新計量。倘衍生工具之公允價值為正數，則以資產列賬，而倘公允價值為負數則以負債列賬。

衍生工具公允價值發生變動所產生之收益或虧損乃直接計入損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derivative financial instruments (continued)

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the specific identification of cost and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.4 主要會計政策概要(續)

衍生金融工具(續)

流動和非流動分類

未被指定為有效對沖工具中的衍生工具根據事實和情況(即相關合約現金流量)劃分為流動、非流動或者分為流動和非流動兩部分。

- 如果本集團預期持有衍生工具作為經濟對沖(而並無應用對沖會計處理方法)至超過報告期末後12個月期間,該衍生工具被劃分為非流動(或分為流動和非流動兩部分)以和相關項目分類保持一致。
- 與主合同不密切相關的嵌入式衍生品的劃分需和主合同的現金流量保持一致。
- 一項衍生工具若被指定為且為有效的對沖工具,其分類須和相關對沖項目分類一致。衍生工具可根據可靠的分配方法分拆為流動和非流動部分。

存貨

存貨按成本及可變現淨值(以較低者為準)列賬。成本按具體成本確認基準釐定,在製品及製成品的成本包括直接材料、直接勞工及按適當比例計算的間接費用。可變現淨值按預計售價減完成及出售所產生的任何估計成本計算。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

The Group provides for warranties in relation to the provision of construction services for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are recognised based on sales volume and past experience of the level of repairs, discounted to their present values as appropriate.

2.4 主要會計政策概要(續)

現金及現金等價物

就合併現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及短期且流動性極高的投資，該等投資可隨時兌換為已知數額的現金且價值轉變風險並不重大，並於購入後三個月內到期，減須於通知時償還並構成本集團現金管理一部分的銀行透支。

就合併財務狀況表而言，現金及現金等價物包括用途不受限制的手頭現金及銀行存款（包括定期存款及性質與現金類似的資產）。

撥備

倘因過往事件導致現有債務（法定或推定）及日後可能需要有資源流出以償還債務，則確認撥備，惟必須能可靠估計有關債務金額。

倘折現的影響重大，則確認的撥備金額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而產生的折現現值增額，列作財務成本計入損益表。

本集團為建築服務提供擔保，就保修期內出現的瑕疵提供一般維修。本集團授出的此類擔保為保證性擔保，有關金額根據銷售額及修理的過往經驗，酌情折現現值後予以確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要(續)

所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目的所得稅於損益外確認，不論是否於其他綜合收益或直接於權益內確認。

本期與以往期間的即期稅項資產和負債根據於報告期末已頒佈或已大致頒佈的稅率(及稅法)，並考慮本集團業務所在國家的現有詮釋及慣例，按預期自稅務當局收回或付予稅務當局的金額計算。

遞延稅項以負債法就於報告期末資產及負債的稅項基準及其用作財務報告的賬面值之間的所有暫時性差額作出撥備。

除以下情況外，遞延稅項負債就所有應課稅暫時差額予以確認：

- 當遞延稅項負債來自初始確認商譽或並非業務合併的交易的資產或負債，而於交易時並不影響會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司、聯營公司及合營公司的投資有關的應課稅暫時差額而言，除非撥回暫時差額的時間可以控制及暫時差額可能不會在可見將來撥回。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

2.4 主要會計政策概要 (續)

所得稅 (續)

就所有可扣稅暫時差額、承前未用稅項抵免和未用稅項虧損確認遞延稅項資產，惟以日後有可能出現應課稅溢利可利用該等可扣稅暫時差額、承前未用稅項抵免和未用稅項虧損予以抵銷為限，除非：

- 於初始確認非業務合併的交易中的資產或負債產生與可扣稅暫時差額有關的遞延稅項資產，而有關遞延稅項資產於進行交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對涉及附屬公司、聯營公司及合營公司投資的可扣稅暫時差額而言，僅在暫時差額有可能在可見將來撥回，以及日後可用該等暫時差額抵銷可能出現的應課稅溢利時，方會確認遞延稅項資產。

遞延稅項資產的賬面值會於各報告期末覆核，倘不再可能有足夠應課稅溢利可用於抵免全部或部分遞延稅項資產，則會予以扣減。未確認的遞延稅項資產會於各報告期末重估和於可能有足夠應課稅溢利可收回全部或部分遞延稅項資產時確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

2.4 主要會計政策概要 (續)

所得稅 (續)

遞延稅項資產和負債乃根據於報告期末前已實施或大致實施的稅率(和稅法)，按預期於資產獲變現或負債償還期間適用的稅率計算。

在且僅在本集團擁有以即期稅項資產及即期稅項負債抵銷(並且遞延稅項資產及遞延稅項負債與同一稅務機關向有意於預期結算或收回大額遞延稅項負債或資產的各未來期間以淨額結算即期稅項負債及資產的同一課稅實體，或同時變現資產及結算負債的不同課稅實體徵收的所得稅有關)的合法權利的情況下，遞延稅項資產和遞延稅項負債方可互相抵銷。

政府資助

政府資助在能合理地確保可收取有關資助並符合一切附帶條件的情況下，按其公允價值予以確認。如資助與開支項目有關，則將有系統地按照擬補償的成本被費用化期間予以確認為收入。

若補貼與資產相關，則將其公允價值貸記至遞延收入賬目，並在相關資產的預期使用年限內每年按等額計入損益表，或扣除自資產的賬面值，透過減少折舊開支的方式計入損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, 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 between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

2.4 主要會計政策概要(續)

收入確認

來自客戶合約的收入

來自客戶合約的收入乃於貨品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等貨品或服務有權獲得的代價。

當合約中的代價包含可變金額時，代價金額於本集團向客戶轉讓貨品或服務而有權獲得交換時估計。可變代價於合約開始時估計並受到約束，直至當與可變代價相關的不確定因素隨後得到解決時，確認的累積收益金額極有可能不會發生重大收入回撥。

當合約中包含融資成份，該融資成分為客戶提供超過一年的貨品或服務轉讓融資的重大利益時，收入按應收款項的現值計量，使用折現率折現，該折現率將反映在本集團與客戶在合約開始時的單獨融資交易中。當合約中包含融資成份，而該融資成分為本集團提供了一年以上的重大財務利益時，合約項下確認的收入包括按實際利息法於合約負債加算的利息。就客戶付款至轉讓承諾貨品或服務的期限為一年或者更短的合約而言，交易價格採用國際財務報告準則第15號中實際權宜之計，不會對重大融資成份的影響作出調整。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

(a) Construction services

Revenue from the provision of construction services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the construction services.

(b) Trading business

Revenue from the sale of trading services is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. If the Group has the right to determine the price of the goods which are acquired from the third party and transferred to the customer, and the Group is able to control the goods before the transfer to the customer, the Group shall be the principal and recognise the income according to the total amount received or receivable. Otherwise, the Group shall be the agent and recognise the income according to the net amount.

2.4 主要會計政策概要 (續)

收入確認 (續)

來自客戶合約的收入 (續)

(a) 建造服務

提供建造服務的收入隨著時間的推移而確認，使用輸入法計量完成履約服務的進度，乃由於在資產被創造或增強時，本集團的履約創造或增強了客戶控制的資產。輸入法根據完成建造服務的實際發生成本佔估計總成本的比例確認收入。

(b) 貿易業務

銷售貿易服務的收入在資產控制權轉移予客戶的時間點（通常在交付產品時）確認。倘本集團有權釐定從第三方收購並轉讓予客戶的貨品的價格，而本集團於轉讓予客戶之前能夠控制貨品，則本集團應為主事人，並按照已收或應收總金額確認收入。否則，本集團應為代理，並按照淨額確認收入。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

(c) Services business

Revenue from the services business is recognised over the performance progress of the services in accordance with the proportion of the accumulated and actual contract costs in the total estimated contract costs. If the performance schedule cannot be reasonably determined and the costs incurred by the Group can be expected to be compensated, the revenue shall be recognised according to the amount of costs incurred until the performance schedule can be reasonably determined.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2.4 主要會計政策概要(續)

收入確認(續)

來自客戶合約的收入(續)

(c) 服務業務

服務業務的收入隨著服務履約進程按累計及實際合同成本佔預計合同成本總額的比例予以確認。倘履約時間表無法合理釐定，而本集團產生的成本預期能夠彌償，則收入應按已產生成本金額予以確認，直至履約時間表能夠合理釐定為止。

其他來源收入

租賃收入於租期內按時間比例基準確認。

其他收入

利息收入按應計基準以實際利率法，採用於金融工具之預計年期或較短時間(如適用)內將估計未來現金收入精確折現至金融資產賬面淨值之利率確認。

股息收入於股東收取付款的權利確立，與股息相關的經濟利益很可能流入本集團且股息金額能夠可靠地計量時確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets.

Contract liabilities

A consideration liability is recognised when a payment is received or a payment is due from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Employee benefits

Pension schemes

The Group contributes on a monthly basis to various defined contribution retirement schemes organised by the relevant municipal and provincial governments in the PRC. The municipal and provincial governments undertake to assume the retirement benefits payable to all existing and future retired employees under these plans and the Group has no further obligations for post-retirement benefits beyond the contributions made. The contributions to the schemes are recognised as and when incurred.

The Group implements a pension annuity plan, pursuant to which the Group pays contributions to the plan regularly and the Group has no further obligation thereto once the required contributions have been made. The contributions are recognised as employee benefit expenses when incurred.

2.4 主要會計政策概要(續)

合同資產

合同資產乃就向客戶轉移貨品或服務而換取對價的權利。倘本集團在客戶支付對價前或付款到期前，通過向客戶轉移貨品或服務履約，則合同資產就已賺取的有條件對價而予以確認。合同資產須進行減值評估，其詳細資料已納入金融資產減值會計政策。

合同負債

當本集團轉讓相關貨品或服務前收到客戶的付款或款項已到期時確認對價負債。合同負債於本集團履行合同時確認為收入(即將相關貨品或服務之控制權轉讓予客戶)。

僱員福利

養老金計劃

本集團按月向中國有關市級及省級政府組織的多項設定供款退休計劃供款。市級及省級政府承諾向參加上述計劃的所有現有及日後退休僱員支付退休福利，而除供款外，本集團毋須再支付任何退休後福利。上述計劃供款於產生時確認。

本集團實行一項退休年金計劃，據此，本集團定期向該計劃供款，而除作出規定供款外，本集團並無其他供款責任。有關供款於產生時確認為僱員福利。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits (continued)

Pension schemes (continued)

In addition, the Group also pays supplemental pension subsidies to employees who retired before 1 January 2010. Such supplemental pension subsidies mainly comprised monthly cash payments to the retirees for life as determined by the Group upon their respective retirement and subject to cost of living adjustments. The supplemental pension subsidies scheme is an unfunded scheme. As detailed in note 28 below, these defined benefit obligations recognised were assessed using the projected unit credit actuarial valuation method; the cost of providing such subsidies is charged to the statement of profit or loss so as to spread the service cost over the average lives of such former employees, in accordance with the actuarial reports which contained full valuations of the plans for each of the relevant accounting periods.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government securities which have maturity approximating to the terms of the related pension liability.

Re-measurements arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

2.4 主要會計政策概要 (續)

僱員福利 (續)

養老金計劃 (續)

此外，本集團亦向於2010年1月1日前退休的僱員支付補充退休津貼。有關補充退休津貼主要包括一旦僱員退休，由本集團釐定按月向退休人員現金支付的生活費（受生活成本調整所規限）。補充退休津貼計劃為一項未經撥款計劃。按下文附註28所述，該等已確認的設定受益義務根據預計單位進賬精算估值法評估，而根據載有各有關會計期間所有計劃金額的精算報告，提供該等津貼的成本於損益表內扣除，以便在有關前僱員的平均服務年期內分攤服務成本。

設定受益義務的現值乃採用政府證券利率折現估計未來現金流出額而釐定，而該等證券的到期日與有關養老金責任年期相若。

來自經驗調整的重新計量及精算假設的變動均於合併財務狀況表中即時確認，於其產生期間於其他綜合收益扣除或計入。重新計量並不會於其後期間重新分類至損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits (continued)

Pension schemes (continued)

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under finance expenses and allocated by function as part of “cost of sales”, “selling and distribution expenses” or “administrative expenses” in the consolidated statement of profit or loss:

- service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements
- net interest expense or income.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4 主要會計政策概要 (續)

僱員福利 (續)

養老金計劃 (續)

利息淨額乃採用折現率將設定負債或資產淨額進行折現計算。本集團在合併損益表財務開支項下按功能確認以下設定義務淨額的變動並按功能分配為「銷售成本」、「銷售及分銷開支」或「行政開支」：

- 服務成本，包括當期服務成本、過往服務成本、縮減及不定期結算的收益及虧損
- 利息開支或收入淨額

借貸成本

購買、建造或生產合資格資產（即需要一段頗長時間始能投入其擬定用途或出售的資產）而直接產生的借貸成本，均資本化為該等資產成本的一部分。當該等資產大致上可作擬定用途或出售時，則終止將該等借貸成本資本化。特定借貸於撥作合資格資產的支出前用作短暫投資所賺取的投資收入，從資本化的借貸成本中扣除。所有其他借貸成本均於其產生期間列為開支。借貸成本包括實體因借貸而產生的利息及其他成本。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

2.4 主要會計政策概要(續)

股息

末期股息於股東在股東大會批准時確認為負債。擬派末期股息披露於財務報表附註。

由於本公司組織大綱及章程細則授予董事宣派中期股息的權力，因此中期股息的建議及宣派可同時進行。故此，中期股息於建議及宣派時即時確認為負債。

外幣

該等財務報表以本公司的功能貨幣人民幣列示。本集團旗下各實體自行釐定其功能貨幣，各實體的財務報表項目均以其功能貨幣計量。本集團旗下實體入賬的外幣交易初步按交易日彼等各自功能貨幣的匯率列賬。以外幣計值的貨幣資產及負債按於報告期末的功能貨幣匯率進行換算。結算或換算貨幣項目產生的差額於損益表內確認。

因結算或換算貨幣項目產生的差額於損益確認，惟指定作為對沖本集團海外業務投資淨額一部分的貨幣項目除外。該等貨幣項目於其他綜合收益確認，直至投資淨額出售為止，此時累計金額乃重新分類至損益。因該等貨幣項目的匯兌差額而產生的稅項支出及抵免亦於其他綜合收益列賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

2.4 主要會計政策概要(續)

外幣(續)

按歷史成本列賬並以外幣計量的非貨幣項目，採用初始交易日期的匯率換算。按公允價值列賬並以外幣計量的非貨幣項目，採用計量公允價值日期的匯率換算。換算按公允價值計量的非貨幣項目產生的收益或虧損按與確認項目公允價值變動的收益或虧損一致的方式處理(即公允價值收益或虧損於其他綜合收益或損益內確認的項目的換算差額亦分別於其他綜合收益或損益內確認)。

在終止確認與預付款項有關的非貨幣性資產或非貨幣性負債時，為釐定初始確認相關資產、費用或收益時所採用的匯率，初始交易日期為本集團初步確認預付款項產生的非貨幣性資產或非貨幣性負債的日期。若支付或收取多筆預付款項，則本集團必須對支付或收取的每一筆預付款項確定交易日。

若干海外附屬公司的功能貨幣為人民幣以外的貨幣。於報告期末，該等實體的資產及負債按報告期末的匯率換算為人民幣，其損益表則按年內的加權平均匯率換算為人民幣。

因此而產生的匯兌差額於其他綜合收益內確認，並累計為匯兌波動儲備。於出售海外業務時，與該項特定海外業務有關的其他綜合收益部分於損益表內確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (continued)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

2.4 主要會計政策概要(續)

外幣(續)

收購海外業務產生的任何商譽及對因收購而產生的資產及負債的賬面值作出的任何公允價值調整作海外業務的資產及負債處理，並按收市匯率換算。

就合併現金流量表而言，海外附屬公司的現金流量按現金流量日期的匯率換算為人民幣。海外附屬公司於年內經常產生的現金流量則按該年度的加權平均匯率換算為人民幣。

3. 重大會計判斷及估計

本集團財務報表的編製需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響收入、開支、資產及負債的呈報金額及其相應披露以及或有負債的披露。有關該等假設及估計的不確定性可能導致須就日後受影響的資產或負債的賬面值作出重大調整。

判斷

於應用本集團會計政策的過程中，除作出涉及估計的判斷外，管理層已作出對財務報表內已確認金額構成最大影響的以下判斷：

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Judgements (continued)

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- Determining the timing of satisfaction of construction services
- The Group concluded that revenue from construction services is to be recognised over time because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group determined that the input method is the best method in measuring the progress of the construction services because there is a direct relationship between the Group's effort and the transfer of services to the customer. The Group recognises revenue on the basis of the proportion of the accumulated and actual contract costs in the total estimated contract costs.

3. 重大會計判斷及估計 (續)

判斷 (續)

來自客戶合約的收入

本集團採用以下顯著影響釐定客戶合約收入金額及時間的判斷：

- 確定履行建造服務的時間
- 本集團總結得出來自建造服務的收入乃隨著時間的推移而確認，因為本集團的業績可相應創造或提升客戶控制的資產。
- 本集團確定投入法乃計量建造服務進度的最佳方法，乃由於本集團的工作與向客戶轉移服務之間存在直接關係。本集團根據累計及實際合同成本佔估計合同總成本的比例確認收入。

Notes to the Financial Statements

財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Judgements (continued)

Principal versus agent considerations

Determining whether revenue of the Group should be reported gross or net is based on a continuing assessment of various factors. When determining whether the Group is acting as the principal or agent in offering goods to the customer, the Group firstly identifies who controls the specified goods before they are transferred to the customer. The Group considers that it acts as a principal that obtains control of any of a good or another asset from the other party that the Group then transfers to the customer. However, the Group does not necessarily control a specified good if the Group obtains a legal title to that good only momentarily before the legal title is transferred to a customer. If control is unclear, when the Group is primarily obligated in a transaction, is subject to inventory risk, has latitude in establishing prices and selecting suppliers, or has several but not all of these indicators, the Group records revenue on a gross basis. Otherwise, the Group records the net amount earned as commissions from goods sold. The Group performs the assessment based on the above-mentioned factors and reaches the conclusion that the Group acts as a principal or agent when the Group recognises the revenue from sales.

3. 重大會計判斷及估計(續)

判斷(續)

委託人與代理人考慮事項

於釐定本集團收入需以總額或淨額列報時，乃基於持續評估若干因素而定。當釐定本集團於向客戶提供貨品時乃作為委託人或代理人時，本集團首先分辨特定貨品於轉移至客戶前之控制權歸屬。當本集團向對手方取得隨後會轉移予客戶的任何貨品或其他資產之控制權時，本集團視其自身為委託人。然而，倘本集團僅於法定所有權轉移予客戶前暫時擁有貨品之法定所有權時，則本集團並不一定控制特定貨品。倘控制權所屬者未明、本集團在一項交易中的責任重大、面臨存貨風險及可自行設定價格及挑選供應商，或符合上述數項而非所有指標，則本集團會以總額基礎計入收入。否則，本集團入賬出售貨品所得佣金的淨額。本集團根據上述因素進行評估，為本集團自銷售確認收入時屬委託人或代理人作出結論。

Notes to the Financial Statements

財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Judgements (continued)

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Property lease classification-Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all the fair value of the commercial property, that it retains substantially all the significant risks and rewards incidental to ownership of these properties which are leased out on and accounts for the contracts as operating leases.

3. 重大會計判斷及估計 (續)

判斷 (續)

投資物業及自用物業的劃分

本集團判斷物業是否符合投資物業的條件，並已制定作出此類判斷的標準。投資物業指為賺取租金或資本升值或同時為這兩個目的而持有的物業。因此，本集團考慮一項物業產生的現金流量是否大部分獨立於本集團持有的其他資產。有些物業的一部分是為賺取租金或資本升值而持有，而另一部分是為生產或供應貨品或服務或行政用途而持有。如果該等部分可以分開出售或按融資租賃分開出租，則本集團會分開對相關部分進行會計處理。如果該等部分不能分開出售，則只有在為生產或供應貨品或服務或行政用途而持有的部分並不重大的情況下，該物業方為投資物業。本集團會對各項物業進行獨立判斷，以確定配套服務是否足以導致物業不符合投資物業的定義。

物業租賃分類 – 本集團為出租人

本集團已就其投資物業組合訂立商業物業租賃合同。根據對有關合同條款及條件之評估，如租期不構成商用物業之經濟壽命的主要部分且最低租賃款項現值不等於商用物業之絕大部分公允價值，本集團已釐定該等被租賃物業保留該等所有權附帶的絕大部分重大風險及回報，並將有關合約以經營租賃入賬。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Judgements (continued)

Significant judgement in determining the lease term of contracts with renewal options

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate the lease (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3. 重大會計判斷及估計(續)

判斷(續)

確定具有重續選擇權合約之租賃期時所用重大判斷

本集團有若干包含延期及終止選擇權的租賃合約。本集團在評估是否行使續期權或終止租賃時運用判斷。即考慮所有相關因素，該等因素可為其實施續期或終止提供經濟激勵。於開始日期後，倘出現本集團可予控制之重大事件或情況有變(例如對租賃資產進行重大改建或對租賃資產進行重大定制)，並影響其行使(或不行使)租賃續期權或終止租賃之能力，本集團會重新評估租賃期。

估計的不確定性

很有可能導致須對下個財政年度資產及負債的賬面金額作出重大調整的未來主要假設及於報告期末的估計不確定性的其他主要來源論述如下。

Notes to the Financial Statements

財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

Percentage of completion of construction work

The Group recognises revenue according to the percentage of completion of individual contracts for construction work, which requires estimation to be made by management. The stage of completion is estimated by reference to the actual costs incurred over the total budgeted costs, and the corresponding contract revenue is also estimated by management. Due to the nature of the activity undertaken in construction contracts, the date at which the activity is entered into and the date at which the activity is completed usually fall into different accounting periods. Hence, the Group reviews and revises the estimates of both contract revenue and contract costs in the budget prepared for each contract as the contract progresses. Where the actual contract revenue is less than estimated or actual contract costs are more than estimated, a foreseeable loss may arise.

Deferred income tax

Deferred tax assets relating to certain temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The realisation of the deferred tax assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise which will be recognised in profit or loss in the period in which such a reversal takes place.

The carrying amount of deferred tax assets as at 31 December 2020 was RMB676,556,000 (31 December 2019 (Restated): RMB655,243,000). More details are given in note 27.

3. 重大會計判斷及估計 (續)

估計的不確定性 (續)

施工工程完成百分比

本集團根據個別施工工程合同完工百分比確認收入，此需要管理層作出估計。完工階段乃參考總預算成本中發生的實際成本估計得出，而相應合同收入亦由管理層作出估計。由於施工合同中所進行活動的性質，活動開始日期與活動完工日期通常處於不同會計期間。因此，本集團須按合同進展審閱及修訂各合同編製的預算內的合同收入及合同成本估計。倘實際合同收入較估計低或實際合同成本較估計高，則或會產生可預見虧損。

遞延所得稅

與若干暫時性差額及稅項虧損有關的遞延稅項資產於管理層認為日後有可能出現應課稅溢利可用作抵銷該等暫時性差額或稅項虧損時確認。遞延稅項資產的實現主要取決於未來是否有足夠的溢利或應課稅暫時性差額在將來可供動用。如實際產生的未來溢利少於預期值，則可能發生遞延稅項資產的重大撥回，並在該撥回發生期間的損益內確認。

於2020年12月31日，遞延稅項資產的賬面值為人民幣676,556,000元（2019年12月31日（重述）：人民幣655,243,000元）。更多詳情載於附註27。

Notes to the Financial Statements

財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

Leases-Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

Provision for expected credit losses on trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

3. 重大會計判斷及估計 (續)

估計的不確定性 (續)

租賃 – 估算增量借款利率

本集團無法輕易釐定租賃內所隱含的利率，因此，使用增量借款利率（「增量借款利率」）計量租賃負債。增量借款利率為本集團於類似經濟環境中為取得與使用權資產價值相近之資產，而以類似抵押品與類似期間借入所需資金應支付之利率。因此，增量借款利率反映了本集團「應支付」的利率，當無可觀察的利率時（如就並無訂立融資交易之附屬公司而言）或當須對利率進行調整以反映租賃之條款及條件時（如當租賃並非以附屬公司之功能貨幣訂立時），則須作出利率估計。當可觀察輸入數據可用時，本集團使用可觀察輸入數據（如市場利率）估算增量借款利率並須作出若干實體特定的估計（如附屬公司之獨立信用評級）。

貿易應收款項及合同資產的預期信用損失撥備

本集團使用撥備矩陣計算貿易應收款項及合同資產的預期信用損失。撥備率乃基於具有類似虧損模式（如按照地理位置、產品類型、客戶類型及評級，以及信用證及其他信用保證形式的保障範圍）的不同客戶分部組合的逾期日數釐定。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

Provision for expected credit losses on trade receivables and contract assets (continued)

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in note 22 and note 21 to the financial statements, respectively.

3. 重大會計判斷及估計 (續)

估計的不確定性 (續)

貿易應收款項及合同資產的預期信用損失撥備 (續)

撥備矩陣初步基於本集團過往觀察所得違約率而釐定。本集團將按經前瞻性資料調整的過往信用損失經驗調節該矩陣。例如，倘預測經濟狀況（即國內生產總值）預期將於未來一年惡化，導致製造分部的違約事件增加，則會調整過往違約率。於各報告日期，過往觀察所得違約率將予更新，並會分析前瞻性估計變動。

對過往觀察所得違約率、預測經濟狀況及預期信用損失之間的關連性進行的評估屬重大估計。預期信用損失金額對情況變化及預測經濟狀況相當敏感。本集團的過往信用損失經驗及預測經濟狀況亦未必能代表客戶日後的實際違約情況。有關本集團貿易應收款項及合同資產的預期信用損失資料分別於財務報表附註22及附註21披露。

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財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Fair value of unlisted equity investments

The unlisted equity investments have been valued based on a market-based valuation technique as detailed in note 37 to the financial statements. The valuation requires the Group to determine the comparable public companies (peers) and select the price multiple. In addition, the Group makes estimates about the discount for illiquidity and size differences. The Group classifies the fair value of these investments as Level 2. The fair value of the unlisted equity investments at 31 December 2020 was RMB554,612,000 (31 December 2019 (Restated): RMB474,519,000). Further details are included in note 19 to the financial statements.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

非金融資產減值

於各報告期末，本集團均會對所有非金融資產(包括使用權資產)是否出現任何減值跡象作出評估。無固定年期的無形資產每年進行減值測試，並於出現減值跡象時另行測試。當出現賬面值不可被收回的跡象時，會對其他非金融資產進行測試。當資產或現金產生單位的賬面值超出其可收回金額(為其公允價值減出售成本與其使用價值兩者之間的較高者)時，即出現減值。公允價值減出售成本乃根據類似資產於公允且具約束力的銷售交易中獲得的數據或可觀察市場價格減出售資產的增量成本計算。當計算使用價值時，管理層必須估計來自資產或現金產生單位的預期未來現金流量，並選擇合適的折現率以計算該等現金流量的現值。

非上市股權投資公允價值

非上市股權投資已根據基於市場的估值技術估值，詳情載於財務報表附註37。估值要求本集團確定可資比較上市公司(同業)並選擇價格倍數。此外，本集團就有關非流動性及規模差異的折現作出估計。本集團將該等投資的公允價值分類為第2級。於2020年12月31日，非上市股權投資的公允價值為人民幣554,612,000元(2019年12月31日(重述)：人民幣474,519,000元)。進一步詳情載於財務報表附註19。

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4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) Construction contracts: this segment mainly undertakes the engineering, procurement and construction (“EPC”) contracting business of overseas infrastructure-related construction projects (including hydropower, thermal power or other engineering projects) in various countries.
- (b) Trading business: this segment mainly engages in the business of importing and/or exporting various machinery, electrical and instrumental products for domestic and overseas customers.
- (c) Services business: this segment mainly engages in providing export-import agency services, design consulting services, tendering agency services, logistics services and other services.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group’s profit before tax except that share of profits and losses of associates and joint ventures, interest income from bank deposits, interest cost on lease liabilities, finance costs related to defined benefit obligations, investment income on financial assets, dividend income, fair value gains/losses from the Group’s financial instruments, other income/expenses, unallocated income/expenses as well as head office and corporate income/expenses are excluded from such measurement.

4. 經營分部資料

就管理目的而言，本集團已按產品及服務劃分業務單位，三個可報告之經營分部如下：

- (a) 建造合同：本分部主要在各國從事海外基礎設施相關的施工項目（包括水電、火電或其他工程項目）的工程、採購及施工（「EPC」）承包業務。
- (b) 貿易業務：本分部主要從事為國內外客戶進口及／或出口各種機械、電力及工具產品業務。
- (c) 服務業務：本分部主要從事提供進出口代理服務、設計諮詢服務、招標代理服務、物流服務及其他服務。

管理層單獨監察本集團經營分部的業績，以就資源分配及表現評估作出決策。分部表現乃根據可報告之分部溢利／虧損評估，此乃經調整除稅前溢利／虧損之計量指標。經調整除稅前溢利／虧損乃貫徹以本集團除稅前溢利計量，惟應佔聯營公司及合營公司之溢利及虧損、銀行存款之利息收入、租賃負債的利息成本、與設定受益計劃有關之財務成本、金融資產投資收益、股息收入、本集團金融工具之公允價值收益／虧損、其他收入／開支、未分配收入／開支以及總部及企業收入／開支不計入該計量內。

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

Segment assets exclude investments in associates and joint ventures, property, plant and equipment, right-of-use assets, intangible assets, deferred tax assets, financial assets at fair value through profit or loss, time deposits, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude defined benefit obligations, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 經營分部資料(續)

分部資產不包括於聯營公司及合營公司之投資、物業、廠房及設備、使用權資產、無形資產、遞延稅項資產、以公允價值計量且其變動計入損益的金融資產、定期存款、現金及現金等價物及其他未分配總部及企業資產，此乃由於該等資產以群組為基礎管理。

分部負債不包括設定受益義務、應付稅項、遞延稅項負債及其他未分配總部及企業負債，此乃由於該等負債以集團為基礎管理。

各分部間的銷售及轉撥乃參考向第三方銷售所採用之售價，按當時市價進行交易。

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

4. 經營分部資料(續)

(a) Segment revenue, results, assets and liabilities

(a) 分部收入、業績、資產及負債

Year ended 31 December 2020	截至2020年12月31日止年度	Construction contracts 建造合同 RMB'000 人民幣千元	Trading business 貿易業務 RMB'000 人民幣千元	Services business 服務業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue (note 5):	分部收入(附註5):				
Sales to external customers	銷售予外部客戶	12,148,655	4,791,109	2,160,401	19,100,165
Intersegment sales	分部間銷售	311,611	7,737	72,685	392,033
Reportable segment revenue	可報告分部收入	12,460,266	4,798,846	2,233,086	19,492,198
Reportable segment profit	可報告分部溢利	1,300,056	33,531	272,923	1,606,510
Finance income on receivables from customers	應收客戶款項的財務收入	156,302	141,862	-	298,164
Finance costs (other than interest on lease liabilities)	財務成本(租賃負債的利息除外)	36,844	39,835	4,350	81,029
Depreciation and amortisation	折舊及攤銷	23,325	9,006	21,736	54,067
Provision/(reversal of provision) for impairment losses	減值虧損準備/(準備轉回)				
- Trade and other receivables	- 貿易及其他應收款項	230,202	90,379	10,754	331,335
- Contract assets	- 合同資產	9,647	-	5,874	15,521
- Inventories	- 存貨	-	16,116	-	16,116
Reportable segment assets	可報告分部資產	17,360,507	5,297,760	2,565,462	25,223,729
Reportable segment liabilities	可報告分部負債	25,988,646	6,911,400	4,048,376	36,948,422

Capital expenditure for the year is not allocated to segments as such expenditure is managed on a group basis.

年內資本開支未攤分予各分部，乃由於有關開支以集團為基礎管理。

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

4. 經營分部資料(續)

(a) Segment revenue, results, assets and liabilities (continued)

(a) 分部收入、業績、資產及負債 (續)

Year ended 31 December 2019 止年度 (Restated)	截至2019年12月31日 止年度 (重述)	Construction contracts 建造合同 RMB'000 人民幣千元	Trading business 貿易業務 RMB'000 人民幣千元	Services business 服務業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue (note 5):	分部收入(附註5):				
Sales to external customers	銷售予外部客戶	19,791,894	6,484,636	2,071,720	28,348,250
Intersegment sales	分部間銷售	633,776	14,955	113,132	761,863
Reportable segment revenue	可報告分部收入	20,425,670	6,499,591	2,184,852	29,110,113
Reportable segment profit	可報告分部溢利	1,790,187	320,957	364,449	2,475,593
Finance income on receivables from customers	應收客戶款項的財務收入	143,549	123,607	2,729	269,885
Finance costs (other than interest on lease liabilities)	財務成本(租賃負債的 利息除外)	3,293	69,701	6,057	79,051
Depreciation and amortisation	折舊及攤銷	28,199	9,047	20,756	58,002
Provision/(reversal of provision) for impairment losses	減值虧損撥備/ (撥備撥回)				
- Trade and other receivables	- 貿易及其他應收款項	331,485	3,504	10,729	345,718
- Contract assets	- 合同資產	40,415	(343)	1,804	41,876
- Inventories	- 存貨	-	1,060	-	1,060
Reportable segment assets	可報告分部資產	17,576,539	6,297,429	2,647,801	26,521,769
Reportable segment liabilities	可報告分部負債	28,429,298	7,894,754	4,474,025	40,798,077

Capital expenditure for the year is not allocated to segments as such expenditure is managed on a group basis.

年內資本開支未攤分予各分部，乃由於有關開支以集團為基礎管理。

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

(b) Reconciliation of reportable segment revenue, profit/loss, assets and liabilities

4. 經營分部資料(續)

(b) 可報告分部收入、溢利／虧損、資產及負債的對賬

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Revenue:	收入：		
Reportable segment revenue	可報告分部收入	19,492,198	29,110,113
Elimination of intersegment revenue	分部間收入抵銷	(392,033)	(761,863)
		19,100,165	28,348,250
Profit:	溢利：		
Reportable segment profit	可報告分部溢利	1,606,510	2,475,593
Share of profits and losses of joint ventures	應佔合營公司溢利及虧損	20,240	27,825
Share of profits and losses of associates	應佔聯營公司溢利及虧損	213,082	198,520
Dividend income from equity investments at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的股權投資的股息收益	3,564	3,822
Investment income on financial assets	金融資產投資收益	43,648	36,526
Other income/(expenses), net	其他收入／(開支)淨額	3,347	(66,568)
Other operating expenses	其他經營開支	(6,704)	(2,922)
Interest income from bank deposits	來自銀行存款之利息收入	219,228	249,259
Interest cost on lease liabilities	租賃負債的利息成本	(4,214)	(3,148)
Interest cost recognised in respect of defined benefit retirement plans	就設定受益退休計劃確認的利息成本	(19,720)	(20,250)
Unallocated foreign exchange (losses)/gains	未分配之匯兌(損失)／收益	(283,996)	144,519
Depreciation and amortisation	折舊及攤銷	(217,084)	(204,491)
Profit before tax	除稅前溢利	1,577,901	2,838,685

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

4. 經營分部資料(續)

(b) Reconciliation of reportable segment revenue, profit/loss, assets and liabilities (continued)

(b) 可報告分部收入、溢利／虧損、資產及負債的對賬(續)

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Assets:	資產：		
Reportable segment assets	可報告分部資產	25,223,729	26,521,769
Elimination of intersegment receivables	分部間應收款項抵銷	(5,288,216)	(6,217,155)
		19,935,513	20,304,614
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產	157,543	176,780
Restricted deposits	受限制存款	1,307,488	1,231,226
Time deposits with original maturity of over three months	原始到期日超過三個月的定期存款	3,545,228	5,825,624
Cash and cash equivalents	現金及現金等價物	14,828,680	15,563,218
Property, plant and equipment	物業、廠房及設備	2,706,107	2,495,207
Right-of-use assets	使用權資產	1,761,829	1,806,626
Intangible assets	無形資產	444,182	440,556
Long-term assets	長期資產	55,489	50,529
Investments in joint ventures	對合營公司的投資	418,639	405,798
Investments in associates	對聯營公司的投資	1,509,785	1,368,578
Deferred tax assets	遞延稅項資產	676,556	655,243
Equity investments designated at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的股權投資	631,418	550,659
Other unallocated assets	其他未分配資產	3,040,771	3,125,226
		51,019,228	53,999,884
Liabilities:	負債：		
Reportable segment liabilities	可報告分部負債	36,948,422	40,798,077
Elimination of intersegment payables	分部間應付款項抵銷	(5,253,772)	(6,103,721)
		31,694,650	34,694,356
Lease liabilities	租賃負債	68,739	64,232
Defined benefit obligations	設定受益義務	642,416	629,947
Tax payable	應付稅項	146,913	466,301
Deferred tax liabilities	遞延稅項負債	153,296	108,829
Other unallocated liabilities	其他未分配負債	2,793	2,479
		32,708,807	35,966,144

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

(c) Geographical information

Revenue from external customers

Mainland China	中國大陸
Iraq	伊拉克
Pakistan	巴基斯坦
Zambia	贊比亞
United States	美國
Serbia	塞爾維亞
Cameroon	喀麥隆
The Republic of Angola	安哥拉共和國
Ivory Coast	科特迪瓦
Nigeria	尼日利亞
Others	其他

The revenue information above is based on the locations of the customers.

4. 經營分部資料(續)

(c) 地理區域資料

來自外部客戶的收入

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
	(Restated)
	(重述)
6,382,209	7,032,182
2,578,866	2,835,243
1,576,795	2,993,292
897,326	1,262,949
868,508	862,285
763,418	417,252
616,859	1,204,789
604,609	2,040,697
432,180	1,876,906
362,861	256,278
4,016,534	7,566,377
19,100,165	28,348,250

以上收入資料乃按客戶地域劃分。

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

(c) Geographical information (continued)

Non-current assets

		2020	2019
		2020年	2019年
		<i>RMB'000</i>	<i>RMB'000</i>
		人民幣千元	人民幣千元
			(Restated)
			(重述)
Mainland China	中國大陸	5,503,751	5,892,286
Others	其他	78,958	91,633
		5,582,709	5,983,919

The non-current asset information above is based on the locations of the assets and excludes investments in joint ventures and associates, financial instruments and deferred tax assets.

(d) Information about major customers

No revenue was generated from sales to a single customer which amounted to more than 10% of the Group's revenue for the year ended 31 December 2020 (2019: Nil).

4. 經營分部資料(續)

(c) 地理區域資料(續)

非流動資產

	2020	2019
	2020年	2019年
	<i>RMB'000</i>	<i>RMB'000</i>
	人民幣千元	人民幣千元
		(Restated)
		(重述)
Mainland China	5,503,751	5,892,286
Others	78,958	91,633
	5,582,709	5,983,919

以上非流動資產資料乃按資產所在地域劃分，不包括對合營公司和聯營公司的投資、金融工具及遞延稅項資產。

(d) 有關主要客戶之資料

截至2020年12月31日止年度，並無銷售所產生的收入佔本集團收入10%以上的單一客戶(2019年：無)。

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5. REVENUE, OTHER REVENUE AND OTHER INCOME, NET

An analysis of revenue, other revenue and other income, net is as follows:

5. 收入、其他收入及其他收入淨額

收入、其他收入及其他收入淨額分析如下：

	2020	2019
	2020年	2019年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
		(Restated)
		(重述)
Revenue from contracts with customers	18,948,845	28,198,717
Revenue from other sources		
Gross rental income from investment property operating leases:		
Other lease payments, including fixed payments	151,320	149,533
	19,100,165	28,348,250

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5. REVENUE, OTHER REVENUE AND OTHER INCOME, NET (CONTINUED)

Revenue

(i) Disaggregated revenue information

For the year ended 31 December 2020

Segments	分部	Construction contracts 建造合同	Trading business 貿易業務	Services business 服務業務	Total 合計
Types of goods or services	貨物或服務類型				
Construction contracts	建造合同	12,148,655	–	–	12,148,655
Trading business	貿易業務	–	4,791,109	–	4,791,109
Services business	服務業務	–	–	2,160,401	2,160,401
Total revenue	收入總額	12,148,655	4,791,109	2,160,401	19,100,165
Geographic markets	地區市場				
Asia	亞洲	7,184,788	3,090,919	2,033,991	12,309,698
Africa	非洲	3,810,585	64,523	74,008	3,949,116
Europe	歐洲	900,662	384,401	30,872	1,315,935
South America	南美洲	206,321	140,509	20,437	367,267
North America	北美洲	46,299	1,081,806	–	1,128,105
Oceania	大洋洲	–	28,951	1,093	30,044
Total revenue	收入總額	12,148,655	4,791,109	2,160,401	19,100,165
Timing of revenue recognition	確認收入時間點				
Construction transferred over time	於一段時間內轉讓的建造	12,148,655	–	–	12,148,655
Trading transferred at a point of time	於某個時間點轉讓的貿易	–	4,791,109	–	4,791,109
Services transferred over time	於一段時間內轉讓的服務	–	–	2,160,401	2,160,401
Total revenue	收入總額	12,148,655	4,791,109	2,160,401	19,100,165

5. 收入、其他收入及其他收入淨額(續)

收入

(i) 經分拆收入資料

截至2020年12月31日止年度

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5. REVENUE, OTHER REVENUE AND OTHER INCOME, NET (CONTINUED)

Revenue (continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 December 2019 (Restated)

Segments	分部	Construction contracts 建造合同	Trading business 貿易業務	Services business 服務業務	Total 合計
Types of goods or services	貨物或服務類型				
Construction contracts	建造合同	19,791,894	-	-	19,791,894
Trading business	貿易業務	-	6,484,636	-	6,484,636
Services business	服務業務	-	-	2,071,720	2,071,720
Total revenue	收入總額	19,791,894	6,484,636	2,071,720	28,348,250
Geographic markets	地區市場				
Asia	亞洲	9,571,702	4,652,770	1,920,518	16,144,990
Africa	非洲	7,964,334	357,527	87,159	8,409,020
Europe	歐洲	945,133	452,013	29,920	1,427,066
South America	南美洲	985,635	31,314	30,891	1,047,840
North America	北美洲	325,090	953,763	370	1,279,223
Oceania	大洋洲	-	37,249	2,862	40,111
Total revenue	收入總額	19,791,894	6,484,636	2,071,720	28,348,250
Timing of revenue recognition	確認收入時間點				
Construction transferred over time	於一段時間內轉讓的建造	19,791,894	-	-	19,791,894
Trading transferred at a point of time	於某個時間點轉讓的貿易	-	6,484,636	-	6,484,636
Services transferred over time	於一段時間內轉讓的服務	-	-	2,071,720	2,071,720
Total revenue	收入總額	19,791,894	6,484,636	2,071,720	28,348,250

5. 收入、其他收入及其他收入淨額 (續)

收入 (續)

(i) 經分拆收入資料 (續)

截至2019年12月31日止年度 (重述)

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5. REVENUE, OTHER REVENUE AND OTHER INCOME, NET (CONTINUED)

Revenue (continued)

(i) Disaggregated revenue information (continued)

Set out below is the reconciliation of the revenue to the amounts disclosed in the segment information:

For the year ended 31 December 2020

Segments	分部	Construction contracts 建造合同	Trading business 貿易業務	Services business 服務業務	Total 合計
Revenue	收入				
External customers	外部客戶	12,148,655	4,791,109	2,160,401	19,100,165
Intersegment sales	分部間銷售	311,611	7,737	72,685	392,033
		12,460,266	4,798,846	2,233,086	19,492,198
Intersegment adjustments and eliminations	分部間調整及抵銷	(311,611)	(7,737)	(72,685)	(392,033)
Total revenue	收入總額	12,148,655	4,791,109	2,160,401	19,100,165

5. 收入、其他收入及其他收入淨額 (續)

收入 (續)

(i) 經分拆收入資料 (續)

收入與分部資料中披露的金額之對賬載列如下：

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5. REVENUE, OTHER REVENUE AND OTHER INCOME, NET (CONTINUED)

Revenue (continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 December 2019 (Restated)

Segments	分部	Construction contracts 建造合同	Trading business 貿易業務	Services business 服務業務	Total 合計
Revenue	收入				
External customers	外部客戶	19,791,894	6,484,636	2,071,720	28,348,250
Intersegment sales	分部間銷售	633,776	14,955	113,132	761,863
		20,425,670	6,499,591	2,184,852	29,110,113
Intersegment adjustments and eliminations	分部間調整及抵銷	(633,776)	(14,955)	(113,132)	(761,863)
Total revenue	收入總額	19,791,894	6,484,636	2,071,720	28,348,250

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period :

5. 收入、其他收入及其他收入淨額 (續)

收入 (續)

(i) 經分拆收入資料 (續)

截至2019年12月31日止年度 (重述)

下表載列本報告期間所確認包含在報告期初合同負債中的收入金額：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	已確認收入 (包含在報告期初的合同負債中) :		
Construction contracts	建造合同	5,237,361	4,959,574
Trading business	貿易業務	627,760	597,086
Services business	服務業務	233,807	353,568
		6,098,928	5,910,228

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5. REVENUE, OTHER REVENUE AND OTHER INCOME, NET (CONTINUED)

Revenue (continued)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Construction contracts

The performance obligation is satisfied over time as services are rendered and payment is generally due within 180 days from the date of billing. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts.

Trading business

The performance obligation is satisfied upon delivery of the products and payment is generally due within 30 to 90 days from delivery, except for new customers, where payment in advance is normally required.

Services business

The performance obligation is satisfied over time as services are recognised over the performance progress of the services in accordance with the proportion of the accumulated and actual contract costs in the total estimated contract costs.

5. 收入、其他收入及其他收入淨額(續)

收入(續)

(ii) 履約責任

有關本集團的履約責任的資料概述如下：

建造合同

履約責任會隨著服務提供而予以履行，而付款一般於出具發票日期起計180天內到期支付。由於本集團收取最終付款的權利取決於合同所訂明的若干期間內客戶對服務質量的滿意度，若干百分比的付款由客戶保留，直至質保期結束為止。

貿易業務

履約責任於交付產品後履行，而付款支付一般於交付後30至90日內到期支付，惟新客戶（一般需要提前付款）除外。

服務業務

隨著服務提供而履行的履約責任乃按照估計合同成本總額中累計及實際合同成本比例隨著服務履約進程予以確認。

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5. REVENUE, OTHER REVENUE AND OTHER INCOME, NET (CONTINUED)

Revenue (continued)

(ii) Performance obligations (continued)

The remaining performance obligations expected to be recognised relate to construction services that are to be satisfied within one to five years.

5. 收入、其他收入及其他收入淨額 (續)

收入 (續)

(ii) 履約責任 (續)

剩餘履約合同義務主要與建造合同相關，其預計未來1年至5年確認收入。

	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Other revenue		
Dividend income from equity investments at fair value through other comprehensive income	3,564	3,822
Investment income on financial assets	43,648	36,526
Government grants	5,151	643
	52,363	40,991
Other income, net		
Net losses on disposal of items of property, plant and equipment	(1,804)	(1,736)
Net gains/(losses) on foreign currency forward exchange contracts	385,364	(9,130)
Arbitration compensation*	(274,452)	-
Gain on bargain purchase recognised in other income	-	4,577
Others	66,727	38,115
	175,835	31,826

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5. REVENUE, OTHER REVENUE AND OTHER INCOME, NET (CONTINUED)

Other income, net (continued)

- * The compensation recognised in the current reporting period is mainly due to the arbitration between the Company and a Turkish owner. Further details are as follows:

On 23 April 2020, the Company issued an announcement and announced that the Company has received the arbitration award (the "Arbitration Award") issued by the arbitral tribunal under the International Court of Arbitration of the International Chamber of Commerce, pursuant to which, the Company shall pay the compensation of approximately USD41.42 million, applicable interest and arbitration related expenses to a Turkish owner (the "Claimant"), and the Claimant shall pay the compensation of approximately USD4.15 million and applicable interest to the Company.

The Company and the Claimant have reached a settlement in respect of the execution of the Arbitration Award, and entered into a settlement agreement (the "Settlement Agreement"). Pursuant to the Settlement Agreement, the Company shall pay RMB273,110,000 (about EUR34,308,510) (the "Settlement Amount") to the Claimant. From the date on which the Claimant receives the aforesaid amount, each party irrevocably releases the other party from all obligations under the Arbitration Award.

The Company has completed the payment of the Settlement Amount in accordance with the requirements under the Settlement Agreement. The Claimant has confirmed the receipt of the Settlement Amount. The execution of the Arbitration Award has completed, and the Company no longer bears any obligation in respect of the Arbitration Award.

5. 收入、其他收入及其他收入淨額(續)

其他收入淨額(續)

- * 本報告期間確認的賠償支出款主要是由本公司和一名土耳其業主之間的仲裁事項導致。詳細介紹如下：

於2020年4月23日，本公司發佈公告，並宣佈本公司已收到國際商會國際仲裁院仲裁庭頒發的仲裁裁決（以下簡稱「仲裁裁決」），據此，本公司應向一名土耳其業主（以下簡稱「申索人」）支付約4,142萬美元的賠償金、適用的利息及仲裁相關費用，而申索人應向本公司支付約415萬美元的賠償金及適用的利息。

本公司與申索人已就執行仲裁裁決達成和解，並簽訂了和解協議（以下簡稱「和解協議」）。根據和解協議，本公司應向申索人支付人民幣273,110,000元（約34,308,510歐元）（以下簡稱「和解款項」）。自申索人確認收到前述款項之日起，雙方均不可撤銷地免除對方在仲裁裁決項下的全部義務。

本公司已完全按照和解協議的要求完成和解款項支付，申索人確認收到和解款項，仲裁裁決已經執行完畢，本公司對仲裁裁決不再負有任何義務。

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6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

(a) Finance income and finance expenses

Finance income on receivables from customers	應收客戶款項的財務收入		298,164	269,885
Foreign exchange gains	匯兌收益		-	270,426
Interest income	利息收入		219,228	249,259
Finance income	財務收入		517,392	789,570
Interest cost recognised in respect of defined benefit obligations	就設定受益義務確認的利息成本	28	19,720	20,250
Interest expenses on borrowings	借貸利息開支		81,029	79,051
Interest on lease liabilities	租賃負債利息		4,214	3,148
Foreign exchange losses	匯兌損失		806,783	-
Bank charges and others	銀行費用及其他		25,128	32,041
Finance expenses	財務開支		936,874	134,490
Net finance income recognised in profit or loss	於損益確認的財務收入淨額		(419,482)	655,080

6. 除稅前溢利

本集團之除稅前溢利已扣除／(計入)：

(a) 財務收入及財務開支

			2020	2019
			2020年	2019年
Note			RMB'000	RMB'000
附註			人民幣千元	人民幣千元
				(Restated)
				(重述)
			298,164	269,885
			-	270,426
			219,228	249,259
			517,392	789,570
		28	19,720	20,250
			81,029	79,051
			4,214	3,148
			806,783	-
			25,128	32,041
			936,874	134,490
			(419,482)	655,080

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6. PROFIT BEFORE TAX (CONTINUED)

(b) Staff costs

		2020	2019
		2020年	2019年
	Note	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元
			(Restated)
			(重述)
Salaries, wages and other benefits	薪金、工資及其他福利	1,336,259	1,852,033
Contributions to defined contribution retirement plans	設定退休供款計劃的供款	164,533	237,350
Expenses recognised in respect of defined benefit retirement plans	就設定受益退休計劃確認的開支	28 3,420	1,380
		1,504,212	2,090,763

(c) Other items

		2020	2019
		2020年	2019年
	Notes	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元
			(Restated)
			(重述)
Amortisation	攤銷		
– Intangible assets	– 無形資產	16 31,492	25,996
– Long-term assets	– 長期資產	37,167	40,764
		68,659	66,760
Depreciation	折舊		
– Property, plant and equipment	– 物業、廠房及設備	13 117,821	97,321
– Investment properties	– 投資物業	14 16,322	15,480
– Right-of-use assets	– 使用權資產	15 68,349	82,932
		202,492	195,733

6. 除稅前溢利 (續)

(b) 員工成本

		2020	2019
		2020年	2019年
	Note	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元
			(Restated)
			(重述)
Salaries, wages and other benefits	薪金、工資及其他福利	1,336,259	1,852,033
Contributions to defined contribution retirement plans	設定退休供款計劃的供款	164,533	237,350
Expenses recognised in respect of defined benefit retirement plans	就設定受益退休計劃確認的開支	28 3,420	1,380
		1,504,212	2,090,763

(c) 其他項目

		2020	2019
		2020年	2019年
	Notes	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元
			(Restated)
			(重述)
Amortisation	攤銷		
– Intangible assets	– 無形資產	16 31,492	25,996
– Long-term assets	– 長期資產	37,167	40,764
		68,659	66,760
Depreciation	折舊		
– Property, plant and equipment	– 物業、廠房及設備	13 117,821	97,321
– Investment properties	– 投資物業	14 16,322	15,480
– Right-of-use assets	– 使用權資產	15 68,349	82,932
		202,492	195,733

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6. PROFIT BEFORE TAX (CONTINUED)

(c) Other items (continued)

			2020	2019
		Notes	2020年	2019年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
				(Restated)
				(重述)
Impairment losses on	減值虧損			
– Trade and other receivables	– 貿易及其他應收款項	22	331,335	345,718
– Inventories	– 存貨	20	16,116	1,060
– Contract assets	– 合同資產	21	15,521	41,876
– Investments in associates	– 對聯營公司的投資		–	16,404
			362,972	405,058
Operating lease charges	經營租賃費用			
– Rental expenses for short-term leases and lease of low-value assets	– 短期租賃費用及低價值資產租賃費用	15	8,461	25,102
– Lease of other assets	– 租賃其他資產		1,311	281
			9,772	25,383
Auditors' remuneration, including disbursements	核數師薪酬·含代墊費用		9,858	10,127
Rental income from investment properties	來自投資物業的租賃收入			
– Gross rental	– 毛租金	5	151,320	149,533
– Direct outgoings	– 直接支出		(56,674)	(43,931)
Net rental	淨租金		94,646	105,602
Cost of construction contracts	建造合同成本		9,445,909	16,228,737
Cost of goods sold	商品銷售成本		4,349,558	5,876,930
Cost of services provided	所提供服務的成本		1,631,328	1,411,160
			15,426,795	23,516,827

6. 除稅前溢利(續)

(c) 其他項目(續)

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7. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

7. 董事、行政總裁及監事薪酬

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條、《公司(披露董事利益資料)規例》第2部披露的年內董事及行政總裁的薪酬如下：

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(重述)
Fees	袍金	1,144	1,144
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	3,027	2,691
Performance related bonuses	與表現掛鉤的花紅	1,343	1,834
Pension scheme contributions	退休金計劃供款	147	200
		5,661	5,869

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7. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION (CONTINUED)

7. 董事、行政總裁及監事薪酬 (續)

Executive directors, non-executive directors, the chief executive and supervisors

執行董事、非執行董事、行政總裁及監事

		Salaries, allowances and benefits	Performance related bonuses	Pension scheme contributions	Total remuneration	
	Fees	in kind	related bonuses	contributions	remuneration	
	袍金	薪金、津貼 及實物利益	與表現掛鉤 的花紅	退休金計劃 供款	薪酬合計	
	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	
2020	2020年					
Executive directors:	執行董事：					
Ms. Ai Wei (note (1))	艾威女士(附註(1))	-	633	669	39	1,341
Non-executive directors:	非執行董事：					
Mr. Zhang Fusheng (note (2))	張福生先生(附註(2))	60	25	-	-	85
Mr. Yu Benli (note (3))	余本禮先生(附註(3))	60	23	-	-	83
Mr. Ma Jian (note (4))	馬堅先生(附註(4))	20	8	-	-	28
Mr. Zhang Zhiyu (note (5))	張治宇先生(附註(5))	20	9	-	-	29
		160	65	-	-	225
Independent non-executive directors:	獨立非執行董事：					
Mr. Liu Li	劉力先生	246	-	-	-	246
Ms. Liu Hongyu	劉紅宇女士	246	-	-	-	246
Mr. Fang Yongzhong	方永忠先生	246	-	-	-	246
Mr. Wu Tak Lung	吳德龍先生	246	-	-	-	246
		984	-	-	-	984
Chief executive:	行政總裁：					
Mr. Fang Yanshui (note (6))	方彥水先生(附註(6))	-	638	674	39	1,351
Supervisors:	監事：					
Mr. Quan Huaqiang (note (7))	全華強先生(附註(7))	-	-	-	-	-
Mr. Zhang Hong (note (8))	張弘先生(附註(8))	-	-	-	-	-
Mr. Guo Weihua	郭偉華先生	-	-	-	-	-
Ms. Liu Ting (note (9))	劉婷女士(附註(9))	-	725	-	30	755
Mr. He Bing (note (10))	何兵先生(附註(10))	-	966	-	39	1,005
		-	1,691	-	69	1,760
		1,144	3,027	1,343	147	5,661

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7. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION (CONTINUED)

Executive directors, non-executive directors, the chief executive and supervisors (continued)

Notes:

- (1) Ms. Ai Wei was elected as an executive director in December 2020.
- (2) Mr. Zhang Fusheng resigned in September 2020.
- (3) Mr. Yu Benli resigned in September 2020.
- (4) Mr. Ma Jian was elected as a non-executive director in September 2020.
- (5) Mr. Zhang Zhiyu was elected as a non-executive director in September 2020.
- (6) Mr. Fang Yanshui was elected as a executive director in February 2020.
- (7) Mr. Quan Huaqiang resigned in February 2020.
- (8) Mr. Zhang Hong was elected as a supervisor in September 2020.
- (9) Ms. Liu Ting resigned in November 2020.
- (10) Mr. He Bing was elected as a supervisor in November 2020.

7. 董事、行政總裁及監事薪酬 (續)

執行董事、非執行董事、行政總裁及監事 (續)

附註：

- (1) 艾威女士於2020年12月獲選為執行董事。
- (2) 張福生先生於2020年9月辭任。
- (3) 余本禮先生於2020年9月辭任。
- (4) 馬堅先生於2020年9月獲選為非執行董事。
- (5) 張治宇先生於2020年9月獲選為非執行董事。
- (6) 方彥水先生於2020年2月獲選為執行董事。
- (7) 全華強先生於2020年2月辭任。
- (8) 張弘先生於2020年9月獲選為監事。
- (9) 劉婷女士於2020年11月辭任。
- (10) 何兵先生於2020年11月獲選為監事。

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7. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION (CONTINUED)

Executive directors, non-executive directors, the chief executive and supervisors (continued)

7. 董事、行政總裁及監事薪酬 (續)

執行董事、非執行董事、行政總裁及監事 (續)

		Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration
	Fees	薪金、津貼及實物利益	與表現掛鉤的花紅	退休金計劃供款	薪酬合計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
2019	2019年				
Executive directors:	執行董事：				
Mr. Zhang Chun (note (1))	張淳先生(附註(1))	-	652	50	702
Mr. Han Xiaojun (note (2))	韓曉軍先生(附註(2))	-	991	50	1,693
		-	1,304	100	2,395
Non-executive directors:	非執行董事：				
Mr. Bai Shaotong (note (3))	白紹桐先生(附註(3))	-	-	-	-
Mr. Zhang Fusheng	張福生先生	80	36	-	116
Mr. Yu Benli	余本禮先生	80	32	-	112
		160	68	-	228
Independent non-executive directors:	獨立非執行董事：				
Mr. Liu Li	劉力先生	246	-	-	246
Ms. Liu Hongyu	劉紅宇女士	246	-	-	246
Mr. Fang Yongzhong	方永忠先生	246	-	-	246
Mr. Wu Tak Lung	吳德龍先生	246	-	-	246
		984	-	-	984
Chief executive:	行政總裁：				
Mr. Fang Yanshui (note (4))	方彥水先生(附註(4))	-	554	50	1,447
Supervisors:	監事：				
Mr. Quan Huaqiang	全華強先生	-	-	-	-
Mr. Qian Xiangdong (note (5))	錢向東先生(附註(5))	-	-	-	-
Mr. Guo Weihua (note (6))	郭偉華先生(附註(6))	-	-	-	-
Ms. Liu Ting	劉婷女士	-	765	50	815
		-	765	50	815
		1,144	2,691	200	5,869

Notes:

- Mr. Zhang Chun resigned in November 2019.
- Mr. Han Xiaojun resigned in November 2019.
- Mr. Bai Shaotong was elected as the chairman and a non-executive director in December 2019.
- Mr. Fang Yanshui was elected as the chief executive in December 2019.
- Mr. Qian Xiangdong resigned in June 2019.
- Mr. Guo Weihua was elected as a supervisor in June 2019.

附註：

- 張淳先生於2019年11月辭任。
- 韓曉軍先生於2019年11月辭任。
- 白紹桐先生於2019年12月獲選為董事長兼非執行董事。
- 方彥水先生於2019年12月獲選為行政總裁。
- 錢向東先生於2019年6月辭任。
- 郭偉華先生於2019年6月獲選為監事。

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8. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included one executive director and the chief executive (2019: one executive director and the chief executive), details of whose remuneration are set out in note 7 above. Details of the remuneration for the year of the remaining three (2019: three) highest paid employees who are neither a director, chief executive nor supervisor of the Company are as follows:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,900	1,663
Performance related bonuses	與表現掛鉤的花紅	2,008	2,528
Pension scheme contributions	退休金計劃供款	116	150
		4,024	4,341

The number of non-director, non-chief executive and non-supervisor highest paid employees whose remuneration fell within the following band is as follows:

		Number of employees	
		僱員人數	
		2020	2019
		2020年	2019年
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至 2,000,000港元	3	3

8. 五位最高薪酬僱員

年內，五位最高薪酬僱員包括一名執行董事及行政總裁（2019年：一名執行董事及行政總裁），彼等的薪酬詳情載於上述附註7。年內既非本公司董事、非行政總裁亦非監事的餘下三名（2019年：三名）最高薪酬僱員的薪酬詳情如下：

薪酬在以下範圍的非董事、非行政總裁及非監事最高薪酬僱員人數如下：

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9. INCOME TAX

Pursuant to the relevant laws and regulations in the PRC, the statutory enterprise income tax rate of 25% is applied to the Company's Mainland China subsidiaries for the years ended 31 December 2020 and 2019, except for certain Mainland China subsidiaries of the Company which were entitled to the preferential tax rate of 15% (2019: 15%) because they are recognised as high and new technology enterprises by the local governments in the PRC, and certain Mainland China subsidiaries of the Company which were entitled to the preferential tax rate of 10% or 5% since 2019 because they are small and micro businesses.

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries (or jurisdictions) in which the Group operates.

9. 所得稅

根據中國相關法律及法規，本公司的中國內地附屬公司於截至2020年及2019年12月31日止年度適用的法定企業所得稅稅率為25%，惟本公司的若干中國內地附屬公司因被中國地方政府認定為高新技術企業而有權享有15%(2019年：15%)的優惠稅率，及本公司的若干中國內地附屬公司自2019年起因其為小型微利企業而有權享有10%或5%的優惠稅率除外。

香港利得稅乃就年內在香港產生的估計應課稅溢利按16.5%(2019年：16.5%)的稅率提撥。於其他地區的應課稅利潤乃按本集團營運所在的國家(或司法權區)的適用稅率計算稅項。

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Current income tax – Mainland China	即期所得稅 – 中國大陸		
Charge for the year	本年度變動	340,261	744,763
Underprovision/(Overprovision) in prior years	過往年度撥備不足／(超額撥備)	12,249	(30,954)
Current income tax – Hong Kong	即期所得稅 – 香港		
Charge for the year	本年度變動	2,971	9,734
Underprovision/(Overprovision) in prior years	過往年度撥備不足／(超額撥備)	842	(13,361)
Current income tax – Others	即期所得稅 – 其他		
Charge for the year	本年度變動	5,118	10,808
(Overprovision)/Underprovision in prior years	過往年度(超額撥備)／撥備不足	(2,370)	2,437
Deferred income tax	遞延所得稅	18,584	(85,005)
Total tax charge for the year from continuing operations	來自持續經營業務的年度稅項支出總額	377,655	638,422

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9. INCOME TAX (CONTINUED)

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the countries (or jurisdictions) in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Profit before tax from continuing operations	來自持續經營業務的 除稅前溢利	1,577,901	2,838,685
Tax at the statutory tax rate	按法定稅率計算的稅項	394,475	709,671
Lower tax rate(s) for specific provinces or enacted by local authority	特定省份或地方當局制定的較低稅率	(63,515)	(10,635)
Profits and losses attributable to joint ventures and associates	合營公司及聯營公司應佔溢利及虧損	(58,331)	(56,586)
Income not subject to tax	毋需課稅收益	(30,816)	(28,241)
Adjustments in respect of current tax of previous periods	就過往期間即期稅項作出的調整	10,721	(41,878)
Expenses not deductible for tax	不可扣稅開支	106,690	74,673
Tax losses utilised from previous periods	使用過往期間的稅項虧損	(3,297)	(2,300)
Others	其他	21,728	(6,282)
Tax charge at the Group's effective rate from continuing operations	來自持續經營業務的 按本集團實際稅率 計算的稅項支出	377,655	638,422

The share of tax attributable to associates and joint ventures amounting to RMB53,271,000 (2019: RMB49,630,000) and RMB5,060,000 (2019: RMB6,956,000), respectively, is included in "Share of profits and losses of joint ventures and associates" in the consolidated statement of profit or loss.

按本公司及其大多數附屬公司所註冊國家(或司法權區)的法定稅率計算之除稅前溢利適用之稅項開支與按實際稅率計算之稅項開支的對賬如下:

應佔聯營公司及合營公司稅項分別為人民幣53,271,000元(2019年: 人民幣49,630,000元)及人民幣5,060,000元(2019年: 人民幣6,956,000元), 已計入合併損益表「應佔合營公司及聯營公司溢利及虧損」內。

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10. PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

The consolidated profit attributable to owners of the parent for the year ended 31 December 2020 includes a profit of RMB765,911,000 (2019: RMB1,589,476,000) which has been dealt with in the financial statements of the Company.

11. DIVIDENDS

Proposed final dividend of Nil
(2019: RMB0.1586) per ordinary share

擬派末期股息每股普通股
人民幣零元
(2019年：人民幣0.1586元)

On 25 March 2021, the board did not propose to distribute a dividend for the year ended 31 December 2020 to the shareholders, subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

10. 歸屬於母公司擁有人的溢利

截至2020年12月31日止年度歸屬於母公司擁有人的合併溢利包括已於本公司財務報表入賬的溢利人民幣765,911,000元(2019年：人民幣1,589,476,000元)。

11. 股息

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元

-	654,336
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於2021年3月25日，董事會不建議向股東派發截至2020年12月31日止年度股息，惟須獲本公司股東於應屆股東週年大會上批准。

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11. DIVIDENDS (CONTINUED)

Pursuant to the State Administration of Taxation Circular Guoshuihan [2008] No. 897, the Company is required to withhold a 10% enterprise income tax when it distributes dividends to its non-resident enterprise shareholders out of the profit earned in 2008 and beyond. In respect of all shareholders whose names appear on the Company's register of members who are not individuals, which are considered as non-resident enterprise shareholders, the Company will distribute the dividends after deducting enterprise income tax at the rate of 10%.

Due to the repeal of Guoshuifa [1993] No. 45 Circular on the Questions Concerning Tax on the Profits Earned by Enterprises with Foreign Investment, Foreign Enterprises and Individual Foreigners from the Transfer of Stocks (Stock Rights) and on Dividend Income, the Company is required, from 4 January 2011 under the Individual Income Tax Law of the PRC and its implementation rules and regulations, to withhold and pay individual income tax at rates ranging from 10% to 20% when it distributes dividends to its non-PRC resident individual shareholders out of the profits earned in 2010 and beyond.

11. 股息(續)

按照國家稅務總局頒佈的通知(國稅函[2008]第897號),本公司自2008年及以後的所得利潤向其非居民企業股東派發股息時,需要代扣10%的企業所得稅。對於名列本公司股東名冊的所有非個人股東(即被視為非居民企業的股東),本公司將在扣除10%的所得稅後派發股息。

由於《關於外商投資企業、外國企業和外籍個人取得股票(股權)轉讓收益和股息所得稅收問題的通知》(國稅發[1993]第45號)已經廢止,自2011年1月4日起本公司應根據《中華人民共和國個人所得稅法》及其實施條例及規定,自2010年及以後所得利潤向非中國居民個人股東派發股息時,須代扣代繳10%至20%的個人所得稅。

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12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of 4,125,700,000 (2019: 4,125,700,000) ordinary shares.

The calculation of basic earnings per share is based on:

12. 歸屬於母公司普通權益持有人的每股盈利

每股基本盈利乃按年內歸屬於母公司普通權益持有人的溢利及普通股的加權平均數4,125,700,000股(2019年: 4,125,700,000股)計算。

每股基本盈利的計算如下:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(重述)
Earnings			
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	盈利 計算每股基本盈利所用的 歸屬於母公司普通權益 持有人的溢利	1,186,591	2,193,493
Shares			
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	股份 計算每股基本盈利所用的 年內已發行普通股的 加權平均數	4,125,700	4,125,700

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2020 and 2019.

截至2020年及2019年12月31日止年度，本集團並無潛在攤薄已發行普通股。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Buildings	Motor vehicles	Office and other equipment	Construction in progress	Total
		樓宇	汽車	辦公及其他設備	在建工程	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
Cost:	成本：					
At 1 January 2019 (Restated)	於2019年1月1日(重述)	1,801,768	128,165	259,406	828,983	3,018,322
Additions	添置	59,913	4,159	40,463	194,914	299,449
Acquisition of a subsidiary	收購附屬公司	42,997	–	21,054	–	64,051
Transfer to right-of-use assets (note 15a)	撥入使用權資產(附註15a)	–	–	–	(9,688)	(9,688)
Transfer to investment properties (note 14)	撥入投資物業(附註14)	(9,002)	–	–	(24)	(9,026)
Transfer from investment properties (note 14)	撥自投資物業(附註14)	377	–	–	–	377
Disposals	處置	(33,561)	(17,726)	(8,316)	–	(59,603)
Others	其他	4,049	508	2,844	–	7,401
At 31 December 2019 (Restated)	於2019年12月31日(重述)	1,866,541	115,106	315,451	1,014,185	3,311,283
At 1 January 2020	於2020年1月1日	1,866,541	115,106	315,451	1,014,185	3,311,283
Additions	添置	71	7,769	63,729	283,477	355,046
Transfers	轉撥	919,014	–	97,190	(1,016,204)	–
Transfer from investment properties (note 14)	撥自投資物業(附註14)	1,903	–	–	–	1,903
Transfer to intangible assets (note 16)	撥入無形資產(附註16)	–	–	–	(12,249)	(12,249)
Disposals	處置	(1,362)	(7,073)	(19,034)	–	(27,469)
Others	其他	(5,713)	686	(978)	–	(6,005)
At 31 December 2020	於2020年12月31日	2,780,454	116,488	456,358	269,209	3,622,509

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13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

13. 物業、廠房及設備(續)

		Buildings	Motor vehicles	Office and other equipment	Construction in progress	Total
		樓宇	汽車	辦公及其他設備	在建工程	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
Accumulated depreciation and impairment:	累計折舊及減值：					
At 1 January 2019 (Restated)	於2019年1月1日(重述)	(509,658)	(100,238)	(135,290)	(130)	(745,316)
Charge for the year	年內支出	(59,456)	(8,590)	(29,275)	-	(97,321)
Transfer to investment properties (note 14)	撥入投資物業(附註14)	3,574	-	-	-	3,574
Transfer from investment properties (note 14)	撥自投資物業(附註14)	(356)	-	-	-	(356)
Written back on disposals	處置後撥回	401	15,371	7,571	-	23,343
At 31 December 2019 (Restated)	於2019年12月31日(重述)	(565,495)	(93,457)	(156,994)	(130)	(816,076)
At 1 January 2020	於2020年1月1日	(565,495)	(93,457)	(156,994)	(130)	(816,076)
Charge for the year	年內支出	(76,032)	(5,462)	(36,327)	-	(117,821)
Transfer from investment properties (note 14)	撥自投資物業(附註14)	(735)	-	-	-	(735)
Written back on disposals	處置後撥回	1,294	5,126	11,810	-	18,230
At 31 December 2020	於2020年12月31日	(640,968)	(93,793)	(181,511)	(130)	(916,402)
Net book value:	賬面淨值：					
At 31 December 2019 (Restated)	於2019年12月31日(重述)	1,301,046	21,649	158,457	1,014,055	2,495,207
At 31 December 2020	於2020年12月31日	2,139,486	22,695	274,847	269,079	2,706,107

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13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) An analysis of the net book values of buildings is as follows:

Outside Hong Kong	香港以外
– Long-term leases	– 長期租賃
– Medium-term leases	– 中期租賃
– Freehold	– 永久業權

- (b) As at 31 December 2020, certain of the Group's borrowings of RMB60,661,000 (31 December 2019: RMB74,454,000) were secured by certain of the Group's buildings with an aggregate net book value of RMB31,584,000 (31 December 2019: RMB33,999,000), which included borrowings of RMB38,661,000 (31 December 2019: RMB47,140,000) secured by investment properties (note 14) and right-of-use assets (note 15) in addition to property, plant and equipment as mentioned above.

13. 物業、廠房及設備(續)

- (a) 樓宇的賬面淨值分析如下：

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
	(Restated)
	(重述)

1,064,605	465,030
965,958	796,029
107,318	39,987
2,137,881	1,301,046

- (b) 於2020年12月31日，本集團人民幣60,661,000元(2019年12月31日：人民幣74,454,000元)的若干借貸由本集團賬面總淨值為人民幣31,584,000元(2019年12月31日：人民幣33,999,000元)的若干樓宇作抵押，其中人民幣38,661,000元(2019年12月31日：人民幣47,140,000元)的借貸由投資物業(附註14)和使用權資產(附註15)以及上述提及的物業、廠房及設備作抵押。

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14. INVESTMENT PROPERTIES

14. 投資物業

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Cost:	成本：		
At the beginning of the year	於年初	745,539	736,898
Transfer from property, plant and equipment (note 13)	撥自物業、廠房及設備 (附註13)	-	9,026
Transfer to property, plant and equipment (note 13)	撥入物業、廠房及設備 (附註13)	(1,903)	(377)
Others	其他	-	(8)
		743,636	745,539
Accumulated depreciation:	累計折舊：		
At the beginning of the year	於年初	(112,946)	(94,248)
Charge for the year	年內支出	(16,322)	(15,480)
Transfer from property, plant and equipment (note 13)	撥自物業、廠房及設備 (附註13)	-	(3,574)
Transfer to property, plant and equipment (note 13)	撥入物業、廠房及設備 (附註13)	735	356
		(128,533)	(112,946)
Net book value:	賬面淨值：	615,103	632,593

The Group's investment properties consist of certain commercial properties in Mainland China and Australia. The directors of the Company have determined that the investment properties are commercial assets, based on the nature, characteristics and risks of each property. The Group's investment properties were revalued on 31 December 2020 based on valuations performed by Savills Corporate Appraisal and Advisory Limited, a firm of independent qualified valuers in Hong Kong, at RMB2,267,419,000 (2019 (Restated): RMB2,037,955,000).

本集團的投資物業包括中國大陸及澳大利亞某些商業物業。本公司董事已根據每項物業之性質、特徵及風險，釐定屬商業資產的投資物業。本集團的投資物業於2020年12月31日經第一太平戴維斯估值及專業顧問有限公司(香港的獨立合資格估值師事務所)重新估值為人民幣2,267,419,000元(2019年(重述): 人民幣2,037,955,000元)。

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14. INVESTMENT PROPERTIES (CONTINUED)

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 15 to the financial statements.

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

Recurring fair value measurement for: 經常性公允價值計量：

Commercial properties

商業物業

2,267,419

2,037,955

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2019: Nil).

14. 投資物業 (續)

投資物業以經營租賃方式租予第三者，其進一步概要詳情載於財務報表附註15。

公允價值層級

下表列示本集團投資物業公允價值計量層級：

Fair value as at 31 December 2020 Significant unobservable inputs (Level 3) 於2020年 12月31日的 公允價值重大 不可觀察輸入 數據(第3級) RMB'000 人民幣千元	Fair value as at 31 December 2019 Significant unobservable inputs (Level 3) 於2019年 12月31日的 公允價值重大 不可觀察輸入 數據(第3級) <i>RMB'000</i> 人民幣千元 (Restated) (重述)
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年內，第1級與第2級之間並無公允價值計量轉移，亦無轉入或轉出第3級(2019年：無)。

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14. INVESTMENT PROPERTIES (CONTINUED)

Fair value hierarchy (continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

	Valuation techniques 估值方法	Significant unobservable inputs 重大不可觀察輸入數據	Range or weighted average 範圍或加權平均	
			2020 2020年	2019 2019年
Commercial properties 商業物業	Term and reversion 年期及復歸	Estimated rental value (per s.q.m. and per month) 估計租金價值(每平方米每月)	0.49 to 218 0.49至218	0.48 to 206 0.48至206
		Rent growth (p.a.) 租金增長率(每年)	0% 0%	0% 0%
		Long term vacancy rate 長期空置率	0% to 25% 0%至25%	0% 0%
		Yield 回報率	4% to 7% 4%至7%	3.5% to 7% 3.5%至7%

Under the income approach, the term and reversion approach in particular, the rental income derived from the existing tenancies with due allowance for the reversionary potential of the property is capitalised at the capitalisation rate. The estimated total net leased income is capitalised over the remaining term of land use rights of the property at an appropriate market yield expected by investors for the type of properties.

As at 31 December 2020, certain of the Group's borrowings of RMB38,661,000 (31 December 2019: RMB47,140,000) were secured by certain of the Group's investment properties with an aggregate net book value of RMB46,396,000 (2019: RMB47,335,000).

14. 投資物業(續)

公允價值層級(續)

投資物業所用估值方法及主要估值輸入數據概述如下：

按照收益法，尤其是年期及復歸法，現有租約內的租金收入連同該物業復歸潛力的適當補償按資本化率予以資本化。估計租金淨收益總額按投資者對不同類型物業預期的適當市場回報率於物業餘下的土地使用權年期內予以資本化。

於2020年12月31日，本集團人民幣38,661,000元(2019年12月31日：人民幣47,140,000元)的若干借貸由本集團賬面總淨值為人民幣46,396,000元(2019年：人民幣47,335,000元)的若干投資物業作抵押。

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15. LEASES

The Group as a lessee

The Group has lease contracts for various items of plant and machinery used in its operations. Lump sum payments were made upfront to acquire the leasehold land from the owners with lease periods of 36 to 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of plant and machinery generally have lease terms between 2 and 5 years.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

		Leasehold land 租賃土地 RMB'000 人民幣千元	Plant and machinery 廠房及機械 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2019 (Restated)	於2019年1月1日 (重述)	1,773,940	88,205	1,862,145
Additions	添置	-	17,725	17,725
Transfer from property, plant and equipment (note 13)	撥自物業、廠房及設備 (附註13)	9,688	-	9,688
Depreciation charge	折舊開支	(47,358)	(35,574)	(82,932)
As at 31 December 2019 (Restated) and 1 January 2020	於2019年12月31日 (重述)及於 2020年1月1日	1,736,270	70,356	1,806,626
Additions	添置	759	42,551	43,310
Depreciation charge	折舊開支	(47,200)	(21,149)	(68,349)
Early termination of leases	提早終止租賃	-	(19,758)	(19,758)
As at 31 December 2020	於2020年12月31日	1,689,829	72,000	1,761,829

As at 31 December 2020, certain of the Group's borrowings of RMB38,661,000 (31 December 2019: RMB47,140,000) were secured by certain of the Group's right-of-use assets with an aggregate net book value of RMB742,000 (2019: RMB758,000).

15. 租賃

本集團作為承租人

本集團擁有多個營運中之廠房及機械項目的租賃合約。已提前作出一次性付款以向業主收購租賃土地，租期為36至50年，而根據該等土地租賃的條款，將不會繼續支付任何款項。廠房及機械的租期通常介乎2至5年。

(a) 使用權資產

本集團年內使用權資產的賬面值及變動如下：

於2020年12月31日，本集團人民幣38,661,000元(2019年12月31日：人民幣47,140,000元)的若干借貸由本集團賬面總淨值為人民幣742,000元(2019年：人民幣758,000元)的若干使用權資產作抵押。

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15. LEASES (CONTINUED)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
At beginning of year	於年初	64,232	85,759
New leases	新租賃	41,920	16,706
Accretion of interest recognised during the year	年內已確認利息增幅	4,214	3,148
Payments	付款	(45,424)	(41,461)
Early termination of leases	提早終止租賃	(5,750)	-
Other	其他	9,547	80
		<hr/>	<hr/>
At end of year	於年末	68,739	64,232
		<hr/>	<hr/>
Analysed into:	分析為：		
Current portion	流動部分	36,443	27,854
Non-current portion	非流動部分	32,296	36,378
		<hr/>	<hr/>

15. 租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

年內租賃負債的賬面值及變動如下：

	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
At beginning of year	64,232	85,759
New leases	41,920	16,706
Accretion of interest recognised during the year	4,214	3,148
Payments	(45,424)	(41,461)
Early termination of leases	(5,750)	-
Other	9,547	80
	<hr/>	<hr/>
At end of year	68,739	64,232
	<hr/>	<hr/>
Analysed into:		
Current portion	36,443	27,854
Non-current portion	32,296	36,378
	<hr/>	<hr/>

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15. LEASES (CONTINUED)

The Group as a lessee (continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest on lease liabilities	租賃負債利息	4,214	3,148
Depreciation charge of right-of-use assets	使用權資產折舊開支	68,349	82,932
Expense relating to short-term leases, other leases with remaining lease terms ended on or before 31 December 2019 and leases of low-value assets	與短期租賃、餘下租期於2019年12月31日或之前屆滿的其他租賃及低價值資產租賃有關的開支	8,461	25,102
Total amount recognised in profit or loss	損益中確認款項總額	81,024	111,182

The Group as a lessor

The Group leases its investment properties (note 14). The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB151,320,000 (2019 (Restated): RMB149,533,000), details of which are included in note 5 to the financial statements.

15. 租賃 (續)

本集團作為承租人 (續)

(c) 於損益中確認的租賃相關款項如下：

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest on lease liabilities	租賃負債利息	4,214	3,148
Depreciation charge of right-of-use assets	使用權資產折舊開支	68,349	82,932
Expense relating to short-term leases, other leases with remaining lease terms ended on or before 31 December 2019 and leases of low-value assets	與短期租賃、餘下租期於2019年12月31日或之前屆滿的其他租賃及低價值資產租賃有關的開支	8,461	25,102
Total amount recognised in profit or loss	損益中確認款項總額	81,024	111,182

本集團作為出租人

本集團出租其投資物業 (附註14)。該等租賃的條款通常要求租戶支付擔保按金並根據當時現行市況進行定期租金調整。年內本集團的已確認租金收入為人民幣151,320,000元 (2019年 (重述)：人民幣149,533,000元)，詳情載於財務報表附註5。

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15. LEASES (CONTINUED)

The Group as a lessor (Continued)

At 31 December 2020, the undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

Within one year	一年內
After one year but within two years	一年以上但兩年以內
After two years but within three years	兩年以上但三年以內
After three years but within four years	三年以上但四年以內
After four years but within five years	四年以上但五年以內
After five years	五年以上

15. 租賃(續)

本集團作為出租人(續)

於2020年12月31日，日後本集團根據與其租戶之不可撤銷經營租賃的應收未貼現租賃款項如下：

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
	(Restated)
	(重述)
94,823	89,606
37,112	84,422
24,796	33,243
15,725	15,940
8,256	11,127
-	9,288
180,712	243,626

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16. INTANGIBLE ASSETS

16. 無形資產

		Concession assets 特許經營資產 RMB'000 人民幣千元	Software and others 軟件及其他 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	473,457	39,160	512,617
Additions	添置	–	2,074	2,074
Disposals	處置	–	(4,011)	(4,011)
Others	其他	331	–	331
At 31 December 2019	於2019年12月31日	473,788	37,223	511,011
At 1 January 2020	於2020年1月1日	473,788	37,223	511,011
Additions	添置	–	25,412	25,412
Transfer from property, plant and equipment (note 13)	撥自物業、廠房及設備 (附註13)	–	12,249	12,249
Disposals	處置	–	(13,487)	(13,487)
Others	其他	(1,371)	–	(1,371)
At 31 December 2020	於2020年12月31日	472,417	61,397	533,814
Accumulated amortisation:	累計攤銷：			
At 1 January 2019	於2019年1月1日	(29,428)	(18,373)	(47,801)
Charge for the year	年內支出	(19,181)	(6,815)	(25,996)
Disposals	處置	–	3,342	3,342
At 31 December 2019	於2019年12月31日	(48,609)	(21,846)	(70,455)
At 1 January 2020	於2020年1月1日	(48,609)	(21,846)	(70,455)
Charge for the year	年內支出	(19,180)	(12,312)	(31,492)
Disposals	處置	–	12,186	12,186
Others	其他	129	–	129
At 31 December 2020	於2020年12月31日	(67,660)	(21,972)	(89,632)
Net book value:	賬面淨值：			
At 31 December 2019	於2019年12月31日	425,179	15,377	440,556
At 31 December 2020	於2020年12月31日	404,757	39,425	444,182

Concession assets represent assets under “Build-Operate-Transfer” service concession arrangements and mainly consist of hydropower stations in Laos. The cost of concession assets which have been put into operation at 31 December 2020 amounted to RMB472,417,000 (31 December 2019: RMB473,788,000). The decrease was due to exchange rate changes.

特許經營資產為建設、經營及移交服務特許經營安排資產，主要為位於老撾的水電站。特許經營資產已投入運營，相關特許經營資產於2020年12月31日的成本為人民幣472,417,000元（2019年12月31日：人民幣473,788,000元）。減少原因為匯率變動。

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17. INVESTMENTS IN JOINT VENTURES

17. 對合營公司的投資

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Share of net assets	應佔資產淨額	418,639	405,798

Particulars of the joint ventures are as follows:

合營公司的詳細資料如下：

Name	Particulars of issued shares held	Place and date of registration	Percentage of ownership interest, voting power and profit sharing 所有權權益、投票權及溢利分配百分比	Principal activities 主要業務
名稱	所持有已發行股份詳情	註冊地點及日期		
China National Guo Lian Development New Energy (Wuxi) Co., Ltd. 中設國聯無錫新能源發展有限公司	Registered capital of RMB478,998,300 註冊資本為人民幣478,998,300元	The PRC 4 November 2014 中國 2014年11月4日	41.75%	Engineering design 工程設計
CMIPC Huajin Casting Co., Ltd. 山西中設華晉鑄造有限公司	Registered capital of RMB251,390,000 註冊資本為人民幣251,390,000元	The PRC 31 March 2015 中國 2015年3月31日	34%	Metal casting production 金屬鑄造生產
China Machinery Metal Jiangsu Co., Ltd. 國機金屬江蘇有限公司	Registered capital of RMB100,000,000 註冊資本為人民幣100,000,000元	The PRC 31 August 2016 中國 2016年8月31日	25%	Metal manufacturing 金屬製造

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17. INVESTMENTS IN JOINT VENTURES (CONTINUED)

The following table illustrates the summarised financial information of China National Guo Lian Development New Energy (Wuxi) Co., Ltd.:

17. 對合營公司的投資(續)

下表列示中設國聯無錫新能源發展有限公司的財務資料概要：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Current assets	流動資產	408,199	366,969
Non-current assets	非流動資產	1,543,806	1,577,953
Current liabilities	流動負債	(226,753)	(193,221)
Non-current liabilities	非流動負債	(930,633)	(983,276)
		794,619	768,425
Non-controlling interests	非控股權益	(90,461)	(80,954)
Total equity attributable to owners of the parent	母公司擁有人應佔權益總額	704,158	687,471
Proportion of the Group's ownership	本集團擁有權比例	41.75%	41.75%
Group's share of net assets of the joint venture	本集團應佔合營公司的資產淨額	293,986	287,019
Revenue	收入	230,551	228,463
Cost of sales	銷售成本	(108,365)	(104,355)
Expenses	開支	(73,305)	(50,669)
Profit before tax	除稅前溢利	48,881	73,439
Tax	稅項	(3,497)	(4,880)
Profit after tax	除稅後溢利	45,384	68,559
Other comprehensive income	其他綜合收益	-	-
Total comprehensive income	綜合收益總額	45,384	68,559
Total comprehensive income attributable to owners of the parent	母公司擁有人應佔綜合收益總額	33,128	59,341
Proportion of the Group's ownership	本集團擁有權比例	41.75%	41.75%
Group's share of profit after tax of the joint venture	本集團應佔合營公司的除稅後溢利	13,831	24,537
Share of total comprehensive income	應佔綜合收益總額	13,831	24,537
Dividend received	收取的股息	6,864	-

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17. INVESTMENTS IN JOINT VENTURES (CONTINUED)

The following table illustrates the summarised financial information of CMIPC Huajin Casting Co., Ltd.:

17. 對合營公司的投資(續)

下表列示山西中設華晉鑄造有限公司的財務資料概要：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Current assets	流動資產	321,299	329,504
Non-current assets	非流動資產	192,840	200,121
Current liabilities	流動負債	(232,998)	(264,869)
Net assets	資產淨額	281,141	264,756
Proportion of the Group's ownership	本集團擁有權比例	34%	34%
Group's share of net assets of the joint venture	本集團應佔合營公司的資產淨額	95,588	90,017
Revenue	收入	522,821	581,030
Cost of sales	銷售成本	(455,652)	(511,503)
Expenses	開支	(49,384)	(61,992)
Profit before tax	除稅前溢利	17,785	7,535
Tax	稅項	-	-
Profit after tax	除稅後溢利	17,785	7,535
Other comprehensive income	其他綜合收益	-	-
Total comprehensive income	綜合收益總額	17,785	7,535
Proportion of the Group's ownership	本集團擁有權比例	34%	34%
Group's share of profit after tax of the joint venture	本集團應佔合營公司的除稅後溢利	6,047	2,562
Share of total comprehensive income	應佔綜合收益總額	6,047	2,562
Dividend received	收取的股息	476	-

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17. INVESTMENTS IN JOINT VENTURES (CONTINUED)

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Share of the joint ventures' profit for the year	年內應佔合營公司溢利	362	726
Share of the joint ventures' total comprehensive income	應佔合營公司綜合收益總額	362	726
Aggregate carrying amount of the Group's investments in the joint ventures	本集團於合營公司投資的賬面總值	29,065	28,762

17. 對合營公司的投資(續)

下表列示本集團合營公司(個別而言並非重要)的匯總財務資料:

18. INVESTMENTS IN ASSOCIATES

Share of net assets

應佔資產淨額

The Group's trade receivable and payable balances with the associates are disclosed in notes 22 and 24 to the financial statements, respectively.

18. 對聯營公司的投資

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元

		1,509,785	1,368,578
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本集團與聯營公司的貿易應收款項及應付款項結餘分別於財務報表附註22及24披露。

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18. INVESTMENTS IN ASSOCIATES (CONTINUED)

Particulars of the associates are as follows:

Name	Particulars of issued shares held	Place and date of registration	Percentage of ownership interest, voting power and profit sharing 所有權權益、投票權及溢利分配百分比	Principal activities 主要業務
名稱	所持有已發行股份詳情	註冊地點及日期		
Engro Powergen Thar (Private) Limited 安格魯塔爾電力公司	PKR12,455,120,000 12,455,120,000 巴基斯坦盧比	Pakistan 23 September 2014 巴基斯坦 2014年9月23日	35% 35%	Power station construction and operation 電站建造及運營
Ningguo Investment Co., Ltd. 寧國中成投資有限公司	RMB5,000,000 人民幣5,000,000元	The PRC 27 March 2014 中國 2014年3月27日	40% 40%	Investment in infrastructure 基礎設施投資
Beijing Union Glory Investment Co., Ltd. 北京中潤偉業投資有限公司	RMB10,000,000 人民幣10,000,000元	The PRC 4 March 1999 中國 1999年3月4日	45% 45%	Investment in infrastructure 基礎設施投資
China National Machinery Industry International Co., Ltd.* 中國機械國際合作股份有限公司	RMB381,971,000 人民幣381,971,000元	The PRC 21 May 1988 中國 1988年5月21日	19.29% 19.29%	Commercial exhibition and international trade 商業會展與國際貿易
Zhuzhou South Electromechanical Manufacturing Co., Ltd. 株洲南方機電製造有限公司	RMB9,500,000 人民幣9,500,000元	The PRC 31 August 2004 中國 2004年8月31日	21.05% 21.05%	Accessories manufacturing 配件製造
AIL 1 Pte. Ltd.	SGD4,000,000	Singapore 3 November 2016	20.10%	Investment holding
AIL 1 Pte. Ltd.	4,000,000新元	新加坡 2016年11月3日	20.10%	投資控股
AIL 1 (FPI) Pte. Ltd.	SGD4,400,000	Singapore 29 March 2017	20.10%	Investment holding
AIL 1 (FPI) Pte. Ltd.	4,400,000新元	新加坡 2017年3月29日	20.10%	投資控股

18. 對聯營公司的投資(續)

聯營公司的詳情如下：

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18. INVESTMENTS IN ASSOCIATES (CONTINUED)

18. 對聯營公司的投資(續)

Name	Particulars of issued shares held	Place and date of registration	Percentage of ownership interest, voting power and profit sharing 所有權權益、投票權及溢利分配百分比	Principal activities
名稱	所持有已發行股份詳情	註冊地點及日期		主要業務
Beijing Xingqiao International Engineering Technology Co., Ltd. 北京興橋國際工程技術有限公司	RMB50,000,000 人民幣50,000,000元	The PRC 3 January 1994 中國 1994年1月3日	36.00%	Professional technical services 專業技術服務
Beijing CLP distance power technology Co., Ltd. 北京中電遠方電力技術有限公司	RMB3,000,000 人民幣3,000,000元	The PRC 20 July 2010 中國 2010年7月20日	30.00%	Project management services 項目管理服務
SINOMACH FINANCE Co., Ltd 國機財務有限責任公司	RMB1,500,000,000 人民幣1,500,000,000元	The PRC 25 January 1989 中國 1989年1月25日	21.99%	Financial services 金融服務
JiangSu Pangwo Power Engineering Co., Ltd 江蘇龐沃電力工程有限公司	RMB14,710,000 人民幣14,710,000元	The PRC 29 February 2016 中國 2016年2月29日	32%	Housing industry 住宅行業
Beijing Baoli Real Estate Management Co., Ltd 北京保利物業管理有限公司	RMB15,000,000 人民幣15,000,000元	The PRC 8 January 2019 中國 2019年1月8日	40%	Real estate 房地產
Henan Pingmei Shenma Far East Chemical Co., Ltd 河南平煤神馬遠東化工有限公司	RMB450,000,000 人民幣450,000,000元	The PRC 5 December 2018 中國 2018年12月5日	15%	Wholesale industry 批發業

* Although the Group only holds 19.29% and 15% equity of China National Machinery Industry International Co., Ltd., and Henan Pingmei Shenma Far East Chemical Co., Ltd., respectively, the Group can appoint a director for the two companies, respectively. Therefore, the Group has a significant impact on the operation and management of the two companies, so the two companies are accounted for as associates.

* 雖然本集團僅持有中國機械國際合作股份有限公司19.29%以及持有河南平煤神馬遠東化工有限公司15%的股權，但本集團可以委任這兩家公司的董事，因此本集團對這兩家公司的經營管理有重大影響。因此這兩家公司作為聯營公司入賬。

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18. INVESTMENTS IN ASSOCIATES (CONTINUED)

The following table illustrates the summarised financial information of Engro Powergen Thar (Private) Limited:

18. 對聯營公司的投資 (續)

下表列示安格魯塔爾電力公司的財務資料概要：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Current assets	流動資產	1,244,256	1,899,545
Non-current assets	非流動資產	3,018,377	6,860,097
Current liabilities	流動負債	(175,300)	(2,342,961)
Non-current liabilities	非流動負債	(2,262,084)	(4,824,906)
Net assets	資產淨額	1,825,249	1,591,775
Proportion of the Group's ownership	本集團擁有權比例	35%	35%
Group's share of net assets of the associate	本集團應佔聯營公司的 資產淨額	638,837	557,121
Revenue	收入	3,228,381	1,406,952
Cost of sales	銷售成本	(2,393,191)	(1,138,973)
Other (expenses)/income	其他(開支)/收入	(429,797)	97,856
Profit before tax	除稅前溢利	405,393	365,835
Tax	稅項	(418)	(209)
Profit after tax	除稅後溢利	404,975	365,626
Other comprehensive income	其他綜合收益	-	-
Total comprehensive income	綜合收益總額	404,975	365,626
Proportion of the Group's ownership	本集團擁有權比例	35%	35%
Group's share of profit after tax of the associate	本集團應佔聯營公司的 除稅後溢利	141,741	127,969
Share of total comprehensive income	應佔綜合收益總額	141,741	127,969

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18. INVESTMENTS IN ASSOCIATES (CONTINUED)

The following table illustrates the summarised financial information of SINOMACH FINANCE Co., Ltd:

18. 對聯營公司的投資(續)

下表列示國機財務有限公司的財務資料概要：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Total assets	總資產	38,347,290	38,798,323
Total liabilities	負債總額	(35,240,673)	(35,943,258)
Net assets	淨資產	3,106,617	2,855,065
Proportion of the Group's ownership	本集團擁有權比例	21.99%	21.99%
Group's share of net assets of the associate	本集團應佔聯營公司的資產淨額	683,145	627,829
Revenue	收入	958,001	902,700
Cost of sales	銷售成本	(455,006)	(501,190)
Other expenses	其他開支	(107,714)	(18,782)
Profit before tax	除稅前溢利	395,281	382,728
Tax	稅項	(93,417)	(84,926)
Profit after tax	除稅後溢利	301,864	297,802
Other comprehensive income	其他綜合收益	4,712	115,338
Total comprehensive income	綜合收益總額	306,576	413,140
Proportion of the Group's ownership	本集團擁有權比例	21.99%	21.99%
Group's share of profit after tax of the associate	本集團應佔聯營公司的除稅後溢利	66,380	65,486
Share of total comprehensive income	應佔綜合收益總額	67,416	90,849
Dividend received	收取的股息	12,100	11,963

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18. INVESTMENTS IN ASSOCIATES (CONTINUED)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

18. 對聯營公司的投資 (續)

下表列示本集團聯營公司(個別而言並非重要)的匯總財務資料:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Share of the associates' profit for the year	年內應佔聯營公司溢利	4,961	5,065
Share of the associates' total comprehensive income	應佔聯營公司綜合收益總額	4,961	5,065
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司投資的賬面總值	187,803	183,628

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19. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

19. 以公允價值計量且其變動計入其他綜合收益的股權投資

		As at 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 RMB'000 人民幣千元
Listed equity investments, at fair value	上市股權投資，按公允價值		
Shenwan Hongyuan Group Co., Ltd	申萬宏源集團股份有限公司	69,260	67,161
Jiangsu Expressway Co., Ltd	江蘇寧滬高速公路股份有限公司	2,763	3,366
Bank of Beijing Co., Ltd	北京銀行股份有限公司	4,783	5,613
		76,806	76,140
Unlisted equity investments, at fair value	非上市股權投資，按公允價值		
Sinomach Capital Holding Corporation	國機資本控股有限公司	334,065	321,145
Sindh Engro Coal Mining Co., Ltd	安格魯煤炭公司	95,899	50,199
Thar Energy Limited	塔爾電力公司	45,396	49,461
Others	其他	79,252	53,714
		554,612	474,519
		631,418	550,659

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

由於本集團認為該等投資在性質上屬於戰略性，故上述股權投資不可撤銷地被指定為以公允價值計量且其變動計入其他綜合收益。

During the year ended 31 December 2020, the Group received dividends in the amounts of RMB3,300,000 (2019: RMB3,300,000), RMB121,000 (2019: RMB121,000), RMB138,000 (2019: RMB118,000) and RMB5,000 (2019: Nil) from Sinomach Capital Holding Corporation, Shanghai Baoding Investment Co., Ltd, Jiangsu Expressway Co., Ltd and Vouching Technical Inspection Ltd. respectively.

截至2020年12月31日止年度，本集團收到國機資本控股有限公司、上海寶鼎投資股份有限公司、江蘇寧滬高速公路股份有限公司及華信技術檢驗有限公司的股息分別為人民幣3,300,000元（2019年：人民幣3,300,000元）、人民幣121,000元（2019年：人民幣121,000元）、人民幣138,000元（2019年：人民幣118,000元）及人民幣5,000元（2019年：無）。

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20. INVENTORIES

20. 存貨

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(重述)
Goods in transit	在途商品	67,627	3,119
Entrusted processing materials	委託加工物資	99,772	144,262
Finished goods	產成品	390,253	320,047
		557,652	467,428
Provision for impairment	減值撥備	(16,749)	(633)
		540,903	466,795

21. CONTRACT ASSETS

21. 合同資產

		31 December	31 December	1 January
		2020	2019	2019
		2020年	2019年	2019年
		12月31日	12月31日	1月1日
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
			(Restated)	(Restated)
			(重述)	(重述)
Contract assets arising from: 以下項目產生的合同資產：				
Construction services	施工服務	4,726,805	5,272,428	4,002,940
		4,726,805	5,272,428	4,002,940
Impairment	減值	(82,504)	(66,983)	(25,107)
		4,644,301	5,205,445	3,977,833

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21. CONTRACT ASSETS (CONTINUED)

Contract assets are initially recognised for revenue earned from contracts with customers for the construction. Upon settlement with the customer, the amounts recognised as contract assets are reclassified to trade receivables. The decrease in contract assets in 2020 was the result of the increase of settlement with the customer at the end of the year.

During the year ended 31 December 2020, RMB15,521,000 (2019: RMB41,876,000) was recognised as an allowance for expected credit losses on contract assets. The Group's trading terms and credit policy with customers are disclosed in note 22 to the financial statements.

As at 31 December 2020, the expected timing of recovery or settlement for contract assets is subject to the specific contracts terms and the progress of the performance obligations.

The movements in the loss allowance for impairment of contract assets are as follows:

21. 合同資產(續)

合同資產初步就與客戶訂立的建造合同獲得的收入確認。於與客戶結算後，確認為合同資產的金額將重新分類至貿易應收款。2020年合同資產的減少為年底與客戶結算增加所致。

截至2020年12月31日止年度，人民幣15,521,000元(2019年：人民幣41,876,000元)已確認為合同資產預期信用損失撥備。本集團與客戶的交易條款及信用政策於財務報表附註22中披露。

於2020年12月31日，合同資產的預計收回或結算時間受特定合同條款及履約義務進度所限制。

合同資產減值的虧損撥備變動載列如下：

		2020	2019
		2020年	2019年
		<i>RMB'000</i>	<i>RMB'000</i>
		人民幣千元	人民幣千元
At beginning of year	於年初	66,983	25,107
Impairment losses	減值虧損	41,521	44,791
Impairment losses reversed	已撥回的減值虧損	(26,000)	(2,915)
At end of year	於年末	82,504	66,983

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21. CONTRACT ASSETS (CONTINUED)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are based on those of the trade receivables as the contract assets and the trade receivables are from the same customer bases. The provision rates of contract assets are based on the ageing of trade receivables for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's contract assets using a provision matrix:

21. 合同資產(續)

於各報告日期，均採用撥備矩陣進行減值分析，以計量預期信用損失。計量合同資產之預期信用損失之撥備率乃基於應收貿易款項之預期信用損失，因合同資產及應收貿易款項均來自相同客戶群。合同資產之撥備率乃基於按類似虧損模式將不同客戶分部分類之應收貿易款項的賬齡計算。該計算反映概率加權結果，貨幣時值及於報告日期可得的有關過往事項、當前條件及未來經濟條件預測的合理及可靠資料。

有關本集團採用撥備矩陣計量合同資產之信用風險之資料載列如下：

		2020	2019
		2020年	2019年
			(Restated)
			(重述)
Expected credit loss rate	預期信用損失率	1.75%	1.27%
Gross carrying amount (RMB' 000)	總賬面值(人民幣千元)	4,726,805	5,272,428
Expected credit losses (RMB' 000)	預期信用損失(人民幣千元)	82,504	66,983

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22. TRADE AND OTHER RECEIVABLES

22. 貿易及其他應收款項

			2020	2019
			2020年	2019年
		<i>Notes</i>	RMB'000	<i>RMB'000</i>
		<i>附註</i>	<i>人民幣千元</i>	<i>人民幣千元</i>
				(Restated)
				(重述)
Bills receivable	應收票據		276,051	246,064
Trade receivables	貿易應收款項		6,499,594	7,701,419
Less: Allowance for doubtful debts	減：呆賬撥備	(b)	(2,248,244)	(2,170,389)
			4,527,401	5,777,094
Long-term trade receivables	長期貿易應收款項		4,293,699	3,406,978
Less: Allowance for doubtful debts	減：呆賬撥備	(b)	(31,551)	(24,450)
			4,262,148	3,382,528
Trade and bills receivables	貿易應收款項及應收票據	(a)	8,789,549	9,159,622
Advances to suppliers	預付供應商款項		2,465,777	2,674,235
Other receivables	其他應收款項		2,829,649	2,686,479
Forward exchange contracts and interest rate swaps	遠期外匯合約及利率掉期		332,618	19,036
Debt investments	債權投資		3,147,350	2,751,962
Less: Allowance for doubtful debts	減：呆賬撥備	(b)	(333,477)	(115,798)
			5,976,140	5,341,679
Total	總計		17,231,466	17,175,536
Portion classified as non-current assets	分類為非流動資產的部分		(5,703,364)	(6,537,503)
Current portion	流動部分		11,528,102	10,638,033

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22. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Ageing analysis

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

Within 3 months	3個月以內
3 months to 6 months	3個月至6個月
6 months to 1 year	6個月至1年
Over 1 year	1年以上

There are no unified standard credit terms granted to customers of the construction contracts, trading business and services business. The credit terms granted to customers of the construction contracts are negotiated individually on a case-by-case basis and set forth in the relevant contracts. The credit terms granted to customers of the trading business and services business are normally about three to six months. The bills receivable are generally due within 180 days from the date of issuance. The Group's credit policy is set out in note 37(a).

22. 貿易及其他應收款項(續)

(a) 賬齡分析

根據發票日期，於報告期末的貿易應收款項及應收票據經扣除虧損撥備的賬齡分析如下：

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
	(Restated)
	(重述)
5,505,037	5,712,154
322,559	762,587
882,748	1,035,005
2,079,205	1,649,876
8,789,549	9,159,622

建造合同、貿易業務及服務業務的客戶並無獲授統一標準信用期。授予建造合同業務客戶的信用期乃按個別情況逐次獨立協定，並載列於有關合同內。授予貿易業務及服務業務客戶的信用期一般約為三至六個月。應收票據一般於發行日期起計180日內到期。本集團的信用政策載於附註37(a)。

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22. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Impairment of trade and other receivables

The movements in the loss allowance for impairment of trade and other receivables are as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 <i>RMB'000</i> 人民幣千元 (Restated) (重述)
At beginning of year	於年初	2,310,637	2,033,290
Impairment losses recognised	已確認的減值虧損	599,493	497,965
Impairment losses reversed	已撥回的減值虧損	(268,158)	(152,247)
Amount written off as uncollectible	撇銷不可收回的金額	(28,700)	(60,656)
Other	其他	-	(7,715)
At end of year	於年末	2,613,272	2,310,637

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the ageing of trade receivables for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

22. 貿易及其他應收款項(續)

(b) 貿易及其他應收款項減值

貿易及其他應收款項減值虧損撥備的變動如下：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 <i>RMB'000</i> 人民幣千元 (Restated) (重述)
At beginning of year	於年初	2,310,637	2,033,290
Impairment losses recognised	已確認的減值虧損	599,493	497,965
Impairment losses reversed	已撥回的減值虧損	(268,158)	(152,247)
Amount written off as uncollectible	撇銷不可收回的金額	(28,700)	(60,656)
Other	其他	-	(7,715)
At end of year	於年末	2,613,272	2,310,637

於各報告日期採用撥備矩陣進行減值分析，以計量預期信用損失。撥備率乃基於具有類似虧損模式的多個客戶分類組別的貿易應收款項的賬齡釐定。該計算反映概率加權結果，貨幣時值及於報告日期可得的有關過往事項、當前條件及未來經濟條件預測的合理及可靠資料。

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22. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Impairment of trade and other receivables (continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2020

		Gross carrying amount 總賬面值 (RMB'000) (人民幣千元)	Expected credit losses 預期信用損失 (RMB'000) (人民幣千元)	Expected credit loss rate 預期信用損失率
Within 1 year	一年內	1,947,194	17,043	0.88%
1 year to 2 years	一年至兩年	1,265,041	38,441	3.04%
2 years to 3 years	兩年至三年	237,223	31,982	13.48%
Over 3 years	超過三年	340,877	292,379	85.77%
		3,790,335	379,845	

As at 31 December 2019 (Restated)

		Gross carrying amount 總賬面值 (RMB'000) (人民幣千元)	Expected credit losses 預期信用損失 (RMB'000) (人民幣千元)	Expected credit loss rate 預期信用損失率
Within 1 year	一年內	3,807,327	16,091	0.42%
1 year to 2 years	一年至兩年	1,038,626	32,111	3.09%
2 years to 3 years	兩年至三年	170,763	24,916	14.59%
Over 3 years	超過三年	390,744	302,282	77.36%
		5,407,460	375,400	

22. 貿易及其他應收款項(續)

(b) 貿易及其他應收款項減值(續)

下表使用撥備矩陣載列有關本集團貿易應收款項信用風險狀況的資料：

於2020年12月31日

於2019年12月31日(重述)

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22. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Impairment of trade and other receivables (continued)

In addition to the above provision matrix, for certain customers with credit risk increasing significantly, the Group has made individual loss allowance. As at 31 December 2020, the accumulated individual loss allowance was RMB1,868,399,000 (31 December 2019: RMB1,794,989,000) with a carrying amount before loss allowance of RMB2,709,259,000 (31 December 2019: RMB2,293,959,000).

- (c) The amounts due from related parties of the Group included in the trade and other receivables are analysed as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
SINOMACH	國機	315,423	449,964
Fellow subsidiaries	同系附屬公司	15,070	22,401
Joint venture	合營公司	3,602	244
Associates	聯營公司	62,087	6,894
		396,182	479,503

These balances are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to the major customers of the Group.

- (d) As at 31 December 2020, borrowings of RMB4,990,000 (31 December 2019: RMB281,000) were secured by the Group's trade and bills receivables with a carrying amount of RMB4,990,000 (31 December 2019: RMB281,000).

22. 貿易及其他應收款項(續)

(b) 貿易及其他應收款項減值(續)

除上述撥備矩陣外，本集團對若干信用風險已顯著增加的客戶計提個別損失撥備。於2020年12月31日，累計個別損失撥備為人民幣1,868,399,000元（2019年12月31日：人民幣1,794,989,000元），未扣除損失撥備的賬面值為人民幣2,709,259,000元（2019年12月31日：人民幣2,293,959,000元）。

- (c) 應收本集團關聯方款項（計入貿易及其他應收款項）分析如下：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
SINOMACH	國機	315,423	449,964
Fellow subsidiaries	同系附屬公司	15,070	22,401
Joint venture	合營公司	3,602	244
Associates	聯營公司	62,087	6,894
		396,182	479,503

該等結餘為無擔保、不計息並按相近於本集團主要客戶獲提供的信貸期償還。

- (d) 於2020年12月31日，借貸人民幣4,990,000元（2019年12月31日：人民幣281,000元）以本集團賬面值為人民幣4,990,000元（2019年12月31日：人民幣281,000元）的貿易應收款項及應收票據作為質押。

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23. CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS

23. 現金及現金等價物及受限制存款

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Cash and bank balances	現金及銀行結餘	19,681,396	22,620,068
Less: Restricted deposits	減：受限制存款	(1,307,488)	(1,231,226)
Cash and cash equivalents in the consolidated statement of financial position	於合併財務狀況表的現金及現金等價物	18,373,908	21,388,842
Less: Non-pledged time deposits with original maturity of over three months when acquired	減：獲取時原到期日為三個月以上的無抵押定期存款	(3,545,228)	(5,825,624)
Cash and cash equivalents in the statement of financial position and in the consolidated statement of cash flows	於財務狀況表及合併現金流量表的現金及現金等價物	14,828,680	15,563,218

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to RMB12,692,795,000 (2019 (Restated): RMB12,322,171,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

As at 31 December 2020, certain borrowings of RMB100,000,000 (31 December 2019: Nil) were secured by the Group's time deposits with an aggregate net book value of RMB104,398,400 (31 December 2019: Nil).

截至報告期末，本集團以人民幣（「人民幣」）計值的現金及銀行結餘為人民幣12,692,795,000元（2019年（重述）：人民幣12,322,171,000元）。人民幣不可自由兌換成其他貨幣。然而，根據中國大陸《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務的銀行將人民幣兌換成其他貨幣。

於2020年12月31日，若干借貸人民幣100,000,000元（2019年12月31日：無）由本集團賬面總淨值為人民幣104,398,400元（2019年12月31日：無）的定期存款作為抵押。

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23. CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS (CONTINUED)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and restricted deposits are deposited with creditworthy banks with no recent history of default.

23. 現金及現金等價物及受限制存款 (續)

銀行存款按每日銀行存款利率的浮動利率計息。短期定期存款的存款期介乎一日至三個月，視乎本集團的即時現金需求而定，並按相關短期定期存款利率計息。銀行結餘及受限制存款存放於近期無拖欠記錄且信譽良好的銀行。

24. TRADE AND OTHER PAYABLES

24. 貿易及其他應付款項

		2020	2019
		2020年	2019年
		<i>RMB'000</i>	<i>RMB'000</i>
		人民幣千元	人民幣千元
			(Restated)
			(重述)
Bills payable	應付票據	115,191	168,658
Trade payables	貿易應付款項	14,258,332	15,265,208
		14,373,523	15,433,866
Accrued salaries, wages and benefits	應計薪金、工資及福利	264,012	781,543
Other taxes payable	其他應繳稅項	172,204	188,780
Long-term payables	長期應付款項	64,300	139,447
Long-term payables due within one year	一年內到期之長期應付款項	276,222	588,014
Forward exchange contracts and interest rate swaps	遠期外匯合約及利率掉期	44,735	37,796
Other payables	其他應付款項	3,061,484	3,351,663
		18,256,480	20,521,109
Less: Portion classified as current liabilities	減：分類為流動負債的部分	17,377,106	19,650,242
Non-current portion	非流動部分	879,374	870,867

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24. TRADE AND OTHER PAYABLES (CONTINUED)

An ageing analysis of the bills payable and trade payables as at the end of the reporting period, based on the invoice date, is as follows:

Within 3 months	3個月以內
3 months to 6 months	3個月至6個月
6 months to 1 year	6個月至1年
Over 1 year	1年以上

The trade payables are non-interest-bearing and are usually paid within the agreed period, usually due within 180 days. The bills payable are generally due within 180 days from the date of issuance.

The amounts due to related parties of the Group included in trade and other payables, which are unsecured, interest-free and have no fixed terms of repayment, are analysed as follows:

SINOMACH	國機
Fellow subsidiaries	同系附屬公司
Joint ventures	合營公司
Associates	聯營公司

24. 貿易及其他應付款項(續)

根據發票日期，於報告期末的應付票據及貿易應付款項的賬齡分析如下：

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
	(Restated)
	(重述)

2,782,956	6,050,080
515,603	675,672
2,189,463	1,885,418
8,885,501	6,822,696

14,373,523	15,433,866
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貿易應付款項不計息，通常於協定期間內支付且通常於180日內到期。應付票據通常於發行日期起計180日內到期。

應付本集團關聯方款項(計入貿易及其他應付款項)無擔保、免息，且並無固定還款期，該等款項分析如下：

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元
	(Restated)
	(重述)

27,801	7,003
410,251	478,591
34,370	50,809
16,663	24,850

489,085	561,253
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25. CONTRACT LIABILITIES

25. 合同負債

	2020	2019
	2020年	2019年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
		(Restated)
		(重述)

Contract liabilities	合同負債	12,534,339	13,620,421
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Details of contract liabilities are as follows:

合同負債詳情如下：

	31 December	31 December	1 January
	2020	2019	2019
	2020年	2019年	2019年
	12月31日	12月31日	1月1日
	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元
		(Restated)	(Restated)
		(重述)	(重述)

Advances received from customers	已收客戶預付款項			
Construction contracts	建造合同	10,874,167	12,008,481	1,289,433
Trading business	貿易業務	870,051	893,451	13,297,241
Services business	服務業務	790,121	718,489	365,727
Total contract liabilities	合同負債總額	12,534,339	13,620,421	14,952,401

Contract liabilities include advances received to deliver products and construction and management services. The decrease in contract liabilities in 2020 was mainly due to the decrease in advances received from customers in relation to the provision of construction services at the end of the year.

合同負債包括就交付產品以及提供建築及管理服務而收到的預付款項。2020年的合同負債減少主要是由於年末提供建築服務有關的已收客戶預付款項減少所致。

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26. BORROWINGS

26. 借貸

		2020 2020年			2019 2019年		
		Effective interest rate (%) 實際利率(%)	Maturity 到期日	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	Maturity 到期日	RMB'000 人民幣千元
Current	流動						
Short term bank loans:	短期銀行貸款：						
– Unsecured	– 無擔保	1.00-4.55	2021 2021年	424,748	3.00-5.05	2020 2020年	196,250
– Secured	– 有擔保	3.29-6.05	2021 2021年	299,643	3.30-7.24	2020 2020年	239,106
Current portion of long term bank loans:	長期銀行貸款的 流動部分：						
– Unsecured	– 無擔保	1.50-4.90	2021 2021年	24,540	1.55	2020 2020年	262
– Secured	– 有擔保	5.14	2021 2021年	8,600	5.14	2020 2020年	8,600
				757,531			444,218
Non-current	非流動						
Long term bank loans:	長期銀行貸款：						
– Unsecured	– 無擔保	1.00-4.90	2022-2026 2022年至2026年	119,032	1.00-4.90	2021-2029 2021年至2029年	72,547
– Secured	– 有擔保	5.14	2022-2025 2022年至2025年	30,061	5.14	2021-2025 2021年至2025年	38,540
				149,093			111,087
				906,624			555,305

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26. BORROWINGS (CONTINUED)

26. 借貸(續)

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank loans repayable:	應償還銀行貸款：		
Within one year	一年以內	757,531	444,218
In the second year	第二年	32,937	20,823
In the third to fifth years, inclusive	第三年至第五年(包括首 尾兩年)	92,823	57,872
Over five years	五年以上	23,333	32,392
		906,624	555,305

Notes:

- (a) As at 31 December 2020, certain borrowings of RMB22,000,000 (31 December 2019: RMB27,314,000) were secured by the Group's property, plant and equipment (note 13).
- (b) As at 31 December 2020, certain borrowings of RMB172,653,000 (31 December 2019: RMB211,511,000) were guaranteed by the Company.
- (c) As at 31 December 2020, certain borrowings of RMB4,990,000 (31 December 2019: RMB281,000) were secured by the Group's trade and bills receivables.
- (d) As at 31 December 2020, certain borrowings of RMB38,661,000 (31 December 2019: RMB47,140,000) were secured by certain of the Group's property, plant and equipment, investment properties, and right-of-use assets (note 13, note 14 and note 15).
- (e) As at 31 December 2020, certain borrowings of RMB100,000,000 (31 December 2019: Nil) were secured by the Group's time deposits (note 23).

附註：

- (a) 於2020年12月31日，若干借貸人民幣22,000,000元(2019年12月31日：人民幣27,314,000元)由本集團的物業、廠房及設備作為抵押(附註13)。
- (b) 於2020年12月31日，若干借貸人民幣172,653,000元(2019年12月31日：人民幣211,511,000元)由本公司作擔保。
- (c) 於2020年12月31日，若干借貸人民幣4,990,000元(2019年12月31日：人民幣281,000元)由本集團的貿易應收款項及應收票據作為抵押。
- (d) 於2020年12月31日，若干借貸人民幣38,661,000元(2019年12月31日：人民幣47,140,000元)由本集團若干物業、廠房及設備、投資物業以及使用權資產作為抵押(附註13、附註14和附註15)。
- (e) 於2020年12月31日，若干借貸人民幣100,000,000元(2019年12月31日：無)由本集團的定期存款作為抵押(附註23)。

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27. DEFERRED TAX

Deferred tax assets

		Provision for impairment of assets	Construction contracts	Provisions and accruals	Changes in fair value of derivative financial instruments	Surplus on revaluation of non-current assets	Others	Total
		資產減值撥備	建造合同	撥備及應計費用	衍生金融工具 公允價值變動	非流動資產 重估盈餘	其他	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2020	於2020年1月1日	527,272	137,466	122,616	4,599	(133,454)	(3,256)	655,243
Deferred tax credited/(charged) to the statement of profit or loss during the year	年內於損益表中計入/ (扣除)的遞延稅項	58,163	170,461	(118,534)	(75,839)	-	(12,938)	21,313
Gross deferred tax assets at 31 December 2020	於2020年12月31日遞 延稅項資產總額	585,435	307,927	4,082	(71,240)	(133,454)	(16,194)	676,556
At 1 January 2019	於2019年1月1日	431,226	90,760	151,610	13,456	(153,539)	27,688	561,201
Deferred tax credited/(charged) to the statement of profit or loss during the year	年內於損益表中計入/ (扣除)的遞延稅項	96,046	46,706	(28,994)	(8,857)	20,085	(30,944)	94,042
Gross deferred tax assets at 31 December 2019	於2019年12月31日遞 延稅項資產總額	527,272	137,466	122,616	4,599	(133,454)	(3,256)	655,243

27. 遞延稅項

遞延稅項資產

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27. DEFERRED TAX (CONTINUED)

Deferred tax assets (continued)

Deferred tax assets have not been recognised in respect of the following items:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Tax losses	稅項虧損	174,002	66,933
Other deductible temporary differences	其他可抵扣暫時差額	646,023	576,648
		820,025	643,581

Deferred tax liabilities

27. 遞延稅項 (續)

遞延稅項資產 (續)

尚未就下列項目確認遞延稅項資產：

		Withholding taxes 預扣稅金 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 2020	於2020年1月1日	65,532	43,297	108,829
Deferred tax charged/(credited) to the statement of profit or loss during the year	年內於損益表中扣除/(計入)的遞延稅項	43,947	(4,050)	39,897
Deferred tax debited to other comprehensive income	於其他綜合收益中扣除的遞延稅項	-	4,570	4,570
Gross deferred tax liabilities at 31 December 2020	於2020年12月31日遞延稅項負債總額	109,479	43,817	153,296
At 1 January 2019 (Restated)	於2019年1月1日(重述)	50,247	46,343	96,590
Deferred tax charged/(credited) to the statement of profit or loss during the year	年內於損益表中扣除/(計入)的遞延稅項	15,285	(6,248)	9,037
Deferred tax debited to other comprehensive income	於其他綜合收益中扣除的遞延稅項	-	3,202	3,202
Gross deferred tax liabilities recognised in the consolidated statement of financial position at 31 December 2019 (Restated)	於2019年12月31日於合併財務狀況表中確認之遞延稅項負債總額(重述)	65,532	43,297	108,829

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28. DEFINED BENEFIT OBLIGATIONS

The Group's obligations in respect of defined benefit retirement plans at the end of the reporting period were computed by a firm of independent actuaries, Towers Watson Management Consulting (Shenzhen) Co., Ltd. Beijing Branch ("Towers Watson"), using the projected unit credit method.

- (a) The provisions for defined benefit obligations recognised in the statement of financial position are shown as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Retirement and other supplemental benefit obligations	退休及其他補充受益義務	642,416	629,947
Less: Portion classified as current liabilities	減：分類為流動負債的部分	45,120	43,490
Non-current portion	非流動部分	597,296	586,457

- (b) The movements in the present value of defined benefit obligations are as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
At the beginning of year	於年初	629,947	642,428
Interest cost on benefit obligations	受益義務的利息成本	19,720	20,250
Past service costs	以往服務成本	3,420	1,380
Benefits paid during the year	年內的已付福利	(39,201)	(39,591)
Remeasurement losses recognised in other comprehensive income	於其他綜合收益內確認的重新計量虧損	28,530	5,480
At the end of the year	於年末	642,416	629,947

28. 設定受益義務

本集團於報告期末就該等設定受益退休計劃須承擔的責任由獨立精算師韜睿惠悅管理諮詢(深圳)有限公司北京分公司(「韜睿惠悅諮詢公司」)採用預計單位貸記法計算。

- (a) 於財務狀況表內確認的設定受益義務撥備列示如下：

- (b) 設定受益義務現值變動如下：

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28. DEFINED BENEFIT OBLIGATIONS (CONTINUED)

(c) The net expenses recognised in profit or loss in respect of the provisions for defined benefit obligations of the Group are as follows:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(重述)
Interest cost on defined benefit obligations recognised in finance expenses	於財務開支內確認的設定受益義務的利息成本	19,720	20,250
Past service cost recognised in administrative expenses	於行政開支內確認的以往服務成本	3,420	1,380
		23,140	21,630

(d) The principal actuarial assumptions used in valuing the provisions for defined benefit obligations as at the end of 2020 and 2019 are as follows:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Discount rates	折現率	3.25%	3.25%
Cost of living adjustment for civil retirees and retirees	離退休人員生活成本調整	3.00%	3.00%
Cost of living adjustment for beneficiaries	遺屬生活成本調整	0.00%	0.00%
Medical cost increase rate	醫療成本增長率	8.00%	8.00%
Cost of living adjustment and allowance for early retirees	提前退休人員生活成本調整及撥備	4.50%	4.50%
Cost of social insurance contribution and housing fund contribution adjustment for early retirees	提前退休人員社會保險繳費及住房公積金成本調整	10.00%	10.00%

28. 設定受益義務 (續)

(c) 本集團於損益內就設定受益義務撥備而確認的開支淨額如下：

	2020	2019
	2020年	2019年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
		(Restated)
		(重述)
Interest cost on defined benefit obligations recognised in finance expenses	19,720	20,250
Past service cost recognised in administrative expenses	3,420	1,380
	23,140	21,630

(d) 估算於2020年及2019年末的設定受益義務撥備所使用的主要精算假設如下：

	2020	2019
	2020年	2019年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Discount rates	3.25%	3.25%
Cost of living adjustment for civil retirees and retirees	3.00%	3.00%
Cost of living adjustment for beneficiaries	0.00%	0.00%
Medical cost increase rate	8.00%	8.00%
Cost of living adjustment and allowance for early retirees	4.50%	4.50%
Cost of social insurance contribution and housing fund contribution adjustment for early retirees	10.00%	10.00%

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28. DEFINED BENEFIT OBLIGATIONS (CONTINUED)

- (e) A percentage change of 1% in the assumed rate of increase in cost of living adjustment for civil retirees and retirees would have the following effects:

		Increase / (decrease) in rate 增長率 上升 / (下降)	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Increase in effect on the defined benefit obligations	對設定受益義務的影響 增加	1%	19,819	20,850
Decrease in effect on the defined benefit obligations	對設定受益義務的影響 減少	(1%)	(17,468)	(18,316)

A percentage change of 1% in other assumptions would not have any significant impact on the net defined benefit obligations.

- (f) Expected distributions of benefit payments in the future years out of the defined benefit obligations are as follows:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Within the next 12 months	未來12個月內	43,994	43,485
Between 1 and 2 years	1至2年	43,533	42,943
Between 2 and 5 years	2至5年	126,554	124,778
Between 5 and 10 years	5至10年	191,791	189,969
Over 10 years	10年以上	576,712	579,429
Total expected payments	預期付款總額	982,584	980,604

The average duration of the defined benefit obligations at the end of the reporting period was 10 years (2019 (Restated): 10 years).

28. 設定受益義務 (續)

- (e) 假設離退休人員生活成本調整增長率變動一個百分點的影響如下：

		Increase / (decrease) in rate 增長率 上升 / (下降)	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Increase in effect on the defined benefit obligations	對設定受益義務的影響 增加	1%	19,819	20,850
Decrease in effect on the defined benefit obligations	對設定受益義務的影響 減少	(1%)	(17,468)	(18,316)

其餘假設內變動一個百分點將不會對設定受益義務淨額造成重大影響。

- (f) 未來年度內從設定受益義務中預期支付的福利如下：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Within the next 12 months	未來12個月內	43,994	43,485
Between 1 and 2 years	1至2年	43,533	42,943
Between 2 and 5 years	2至5年	126,554	124,778
Between 5 and 10 years	5至10年	191,791	189,969
Over 10 years	10年以上	576,712	579,429
Total expected payments	預期付款總額	982,584	980,604

於報告期末設定受益義務的平均久期為10年(2019年(重述): 10年)。

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29. ISSUED CAPITAL

29. 已發行股本

		2020	2019
		2020年	2019年
		RMB'000	<i>RMB'000</i>
		人民幣千元	人民幣千元
Ordinary shares, issued and fully paid	已發行及繳足的普通股		
	每股人民幣1.00元的		
Domestic shares of RMB1.00 each	內資股	3,217,430	3,217,430
H shares of RMB1.00 each	每股人民幣1.00元的H股	908,270	908,270
		4,125,700	4,125,700

30. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 221 to 222 of the financial statements.

30. 儲備

本集團於本年度及過往年度的儲備金額及其變動於該等財務報表221頁至第222頁中的合併權益變動表內呈列。

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31. BUSINESS COMBINATION UNDER COMMON CONTROL

As set out in note 35(a), on 23 April 2020, the Group acquired a 64.82% equity interest in CHPI at a total cash consideration of RMB100,885,800. The Company and CHPI were under the common control of SINOMACH both before and after the acquisition, and such control was not transitory. Thus, the acquisition was considered to be a business combination under common control. The acquisition date was 23 April 2020, which was determined by the date of equity transfer. Accordingly, the consolidated statement of profit or loss and the consolidated statement of comprehensive income included the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under common control, where this is a shorter period, regardless of the date of the common control combination. The net assets of the combining entities or businesses were combined using the existing book values from the controlling parties' perspective. No amount was recognised in consideration for goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of the common control combination, to the extent of the continuation of the controlling party's interest.

31. 同一控制下的企業合併

誠如附註35(a)所載，本集團於2020年4月23日以人民幣100,885,800元的總現金對價收購哈成套的64.82%股權。於收購事項前後，本公司與哈成套均在國機在同一控制下，且控制權並非暫時。因此，收購事項被視為同一控制下的業務合併。收購日期為2020年4月23日，乃根據股權轉讓日期釐定。因此，合併損益表及合併綜合收益表包括最早列報日或者合併實體或業務開始在同一控制下之日起計的期間（以較短期間為準）各合併實體或業務的業績，而不論同一控制合併的日期。合併實體或業務的淨資產以就控制方而言的現有賬面值合併。倘控制方持續擁有權益，於同一控制合併中並無就商譽或收購方應佔被收購方可識別資產、負債及或有負債的公允淨值超過於收購成本的金額予以確認。

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31. BUSINESS COMBINATION UNDER COMMON CONTROL (CONTINUED)

The carrying amounts of the consolidated assets and liabilities of CHPI and its subsidiaries as at the acquisition date and the comparative financial figures were as follows:

31. 同一控制下的企業合併(續)

哈成套及其附屬公司於收購日期的合併資產及負債的賬面值以及比較財務數據如下：

		Upon acquisition date RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	2,269	2,114
Investment properties	投資物業	2,381	2,414
Right-of-use assets	使用權資產	17,541	17,647
Inventories	存貨	22,388	20,226
Current trade and other receivables	流動貿易及其他應收款項	84,904	58,305
Contract assets	合同資產	-	2,060
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產	164,241	176,780
Restricted deposits	受限制存款	2,712	2,563
Time deposits with original maturity of over three months	原始到期日超過三個月的定期存款	14,000	14,000
Cash and cash equivalents	現金及現金等價物	1,087	1,738
Contract liabilities	合同負債	37,108	31,244
Current trade and other payables	流動貿易及其他應付款項	35,572	33,512
Current defined benefit obligations	流動設定受益義務	7,460	5,320
Tax payable	應繳稅項	1,210	1,890
Non-current trade and other payables	非流動貿易及其他應付款項	3,230	3,230
Non-current defined benefit obligations	非流動設定受益義務	147,642	146,486
Deferred tax liabilities	遞延稅項負債	1,824	1,830
Total identifiable net assets at carrying amounts	按賬面值呈列的可識別淨資產總額	77,477	74,335
Non-controlling interests	非控股權益	27,256	26,151
		50,221	48,184

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32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year ended 31 December 2020, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB41,920,000 (2019: RMB16,706,000) and RMB41,920,000 (2019: RMB16,706,000), respectively, in respect of lease arrangements for plant and machinery.

(b) Changes in liabilities arising from financing activities

32. 合併現金流量表附註

(a) 主要非現金交易

截至2020年12月31日止年度，本集團與廠房及機械租賃合約有關的使用權資產及租賃負債非現金增加分別為人民幣41,920,000元（2019年：人民幣16,706,000元）及人民幣41,920,000元（2019年：人民幣16,706,000元）。

(b) 融資活動所產生的負債變動

		Borrowings	Other long-term payables	Dividends payable	Interest payable	Lease liabilities
		借貨	其他長期應付款項	應付股息	應付利息	租賃負債
2020		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2020年		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
At 1 January 2020	於2020年1月1日	555,305	80,058	1,513	1,565	64,232
Changes from financing cash flows	融資現金流量變動	351,319	(20,867)	(657,400)	(55,018)	(41,210)
Interest expense	利息開支	-	-	-	53,634	4,214
Declaration of dividends	宣派股息	-	-	654,336	-	-
Declaration of dividends to non-controlling shareholders	向非控股股東宣派股息	-	-	2,319	-	-
Early termination of leases	提早終止租賃	-	-	-	-	(5,750)
Foreign exchange movement	外匯變動	-	-	-	-	9,547
New leases	新租賃	-	-	-	-	41,920
Interest paid classified as operating cash flows	分類為經營現金流之已付利息	-	-	-	-	(4,214)
Others	其他	-	-	3,993	-	-
At 31 December 2020	於2020年12月31日	906,624	59,191	4,761	181	68,739

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32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Changes in liabilities arising from financing activities (continued)

		Borrowings	Other long-term payables	Dividends payable	Interest payable	Lease liabilities
		借貸	其他長期應付款項	應付股息	應付利息	租賃負債
		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
At 1 January 2019	於2019年1月1日	984,759	100,581	3,643	1,918	-
Effect of adoption of IFRS 16	採納國際財務報告準則第16號的影響	-	-	-	-	85,759
At 1 January 2019 (Restated)	於2019年1月1日 (重述)	984,759	100,581	3,643	1,918	85,759
Changes from financing cash flows	融資現金流量變動	(429,454)	(20,523)	(857,131)	(51,368)	(38,313)
Interest expense	利息開支	-	-	-	51,015	3,148
Declaration of dividends	宣派股息	-	-	852,782	-	-
Declaration of dividends to non-controlling shareholders	向非控股股東宣派股息	-	-	2,219	-	-
Foreign exchange movement	外匯變動	-	-	-	-	80
New leases	新租賃	-	-	-	-	16,706
Interest paid classified as operating cash flows	分類為經營現金流之已付利息	-	-	-	-	(3,148)
At 31 December 2019 (Restated)	於2019年12月31日 (重述)	555,305	80,058	1,513	1,565	64,232

32. 合併現金流量表附註 (續)

(b) 融資活動所產生的負債變動 (續)

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32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

Within operating activities	於經營活動內
Within financing activities	於融資活動內

32. 合併現金流量表附註(續)

(c) 租賃現金流出總額

現金流量表中租賃現金流出總額如下：

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元

12,573	28,377
--------	--------

41,210	38,313
--------	--------

53,783	66,690
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33. CONTINGENT LIABILITIES

Legal contingencies

The Company and certain subsidiaries of the Group are defendants in certain lawsuits as well as the named parties in other proceedings arising in the normal course of business. As at the date of approval of the financial statements, the outcomes of such contingencies, lawsuits or other proceedings cannot be determined. The directors of the Company, in combination with the legal advice issued by the attorneys and the information available as at the date of the approval of the financial statements, believe that any resulting liabilities will not have a material adverse impact on the financial position, liquidity, or operating results of the Group.

33. 或有負債

法律或有事件

在正常業務過程中，本公司及本集團的若干附屬公司為某些訴訟中的被告及在其他法律程序的被點名方。截至本財務報表批准報出日，仍未能確定該類或有事件、訴訟或其他法律程序的結果。本公司董事結合代理律師出具的法律意見以及截至本財務報表批准報出日所掌握的信息等，相信任何可能由此引起的負債不會對本集團的財務狀況、流動資金或經營業績產生重大不利影響。

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34. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

34. 承擔

本集團於報告期末擁有以下資本承擔：

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Contracted, but not provided for:	已訂約但未撥備：		
Buildings	樓宇	328,284	622,255
Capital contributions in respect of associates and equity investments	對聯營公司及股權投資的資本投入	69,050	69,676
		397,334	691,931

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35. RELATED PARTY TRANSACTIONS

- (a) The transactions below were conducted in the ordinary course of business of the Group and are in accordance with the terms agreed between the Group and its related parties:

35. 關聯方交易

- (a) 下列交易乃於本集團一般業務過程中根據本集團與其關聯方議定的條款進行：

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Receipt of engineering services and products from	接受來自於下列各方的工程服務及產品		
– Fellow subsidiaries*	– 同系附屬公司*	153,937	198,137
– Joint venture	– 合營公司	219	–
– Associates	– 聯營公司	8,647	–
– Associates (also fellow subsidiaries)*	– 聯營公司 (同時是同系附屬公司)*	201	–
Receipt of integrated services from	接受來自於下列各方的綜合服務		
– Associates	– 聯營公司	18,540	–
Provision of engineering services and products to	向下列各方提供工程服務及產品		
– SINOMACH*	– 國機*	604,463	1,200,326
– Joint venture	– 合營公司	25,692	9,366
– Associate	– 聯營公司	103,605	364,040
– Associate (also a fellow subsidiary)*	– 聯營公司(同時是同系附屬公司)*	7	–
– Fellow subsidiaries*	– 同系附屬公司*	942	13,728
Provision of integrated services to	向下列各方提供綜合服務		
– Fellow subsidiaries*	– 同系附屬公司*	17,035	31,988
– Associate (also a fellow subsidiary)*	– 聯營公司(同時是同系附屬公司)*	5	3
– Associates	– 聯營公司	121	–
– Joint venture	– 合營公司	–	419
Net deposit placed with	於下列各方的存款淨額		
– Associate (also a fellow subsidiary)*	– 聯營公司(同時是同系附屬公司)*	1,586	12,074
Interest income received from	向下列各方收取的利息收入		
– Associate (also a fellow subsidiary)	– 聯營公司(同時是同系附屬公司)*	50,067	82,092

* These related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

As disclosed in note 31, on 23 April 2020, the Group acquired a 64.82% equity interest in CHPI at a total cash consideration of RMB100,885,800. This acquisition also constituted a connected transaction under the Listing Rules.

* 該等關聯方交易亦構成關連交易或持續關連交易(定義見上市規則第14A章)。

誠如附註31所披露，本集團於2020年4月23日以人民幣100,885,800元的總現金代價收購哈成套的64.82%股權。該收購事項亦構成上市規則項下的關連交易。

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35. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Cash deposits placed with	於下列各方的現金存款		
– Associate (also a fellow subsidiary)	– 聯營公司(同時是同系附屬公司)	3,895,189	3,893,603
Trade and other receivables due from	應收下列各方的貿易及其他應收款項		
– SINOMACH	– 國機	315,423	449,964
– Fellow subsidiaries	– 同系附屬公司	15,070	22,401
– Joint venture	– 合營公司	3,602	244
– Associates	– 聯營公司	62,087	6,894
Contract liabilities	合同負債		
– SINOMACH	– 國機	569,908	152,161
– Fellow subsidiaries	– 同系附屬公司	6,209	1,532
– Associates	– 聯營公司	135,560	510
Trade and other payables due to	欠付下列各方的貿易及其他應付款項		
– SINOMACH	– 國機	27,801	7,003
– Fellow subsidiaries	– 同系附屬公司	410,251	478,591
– Associates	– 聯營公司	16,663	24,850
– Joint ventures	– 合營公司	34,370	50,809
Prepayments due to	欠付下列各方的預付款項		
– Fellow subsidiaries	– 同系附屬公司	57,350	69,836
– Associates	– 聯營公司	9,465	–
– Joint ventures	– 合營公司	12,403	10,368

Note:

Except for the balances of cash deposits placed with a fellow subsidiary which accrue interest at relevant market rates, the balances due from related parties are unsecured, interest-free and have no fixed terms of repayment.

As at 31 December 2020, the Group has granted guarantees to the extent of RMB300,633,000 (31 December 2019: RMB347,353,000) for securing bank loans of a joint venture.

(b) 關聯方的結欠餘額：

附註：

除於一家同系附屬公司的現金存款結餘按相關市場利率計息外，應收關聯方的結餘均無擔保、不計息且並無固定還款期。

截至2020年12月31日，本集團對一家合營公司的銀行貸款作出達致人民幣300,633,000元（2019年12月31日：人民幣347,353,000元）的擔保。

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35. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Compensation of key management personnel of the Group:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Short term employee benefits	短期僱員福利	15,566	15,202
Post-employment benefits	離職後福利	512	531
Total compensation paid to key management personnel	向主要管理人員支付的薪酬總額	16,078	15,733

Further details of directors' and the chief executive's emoluments are included in note 7 to the financial statements.

董事及行政總裁酬金的進一步詳情載於財務報表附註7。

(d) Commitments with related parties

As at 31 December 2020, the Group entered into several sale and purchase agreements with related parties. The commitments and backlogs are as follows:

(d) 關聯方承諾

於2020年12月31日，本集團與關聯方訂立若干買賣協議。有關承諾及未完成合同量如下：

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Receipt of engineering services and products from	接受來自於下列各方的工程服務及產品		
– Fellow subsidiaries	– 同系附屬公司	3,566,767	2,859,451
Provision of engineering services to	向下列各方提供工程服務		
– SINOMACH	– 國機	1,915,051	2,659,667
– Associate	– 聯營公司	197,143	318,677

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36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2020

Financial assets

	Financial assets at fair value through other comprehensive income 以公允價值計量 且其變動計入其他 綜合收益的金融資產 <i>RMB'000</i> 人民幣千元	Financial assets at fair value through profit or loss – mandatorily designated as such 以公允價值計量 且其變動計入 損益的金融資產 — 強制指定 <i>RMB'000</i> 人民幣千元	Financial assets at amortised cost 按攤餘成本 計量的金融資產 <i>RMB'000</i> 人民幣千元	Total <i>RMB'000</i> 人民幣千元
Equity investments designated at fair value through other comprehensive income	以公允價值計量且其變動計入 其他綜合收益的股權投資 631,418	—	—	631,418
Financial assets included in trade and other receivables	計入貿易及其他應收款項的金 融資產 2,322,299	332,618	12,055,283	14,710,200
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入 損益的金融資產 —	157,543	—	157,543
Restricted deposits	受限制存款 —	—	1,307,488	1,307,488
Time deposits with original maturity of over three months	原始到期日超過三個月的定期 存款 —	—	3,545,228	3,545,228
Cash and cash equivalents	現金及現金等價物 —	—	14,828,680	14,828,680
	2,953,717	490,161	31,736,679	35,180,557

36. 按類別劃分的金融工具

各類金融工具於報告期末的賬面值如下：

2020年

金融資產

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36. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows (continued):

2020 (continued)

Financial liabilities

36. 按類別劃分的金融工具 (續)

各類金融工具於報告期末的賬面值如下：(續)

2020年 (續)

金融負債

		Financial liabilities at fair value through profit or loss – held for trading 以公允價值計量且其變動計入當期損益的金融負債 – 持作買賣 RMB'000 人民幣千元	Financial liabilities at amortised cost 按攤餘成本計量的金融負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial liabilities included in trade and other payables	計入貿易及其他應付款項的金融負債	–	17,620,014	17,620,014
Forward exchange contracts and interest rate swaps included in trade and other payables	計入貿易及其他應付款項的遠期外匯合約及利率掉期	44,735	–	44,735
Lease liabilities	租賃負債	–	68,739	68,739
Interest-bearing bank and other borrowings	計息銀行及其他借貸	–	906,624	906,624
		44,735	18,595,377	18,640,112

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36. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows (continued):

2019 (Restated)

Financial assets

	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss – mandatorily designated as such	Financial assets at amortised cost	Total	
	以公允價值計量 且其變動計入 其他綜合收益的 金融資產	以公允價值計量 且其變動計入 當期損益的 金融資產 — 強制指定	按攤餘成本 計量的金融資產	總計	
	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	
Equity investments designated at fair value through other comprehensive income	以公允價值計量且其變動計入 其他綜合收益的股權投資	550,659	-	-	550,659
Financial assets included in trade and other receivables	計入貿易及其他應收款項的 金融資產	1,957,266	19,036	12,025,891	14,002,193
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入 損益的金融資產	-	176,780	-	176,780
Restricted deposits	受限制存款	-	-	1,231,226	1,231,226
Time deposits with original maturity of over three months	原始到期日超過三個月的定期 存款	-	-	5,825,624	5,825,624
Cash and cash equivalents	現金及現金等價物	-	-	15,563,218	15,563,218
		2,507,925	195,816	34,645,959	37,349,700

36. 按類別劃分的金融工具 (續)

各類金融工具於報告期末的賬面值如下：(續)

2019年(重述)

金融資產

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36. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows (continued):

2019 (Restated) (continued)

Financial liabilities

36. 按類別劃分的金融工具 (續)

各類金融工具於報告期末的賬面值如下：(續)

2019年(重述)(續)

金融負債

		Financial liabilities at fair value through profit or loss – held for trading 以公允價值計量且其變動計入當期損益的金融負債 – 持作買賣 RMB'000 人民幣千元	Financial liabilities at amortised cost 按攤餘成本計量的金融負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial liabilities included in trade and other payables	計入貿易及其他應付款項的金融負債	–	19,410,306	19,410,306
Forward exchange contracts and interest rate swaps included in trade and other payables	計入貿易及其他應付款項的遠期外匯合約及利率掉期	37,796	–	37,796
Lease liabilities	租賃負債	–	64,232	64,232
Interest-bearing bank and other borrowings	計息銀行及其他借貸	–	555,305	555,305
		37,796	20,029,843	20,067,639

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate and currency 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 adopted by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to this credit risk are monitored on an ongoing basis.

The Group primarily evaluates customers' credit status and their ability to guarantee payment through its establishment of an appropriate business evaluation system. The Group generally requires customers to settle progress billings in accordance with contractual terms and other debts in accordance with agreements. Credit terms may be granted to customers, depending on credit assessment carried out by management on an individual basis. Also, in order to properly manage the credit risk on trade and other receivables, the Group has issued policies on the purchase of export credit insurance. To protect against credit risk in its trading business, the Group usually buys unified export credit insurance from China Export & Credit Insurance Corporation if needed.

There are no significant concentrations of credit risk within the Group.

37. 財務風險管理及公允價值

本集團的日常業務過程中面臨信用風險、流動資金風險、利率風險及貨幣風險。本集團面臨的該等風險以及本集團用以管理該等風險的財務風險管理政策及慣常做法如下。

(a) 信用風險

本集團的信用風險主要歸屬於貿易及其他應收款項。管理層已制定信用政策並持續監控面臨的此項信用風險。

本集團主要通過建立一個適當的業務評價制度以評估客戶的信用狀況及其保證支付的能力。本集團一般要求客戶按照合同條款清償進度款項及根據協議清償其他債務。根據管理層對各個案進行的信用評估，可能向客戶授予信用期。此外，為適當管理貿易及其他應收款項的信用風險，本集團制定了購買出口信用保險的政策。為防範貿易業務中的信用風險，本集團一般向中國出口信用保險公司購買統一的出口信用保險（倘需要）。

本集團不存在重大信用風險集中。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(a) Credit risk (continued)

As at 31 December 2020, 6.1% of the total trade and other receivables were due from the Group's largest customer (2019: 2.8%) and 12.2% of the total trade and other receivables were due from the five largest customers (2019: 11.9%).

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 22 to the financial statements.

(b) Liquidity risk

The funding needs of the Company and its subsidiaries are raised and allocated by the Group. Fund raising from external sources by subsidiaries is subject to approval by the Company. The Company and its subsidiaries manage cash flows according to their own business approval processes. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with loan covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirement in the short and longer term.

37. 財務風險管理及公允價值(續)

(a) 信用風險(續)

於2020年12月31日，貿易及其他應收款項總額中有6.1%（2019年：2.8%）應向本集團最大客戶收取，而貿易及其他應收款項總額中有12.2%（2019年：11.9%）應向五大客戶收取。

有關本集團面臨的貿易及其他應收款項的信用風險的進一步定量披露載於財務報表附註22。

(b) 流動資金風險

本公司及其附屬公司的資金需求由本集團籌集及分配。附屬公司向外部來源籌集資金應得到本公司的批准。本公司及其附屬公司通過其自身的業務審批流程管理現金流量。本集團的政策是定期監察目前及預期的流動資金要求及其借貸合約的合規情況，確保其維持足夠的現金儲備及取得主要金融機構充足的資金承諾額度，以滿足其短期及較長期的流動資金要求。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) Liquidity risk (continued)

The following table details the remaining contractual maturities at the end of the reporting period of the Group's 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 reporting period) and the earliest date that the Group can be required to pay:

37. 財務風險管理及公允價值(續)

(b) 流動資金風險(續)

下表詳述於報告期末本集團的金融負債的剩餘合同期限，其依據的是合同未折現現金流量（含使用合同利率或依據報告期末的適用利率（如為浮動）計算的利息款項）以及本集團必須付款的最早日期：

		Contractual undiscounted cash outflow 合同未折現現金流出				
		Within 1 year or on demand 1年以內或 按要求還款 RMB'000 人民幣千元	1 to 2 years 1到2年 RMB'000 人民幣千元	2 to 5 years 2到5年 RMB'000 人民幣千元	Over 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
31 December 2020	2020年12月31日					
Borrowings	借貸	772,713	40,211	104,915	24,439	942,278
Trade and bills payables included in trade and other payables	計入貿易及其他應付款項的貿易應付款項及應付票據	14,373,523	-	-	-	14,373,523
Forward exchange contracts and interest rate swaps included in trade and other payables	計入貿易及其他應付款項的遠期外匯合約及利率掉期	44,735	-	-	-	44,735
Other payables included in trade and other payables	計入貿易及其他應付款項的其他應付款項	2,246,408	-	-	-	2,246,408
Lease liabilities	租賃負債	38,431	16,427	17,343	163	72,364
Long-term payables included in trade and other payables	計入貿易及其他應付款項的長期應付款項	278,583	15,001	31,667	13,410	338,661
Other non-current liabilities included in trade and other payables	計入貿易及其他應付款項的其他非流動負債	-	362,638	273,586	43,422	679,646
		17,754,393	434,277	427,511	81,434	18,697,615
Derivatives settled gross:	總額結算衍生工具：					
Foreign currency forward exchange contracts:	遠期外匯合約：					
- Outflow	- 流出	5,061,168	1,086,396	-	-	6,147,564
- Inflow	- 流入	(5,405,147)	(1,173,156)	-	-	(6,578,303)

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) Liquidity risk (continued)

		Contractual undiscounted cash outflow 合同未折現現金流出				
		Within	1 to 2	2 to 5	Over	Total
		1 year or	years	years	5 years	
		on demand				
		1年以內或				
		按要求還款	1到2年	2到5年	5年以上	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
31 December 2019 (Restated)	2019年12月31日(重述)					
Borrowings	借貸	459,991	27,857	67,093	34,268	589,209
Trade and bills payables included in trade and other payables	計入貿易及其他應付款項的貿易應付款項及應付票據	15,433,866	-	-	-	15,433,866
Forward exchange contracts and interest rate swaps included in trade and other payables	計入貿易及其他應付款項的遠期外匯合約及利率掉期	37,796	-	-	-	37,796
Other payables included in trade and other payables	計入貿易及其他應付款項的其他應付款項	2,620,243	-	-	-	2,620,243
Lease liabilities	租賃負債	33,642	19,645	16,429	199	69,915
Long-term payables included in trade and other payables	計入貿易及其他應付款項的長期應付款項	589,697	18,535	40,934	83,299	732,465
Other non-current liabilities included in trade and other payables	計入貿易及其他應付款項的其他非流動負債	-	368,082	231,965	47,557	647,604
		19,175,235	434,119	356,421	165,323	20,131,098
Derivatives settled gross:	總額結算衍生工具：					
Foreign currency forward exchange contracts:	遠期外匯合約：					
- Outflow	- 流出	2,554,820	1,463,607	-	-	4,018,427
- Inflow	- 流入	(2,578,431)	(1,484,338)	-	-	(4,062,769)

37. 財務風險管理及公允價值(續)

(b) 流動資金風險(續)

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) Interest rate risk

The Group's interest rate risk arises primarily from bank deposits and interest-bearing borrowings. Deposits and 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. The Group regularly reviews and monitors the mix of fixed and variable rate borrowings either through the contractual terms of the interest-bearing financial assets and liabilities or through the use of interest rate swaps in order to manage its interest rate risks.

(i) Interest rate profile

The following table details the interest rate profile of the Group's net instruments (interest-bearing financial assets less interest-bearing financial liabilities) at the end of the reporting period, after taking into account the effect of interest rate swaps:

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元 (Restated) (重述)
Net fixed rate instruments:	淨固定利率工具：		
Contract assets	合同資產	4,644,301	5,205,445
Bank deposits	銀行存款	6,028,148	8,208,296
Less: Borrowings	減：借貸	695,310	225,926
		9,977,139	13,187,815
Net variable rate instruments:	淨浮動利率工具：		
Bank deposits	銀行存款	13,653,248	14,411,772
Less: Borrowings	減：借貸	211,314	329,379
		13,441,934	14,082,393

37. 財務風險管理及公允價值(續)

(c) 利率風險

本集團的利率風險主要來自於銀行存款及計息借貸。按浮動利率及固定利率發放的存款及借貸分別使本集團面臨現金流量利率風險及公允價值利率風險。本集團通過計息金融資產及負債的合同條款或通過利率掉期的使用定期審查及監察固定利率及浮動利率的借貸比例，以管理其利率風險。

(i) 利率概況

下表詳述計及利率掉期的影響，本集團於報告期末的淨工具(計息金融資產減計息金融負債)利率概況：

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) Interest rate risk (continued)

(ii) Sensitivity analysis

At 31 December 2020, it is estimated that a general increase/decrease of 100 basis points in interest rates of net variable rate instruments, with all other variables held constant, would increase/decrease the Group's profit after tax and retained profits by approximately RMB100,815,000 (2019 (Restated): RMB105,618,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to cash flow interest rate risk for non-derivative financial instruments in existence at the end of the reporting period.

The estimated 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next annual reporting period. The sensitivity analysis is performed on the same basis as 2019.

37. 財務風險管理及公允價值(續)

(c) 利率風險(續)

(ii) 敏感性分析

於2020年12月31日，淨浮動利率工具的利率總體上浮／下浮100個基點而所有其他變量保持不變，估計將導致本集團的除稅後溢利及保留溢利增加／減少約人民幣100,815,000元（2019年（重述）：人民幣105,618,000元）。

上述敏感性分析假設利率變動於報告期末發生並適用於報告期末存在的非衍生金融工具面臨的現金流量利率風險。

估計100個基點的上浮或下浮代表管理層對直至下一個年度報告期末期間內的合理利率變動可能性的評估。敏感性分析按2019年的相同基礎進行。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk

(i) Forecast transactions

The Group uses foreign currency forward exchange contracts to hedge some of its currency risk in respect of committed future sales transactions. At 31 December 2020, the Group had foreign currency forward exchange contracts hedged against forecast transactions with a net fair value of RMB199,959,000 recognised as derivative financial instruments recorded in “trade and receivables” (31 December 2019: RMB(22,717,000) recognised as derivative financial instruments recorded in “trade and other payables”).

(ii) Recognised assets and liabilities

Changes in the fair value of foreign currency forward exchange contracts on monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss (see note 5). The fair value of foreign currency forward exchange contracts used by the Group on monetary assets and liabilities denominated in foreign currencies at 31 December 2020 and recognised as derivative financial instruments recorded in “trade and other receivables” was RMB(87,924,000) (31 December 2019: RMB(3,957,000)).

In respect of other monetary assets and liabilities denominated in foreign currencies, 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.

37. 財務風險管理及公允價值(續)

(d) 貨幣風險

(i) 預測交易

本集團利用遠期外匯合約對沖其已承諾未來銷售交易的部分貨幣風險。於2020年12月31日，本集團為對沖預測交易的遠期外匯合約淨公允價值為人民幣199,959,000元，確認為記錄於「貿易及其他應付款項」中的衍生金融工具（2019年12月31日：人民幣(22,717,000)元，確認為記錄於「貿易及其他應付款項」中的衍生金融工具）。

(ii) 已確認資產及負債

有關以外幣計價的貨幣資產及負債的遠期外匯合約的公允價值變動於損益中確認（見附註5）。本集團於2020年12月31日就以外幣計價的貨幣資產及負債使用的遠期外匯合約的公允價值為人民幣(87,924,000)元（2019年12月31日：人民幣(3,957,000)元），確認為記錄於「貿易及其他應收款項」中的衍生金融工具。

就其他以外幣計價的貨幣資產及負債而言，本集團確保通過於必要時以即期匯率買入或賣出外匯以解決短期不平衡，以使淨風險保持在一個可接受的水平。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (continued)

(iii) Sensitivity analysis

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 those dates, assuming all other risk variables remained constant.

		2020			2019		
		2020年			2019年		
		Increase/ (decrease)	Increase/ (decrease) in	Increase/ (decrease) in	Increase/ (decrease)	Increase/ (decrease) in	Increase/ (decrease) in
		in foreign	profit after tax	equity	in foreign	profit after tax	equity
		exchange	and retained		exchange	and retained	
		rate	profits		rate	profits	
			除稅後溢利及	權益		除稅後溢利及	權益
		外匯匯率	保留溢利	權益	外匯匯率	保留溢利	權益
		增加/(減少)	增加/(減少)	增加/(減少)	增加/(減少)	增加/(減少)	增加/(減少)
		%	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
						(Restated)	
						(重述)	
USD	美元	5	401,579	408,344	5	462,739	466,986
USD	美元	(5)	(401,579)	(408,344)	(5)	(462,739)	(466,986)
XAF	中非金融合作法郎	5	(1,765)	(1,765)	5	11,997	11,997
XAF	中非金融合作法郎	(5)	1,765	1,765	(5)	(11,997)	(11,997)
EUR	歐元	10	93,912	93,912	10	107,164	107,164
EUR	歐元	(10)	(93,912)	(93,912)	(10)	(107,164)	(107,164)
CAD	加元	5	47,683	47,683	5	25,540	25,540
CAD	加元	(5)	(47,683)	(47,683)	(5)	(25,540)	(25,540)

37. 財務風險管理及公允價值 (續)

(d) 貨幣風險 (續)

(iii) 敏感性分析

下表顯示倘若本集團於報告期末有重大敞口的外匯匯率於該等日期出現變動，假設所有其他風險變量保持不變，本集團的除稅後溢利及保留溢利可能產生的實時變更。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (continued)

(iii) Sensitivity analysis (continued)

Results of the analysis presented in the above table represent an aggregate of the instantaneous effects on each of the group entities' profit after tax and retained profits measured in the respective foreign currencies, translated into RMB at the exchange rates ruling at the end of each reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including intercompany payables and receivables within the Group which are denominated in currencies other than the functional currencies of the lenders or the borrowers. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis as 2019.

37. 財務風險管理及公允價值(續)

(d) 貨幣風險(續)

(iii) 敏感性分析(續)

上表呈列的分析結果代表對各集團實體的除稅後溢利及保留溢利(按各自的外幣計量, 並就列報而言按各報告期末的匯率換算成人民幣)的總計實時影響。

敏感性分析假設外匯匯率變動已被應用於重新計量本集團持有的令本集團於報告期末面臨外匯風險的金融工具, 包括本集團內公司間的以貸方或借方的功能貨幣以外的貨幣計價的應付款項及應收款項。分析不包括境外業務的財務報表換算為本集團的呈列貨幣產生的差異。分析按2019年的相同基礎進行。

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(e) Fair values

(i) Financial instruments carried at fair value

The following table presents the carrying value of financial instruments measured at fair value at the end of the reporting period across the two levels of the fair value hierarchy defined in IFRS 7 *Financial Instruments: Disclosures* with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

The Group's financial instruments carried at fair value as at 31 December 2020 and 2019 are measured under Level 1 or Level 2.

37. 財務風險管理及公允價值 (續)

(e) 公允價值

(i) 以公允價值列賬的金融工具

下表呈列以公允價值計量的金融工具於報告期末在國際財務報告準則第7號金融工具：披露所界定的公允價值層級的兩個層級的賬面值，各金融工具的公允價值完全依據對該公允價值計量而言屬重要的最低層級輸入參數歸類。層級定義如下：

本集團於2020年及2019年12月31日按公允價值列賬的金融工具均按第1級或第2級計量。

	2020 2020年			2019 2019年		
	Fair value measurement using 採用以下數據的公允價值計量			Fair value measurement using 採用以下數據的公允價值計量		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第2級)	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第2級)	Total
	於活躍市場的 報價 (第1級)	重大可觀察 輸入數據 (第2級)	總計	於活躍市場 的報價 (第1級)	重大可觀察 輸入數據 (第2級)	總計
	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元 (Restated) (重述)	RMB' 000 人民幣千元 (Restated) (重述)	RMB' 000 人民幣千元
Assets	資產					
Equity investments designated at fair value through other comprehensive income	76,806	554,612	631,418	76,140	474,519	550,659
Forward exchange contracts and interest rate swaps included in trade and other receivables	332,618	-	332,618	19,036	-	19,036
Financial assets at fair value through profit or loss	-	157,543	157,543	-	176,780	176,780
Financial assets included in trade and other receivables	-	2,322,299	2,322,299	-	1,957,266	1,957,266
Liabilities	負債					
Forward exchange contracts and interest rate swaps included in trade and other payables	44,735	-	44,735	37,796	-	37,796

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37. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(e) Fair values (continued)

(ii) Estimation of fair values

(1) Receivables and borrowings

The fair value is estimated as the present value of the future cash flows discounted at the market interest rate at the end of the reporting period.

(2) Derivatives

Derivative financial instruments, including forward currency contracts and interest rate swaps, are measured using valuation techniques similar to forward pricing and swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The carrying amounts of forward currency contracts and interest rate swaps are the same as their fair values.

(f) Capital management

The Group monitors capital on the basis of the gearing ratio. The gearing ratio is derived by dividing total borrowings by total assets multiplied by 100%. In 2020, the Group's gearing ratio (total borrowings of RMB906,624,000 divided by total assets of RMB51,019,228,000) was 1.8%, representing an increase of 0.8% as compared to 1.0% (total borrowings of RMB555,305,000 divided by total assets of RMB53,999,884,000 (Restated)) as recorded in 2019, mainly due to the increase in short-term borrowings.

37. 財務風險管理及公允價值(續)

(e) 公允價值(續)

(ii) 公允價值的估計

(1) 應收款項及借貸

公允價值估計為未來現金流量按報告期末的市場利率折現的現值。

(2) 衍生工具

衍生金融工具(包括遠期貨幣合約及利率掉期合約)採用類似遠期定價及掉期模式的估值技術,按現值計量。該等模型採用多項市場可觀察輸入數據,如交易對手信用質量、外匯即期、遠期利率和利率曲線。遠期貨幣合約和利率掉期合約的賬面值與其公允價值相同。

(f) 資本管理

本集團以槓桿比率基準管理資本。槓桿比率乃將借貸總額除以資產總額再乘以100%得出。2020年,本集團的槓桿比率(借貸總額人民幣906,624,000元除以資產總額人民幣51,019,228,000元)為1.8%,與2019年的1.0%(借貸總額人民幣555,305,000元除以資產總額人民幣53,999,884,000元(重述))相比增加0.8%,主要是由於短期借款的增加。

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38. EVENTS AFTER THE REPORTING PERIOD

On 13 January 2021, China SUMEC Automotive Industry Consulting Development Co., Ltd. (the “Offeror”) and the Company entered into the merger by an absorption agreement (the “Merger Agreement”) pursuant to which the Offeror and the Company will implement the merger subject to the terms and conditions of the Merger Agreement, including the pre-condition and the conditions. After the merger, the Company will be merged into and absorbed by the Offeror in accordance with the PRC Company Law and other applicable PRC laws, and the listing of the Company will be withdrawn. Further details are set out in the announcement of the Company dated 13 January 2021. As at the date of approval of these financial statements, all pre-condition and the conditions have not been satisfied, and thus the Merger Agreement is not yet effective.

38. 報告期後事項

於2021年1月13日，中國蘇美達汽車工業諮詢發展有限公司（「要約人」）及本公司訂立一份吸收合併協議（「合併協議」），據此，要約人及本公司將根據合併協議的條款及條件（包括前提條件及該等條件）實施合併。合併後，本公司將根據中國公司法及其他適用中國法律被要約人吸收合併，而本公司的上市地位將會撤銷。進一步詳情載於本公司日期為2021年1月13日的公告。截至本財務報表批准日期，所有前提條件及該等條件尚未達成，故合併協議尚未生效。

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39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

39. 本公司的財務狀況表

有關本公司於報告期末的財務狀況表的資料如下：

		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	1,242,902	1,066,011
Investment properties	投資物業	8,804	9,783
Right-of-use assets	使用權資產	1,320,984	1,349,560
Intangible assets	無形資產	48,372	5,618
Investments in subsidiaries	對附屬公司的投資	5,697,529	5,564,186
Investment in a joint venture	對合營公司的投資	193,136	200,000
Investment in an associate	對聯營公司的投資	354,880	364,098
Equity investments designated at fair value through other comprehensive income	以公允價值計量且其變動計入其他綜合收益的股權投資	442,858	429,690
Trade and other receivables	貿易及其他應收款項	4,795,611	5,408,551
Deferred tax assets	遞延稅項資產	491,911	498,158
Total non-current assets	非流動資產總值	14,596,987	14,895,655
CURRENT ASSETS	流動資產		
Inventories	存貨	2,468	14,813
Trade and other receivables	貿易及其他應收款項	7,971,591	7,446,422
Contract assets	合同資產	3,417,544	3,931,671
Restricted deposits	受限制存款	326,404	310,791
Time deposits with original maturity of over three months	原始到期日超過三個月 的定期存款	2,126,136	3,675,313
Cash and cash equivalents	現金及現金等價物	9,091,709	8,283,802
Total current assets	流動資產總值	22,935,852	23,662,812

Notes to the Financial Statements

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39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Information about the statement of financial position of the Company at the end of the reporting period is as follows (continued):

39. 本公司的財務狀況表(續)

有關本公司於報告期末的財務狀況表的資料如下：(續)

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
CURRENT LIABILITIES	流動負債		
Borrowings	借貸	392,418	—
Contract liabilities	合同負債	8,085,862	8,232,396
Trade and other payables	貿易及其他應付款項	11,083,595	12,220,841
Lease liabilities	租賃負債	11,426	9,403
Defined benefit obligations	設定受益義務	20,180	19,520
Tax payable	應繳稅項	4,000	320,138
Total current liabilities	流動負債總額	19,597,481	20,802,298
NET CURRENT ASSETS	流動資產淨值	3,338,371	2,860,514
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總額減流動負債	17,935,358	17,756,169
NON-CURRENT LIABILITIES	非流動負債		
Trade and other payables	貿易及其他應付款項	556,019	490,826
Lease liabilities	租賃負債	12,739	8,136
Defined benefit obligations	設定受益義務	212,412	217,790
Total non-current liabilities	非流動負債總額	781,170	716,752
Net assets	資產淨值	17,154,188	17,039,417
EQUITY	權益		
Issued capital	已發行股本	4,125,700	4,125,700
Reserves (note)	儲備(附註)	13,028,488	12,913,717
Total equity	權益總額	17,154,188	17,039,417

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39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

39. 本公司的財務狀況表(續)

Note: A summary of the Company's reserves is as follows:

附註：本公司的儲備概要如下：

		Capital reserve	Fair value reserve of financial assets at FVOCI	Statutory surplus reserve	Retained profits and other reserves	Total
		資本儲備 RMB'000 人民幣千元	以公允價值計量且其變動計入其他綜合收益的金融資產公允價值儲備 RMB'000 人民幣千元	法定盈餘公積金 RMB'000 人民幣千元	保留溢利及其他儲備 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2019	於2019年1月1日	3,879,173	(23,698)	1,377,179	6,874,224	12,106,878
Profit for the year	年內溢利	-	-	-	1,589,476	1,589,476
Remeasurement gains on defined benefit plans, net of tax	設定受益計劃重新評估收益，扣稅後	-	-	-	(5,980)	(5,980)
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	以公允價值計量且其變動計入其他綜合收益的股權投資的公允價值變動，扣稅後	-	56,040	-	-	56,040
Total comprehensive income for the year	年內綜合收益總額	-	56,040	-	1,583,496	1,639,536
Dividends paid to shareholders of the Company	付予本公司股東的股息	-	-	-	(852,782)	(852,782)
Adjustment of deferred tax from valuation surplus	從估值盈餘中調整遞延稅項	20,085	-	-	-	20,085
Profit appropriation to reserves	轉撥至儲備的溢利	-	-	165,770	(165,770)	-
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	3,899,258	32,342	1,542,949	7,439,168	12,913,717
Profit for the year	年內溢利	-	-	-	765,911	765,911
Remeasurement gains on defined benefit plans, net of tax	設定受益計劃重新評估收益，扣稅後	-	-	-	(6,680)	(6,680)
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax	以公允價值計量且其變動計入其他綜合收益的股權投資的公允價值變動，扣稅後	-	9,876	-	-	9,876
Total comprehensive income for the year	年內綜合收益總額	-	9,876	-	759,231	769,107
Dividends paid to shareholders of the Company	付予本公司股東的股息	-	-	-	(654,336)	(654,336)
Profit appropriation to reserves	轉撥至儲備的溢利	-	-	82,933	(82,933)	-
At 31 December 2020	於2020年12月31日	3,899,258	42,218	1,625,882	7,461,130	13,028,488

40. APPROVAL OF THE FINANCIAL STATEMENTS

40. 批准財務報表

The financial statements were approved and authorised for issue by the board of directors on 25 March 2021.

財務報表已於2021年3月25日獲董事會批准及授權刊發。

Definitions and Glossary of Technical Terms

定義及技術術語表

“ASEAN”	Association of Southeast Asian Nations	「東盟」	東南亞國家聯盟
“Audit Committee”	the audit committee of the Board	「審計委員會」	董事會審計委員會
“Board”	the board of Directors	「董事會」	董事會
“CG Code”	the Corporate Governance Code set out in Appendix 14 to the Listing Rules	「《企業管治守則》」	載於《上市規則》附錄十四之《企業管治守則》
“China Machinery International”	China Machinery International Engineering Design & Research Institute Co., Ltd.* (中機國際工程設計研究院有限責任公司), a wholly-owned subsidiary of our Company established in the PRC on 5 October 1993 with limited liability	「中機國際」	中機國際工程設計研究院有限責任公司，一家於1993年10月5日於中國註冊成立的股份有限公司，為本公司的全資附屬公司
“CHPI”	Harbin Power System Engineering and Research Institute Co., Ltd.* (哈爾濱電站設備成套設計研究所有限公司), a corporation established in the PRC on 14 January 1997	「哈成套」	哈爾濱電站設備成套設計研究所有限公司，一家於1997年1月14日在中國註冊成立的公司
“China United”	China United Engineering Corporation Limited* (中國聯合工程有限公司), an enterprise established in the PRC on 21 January 1984 and a wholly-owned subsidiary of SINOMACH, our connected person and our Promoter	「中國聯合」	中國聯合工程有限公司，一家於1984年1月21日在中國成立的企業，國機的全資附屬公司。中國聯合為我們的關連人士暨發起人
“CNCEC”	China National Complete Engineering Corporation* (中國成套工程有限公司), a corporation established in the PRC on 5 September 1985 and wholly-owned by the Company	「中成套」	中國成套工程有限公司，一家於1985年9月5日在中國成立的企業，由本公司全資擁有
“CNEEC”	China National Electric Engineering Co., Ltd.* (中國電力工程有限公司), a limited liability company incorporated in the PRC in October 1979 (including all CNEEC subsidiaries, except where the context otherwise requires), which is wholly-owned by SINOMACH	「中電工」	中國電力工程有限公司，一家於1979年10月在中國註冊成立的有限責任公司(包括中電工所有附屬公司，除非文義另有所指)，由國機全資擁有

Definitions and Glossary of Technical Terms

定義及技術術語表

<p>“Company”, “our Company” or “CMEC”</p>	<p>China Machinery Engineering Corporation* (中國機械設備工程股份有限公司), a joint stock company with limited liability incorporated in the PRC on 18 January 2011, and except where the context indicates otherwise, includes (i) our predecessors and (ii) with respect to the period before our Company became the holding company of its present subsidiaries, the business operated by it and its present subsidiaries or (as the case may be) its predecessors</p>	<p>「公司」、「本公司」或「CMEC」</p>	<p>中國機械設備工程股份有限公司，一家於2011年1月18日在中國註冊成立的股份有限公司；除非文義另有所指，否則包括：(i) 我們的前身及(ii)就本公司成為其現時附屬公司的控股公司前的期間而言，其及其現時附屬公司或（視情況而定）其前身經營的業務</p>
<p>“Core Sectors”</p>	<p>the core sectors of our International Engineering Contracting Business which are the power sector, transportation and telecommunications sector</p>	<p>「核心行業」</p>	<p>我們國際工程承包業務的核心行業為電力能源行業、交通運輸行業及電子通訊行業</p>
<p>“developing countries”</p>	<p>refers to the 139 countries worldwide with low income, low middle income and upper middle income economies which as defined by World Bank are those with gross national income (GNI) per capita less than USD12,475</p>	<p>「發展中國家」</p>	<p>世界銀行所定義收入處於低水平、中低水平及中高水平的全球139個國家，其人均國民總收入低於12,475美元</p>
<p>“Director(s)”</p>	<p>the director(s) of our Company</p>	<p>「董事」</p>	<p>本公司董事</p>
<p>“Domestic Share(s)”</p>	<p>ordinary shares in our capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi</p>	<p>「內資股」</p>	<p>我們股本中的普通股，每股面值為人民幣1.00元，乃以人民幣認購及繳足</p>

Definitions and Glossary of Technical Terms

定義及技術術語表

“EPC”	a common form of contracting arrangement whereby the contractor is commissioned by the project owner to carry out such project work as design, procurement, construction and trial operations, or any combination of the above, either through the contractor’s own labor or by subcontracting part or all of the project work, and be responsible for the quality, safety, timely delivery and cost of the project	「EPC」	承包安排的常見形式，即承包商受項目擁有人的委託進行設計、採購、施工及試工等項目工作，或任何上述的組合（無論是通過承包商本身的人員或分包部分或所有項目工作），並對項目的質量、安全、工期及成本負責
“EU”	European Union	「歐盟」	歐洲聯盟
“GDP”	the gross domestic product	「國內生產總值」	國內生產總值
“Group”, “we” and “us”	the Company and, except where the context otherwise requires, all its subsidiaries	「本集團」或「我們」	本公司及除文義另有所指外其所有附屬公司
“H Share(s)”	overseas listed foreign shares in our ordinary share capital with a nominal value of RMB1.00 each, subscribed for and traded in HK\$ and which are listed on the Main Board in the Stock Exchange	「H股」	我們普通股本中的境外上市外資股，每股面值人民幣1.00元，以港元認購及買賣，並於聯交所主板上市
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administration Region of the PRC	「港元」	港元，中國香港特別行政區法定貨幣
“Hong Kong Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time	「香港公司條例」	經不時修訂、補充或以其他方式修改的香港法例第622章公司條例
“IFRS”	International Financial Reporting Standards	「國際財務報告準則」	國際財務報告準則

Definitions and Glossary of Technical Terms

定義及技術術語表

“independent third party(ies)”	person(s) or company(ies) which is (are) independent of the directors, supervisors, controlling Shareholder, substantial Shareholder and the chief executive (such terms as defined in the Listing Rules) of the Company or any of its subsidiaries or an associate of any of them	「獨立第三方」	獨立於本公司或其任何附屬公司董事、監事、控股股東、主要股東及行政總裁（定義見《上市規則》）或任何一方的聯繫人的個人或公司
“International Engineering Contracting Business”	the International Engineering Contracting Business conducted by our Group with a primary focus on EPC projects	「國際工程承包業務」	由本集團開展，並以EPC項目為重點的國際工程承包業務
“JiKan Research Institute”	China JiKan Research Institute of Engineering Investigations and Design Co., Ltd.* (機械工業勘察設計研究院有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company	「機勘院」	機械工業勘察設計研究院有限公司，一家於中國註冊成立的公司並為本公司全資附屬公司
“Listing”	listing of our H Shares on the Stock Exchange	「上市」	我們在聯交所上市的H股
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time	「《上市規則》」	《香港聯合交易所證券上市規則》(經不時修訂)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules	「《標準守則》」	《上市規則》附錄十所載《上市發行人董事進行證券交易的標準守則》
“Non-Core Sectors”	any sectors that do not fall within the Core Sectors of our International Engineering Contracting Business	「非核心行業」	任何並非屬於我們國際工程承包業務核心行業的行業
“OFAC”	the Office of Foreign Assets Control of the US Department of the Treasury	「外國資產管制局」	美國財政部屬下外國資產管制局

Definitions and Glossary of Technical Terms

定義及技術術語表

“PRC” or “China”	The People’s Republic of China excluding, for the purpose of this report only, Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan	「中國」	中華人民共和國，僅就本公告而言，不包括中國香港特別行政區、中國澳門特別行政區及台灣
“RMB” or “Renminbi”	Renminbi yuan, the lawful currency of the PRC	「人民幣」	人民幣元，中國法定貨幣
“Science and Technology Research Institute”	SINOMACH Academy of Science and Technology Co., Ltd.* (國機集團科學技術研究院有限公司), a limited liability company established in the PRC, which is wholly-owned by SINOMACH	「科技研究院」	國機集團科學技術研究院有限公司，一家於中國成立的有限責任公司，由國機全資擁有
“Services Business”	the design consulting services, logistics services, tendering agency services, export-import agency services and other services conducted by the Group	「服務業務」	本集團開展的設計諮詢服務、物流服務、招標代理服務、進出口代理服務及其他服務
“Share(s)”	share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, including our Domestic Shares and H Shares	「股份」	本公司股本中每股面值人民幣1.00元的股份，包括內資股及H股
“Shareholder(s)”	holder(s) of our Share(s)	「股東」	我們的股份持有人
“SINOMACH”	China National Machinery Industry Corporation* (中國機械工業集團有限公司), a state-owned enterprise established in the PRC on 21 May 1988, our controlling Shareholder	「國機」	我們的控股股東中國機械工業集團有限公司，一家於1988年5月21日在中國成立的國有企業
“SINOMACH Group”	SINOMACH and its subsidiaries, which excludes our Group	「國機集團」	國機及其附屬公司，不包括本集團

Definitions and Glossary of Technical Terms

定義及技術術語表

“Sinasure”	China Export & Credit Insurance Corporation (中國出口信用保險公司), a policy-oriented insurance company specializing in export credit insurance in the PRC and an independent third party	「中國信保」	中國出口信用保險公司，一家在中國專營出口信用保險的政策性保險公司和獨立第三方
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	香港聯合交易所有限公司
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules	「附屬公司」	具有《上市規則》賦予該詞的涵義
“Supervisor(s)”	the supervisor(s) of the Company	「監事」	本公司監事
“the Belt and Road”	the Silk Road Economic Belt and the 21st-Century Maritime Silk Road	「一帶一路」	絲綢之路經濟帶和21世紀海上絲綢之路
“Trading Business”	the international and domestic trading business conducted by our Group	「貿易業務」	本集團進行的國際和國內貿易業務
“UN”	the United Nations	「聯合國」	聯合國
“United States” or “U.S.” or “US”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction	「美國」	美利堅合眾國，其領土、屬地及受其司法管轄的所有地區
“U.S. dollars” or “USD”	United States dollars, the lawful currency of the United States	「美元」	美元，美國的法定貨幣
“%”	per cent. or percentage	「%」	百分比
* <i>Denotes English translation of the name of a Chinese company or entity or vice versa and is provided for identification purposes only.</i>		* <i>指中國公司或實體名稱的英文譯名或相反情況，僅供識別。</i>	

Corporate Information

公司資料

LEGAL NAME OF THE COMPANY

中國機械設備工程股份有限公司

ENGLISH NAME OF THE COMPANY

China Machinery Engineering Corporation*

BOARD OF DIRECTORS

Executive Directors

Mr. FANG Yanshui (*President*)
Ms. AI Wei

Non-executive Directors

Mr. BAI Shaotong (*Chairman*)
Mr. MA Jian
Mr. ZHANG Zhiyu

Independent Non-executive Directors

Mr. LIU Li
Ms. LIU Hongyu
Mr. FANG Yongzhong
Mr. WU Tak Lung

SUPERVISORS

Mr. ZHANG Hong (*Chairman*)
(*Shareholder representative supervisor*)
Mr. GUO Weihua (*Shareholder representative supervisor*)
Mr. HE Bing (*Staff representative supervisor*)

JOINT COMPANY SECRETARIES

Ms. SUN Runhai
Ms. CHENG Lucy

AUTHORIZED REPRESENTATIVES

Mr. FANG Yanshui
Ms. SUN Runhai

* For Identification Purposes Only

本公司法定名稱

中國機械設備工程股份有限公司

本公司英文名稱

China Machinery Engineering Corporation*

董事會

執行董事

方彥水先生 (*總裁*)
艾威女士

非執行董事

白紹桐先生 (*主席*)
馬堅先生
張治宇先生

獨立非執行董事

劉力先生
劉紅宇女士
方永忠先生
吳德龍先生

監事

張弘先生 (*主席*)
(*股東代表監事*)
郭偉華先生 (*股東代表監事*)
何兵先生 (*職工代表監事*)

聯席公司秘書

孫潤海女士
曾若詩女士

授權代表

方彥水先生
孫潤海女士

* 僅供識別

AUDIT COMMITTEE

Mr. LIU Li (*Chairman*)
Mr. MA Jian
Ms. LIU Hongyu

NOMINATION COMMITTEE

Mr. BAI Shaotong (*Chairman*)
Ms. LIU Hongyu
Mr. FANG Yongzhong

REMUNERATION COMMITTEE

Mr. FANG Yongzhong (*Chairman*)
Mr. ZHANG Zhiyu
Mr. LIU Li

STRATEGY AND DEVELOPMENT COMMITTEE

Mr. BAI Shaotong (*Chairman*)
Mr. FANG Yanshui
Ms. AI Wei
Mr. LIU Li

OPERATION AND RISK MANAGEMENT COMMITTEE

Mr. FANG Yanshui (*Chairman*)
Mr. ZHANG Zhiyu
Mr. FANG Yongzhong
Mr. WU Tak Lung

INDEPENDENT AUDITORS

International Auditors
Ernst & Young

PRC Auditors
Ernst & Young Hua Ming LLP (Special General Partnership)

PRINCIPAL BANKS

China Development Bank
The Export-Import Bank of China
Industrial and Commercial Bank of China Limited
Bank of China Limited
CITIC Bank
China Merchants Bank (Beijing Branch)
Bank of Communications (Beijing Dongdan Sub-branch)

審計委員會

劉力先生 (主席)
馬堅先生
劉紅宇女士

提名委員會

白紹桐先生 (主席)
劉紅宇女士
方永忠先生

薪酬委員會

方永忠先生 (主席)
張治宇先生
劉力先生

戰略與發展委員會

白紹桐先生 (主席)
方彥水先生
艾威女士
劉力先生

經營與風險管理委員會

方彥水先生 (主席)
張治宇先生
方永忠先生
吳德龍先生

獨立核數師

國際核數師
安永會計師事務所

中國核數師
安永華明會計師事務所 (特殊普通合夥)

主要往來銀行

國家開發銀行
中國進出口銀行
中國工商銀行
中國銀行股份有限公司
中信銀行
招商銀行 (北京分行)
交通銀行 (北京東單支行)

Corporate Information

公司資料

REGISTERED OFFICE AND HEAD OFFICE IN THE PRC

No. 178 Guang'anmenwai Street,
Xicheng District, Beijing, PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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South Sea Centre
75 Mody Road
Tsimshatsui East
Kowloon, Hong Kong

HONG KONG H SHARE REGISTRAR AND TRANSFER OFFICE

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

LEGAL ADVISORS

As to Hong Kong Laws
Clifford Chance LLP

As to PRC Laws
Tian Yuan Law Firm

STOCK CODE

01829

INVESTOR INQUIRIES

Investor Hotline: 86 10 6331 2262
Fax No: 86 10 6332 1086

COMPANY'S WEBSITE

www.cmec.com

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麼地道75號
南洋中心
第1座8樓804室

香港H股股份過戶登記處

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

法律顧問

關於香港法律
高偉紳律師事務所

關於中國法律
天元律師事務所

股份代號

01829

投資者諮詢

投資者熱線：86 10 6331 2262
傳真：86 10 6332 1086

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www.cmec.com



中國機械設備工程股份有限公司
China Machinery Engineering Corporation*

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* 僅供識別