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愛地球、愛眾生  
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ANNUAL REPORT 2019 年報

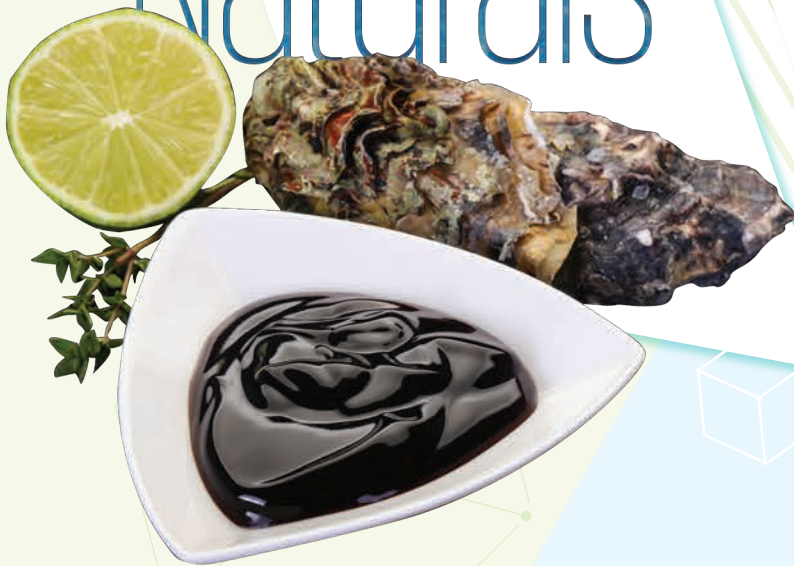


# Scent & Taste

芳香及味道

天然產物

# Naturals



# Specialty Chemicals

特殊化學品

# GREEN

# Contents 目錄

4	Chairman's Statement	主席報告書
12	Financial Highlights	財務摘要
16	2019 Major Awards	2019年主要獎項
17	Management Discussion and Analysis	管理層討論及分析
22	Biographical Details of Directors and Senior Management	董事及高級管理人員履歷
26	Corporate Governance Report	企業管治報告
40	Directors' Report	董事會報告
53-155	Auditor's Report and the Consolidated Financial Statements	核數師報告及合併財務報表
53	Independent Auditor's Report	獨立核數師報告
61	Consolidated Income Statement	合併利潤表
62	Consolidated Statement of Comprehensive Income	合併綜合收益表
63	Consolidated Balance Sheet	合併資產負債表
65	Consolidated Statement of Changes in Equity	合併權益變動表
66	Consolidated Statement of Cash Flows	合併現金流量表
67	Notes to the Consolidated Financial Statements	合併財務報表附註
156	Five-Year Financial Summary	五年財務概要
157	Corporate Information	公司資料
159	Shareholder Information	股東資料

## 綠色化學

# HEMISTRY

FEED

GOOD





愛地球、愛眾生  
, Eco-Friendly



**We are committed to bring health and well-being to the globe**  
成就眾生與地球健康的崇高使命

# Chairman's Statement

## 主席報告書

### REVIEW

On behalf of the board of directors (the "Board"), I would like to report the annual results of the Group for the year ended 31 December 2019 (the "Year") to the shareholders. During the Year, the Group's turnover rose by 10% to approximately RMB2,423 million. Reported profit for the year attributable to owners of the Company increased by 7% to RMB230 million. Earnings before interest, taxes, depreciation and amortization ("EBITDA") increased by 5% to RMB483 million. Basic earnings per share for the Year amounted to RMB29.67 cents (2018: RMB27.78 cents).

In appreciation of the shareholders' support, the Board resolved to declare a final dividend of HK4.8 cents per share for the Year, which is subject to the shareholders' approval at the forthcoming annual general meeting (the "AGM") of the Company. The proposed final dividend and the interim dividend of HK1.7 cents would bring the total dividend per share for the Year to HK6.5 cents (2018: HK5.6 cents).

The year 2019 was a year of turmoil. In the first half of the year, with the continuing economic recovery in the US and Europe, the global consumption of necessity goods and related businesses maintained a growth momentum. China's "supply-side structural reform" and new environmental policies have contributed to survival of the fittest in the supply chain and the thriving external demand, all of which drove the Group's surging businesses. In the second half of the year, with the escalating international trade conflicts, rising transaction risks and costs, the global supply chain was faced with different degrees of challenges and disruptions. In the environment full of risks and opportunities, the Group faced with various challenges in its operation. Grasping the market opportunities, the Group positioned itself as a reliable supplier of "safe production, stable supply and superb quality" and continued to gain trust and recognition from both new and old clients. Sales quantity and product types considerably increased and all the three main businesses recorded growth. At the same time, the strategic development and construction of the new production bases in Gulei and Changtai have made concrete progresses.

### 回顧

本人謹代表董事會，向各股東報告本集團截至2019年12月31日止年度之業績。年內，集團營業額約為24.23億元人民幣，與2018年相比上升10%；本公司股東應佔賬面利潤為人民幣2.30億元，較去年上升7%。未扣除利息、稅項、折舊和攤銷前盈利（「EBITDA」）為人民幣4.83億元，較2018年同比上升5%，而本年度每股基本盈利為人民幣29.67分（2018：人民幣27.78分）。

為了回報廣大股東的支持，董事會建議宣派本年度末期股息每股港幣4.8仙，惟須待股東於應屆股東周年大會批准。連同中期股息每股港幣1.7仙，本年度的股息分派總額為每股港幣6.5仙（2018：每股港幣5.6仙）。

2019年仍然是一個動蕩的年份。上半年，全球經濟在歐美的持續復甦之下，消費必需品等業務仍保持著增長的勢頭，中國經濟在厲行「供給側改革」以及環保新政之餘，供應鏈的汰劣留良和外部需求的旺盛，使得本集團的業務保持了較為強勁的勢頭。進入下半年後，隨著國際貿易磨擦的升級，交易風險和成本的上升，全球供應鏈受到了不同程度的挑戰和衝擊。在風險和機會並存的環境中，本集團在經營上經受了各種挑戰，把握住市場機會，以一個「安全生產、穩定供應、優良品質」可靠供應商的夥伴身份，繼續贏得新老客戶的信任和認同，產品銷售的數量和品類有了可喜的增加，三大類業務均錄得增長。同時，在古雷、長泰兩個新產區的策略性發展和建設上也取得了堅實的進步。

Entering the new year of 2020, although unfortunately China was impacted by the epidemic of the era, the novel coronavirus pneumonia (COVID-19), at the end of January and has been through a historic anti-epidemic spiral, the Group was fully supported by the local government and both joint hand-in-hand to triumph in the first phase of anti-epidemic work. The Group has implemented and executed stringent anti-epidemic measures regulated by the Chinese government, ensuring staff safety and normal production. In early February, the Group successfully commenced and completed on schedule the yearly maintenance and technological advancement project in Haicang, and full resumption of work has been commenced on 6 March 2020. The raw materials and finished products pre-stored for the yearly maintenance and technological advancement have guaranteed stable supply to clients during the suspension of production in the anti-epidemic work. While the epidemic is mitigated in mainland China, the Group has immediately and successfully resumed work, successfully providing a stable supply to its clients in China and worldwide.

As a leading fine chemicals enterprise in the international market, even though the operation of its two main businesses, "Scent & Taste" and "Specialties" faced heightened challenges in China due to the new environmental policies, the Group continued to be the role model in green measures within the industry in mainland China resulting from its business advancements and strict operational standards over the years. The Group's Haicang production base was honoured with "Green Factory" by the country's Ministry of Industry and Information Technology and was the only green chemicals production enterprise in Fujian Province awarded with this certification. Meanwhile, the Group as a whole was awarded by Hong Kong's Green Council for the "Corporate Green Governance Award" in 2019. All these honours commended the Group's dedication and efforts on green and safety measures over the years, and recognized the Group's corporate mission of "Ecogreen and Ecofriendly" and "Commitment to bringing health and well-being to the globe". These achievements enhanced the strong vitality of the Group's sustainable development and compliance to safety production, and at the same time offered new opportunities for the enterprise's future expansion of green operation and financing.

進入2020新年之初，儘管中國不幸地首先在1月底遭受到新冠肺炎之世紀疫情影響，全國經歷了一場歷史性的抗疫風暴，本集團在當地政府的全力支持下，上下一心，取得了防疫抗疫第一階段的勝利，並嚴格實施及執行中國政府規定的一切相關防疫措施，以保證員工安全和生產正常。本集團於2月上旬順利開啟並按時完成海滄年度大修及技改項目，並在2020年3月6日開始了全面的復產。為年度大修及技改預先儲備的原料和產成品，在停產抗疫期間保障了客戶的供應。在內地疫情舒緩後，本集團的極速和順利復工，亦為中國以及全球客戶提供了穩定的供應。

作為一家國際市場具領先地位的精細化工企業，本集團的香原料及特殊化學品兩大業務的經營在中國經受了嚴厲的環保新政的考驗，經過連年的業務精進和嚴謹經營，在環保方面繼續成為國內的的同行樣板。本集團的海滄廠區，在2019年獲得了國家工信部頒發「綠色工廠」的認證，這是福建省內唯一一家獲得該項認證的化工類綠色製造企業。同時，本集團作為一個整體，還獲得了香港環保促進會的2019年度「綠色企業大獎」。所有這些榮譽是對本集團多年來在環保、安全上用心和努力的嘉許，也是對本集團力行之「Ecogreen, Eco-friendly」 「愛地球，愛眾生」企業宗旨的認同！這些成績，提升了本集團在可持續性發展和安全合規生產上的強大生命力，同時也為企業在未來拓展綠色經營和融資提供了新的機會。



In its core business, the Group's "Scent & Taste" business had an outstanding performance during the Year. The petroleum-based aroma chemical products recorded growth in both the price and sales volume. The sales volume of the naturals-based products also recorded growth despite its fluctuating price. The total sales revenue in "Scent & Taste" business increased by 12% year-on-year, mainly attributable to the growth in global demands, integrating global supply chain, and the continuous supply shortage of various aroma chemical products in the first half of 2019 due to serious safety incidents of overseas major peers in 2018. In such operation background, the Group effectively increased the composite production output through powerful measures such as timely increase in production capacity, expansion of outsourced production and technological advancements. The Group will continue to advance its "Scent & Taste" business with stringent quality control and guaranteed supply, striving to be the leading "Scent & Taste" total solutions supplier in the global market.

In its "Naturals" business, the Group produces three major categories of products, namely natural food ingredients, natural essential oil, and natural extracts. During the Year, the three sub-business segments as a whole recorded steady growth of 3% in revenue. Among them, the sales of seafood extract (fresh oysters) products recorded over 70% growth and the Group has become the largest supplier to China's largest soy sauce manufacturing enterprise. Many of the products within the categories of natural food ingredients and natural extracts also fall into the "Taste" business, which can tailored-made clients' various demand on "Taste" products with differentiated solutions, together with the "Taste" products in the Group's synthetic scent product category. Upon completion of Phase II upgrade of Changtai production base in 2020, the "Naturals" business will be equipped with new production facilities and capacity. The Phase II Changtai production base will replace the existing Xinglin Plant and will be upgraded to be a new plant of larger scale to meet the food production standards of the "SC" certificate, and thus providing key ingredients of taste and nutrition to frozen food, fast food and pet nutrition food industries. During the Year, the upgrade project of Changtai has been successfully planned and has started to be implemented. The natural essential oil production line was officially put into operation on 5 March 2020, while the food ingredient production will commence operation in the third quarter of 2020. The sales of natural extracts will be multiplied in the next three years after putting the new production lines into operation.

核心業務方面，「芳香和味道」類別的業務在回顧年內表現優秀。以石油基為原料的香原料產品在量價上均獲得增長，而以天然基為原料的產品儘管價格較為波動但銷售數量仍獲得提升，全年總體銷售收入比2018年增加了12%，主要是得益於環球需求增長、全球供應鏈的整合、和國外主要同業在2018年因重大安全事故導致多類香原料產品供應短缺，並在2019上半年持續。在這樣的經營背景下，本集團通過及時的調增產能、擴大外聯生產、技術升級等有力舉措，有效地增加了集團的綜合產出。本集團將會在「芳香」及「味道」上持續精進，嚴控品質、確保供應，致力成為一家全球市場領先的「芳香和味道」綜合供應商。

在「天然產物」業務上，本集團的產品包含了「天然食品配料」、「天然精油」與「天然提取物」三組類別。年內，三組業務綜合錄得穩定的增長3%。其中，蠔汁產品業績增長超過70%，並已成為中國最大的蠔油製造企業的最大供應商。天然食品配料和天然提取物類別中很多的產品也是「味道」組分，它們可與本集團合成香原料類別中的「味道」產品同時為不同客戶在「味道」方面的需求提供差異性的解決方案。在長泰廠區第二期2020年完成後，「天然產物」業務將會獲得全新的生產裝置和產能，以替代現有的杏林工廠，並升級為更大規模符合食品規範SC認證的新廠房，為冷凍食品、快食、寵物營養食品等產業提供關鍵的味道及營養組分和配料。年內，長泰的升級改造項目順利通過了規劃和開始實施，其中天然植物精油生產線於2020年3月5日正式投料生產，而食品配料生產車間也將於2020年第三季度中投用，預期在新生產線全部落成投產後，天然提取物在未來三年將獲業務倍增。



In its "Specialties" business, the Group has drawn a new blueprint for the business development in Gulei Chemical Industrial Park. Gulei, as the Group's largest business project and value investment, will be constructed and put into operation in different phases. The Group has planned to invest RMB1.5 billion in Phase I Gulei. As at the end of 2019, construction of the storage tanks and main facilities have been completed and the essential equipment in the main units has been properly installed. Installation of all equipment is planned to be completed in the second quarter of 2020, and trial production is planned to start in the third quarter of the year. Hydrogenated hydrocarbon resin, which is highly favored in the market, will be produced in Phase I to provide key components to the newly emerging daily consumption necessities.

The Group carried out its major strategic planning in Gulei Chemical Industrial Park to adapt itself to the upcoming changes in the global economy, and to meet China's new environmental policies. The industrial park will also enable the Group to fully capitalize on the integrated supply chain for oil refinery and petrochemical business and the technological advancement, so that it can better meet the changes in the industries demand. It will do so by optimising the product mix of aroma chemicals and functional materials for international and domestic markets, thus achieving synergy between the supply chains for natural and petroleum-based resources. Among the different planned phases, Phase I Gulei will mainly focus on the production of the new functional materials product – hydrogenated hydrocarbon resin. Meanwhile, several production facilities will be built to produce new functional chemicals and new product portfolio under "Scent & Taste". The Group will thereby achieve higher level of synergies in its business resources and technologies, for building and actualizing the multi-industries development in Gulei. Gulei production base will become the Group's core production base that drives its future robust business development and rapid business expansion. Although Phase I Gulei will not be able to completely meet the planned progress to begin operation on 1 June 2020, with the sprint in the last quarter of 2019, it is with good foundation to be completed and put into operation for hydrogenated hydrocarbon resin in the third quarter of 2020.

在「特殊化學品」上，本集團在古雷化工園區規劃了一個全新的產業發展藍圖。古雷是本集團發展史上最大的產業項目和價值投資，將分期進行建設和投產。古雷第一期計劃投資15億人民幣。到2019年底為止，罐區及主要配套的工程已經完成，主車間的重要設備已經安裝到位，計劃在2020年第二季度完成所有設備設施的安裝，第三季度開始試生產。第一階段的產品是市場需求強盛的氫化石油樹脂，為新興的日用消費必需品提供關鍵組分。

本集團在古雷化工園區的佈局，是因應全球未來經濟格局變化的一項重大策略性產業決策。考慮了中國環保新政的要求，充分利用了大型石化園區煉化一體化的供應鏈優勢，結合技術的進步和行業需求的變化，優化國際與內銷市場產品結構組合，突出了集團在天然基資源與石油基資源供應鏈協同下的「香原料產業與功能材料產業的發展戰略」。在分期規劃中，古雷第一期的重點是推出新的「功能材料」類產品-氫化石油樹脂。同時，建設多組生產裝置，製造新的功能化學品以及「芳香及味道」的新產品組合。由此，本集團將在更高水準上實現資源與產業的協同發展。基於資源和技術協同的多產業整合發展計劃也將在古雷逐步實現，古雷廠區將被打造成本集團未來的產業發展、業務快速擴張之核心產業基地。雖然，古雷一期在進度上未能完全按照預期於2020年6月1日達成中交投產，但經2019年最後一季的衝刺，已為2020年第三季度完成氫化石油樹脂的建成投產奠定了良好的基礎。



### OUTLOOK

2020 is a year of grand challenges globally. Global economy and society are now facing huge disruptions. Apart from the escalating China-US trade conflicts and geopolitical frictions, the unexpected global outbreak of novel coronavirus pneumonia epidemic in the beginning of the year has caused immense setbacks for the lives and properties in many countries worldwide. It has paused global production and supply on a large scale, leading to a sharp devaluation in various assets and the financial market turmoil, making it a catastrophe to human. Due to the serious impact brought about by the epidemic, it is expected that the global operating environment in 2020 will be considerably harsh. For corporate and business owners, it will be a huge challenge for them to overcome the disruptions caused by the epidemic. Fortunately, governments of various countries has been proactively putting huge resources and financial support to combat the epidemic, help the people and stimulate the economy in order to prevent or mitigate economic depression globally. The Group has also been proactively dedicating itself to the anti-epidemic work and resumption of production, so as to overcome the difficulties and to realise the Group's plans to resuming work and production and supplying to clients in the fastest and most precise way.

The Group's major production bases and operation are in Fujian Province, China. Currently, China is the fastest country overcoming the epidemic, and Fujian Province is a region with less severe impacts. Led by the management team and with the effort of all members, the Group has successfully commenced and completed on schedule the yearly maintenance and technological advancement for expanded production in Haicang Plant on 10 February 2020 and resumption of work has been commenced on 6 March 2020. Its production, construction and research and development have basically been resumed to the level before the epidemic. The Group's products are mainly key components to daily necessities, including washing agents, disinfectants, deodorants, food and personal hygiene products, which are in the elementary industry of anti-epidemic work. Amid the epidemic, demands for products of washing agents and disinfectants indeed showed a rising trend, and thus all of the Group's downstream clients of daily chemicals remained to have comprehensive production and operation as well as robust demands on raw materials. The Group will make the greatest effort to enhance its safety and green management as well as its production capacity and efficiency of core procedures, while integrating the anti-epidemic work. In a turbulent operating environment, the Group turning crisis into opportunity, by providing key support to the global anti-epidemic work, restoration of industry businesses and restructuring of supply chain with a safe, reliable and persistent production.

### 展望

2020年是全球面臨重大挑戰的一年，全球經濟以及社會正面對極大衝擊。除中美貿易爭端以及地緣政治磨擦可能加劇之外，年初不期而至的一場新冠肺炎疫情在全球的大爆發，已對全球多國人民的生命財產造成了巨大的傷害，停頓了全球大範圍的供應和製造，並對各類資產價值造成大幅減值，形成金融市場動蕩，是一場人類大災難。因為疫情的嚴重衝擊，2020年的全球經營環境預期相當嚴峻。對於企業和經營者而言，如何能從疫情之中走出傷害、將會是一個巨大考驗。可幸的是，以中國政府為首，各國政府積極地投入了巨額的資源以及財政支持對抗疫情、救助民眾、刺激經濟，以避免或減緩各國甚至全球經濟陷於衰退。本集團也在疫災中積極地投入防疫抗疫和復工自救，克服種種困難，實現最快、最精準的各項復工復產及客戶供應計劃。

本集團的主要生產和運營在中國福建，中國目前是最快最好地走出疫情的國家，而福建又是受災較輕的地區，在管理層的領導下，經全體同仁的努力，集團已在2020年2月10日順利啟動並按時完成海滄廠房年度大修與技改擴產，並於3月6日全面復產，無論生產、建設、研發都基本恢復到疫情之前的水準。本集團的產品主要是為生活必需品，包括洗滌、消毒、除臭、食品以及個人衛生材料提供關鍵組分，而這些行業正是防疫、抗疫的骨幹行業。疫情之下，洗滌、消毒類產品的需求反而呈現增長，集團下游日化類客戶均保持全面的生產運營以及旺盛的原料需求。本集團結合抗疫，將以最大的努力提升安全及環保的管理，提升核心流程的產能和效率，在動蕩的經營環境中，以安全可靠的持續性生產，為全球抗疫、產業重建和供應鏈重整作出關鍵支持，化「危」為「機」。

With the support of banks and shareholders, the Group will prudently speed up the construction and operation schedule of Gulei and Changtai. The functional materials project of Phase I Gulei has been steadily developing and the construction work has been fully completed. Construction of plants and installation of equipment have been substantially completed at the end of 2019; and the electromechanical facilities are planned to be installed in the second quarter of 2020. Trial productions are expected to commence in the third quarter of 2020. It is planned to introduce the high-end hydrogenated hydrocarbon resin products that are greatly welcomed by the market. Prioritising the market in China, such products will offer solutions for replacing the foreign imports for industries in hygiene materials, medical protection, automotive parts, electronic products and housecare products as well as newly emerging industries like new energy and 5G new raw materials. The designed production capacity of functional materials in Phase I Gulei is 30,000 tonnes, with production automation and safety management systems to achieve large scale production. Meanwhile, Phase I plants have left development space for the expansion of production to 60,000 tonnes in the next stage. In second stage of Phase I in Gulei, the Group will build a national level engineering and technology centre, to greatly enhance the Group's ability and speed in research and development on industrialization technologies. Meanwhile, the Group will build several sets of flexible multi-functional units in order to introduce more hot-selling functional chemicals and synthetic aroma chemicals to the market. Leveraging on the synergies of C5C9 resources and with the production of hydrogenated hydrocarbon resin products, they will together greatly facilitate the synergies and development of the Group's synthetic aroma chemical products.

Regarding the transformation and restructuring, and the technological advancements of Phase II in Changtai, the production lines for natural essential oil and oil extracts have been completed in late February 2020, and have commenced operation on 5 March. It is expected to complete the construction and installation of the three production lines in August 2020 that allows the Group to commence trial productions in the third quarter of the year. The completion of Phase II in Changtai will utterly upgrade the Group's production setup in its food ingredients business, increasing the number of product portfolio of food products, enhancing the product quality and production capacity as a whole, so as to create the conditions for robust sales revenue growth.

在銀行和股東的支持下，本集團將會謹慎地加快古雷、長泰的建設和投產。古雷一期的功能材料項目已在穩步發展，2019年底廠房土建與主要設備安裝已基本完成，計劃在2020年第二季度完成安裝機電儀及項目竣工，2020年第三季度進行試產，準備推出深受市場歡迎之高端氫化石油樹脂產品，以中國市場為優先，為衛生材料、醫療防護、汽車零件、電子產品和家庭護理品行業，以及新能源、5G新材料等新興產業提供「替代進口」的解決方案。古雷第一期的功能材料項目設計產能為30,000噸，配備生產自動化和安全管控系統，可實現規模化生產。同時，廠房預留了發展空間為下一階段適時擴產到60,000噸產能做出了準備。古雷第一期之第二階段，本集團將籌建國家級工程技術中心，大幅提升集團工業化技術研發能力和研發速度。集團將會同時建造多組柔性車間組合，以便推出更多市場熱銷的功能化學品和合成香原料。利用C5C9的資源協同，借助氫化石油樹脂產出，將極大促進本集團的合成香原料的協同發展。

長泰第二期的轉型改造和技術升級，其中的天然精油與精油提取物生產線已於2020年2月底完成，並於3月5日正式投料生產。預期將在2020年8月份完成三條食品生產線的建設和安裝，並於第三季度投料試產。長泰二期的完成，將徹底升級集團食品配料事業的生產體系，增加產品組合，提升產品品質和總體產能，為營收快速增長創造條件。



## Chairman's Statement

### 主席報告書

Facing the global spread of the epidemic and a turbulent market environment as well as the deeply-rooted restructuring changes in the global industry, the Group will continue to implement and realise the Group's strategy of "New EcoGreen" with perseverance, determination and confidence under prudent attitude and strenuous effort.

The Group will facilitate global procurement of raw materials to ensure a stable supply and balanced price in its main natural-based and petroleum-based raw materials. The Group will strengthen its presence in mainland China, accelerating the synergetic development of functional chemicals and functional materials. Leveraging on its new production capacity and innovative know-how as well as proactive cost management, the Group will make effort to introduce more hot-selling products to the market and increase its main products market share. Meanwhile, with regard to the impacts brought about by the epidemic and the resulting liquidity condition of its clients, the Group will reassess the credit status of every client and tighten the clients' credit management control, thereby strengthening the corporate financial liquidity in order to embrace the market challenges with a stable financial condition. The Group will continue to strengthen environmental and safety compliance in its operations, which will elevate the Group's green chemical production and sustainable operation to a new level, further comprehensively enhancing the green content from green technology to green manufacturing and green financing.

The Group will make effort to provide outstanding client services, highly efficient operation, persistent technological advancement, stringent cost management and strengthened application of information technologies, to overcome the difficulties brought about by the epidemic, and to explore opportunities and vigorously facilitate rapid business growth, enhancing EcoGreen's core competitiveness and increasing both the return to shareholders and the return on capital.

面對正在全球蔓延的疫情以及動蕩的市場環境，全球行業深層次的競合格局也在變化中，本集團將沉靜面對，堅定信心，以更加謹慎的態度、更加精進的努力，繼續貫徹和實現集團的「新中怡」戰略。

本集團將會推動原材料的全球性採購，確保主要的天然基和石油基原料供應端的穩定和價格平衡。深耕內地市場，加速功能化學品與功能材料的產業協同發展。利用新增產能和創新工藝，積極地改善成本，努力推出更多的市場熱銷產品，提升主要產品的市場份額。同時根據疫情影響和客戶流動性情況，重新評估每個客戶的信用狀況，加強客戶信用和賬期管理，強化企業財務流動性，以穩健之財務迎接市場的挑戰。繼續加強環保合規和安全運營，將本集團的綠色化工製造和可持續經營提升到一個新的境界，從綠色技術、到綠色製造、再到綠色融資，將進一步全面發展和提升企業經營的綠色內涵。

本集團將努力以卓越的客戶服務、高效的營運、持續的技術改進、精緻的成本管理、和強化的資訊科技應用，克服疫情帶來的困難，發掘機會，大力推動業務的快速成長，提升企業的核心競爭力，增加股東的收益和資本的回報。

The Group will remain committed to the noble mission of “Commitment to bringing health and well-being to the globe” and continue to pursue the business vision of “Ecogreen and Ecofriendly”. “Quest for merits and Strives to excel.” This will also help the Group attain its goal and persistent growth in financial results and business performance.

Lastly, on behalf of the Board, I would like to express my heartfelt gratitude to all our shareholders, customers, suppliers, banks and staff members for their trust and unwavering support, which have been the crucial elements of and motivation for the Group's success. I would also like to extend my sincere thanks to all the directors of the Company and the Group's advisors for their great support and valuable advice. And I wish everyone health and safety.

**Yang Yirong**

*Chairman*

Hong Kong, 31 March 2020

本集團將繼續秉承「成就眾生與地球健康平安之美」的崇高使命，並以「Ecogreen，Ecofriendly」、「愛地球，愛眾生」為事業宗旨，「向善向上，精進前行」，不懈努力地達成經營目標和保持經營績效的持續增長。

最後，本人謹代表董事會，對廣大股東、客戶、供應商、銀行及集團全體員工致以衷心謝意。大家對本集團一如以往的信任與支持是本集團事業取得成功的根本要素和動力。同時，也真誠感謝本公司董事以及本集團顧問給予大力支持和寶貴建議。並祝大家健康和平安。

**楊毅融**

*主席*

香港，2020年3月31日

# Financial Highlights

## 財務摘要

(All amounts in RMB million unless otherwise stated)

(除另有指名者外，所有款額以百萬元人民幣列值)

		2019	2018	Change 變動
<b>Revenue</b>	收入	2,423	2,198	+10%
<b>Gross profit</b>	毛利	520	532	-2%
<b>Operating profit</b>	經營溢利	367	416	-12%
<b>EBITDA</b>	未扣除利息、稅項、 折舊及攤銷前盈利	483	462	+5%
<b>Adjusted EBITDA<sup>(i)</sup></b>	經調整未扣除利息、稅項、 折舊及攤銷前盈利 <sup>(i)</sup>	445	476	-7%
<b>Profit for the year attributable to owners of the Company</b>	本公司持有人年度利潤			
– Reported profit for the year	– 年度賬面利潤	230	215	+7%
– Non-GAAP underlying profit for the year <sup>(ii)</sup>	– 非公認會計原則之 年度基本利潤 <sup>(ii)</sup>	257	285	-10%
<b>Basic earnings per share (RMB cents)</b>	每股基本盈利(人民幣分)			
– Based on reported profit for the year	– 以年度賬面利潤計算	29.67	27.78	+7%
– Based on non-GAAP underlying profit for the year <sup>(ii)</sup>	– 以非公認會計原則之 年度基本利潤計算 <sup>(ii)</sup>	33.13	36.74	-10%
<b>Final dividend per share (HK cents)</b>	每股末期股息(港幣仙)	4.8	4.1	+17%
<b>Net asset value per share (RMB)</b>	每股資產淨值(人民幣)	2.96	2.70	+10%

Notes:

- (i) Details of the adjusted EBITDA is set out in Note 5 to the consolidated financial statements.
- (ii) Non-GAAP financial measures were adopted in order to have more clearly illustration of the financial results by excluding the impact of net foreign exchange loss of RMB26.86 million (2018: RMB69.48 million) on financing activities.

These unaudited non-GAAP financial measures should be considered in addition to, not as a substitute for, analysis of the Company's financial performance prepared in accordance with Hong Kong Financial Reporting Standard ("HKFRS"). Please see "Non-GAAP Financial Measures" as set out on page 20 for details.

附註：

- (i) 經調整之未扣除利息、稅項、折舊及攤銷前盈利的詳情載於合併財務報表附註5。
- (ii) 藉排除財務活動內的淨匯兌損失共人民幣2,686萬元(2018: 人民幣6,948萬元)，非公認會計原則財務計量之採用以更清晰呈列財務業績。

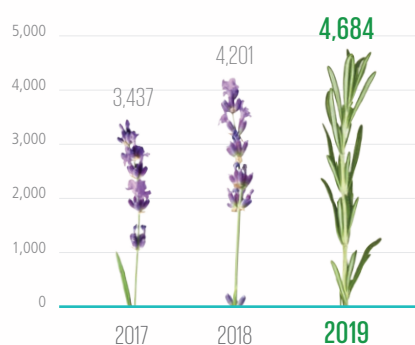
該等未經審核非公認會計原則財務計量應被視為根據香港財務報告準則編製的本公司財務業績的補充分析而非替代計量。詳情請參閱載於第20頁之「非公認會計原則財務計量」。

(All amounts in RMB million unless otherwise stated)

(除另有指名者外，所有款額以百萬元人民幣列值)

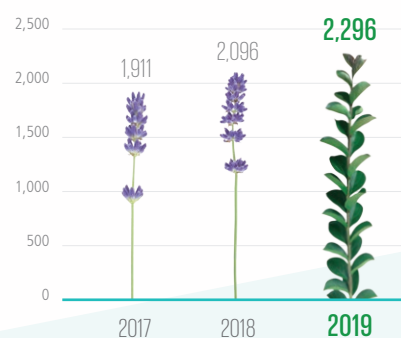
## TOTAL ASSETS

資產總額



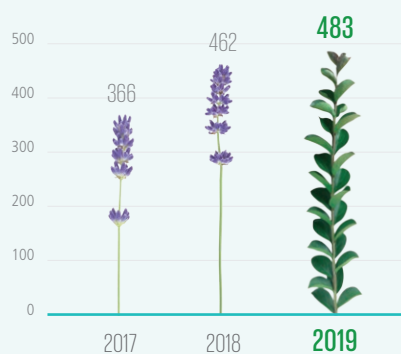
## NET ASSETS

資產淨額



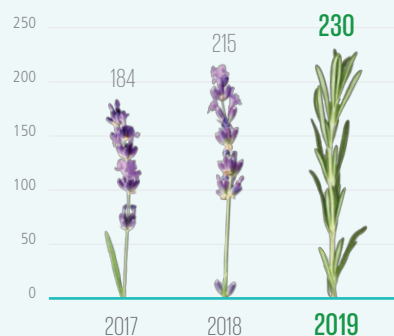
## EBITDA

除利息、稅項、折舊及攤銷前盈利



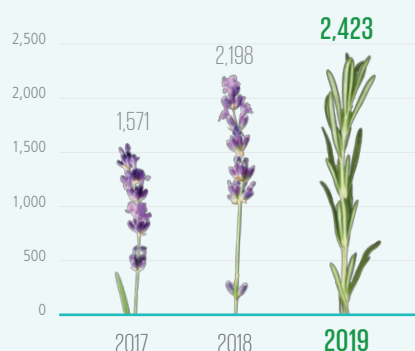
## PROFIT ATTRIBUTABLE TO EQUITY HOLDERS

權益持有人應佔盈利



## REVENUE

收入



## SALES BY PRODUCT TYPES

銷售產品類型





//// **Strives to Excel, Quest for Merits**  
向善向上，精進前行



愛地球、愛眾生  
EcoGreen,

ECO-



# 2019 Major Awards

## 2019 年主要獎項



/// EcoGreen's wholly-owned subsidiary honoured with "Green Factory" title by the Ministry of Industry and Information Technology on its fourth List of Green Manufacturers in China, the only one chemical company in Fujian Province awarded with such a title

中怡全資附屬公司於國家工業和資訊化部發佈的第四批綠色製造名單中，榮獲「綠色工廠」稱號。在福建省內，是唯一一家獲得該項榮譽的化工企業



/// EcoGreen was honored with "2019 Golden Hong Kong Stocks – Best Small & Mid-Cap Company Award" at the Fourth Golden Hong Kong Stocks Annual Awards Ceremony

中怡在第四屆「金港股」年度頒獎盛典上榮獲「最佳中小市值公司」



/// EcoGreen honored with "Hong Kong Green Awards 2019 – Corporate Green Governance Award: Environmental Monitoring and Reporting"

中怡榮獲「香港綠色企業大獎2019 – 企業綠色管治獎：環境監測及報告」



/// EcoGreen was honored with the ListCo Excellence Award 2019  
中怡榮獲傑出上市公司大獎2019

### FINANCIAL REVIEW

#### Revenue

For the year ended 31 December 2019, the Group's revenue increased by 10% to approximately RMB2.42 billion. Growth in sales revenue is primarily attributed to the surge in selling price of the Group's products, together with the gentle increase of the sales volume during the year.

##### (i) Scent & Taste

"Scent & Taste" continued to be the Group's core product segment, and constituted a stable and major income source for the Group during the year under review. As key ingredients used in many daily consumer goods, "Scent and Taste" products witnessed rising market demand with a combined positive effect of its diversified applications and the development in the emerging markets.

During the year under review, the Group has launched and sold more than 100 types of "Scent" products to customers around the world and its revenue has recorded a 11% surge of revenue in last year. As the Group further expand its market share in the field of fragrance, important customers of the industry became more relied on the Company's integrated supply chain. In addition, the revenue of "Taste" products through provision of solutions increased by 54% over the last year. For the year ended 31 December 2019, the revenue from the "Scent and Taste" sector increased by 12% to RMB1,649 million (2018: RMB1,471 million) and accounted for 68% of the Group's overall revenue (2018: 67%).

##### (ii) Naturals

In respect of the "Naturals" products, apart from existing natural pharmaceutical raw materials, the Group has been actively engaged in the development of food additives business for the production of food ingredients, fast food, frozen food and pet nutrition food, which is produced with purification and bioconversion technologies from natural produces. Naturals mainly include seafood, meat and mushroom extracts.

For the year ended 31 December 2019, the total revenue from "Natural" products was RMB456 million (2018: RMB445 million), representing an increase of 3% from last year and accounting for 19% of the Group's sales volume (2018: 20%).

### 財務回顧

#### 收入

截至2019年12月31日止年度，本集團營業額增加10%至約人民幣24.2億元。銷售收入的增長主要是由於本集團產品售價飆升所帶動，並且銷售量也有溫和的上升。

##### (i) 芳香及味道

「芳香及味道」類別仍是本集團之核心產品類別，為集團提供了穩定的主要收入。作為多種日常必需消費品的關鍵功能組份，本集團的「芳香及味道」產品因為應用廣泛及新興市場的發展而導致的市場需求仍然增加。

於本回顧年度內，集團已經推出超過100種「芳香」產品銷往全球客戶，收入比去年大幅上升11%；同時，集團繼續擴大在香料領域的市場份額，使本行業的重要客戶更多仰賴本公司整合供應鏈集成供應。以解決方案提供的「味道」產品其收入比去年增長54%。截至2019年12月31日止年度，「芳香及味道」產品類別的營業額增長12%至人民幣16.49億元（2018：人民幣14.71億元），佔本集團營業額的68%（2018：67%）。

##### (ii) 天然產物

「天然產物」除包涵了原有的天然藥物原料外，本集團已在積極地開發以天然物提純及轉化技術為基礎、應用於生產調味品、快速食品、冷凍調理食品及寵物營養食品的食品配料業務，主要是海鮮、肉類及食用菌等天然產物。

截至2019年12月31日止年度，「天然產物」的總營業額為人民幣4.56億元（2018：人民幣4.45億元），較去年增長3%，這業務佔集團銷售額的19%（2018：20%）。

### FINANCIAL REVIEW (CONTINUED)

#### Revenue (continued)

##### (iii) Specialties and Others

Besides the chiral pharmaceuticals and specialty chemicals, the Group also applies similar advanced technologies of synthesis to produce agrochemical "Specialties" chemicals, which will be turned into a kind of eco-pesticide later. In terms of functional chemicals in "Others" segment, disinfectant chemicals maintained a steady stream of business; an expansion to include electronic chemicals is also in the works. Following the Group's development in the supply chain of petroleum-based products, it is believed that the functional chemicals business will usher in a period of growth.

During the year under review, revenue of products in this category rose up by 12% to RMB317 million (2018: RMB283 million) and accounting for 13% (2018: 13%) of the Group's sales volume.

#### Gross Profit

During the year under review, the Group's gross profit decreased by 2% to RMB520 million. Gross profit margin decreased from 24.2% in 2018 to 21.5% in 2019. By the products category, the gross profit margin of "Scent and Taste" decreased from 27.0% in 2018 to 22.4% in 2019, while "Naturals" stayed at 17.7% in 2018 and 17.6% this year. The profit margin of "Specialties and Others" increased from 20.0% in 2018 to 22.0% in 2019.

#### Operating Expense

For the year ended 31 December 2019, selling and marketing expenses accounted for 1.5% of the Group's turnover (2018: 1.4%) whereas the administrative expenses accounted for 4.5% of turnover (2018: 4.3%). Under the Group's effective cost-cutting measures, the operating expenses remained stable in these two years.

### 財務回顧 (續)

#### 收入 (續)

##### (iii) 特殊化學品及其他

「特殊化學品」類別包含了手性藥物原料、醫藥特殊化學品以及運用同類先進的合成技術生產並用於製造生態農藥之農用化學品特殊化學品。在「其他」類別的功能化學品方面，針對洗滌消毒產業的產品已經形成穩定業務，此外，也向電子化學品拓展。隨著集團未來加大在石油基產業鏈的發展，功能化學品業務將步入增長軌道。

於本回顧年度，此產品類別的營業額為人民幣3.17億元(2018：人民幣2.83億元)，較去年顯著增加12%，佔集團銷售額的13%(2018：13%)。

#### 毛利

回顧年內，本集團的毛利減少2%至人民幣5.20億元。本集團的毛利率由2018年的24.2%下調至2019年21.5%之水平。按本集團產品類別分析，「芳香及味道」的毛利率由2018年的27.0%下調至2019年的22.4%，而「天然產物」的毛利率保持平穩，分別為2018年的17.7%以及本年度的17.6%，「特殊化學品及其他」的產品類別之毛利率由2018年20.0%上升至2019年的22.0%。

#### 經營開支

2019年銷售及市場推廣成本佔銷售百分比1.5%(2018：1.4%)；2019年行政費用佔銷售額4.5%(2018：4.3%)。在本集團積極實行成本控制的措施下，經營成本基本上保持穩定。

## FINANCIAL REVIEW (CONTINUED)

### Other income and (losses)/gains, net

During the year, the depreciation of the Renminbi caused the Group to record a net exchange gain of RMB1.97 million (2018: RMB7.91 million) at operation and the Group restructured part of a plant in Changtai production base resulting in written-off of certain property, plant and equipment amounting to RMB11.59 million. Overall, there was other income and net losses of RMB7.88 million in this year (2018: other income and net gains of RMB7.20 million).

### Net finance expenses

As a significant portion of the Group's borrowings is denominated in United States Dollar ("USD") and Hong Kong Dollar ("HKD"), the fluctuation of the RMB during the year has led to the exchange loss of RMB26.86 million (2018: RMB69.48 million) mainly arising from bank borrowings denominated in foreign currency. During the year, borrowing costs attributable to the construction of Gulei and Changtai plants was capitalised. As the amount of construction in progress throughout this year was at a higher level than last year, the amount of interest capitalised was increased to RMB44.76 million (2018: RMB13.84 million). On the other hand, the higher borrowing rates in this year have resulted in an increase in interest expense to RMB101.6 million (2018: RMB88.1 million). As a whole, there was a decrease of net finance expenses to RMB42.3 million (2018: RMB100 million).

### Taxation

Tax expense of the Group for 2019 was RMB97.4 million (2018: RMB101.6 million). Effective tax rate of the Group is 29.8% (2018: 32.1%).

### Profit for the Year

Reported profit attributable to shareholders in 2019 was RMB230 million, representing an increase of 7% as compared to a profit of RMB215 million in 2018. Basic earnings per share was approximately RMB29.67 cents (2018: RMB27.78 cents). The EBITDA amounted to RMB483 million as compared to RMB462 million in 2018, representing an increase of 5%.

Non-GAAP underlying profit in 2019 was RMB257 million, representing a decrease of 10% as compared to the non-GAAP underlying profit of RMB285 million in 2018. Basic earnings per share based on Non-GAAP underlying profit for the year was approximately RMB33.13 cents (2018: RMB36.74 cents).

## 財務回顧(續)

### 其他收入及(虧損)/收益－淨額

本年度內，人民幣貶值導致集團在經營層面錄得人民幣197萬元之淨匯兌收益(2018：人民幣791萬元)及本集團重建長泰廠區一部份的廠房而引致約干物業、廠房及設備之撇銷金額共人民幣1,159萬元。總體而言，本年度共有其他收入及淨虧損共人民幣788萬元(2018：其他收入及淨收益共人民幣720萬元)。

### 財務費用淨額

基於本集團的借貸主要以美元及港幣計值，人民幣於年內之波動導致美元列值之銀行貸款錄得匯兌虧損共人民幣2,686萬元(2018：人民幣6,948萬元)。本年度內，歸功於古雷和長泰工廠建設的借貸成本需要資本化，由於本年度的在建工程金額高於去年水平，因此資本化的利息金額也增加至人民幣4,476萬元(2018：人民幣1,384萬元)。另一方面，本年度較高的借貸利率，也令利息費用上升至人民幣1.016億元(2018：人民幣8,810萬元)。整體而言，本集團錄得財務費用淨額減少至人民幣4,230萬元(2018：人民幣1.00億元)。

### 稅項

2019年度本集團之稅項開支為人民幣9,740萬元(2018：人民幣1.016億元)，有效稅率為29.8%(2018：32.1%)。

### 年度利潤

2019年度股東應佔賬面利潤為人民幣2.30億元，較2018年的人民幣2.15億元增長7%，每股基本收益約為人民幣29.67分(2018：人民幣27.78分)。本年度的未扣除利息、稅項、折舊和攤銷前盈利(EBITDA)為人民幣4.83億元，較2018年的人民幣4.62億元上升5%。

2019年度非公認會計原則之基本利潤為人民幣2.57億元，較2018年的非公認會計原則之基本利潤為人民幣2.85億元下跌10%，以期內非公認會計原則之基本利潤計算之每股基本收益約為人民幣33.13分(2018：人民幣36.74分)。

### FINANCIAL REVIEW (CONTINUED)

#### Non-GAAP Financial Measures

To supplement the consolidated results of the Group prepared in accordance with HKFRS, non-GAAP underlying profit for the year have been presented in this announcement. The Company's management believes that the non-GAAP financial measures provide investors with more clear view on the Group's financial results, and with useful supplementary information to assess the performance of the Group's strategic operations by excluding net foreign exchange loss of RMB26.86 million (2018: RMB69.48 million) on financing activities.

Nevertheless, the use of non-GAAP financial measures has limitations as an analytical tool. It should be considered in addition to, not as a substitute for, analysis of the Company's financial performance prepared in accordance with HKFRS.

#### Liquidity, Financial Resources and Capital Structure

During the year under review, the Group's primary source of funding mainly included the cash generated from financing activities and internal resources. For the year ended 31 December 2019, net cash generated from operating activities amounted to RMB237 million (2018: RMB147 million of net cash used). The Group had net cash used in investing activities of RMB301 million (2018: RMB1,257 million). During the year under review, the net cash inflow generated from financing activities amounted to RMB123 million (2018: RMB414 million).

As at 31 December 2019, the inventories', trade receivables' and trade payables' average turnover days were 42 days, 146 days and 53 days (2018: 48 days, 123 days and 46 days), respectively.

The Group's financial position remains very solid and healthy during the year under review. As at 31 December 2019, the total equity of the Group was RMB2.30 billion (2018: RMB2.10 billion). The net current assets and the current ratio of the Group as at 31 December 2019 were approximately RMB1,332 million (2018: RMB1,740 million) and 1.80 (2018: 2.4), respectively.

### 財務回顧 (續)

#### 非公認會計原則財務計量

為補充根據香港財務報告準則編製的本集團綜合業績，非公認會計原則之年度基本利潤已於本公佈內呈列。本公司的管理層相信，藉排除財務活動內的淨匯兌損失共人民幣2,686萬元(2018：人民幣6,948萬元)，非公認會計原則財務計量之採用以更清晰呈列財務業績，並為投資者評估本集團戰略性業務的表現提供有用的補充資料。

儘管如此，採用該等非公認會計原則財務計量作為分析工具具有局限性，並應被視為根據香港財務報告準則編製的本公司財務業績的補充分析而非替代計量。

#### 流動資金、財務資源及資本結構

於回顧年內，本集團之基本資金來源主要來自融資活動及自有資金。截至2019年12月31日止年度，本集團錄得經營活動所得現金淨額為人民幣2.37億元(2018：所用現金為人民幣1.47億元)。本集團於投資活動上所用現金淨額為人民幣3.01億元(2018：人民幣12.57億元)。於回顧年度內，本集團融資活動所得淨現金為人民幣1.23億元(2018：人民幣4.14億元)。

於2019年12月31日，存貨、應收賬款及應付賬款之平均周轉天數分別為42天、146天及53天(2018：分別為48天、123天及46天)。

本集團於回顧年內之財務狀況仍然保持相當穩健。於2019年12月31日，本集團的股本權益總額為人民幣23.0億元(2018：人民幣21.0億元)。本集團之流動資產淨值及流動比率分別約為人民幣13.32億元(2018：人民幣17.40億元)及1.80(2018：2.4)。

## FINANCIAL REVIEW (CONTINUED)

### Liquidity, Financial Resources and Capital Structure

(continued)

As at 31 December 2019, the Group had borrowings and bills payable of approximately RMB1,898 million and RMB250 million (2018: RMB1,716 million and RMB174 million), respectively. Among the Group's borrowing, outstanding short-term borrowings amounted to RMB1,351 million (2018: RMB972 million). As at 31 December 2019, the Group's ratio of borrowings to total equity, was approximately 83% (2018: 82%) and the Group's net debt, being pledged bank deposits, short-term bank deposits, cash and cash equivalents less borrowings and bills payable amounted to RMB590 million (2018: RMB296 million).

With its available bank credit facilities and its existing cash resources, the Group has very strong liquidity and sufficient financial resources to meet its commitments, working capital requirements and future investments for expansion.

### Treasury Policies and Exposure to Fluctuations in Exchange Rates

Due to the combined factors that the sales and the purchases of raw materials of the Group are mainly denominated in USD and RMB, that the major production base is in China, that the Group's borrowings are primarily in USD, RMB and HKD, and that the consolidated financial statements are presented in RMB, exchange risks derived from the conversion from USD or HKD to RMB are involved. The Group will review its current hedging policy for foreign exchange in due course to further reduce foreign exchange risks in the short-to-long-term.

As at 31 December 2019, the Group's borrowings of approximately RMB503 million, RMB678 million and RMB717 million (2018: RMB466 million, RMB768 million and RMB482 million) were denominated in RMB, USD and HKD respectively.

Interest is mainly charged on a floating rate basis. It is expected that USD interest rates will be decreasing in 2020. The Group will continue to monitor the interest rates fluctuation in the market and take appropriate actions to minimize the interest rate risk.

## 財務回顧(續)

### 流動資金、財務資源及資本結構(續)

於2019年12月31日，本集團之借貸及應付票據分別約為人民幣18.98億元及人民幣2.50億元(2018：人民幣17.16億元及人民幣1.74億元)，於本集團的借貸當中，短期借貸為人民幣13.51億元(2018：人民幣9.72億元)。於2019年12月31日，本集團之負債權益比率約為83%(2018：82%)，而本集團之淨債務結餘(即已抵押之銀行存款、短期銀行存款、現金及現金等價物減借貸及應付票據)則為人民幣5.90億元(2018：人民幣2.96億元)。

憑藉備用銀行授信額度及現有現金資源，本集團具備充裕流動資金及充足財務資源，應付其承擔、營運資金需求及日後擴展投資。

### 庫務政策及外匯波動風險

集團之銷售及原料採購以美元及人民幣為主，而主要的生產基地於中國，集團之借貸也是以美元、人民幣及港元為主，合併財務報表並以人民幣為列值，故涉及美元或港元兌換人民幣所產生之匯兌風險。集團並會適時審視現行的外匯對沖政策以進一步減低近期、及遠期的外匯風險。

於2019年12月31日，本集團約有人民幣5.03億元、人民幣6.78億元及人民幣7.17億元(2018：人民幣4.66億元、人民幣7.68億元及人民幣4.82億元)之貸款分別以人民幣、美元及港幣列值。

利息主要以浮動利率計算，預期美元息口於二零二零年內將會調低，本集團將繼續留意市場的利率波動，並將於適當時間作出合適的安排以減低利率上升的風險。

# Biographical Details of Directors and Senior Management

## 董事及高級管理人員履歷

### DIRECTORS

#### Executive Directors

Mr. YANG Yirong

*Chairman and President, Chairman of Nomination Committee*

Mr. Yang, aged 58, is the founder of the Group. He is responsible for strategic planning and formulation of overall corporate development policy for the Group. Mr. Yang holds a Bachelor's degree in science, majoring in chemistry from Huaqiao University in 1982. Prior to founding the Group in 1994, Mr. Yang has extensive experience in the fine chemical manufacturing and trading and has more than 26 years of experience in natural organic chemistry research.

Mr. GONG Xionghui

*Senior Vice President – Functional Materials Division*

Mr. Gong, aged 56, is responsible for project construction and strategic investment development. Mr. Gong holds a Master's degree in chemical engineering from Xiamen University and has accumulated over 32 years of experience in fine chemicals industry and qualified as an ISO 9000 auditor in the PRC in 1998. He joined the Group in September 1999.

Ms. LU Jiahua

*Senior Vice President – Group Financial Control, Member of Remuneration Committee*

Ms. Lu, aged 53, oversees the finance and accounting and human resources functions for the Group in the PRC. She has over 30 years of experience in accounting, financial management, administration management and internal auditing in a number of pharmaceutical and fine chemical manufacturing enterprises. Ms. Lu holds a Bachelor's degree and a Master's degree in economics and corporate management from Xiamen University. She joined the Group in April 2002.

Mr. LIN Zhigang

*Senior Vice President – Group's Aroma Chemicals Business*

Mr. Lin, aged 49, is responsible for the management of the Group's operation in aroma chemicals business. He holds a Bachelor's degree of economics obtained from Xiamen University. Prior to joining the Group in June 1996, he worked in a foreign investment enterprise and has concrete experience in sales and marketing management, business development and production management.

### 董事

#### 執行董事

楊毅融先生

*主席兼總裁，提名委員會主席*

楊先生，58歲，本集團創辦人，負責制定本集團策略規劃及整體企業發展政策。楊先生在華僑大學主修化學，於1982年取得理學士學位。於1994年創辦本集團之前，已累積豐富精細化學品生產及貿易經驗，具有逾26年天然有機化學研究經驗。

龔雄輝先生

*資深副總裁－功能材料事業部*

龔先生，56歲，負責項目建設及策略投資發展。龔先生持有廈門大學化學工程碩士學位，並累積超過32年之精細化工行業經驗，龔先生於1998年成為中國認可ISO 9000審計師。彼於1999年9月加入本集團。

盧家華女士

*資深副總裁－集團財務管控，薪酬委員會成員*

盧女士，53歲，負責監督本集團中國業務之財務與會計及人力資源的工作。盧女士於多間製藥工業及精細化工企業之會計、財務管理、行政管理及內部核數擁有逾30年經驗。盧女士持有廈門大學經濟學學士及企業管理碩士學位。彼於2002年4月加入本集團。

林志剛先生

*資深副總裁－集團香原料業務*

林先生，49歲，分管集團香原料業務。林先生持有廈門大學經濟學士學位。於1996年6月加入本集團之前，曾在一家外資企業工作，有堅實之銷售與市場推廣管理、業務開發及生產管理經驗。



## DIRECTORS (CONTINUED)

### Executive Directors (continued)

Dr. LIN David Ying Tsung

*Senior Vice President – Engineering Project Management and Gulei Division*

Dr. Lin, aged 68, joined the Group as an independent non-executive Director on 10 June 2016. After his redesignation as an executive Director on 28 March 2018, he is responsible for the management of the construction of the Gulei project and the operation and management of the Gulei Industrial Hub in the future. He obtained the Doctor of Chemical Engineering from the University of Illinois, USA. He has accumulated over 38 years of experience in the chemical industry, with extensive experience in research and development, business development, sales and management of chemical-related projects. He has been working in Honeywell UOP, Formosa Plastics, Dragon Aromatics and HaiShunde Special Oil Co, and is responsible for large-scale chemical project management and the development and commercialization of petrochemical technology. He has awarded numerous honors and awards at Honeywell UOP and was awarded as a leading expert in Zhangzhou's outstanding Taiwanese business leaders.

Mr. HAN Huan Guang

*Senior Vice President – Group Strategic Investments and Capital Markets, Member of Remuneration Committee, Member of Nomination Committee*

Mr. Han, aged 58, responsible for strategic investments, capital markets and investor relations. He graduated from Zhongshan University (中山大學) with a Bachelor's degree in biochemistry in 1982 and obtained his Master's degree in Business Administration from University of Technology, Sydney, Australia in 1993. He has over 31 years' experience in corporate finance, merger and acquisition, infrastructure and new technology developments, management of listed and non-listed companies in the PRC and overseas. Over the years, he has been a Director, and then Managing Director in China Everbright Medicine Co. Ltd. (a subsidiary of China Everbright Holdings Group), Livzon Pharmaceutical Group Inc. and in other senior management positions in Hong Kong, Singapore and Mainland companies. He has been appointed as a Councilor of the China Society of Biotechnology, and also member of some professional associations in the region. Mr. Han joined the Group in September 2005 as a non-executive Director, and became an executive Director from May 2006.

## 董事 (續)

### 執行董事 (續)

林英宗博士

*資深副總裁 – 工程項目管理及古雷產業*

林博士，68歲，於2016年6月10日加入本集團擔任獨立非執行董事。林博士於2018年3月28日調任為執行董事後，分管古雷產業基地建設及未來古雷產業基地的運作管理。林博士為美國伊利諾大學化學工程博士，累積超過38年之化工行業經驗，具有豐富化工相關之專案管理、研發、業務開發與銷售經驗。林博士曾先後於霍尼韋爾UOP、Formosa Plastics、騰龍芳烴及海順德從事大型化工之項目管理以及負責石化工藝技術之開發及商業化之工作。彼曾於霍尼韋爾UOP獲多次成就與榮譽獎，並曾被列為漳州傑出台商與市領導掛鉤專業人才。

韓歡光先生

*資深副總裁 – 集團策略投資與資本市場，薪酬委員會成員，提名委員會成員*

韓先生，58歲，負責策略投資、資本市場及投資者關係。韓先生於1982年在中山大學畢業，持有生物化學學士，並於1993年獲取澳大利亞悉尼理工大學工商管理碩士學位。彼於中國及海外企業融資、併購、基建和新技術開發，以及中國及海外上市及非上市公司管理方面積逾31年豐富經驗，曾先後於中國光大集團附屬公司China Everbright Medicine Co. Ltd.、麗珠醫藥集團任職董事及董事總經理，亦曾於香港、星加坡和中國公司擔任其他高級管理職務。並曾獲中國生物工程學會委任為理事。彼亦為區內多個專業組織之會員。彼於2005年9月加盟本集團作為非執行董事，並於2006年5月轉任為執行董事。

## Biographical Details of Directors and Senior Management

### 董事及高級管理人員履歷

#### DIRECTORS (CONTINUED)

##### Independent Non-executive Directors ("INED(s)")

Mr. YAU Fook Chuen

*Chairman of Audit Committee, Member of Remuneration Committee, Member of Nomination Committee*

Mr. Yau, aged 62, is a practising accountant and has over 30 years of experience in public accountancy practice which covers company secretarial service, accountancy, auditing and taxation. He is a member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Yau is currently the proprietor of Yau & Wong, Certified Public Accountants in Hong Kong. He was appointed as an INED in February 2004.

Professor XIANG Ming

*Member of Audit Committee, Member of Remuneration Committee, Member of Nomination Committee*

Professor Xiang, 57 years old, is a professor at the Polymer Research Institute of Sichuan University. He has long been engaged in the research and development of polymer materials. Professor Xiang has more than 31 years of experience in technical research and development services for the industrial sector. He is familiar with managing the research and development on technology and product for Chinese companies. He obtained the certificate of the independent director of the PRC in 2006. Professor Xiang was appointed as an independent director for Yunnan Yuntianhua Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600096) as the role of a technical expert from 2006 to 2012. He was appointed as an INED in April 2019.

Mr. WONG Yik Chung, John

*Chairman of Remuneration Committee, Member of Audit Committee, Member of Nomination Committee*

Mr. Wong, aged 53, among being the Independent Non-executive Director of the Company, was also served as an Independent Non-executive Director of a few companies listed in Hong Kong and overseas stock exchanges. He is a professional accountant by training with more than 27 years of experience in auditing and corporate finance work, with extensive exposure to the business enterprise in the PRC. He was admitted as a member of the Australian Society of Certified Practising Accountants in February 1992 and as an associate member of the Hong Kong Institute of Certified Public Accountants in April 1997. He also obtained a PRC Certificate of Independent Directorship in 2002. He was appointed as an INED in February 2004.

#### 董事 (續)

##### 獨立非執行董事

丘福全先生

審核委員會主席，薪酬委員會成員，提名委員會成員

丘先生，62歲，執業會計師，擁有逾30年有關公司秘書服務、會計、審計及稅務之執業會計師經驗。丘先生為英國特許公認會計師公會及香港會計師公會會員，現時經營香港執業會計師丘王會計師事務所。彼於2004年2月獲委任為獨立非執行董事。

向明教授

審核委員會成員，薪酬委員會成員，提名委員會成員

向教授，57歲，彼為四川大學高分子研究所教授，長期從事高分子材料的研究開發，擁有逾31年為工業界進行技術研發服務的經驗，熟悉中國企業的技术、產品研究開發管理流程。彼於2006年取得中國獨立董事任職證書。作為技術專家，向教授於2006年至2012年獲雲南雲天化股份有限公司(在上海證券交易所上市的公司，股票代碼：600096)委任為獨立董事。彼於2019年4月獲委任為獨立非執行董事。

黃翼忠先生

薪酬委員會主席，審核委員會成員，提名委員會成員

黃先生，53歲，彼為本公司的獨立非執行董事外，同時身兼數間於香港及海外證券交易所上市公司的獨立非執行董事之職務。彼為合資格會計師，擁有逾27年審計及企業融資經驗，對中國商業企業具有資深經驗。彼於1992年2月獲接納為澳洲執業會計師公會會員，並於1997年4月獲接納為香港會計師公會的會員。彼亦於2002年取得中國獨立董事證書。黃先生於2004年2月獲委任為獨立非執行董事。

## SENIOR MANAGEMENT

Dr. LIU Yaoquan, Gary  
*Innovative Technology Director*

Dr. Liu, aged 56, joined the Group in March 2014. He is responsible for the technology and innovation of the Group. Dr. Liu obtained the Master's degree in chemistry from the Chinese Academy of Science, Doctoral degree in chemistry from the University of Alberta, Canada and Postdoctoral research fellow of University of California, United States of America. He has been engaged in research in terpene chemicals and aroma chemicals as well as organic synthesis of natural alkaloids in Guangzhou Chemistry Research Institutes of Chinese Academy of Sciences and University of Hanover, Germany. Dr. Liu was the Senior Scientist of KOSAN Biosciences, Inc. and the Chemistry Director of Evolva, United States of America.

Mr. YAN Da Yi, David  
*General Manager – Marketing and Sales of Aroma Chemicals*

Mr. Yan, aged 59, General Manager of the Marketing and Sales of Aroma Chemicals, Mr. Yan holds a Bachelor's degree in Engineering. Mr. Yan has 36 years work experience in Canada, Hong Kong and China. Before joining the Group in May 2004, he worked for eight years in a well-known software company in Hong Kong, for positions in marketing, sales, servicing and administrative departments.

Mr. XIAO Liyuan  
*Aroma Chemicals Operations Manager*

Mr. Xiao, aged 56, Director of Aroma Chemicals Operations. Before joining the Group in February 2001, he was the deputy manager in a large chemical enterprise. Mr. Xiao has more than 37 years experience of production management.

Mr. TU Hongbin  
*Aroma Chemicals R&D Manager*

Mr. Tu, aged 52, Aroma Chemicals R&D Manager, who received a Ph.D degree in 1995 from Beijing Institute of Technology. After the postdoctoral research experience with Professor Alan.R.Katritzky at University of Florida of USA (2001–2004), he joined Ecogreen in May 2005. He has more than 15 years experience in organic synthesis and methodology including 3 years preparation and production of Heterocyclic compounds.

Mr. LAM Kwok Kin  
*Financial Controller and Company Secretary*

Mr. Lam, aged 46, is the financial controller and company secretary of the Company. He holds a Bachelor's degree in accountancy and is a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group in October 2003, he worked with an international accounting firm for 7 years and was the financial controller and company secretary of a company listed on the Stock Exchange. Mr. Lam has extensive experience in auditing, accounting, budgeting and company secretarial work.

## 高級管理人員

劉堯權博士  
*創新技術總監*

劉博士，56歲，2014年3月加盟本集團，負責監督本集團之技術及創新。劉博士為中國科學院化學碩士、加拿大阿爾比大學化學博士及於美國加利福尼亞大學成為博士後研究生，曾先後於中國科學院廣州化學研究所、德國漢諾威大學從事松節油化學和香料化學的研究及天然產物生物鹼的有機合成工作。劉博士曾為KOSAN生物科學有限公司資深科學家及Evolva美國公司化學主管。

顏達義先生  
*香原料市場營銷部總經理*

顏先生，59歲，本集團之香原料市場營銷部總經理。顏先生持有工學學士學位，在加拿大、香港和中國沿海有36年工作積累，於2004年5月加入本集團前，顏先生曾於香港一家知名軟體公司任職八年及擔任市場、銷售、服務和行政管理職務，對不同文化背景的商業運作模式和溝通交流理解深刻、經驗豐富。

肖利遠先生  
*香原料營運總監*

肖先生，56歲，本集團香原料製造之營運總監。於2001年2月加入本集團前，肖先生曾於一家大型化工企業擔任生產管理副廠長，具有37年化工企業生產管理的豐富經驗。

塗洪斌先生  
*香原料研發主管*

塗先生，52歲，本集團之香原料研發主管。北京理工大學工學博士，於美國佛羅里達大學參與Alan.R.Katritzky教授的研究工作取得博士後研究經驗(2001-2004)。於2005年5月加入本集團前，塗先生曾於美國佛羅里達大學從事雜環化學研究3年，積累有15年有機化學研究的豐富經驗。

林國健先生  
*財務總監兼公司秘書*

林先生，46歲，本公司之財務總監兼公司秘書。林先生持有會計學士學位，為英國特許公認會計師公會之資深會員及香港會計師公會之資深會員。於2003年10月加入本集團前，林先生曾於一家國際會計師行任職7年及擔任一家聯交所上市公司之財務總監兼公司秘書，於核數、會計、預算及公司秘書事務擁有豐富經驗。

# Corporate Governance Report

## 企業管治報告

The Board acknowledges the importance of and benefit from good corporate governance practices and is committed to improving the corporate governance practices in order to enhance better transparency and to ensure that business activities and decision making processes are regulated in a proper manner to safeguard the interests of shareholders.

The Company's corporate governance practices are based on the principles (the "Principles") and code provisions (the "Code Provisions") as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Throughout the year ended 31 December 2019, the Company has complied with the Code Provisions under and the Corporate Governance Code as set out in Appendix 14 of the Listing Rules except for the deviations from Code Provisions A.2.1 and A.5.1.

The following summarises the Company's corporate governance practices and explains deviations, if any, from the CG Code.

### CORPORATE GOVERNANCE

The Board is entrusted with the overall responsibility of: (i) developing and reviewing the Company's policies and practices on corporate governance and make recommendations to the Board; (ii) reviewing and monitoring the training and continuous professional development of the Company's Directors and senior management; (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring codes of conduct and compliance manuals (if any) applicable to the Company's employees and Directors; and (v) reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

During the year under review, the Board reviewed and monitored the training and continuous professional development of the Directors and company secretary of the Company in compliance with the CG Code and the Listing Rules. Further, the Board reviewed and monitored the Group's policies and practices and noted that the Group had complied with the relevant legal and regulatory requirements in all material respects during the year under review. The Board also reviewed the employees' manual applicable to the employees of the Company. Lastly, the Board has reviewed the Company's compliance with the CG Code and the disclosure of this Corporate Governance Report.

董事會深明良好企業管治常規的重要性及好處，並承諾改善企業管治常規，以增加透明度及確保本公司的業務活動及決策過程受到適當之規管以保障股東利益。

本公司之企業管治常規乃建基於香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載企業管治守則(「企業管治守則」)內所列之原則(「原則」)及守則條文(「守則條文」)而釐定。

截至2019年12月31日止年度內，本公司一直遵守上市規則附錄14所載之《企業管治守則》之守則條文，惟偏離有關守則條文第A.2.1條及第A.5.1條除外。

下文概述本公司企業管治常規及闡釋偏離守則條文之情況(如有)。

### 企業管治

董事會獲委統籌負責以下事項：(i)建立及檢討本公司企業管治政策及常規並向董事會作出建議；(ii)檢討及監督本公司董事及高級管理人員的培訓及持續專業發展；(iii)檢討及監督本公司符合法律及規管規定的政策及常規；(iv)建立、檢討及監督適用於本公司僱員及董事的行為守則及法規手冊(如有)；及(v)檢討本公司遵守企業管治守則的情況，及企業管治報告內的披露資料。

回顧年度內，董事會已檢討及監督董事及本公司公司秘書的培訓及持續專業發展，以符合企業管治常規及上市規則。此外，董事會已檢討及監督本集團的政策及常規，並發現本集團於回顧年度在各重大方面均已符合相關法律法規的規定。董事會亦已檢討適用於本公司僱員的員工手冊。最後，董事會已檢討本公司遵守企業管治守則的情況，以及本企業管治報告內的披露資料。

## THE BOARD

### Responsibilities

The Board is accountable to the shareholders for leading the Group in a responsible and effective manner. The Board provides leadership and formulates strategic policies and plans of the Group with a view to enhancing shareholder interests while the day-to-day operations of the Group are delegated to the management.

The Board reserves for its decisions all major matters of the Group, including: objectives and overall strategies of the Group; annual budgets and financial matters; equity related transactions such as issue of shares/options and repurchase of shares; dividend; raising of capital loan; determination of major business strategy; merger and acquisition; major investment; annual financial budget in turnover, profitability and capital expenditure; review and approval of financial performance and announcement; and matters as required by laws and ordinance.

The management has the obligation to supply the Board and the various Committees with adequate information in a timely manner to enable the members to make informed decisions. Each Director has separate and independent access to the Company's senior management to acquire more information than is volunteered by management and to make further enquiries if necessary. The functions delegated to management are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

### Composition and role

As at the date of this report, the Board comprises a total of nine members including six executive Directors, and three INEDs, as follows:

#### **Executive Directors**

Mr. Yang Yirong (*Chairman & President*)  
 Ms. Lu Jiahua  
 Mr. Gong Xionghui  
 Mr. Han Huan Guang  
 Mr. Lin Zhigang  
 Dr. Lin David Ying Tsung

## 董事會

### 職責

董事會須向股東負責，並以負責任及有成效的方式領導本集團。董事會並負責領導及制定本集團策略性政策及計劃以提高股東利益為宗旨，而本集團日常運作乃管理層負責。

董事會負責本集團所有重要事項之決策，包括制定本集團之業務目標及整體策略；年度預算及財務事宜；股本相關交易，如發行股份／購股權及購回股份；股息；籌集資金貸款；釐定主要業務策略；合併及收購；主要投資；營業額、盈利及資本開支之年度財務預算；檢討及批准財務表現及公佈；以及法例及條例規定之其他事項。

管理層有責任於適當時候向董事會及各委員會提供充足資料，以便成員在知情之情況下作出決定。董事亦可自行及獨自向本公司之管理高層，索取管理層所主動提供以外資料，並在有需要時作出進一步查詢。本公司會定期檢討委派管理層履行之職能。管理層在訂立任何重大交易前必須事先取得董事會批准。

### 組成及角色

截至本報告日期，董事會由九名成員組成，包括六名執行董事及三名獨立非執行董事，如下：

#### **執行董事**

楊毅融先生(*主席兼總裁*)  
 盧家華女士  
 龔雄輝先生  
 韓歡光先生  
 林志剛先生  
 林英宗博士

### THE BOARD (CONTINUED)

#### Composition and role (continued)

##### INEDs

Mr. Yau Fook Chuen  
Professor Xiang Ming (appointed on 9 April 2019)  
Mr. Wong Yik Chung, John

The INEDs together have substantial experience in fields of auditing, legal matters, business, accounting, corporate internal control and regulatory affairs. The Board's composition covers a balance of expertise, skills and industry experience so as to bring in valuable contributions and advices for the development of the Group's business. Through active participation in Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board committees, all INEDs make various contributions to the effective direction of the Group.

The INEDs also serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. One INED possesses appropriate professional qualifications, or accounting or related financial management expertise. The INEDs are explicitly identified in all of the Company's corporate communications.

During the period from 28 March 2018 to 9 April 2019, the Board cannot met the requirements of the Listing Rules relating to the appointment of at least three INEDs. Pursuant to Rules 3.10(1), 3.10A, 3.21 and 3.25 of the Listing Rules and CG Code Provision A.5.1, (i) the Board is required to have at least three INEDs; (ii) the Board is required to have INEDs representing at least one third of the Board; (iii) the audit committee must comprise a minimum of three members, at least one of whom is an INED with appropriate professional qualifications or accounting or related financial management expertise; (iv) the remuneration committee must comprise by a majority of INEDs and (v) the nomination committee must comprise by a majority of INEDs.

Dr. Lin David Ying Tsung ("Dr. Lin") was redesignated as executive Director on 28 March 2018. On the same date, he was resigned as an INED, and a member of each of the remuneration committee, the audit committee and the nomination committee of the Company. The Company has not appointed a suitable candidate to fill the vacancy till 9 April 2019.

### 董事會 (續)

#### 組成及角色 (續)

##### 獨立非執行董事

丘福全先生  
向明教授(於2019年4月9日獲委任)  
黃翼忠先生

獨立非執行董事分別於審計、法律事宜、業務、會計、企業內部監控及監管事宜方面具有豐富經驗。董事會之組成具備恰當專業知識、技巧及行業經驗，故可為本集團業務發展提供寶貴貢獻及意見。透過積極參與董事會會議，領導涉及潛在利益衝突及處理各董事委員會事務，全體獨立非執行董事對本集團之有效領導作出不同貢獻。

獨立非執行董事亦在確保及監察有效企業管治之架構中擔當非常重要的角色。一位獨立非執行董事並具備合適之專業資格或會計或有關財務管理專業知識之規定。而獨立非執行董事均可在本公司所有企業通訊內明確識別。

於2018年3月28日至2019年4月9日期間，董事會未能符合上市規則有關董事會須委任最少三名獨立非執行董事的規定。根據上市規則第3.10(1)、3.10A、3.21及3.25條及企業管治守則條文A.5.1，(i)董事會必須至少有三名獨立非執行董事；(ii)董事會中獨立非執行董事人數必須佔董事會成員人數至少三分之一；(iii)審核委員會至少要有三名成員，其中至少一名為具備合適專業資格或會計或相關財務管理專長之獨立非執行董事；(iv)薪酬委員會必須以獨立非執行董事佔大多數及(v)提名委員會必須以獨立非執行董事佔大多數。

林英宗博士(「林博士」)於2018年3月28日調任為執行董事，並於同日辭任本公司獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。於2019年4月9日前，本公司沒有委任適當人選填補空缺。

## THE BOARD (CONTINUED)

### Composition and role (continued)

Since the Company was not able to identify suitable candidate to take up the vacancy left by Dr. Lin, the Company was not in compliance with the requirements prescribed under Rules 3.10(1), 3.10A, 3.21 and 3.25 of the Listing Rules and CG Code Provision A.5.1 during the period from 28 March 2018 to 9 April 2019.

The Board considers that each INED is independent in character and judgment and that they all meet the specific independence criteria as required by the Listing Rules. Pursuant to Code Provision A.4.3, any further appointment of INED serving more than nine years should be subject to a separate resolution to be approved by the shareholders of the Company. Notwithstanding that Mr. Yau Fook Chuen (“Mr. Yau”) and Mr. Wong Yik Chung John (“Mr. Wong”) have served as INEDs of the Company for more than nine years, (i) the Board has assessed and reviewed the annual confirmation of independence based on the requirement set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Yau and Mr. Wong remain independent; (ii) the Nomination Committee of the Company has assessed and is satisfied of the independence of Mr. Yau and Mr. Wong; and (iii) the Board considers that Mr. Yau and Mr. Wong remain independent of management and free of any relationship which could materially interfere with the exercise of his independent judgement. Notwithstanding the length of their service, the Company believes that their valuable knowledge and experience in the Group’s business will continue to benefit the Company and the shareholders as a whole.

### Board meetings

The Board meets regularly throughout the year to discuss the overall strategy as well as the operation and financial performance of the Group. The Chairman is primarily responsible for drawing up and approving the agenda for each board meeting in consultation with all directors. Notices of regular board meetings are served to all Directors at least 14 days before the meetings while reasonable notice is generally given for other Board meetings and the directors can include matters for discussion in the agenda if necessary. Agenda and accompanying board papers in respect of regular board meetings are sent out in full to all directors within reasonable time before the meeting. Draft minutes are normally circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors’ inspection.

## 董事會 (續)

### 組成及角色 (續)

由於本公司未能物色合適人選，以填補林博士調任後出現之空缺，本公司於2018年3月28日至2019年4月9日期間未能符合上市規則第3.10(1)、3.10A、3.21及3.25條及企業管治守則條文A.5.1之規定。

董事會相信每一位獨立非執行董事均有其獨立性及判斷力，彼等均合乎上市規則規定之特定獨立準則。根據守則條文A.4.3，任何出任超過九年之獨立非執行董事之續任，應由本公司股東以獨立決議案批准後方可作實。儘管邱福全先生(「邱先生」)及黃翼忠先生(「黃先生」)已擔任本公司獨立非執行董事超過九年，(i)董事會已根據上市規則第3.13條所載準則評估及審閱獨立性年度確認書，並確認邱先生及黃先生仍為獨立人士；(ii)本公司提名委員會已評估且滿意邱先生及黃先生之獨立性；及(iii)董事會認為邱先生及黃先生獨立於管理層，亦不存在任何以致嚴重影響彼等行使獨立判斷的關係。儘管彼等服務任期較長，但本公司相信，彼等於本集團業務之豐富知識及經驗將繼續為本公司及股東整體帶來利益。

### 董事會會議

董事會於年內定期會晤商討本集團整體策略、營運及財務表現。主席經徵詢全體董事，首要負責草擬及審批每次董事會會議之議程。定期舉行之董事會會議通告須於會議舉行前最少14日送交全體董事，而其他董事會會議亦通常有合理時間的通知，如需要，董事可要求在議程內加插討論事項。召開常務會議時，一套完整議程連同開會文件會在開會前之合理時間內發送予各董事。會議記錄初稿一般於各會議結束後的合理時間內交予董事傳閱，讓董事提供意見，會議記錄之最終定稿可供董事查閱。

**THE BOARD** (CONTINUED)

## Board meetings (continued)

Minutes of board meetings and meetings of board committees are kept by duly appointed secretaries of the respective meetings and all directors have access to board papers and related materials, and are provided with adequate information in a timely manner, which enable the Board to make an informed decision on matters placed before it.

A total of 4 board meetings were held during the year. The individual attendance record of each Director at the meetings of the Board, the Remuneration Committee and the Audit Committee during the year ended 31 December 2019 is set out below:

Name of Director	董事姓名	Number of meetings attended/held 出席/舉行會議次數				
		General meeting 股東大會	Full Board meetings 全體成員例會 之董事會會議	Nomination Committee meeting 提名委員會會議	Remuneration Committee meetings 薪酬委員會會議	Audit Committee meetings 審核委員會會議
<b>EXECUTIVE DIRECTORS</b>		<b>執行董事</b>				
Mr. Yang Yirong (Chairman)	楊毅融先生(主席)	1/1	4/4	1/1	-	-
Mr. Gong Xionghui	龔雄輝先生	1/1	4/4	-	-	-
Ms. Lu Jiahua	盧家華女士	1/1	4/4	-	1/1	-
Dr. Lin David Ying Tsung	林英宗博士	1/1	4/4	-	-	-
Mr. Han Huan Guang	韓歡光先生	1/1	4/4	1/1	1/1	-
Mr. Lin Zhigang	林志剛先生	1/1	4/4	-	-	-
<b>INEDs</b>		<b>獨立非執行董事</b>				
Mr. Yau Fook Chuen	丘福全先生	1/1	4/4	1/1	1/1	3/3
Professor Xiang Ming <sup>(i)</sup>	向明教授 <sup>(i)</sup>	1/1	3/3	1/1	1/1	3/3
Mr. Wong Yik Chung, John	黃翼忠先生	1/1	4/4	1/1	1/1	3/3

Notes:

(i) Professor Xiang Ming was appointed on 9 April 2019.

According to current Board practice, any material transaction which involves a conflict of interest for a substantial shareholder or a Director, will be considered and dealt with by the Board at a duly convened board meeting. The Company's Articles of Association also contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

**董事會** (續)

## 董事會會議 (續)

董事會及董事委員會之會議紀錄由相關會議所委任之秘書保存，所有董事均有權查閱董事會文件及相關資料及適時地獲提供足夠資料，使董事會可於決策事項前作出有根據的判斷。

年內合共舉行四次董事會會議。截至2019年12月31日止年度，各董事於董事會會議、薪酬委員會會議及審核委員會會議之出席記錄如下：

Number of meetings attended/held  
出席/舉行會議次數

Name of Director	董事姓名	Number of meetings attended/held 出席/舉行會議次數				
		General meeting 股東大會	Full Board meetings 全體成員例會 之董事會會議	Nomination Committee meeting 提名委員會會議	Remuneration Committee meetings 薪酬委員會會議	Audit Committee meetings 審核委員會會議
<b>EXECUTIVE DIRECTORS</b>		<b>執行董事</b>				
Mr. Yang Yirong (Chairman)	楊毅融先生(主席)	1/1	4/4	1/1	-	-
Mr. Gong Xionghui	龔雄輝先生	1/1	4/4	-	-	-
Ms. Lu Jiahua	盧家華女士	1/1	4/4	-	1/1	-
Dr. Lin David Ying Tsung	林英宗博士	1/1	4/4	-	-	-
Mr. Han Huan Guang	韓歡光先生	1/1	4/4	1/1	1/1	-
Mr. Lin Zhigang	林志剛先生	1/1	4/4	-	-	-
<b>INEDs</b>		<b>獨立非執行董事</b>				
Mr. Yau Fook Chuen	丘福全先生	1/1	4/4	1/1	1/1	3/3
Professor Xiang Ming <sup>(i)</sup>	向明教授 <sup>(i)</sup>	1/1	3/3	1/1	1/1	3/3
Mr. Wong Yik Chung, John	黃翼忠先生	1/1	4/4	1/1	1/1	3/3

附註：

(i) 向明教授於2019年4月9日獲委任。

根據現時董事會常規，任何涉及主要股東或董事利益衝突之重大交易將由董事會正式召開董事會會議予以考慮及處理。本公司之公司組織章程細則亦載有條文規定，董事在批准涉及或其連繫人士擁有重大權益之交易時，必須放棄投票及不得計入有關會議之法定人數內。



## THE BOARD (CONTINUED)

### Training for Directors

Each newly appointed Director receives comprehensive, formal and tailored induction on the first occasion of his appointment, so as to ensure that he has appropriate understanding of the business and operations of the Company and that he is fully aware of his responsibilities and obligations under the Listing Rules and relevant regulatory requirements. There are also arrangements in place for providing continuing briefing and professional development to Directors whenever necessary.

The Directors are continually updated with the regulatory requirements, business activities and development of the Company to facilitate the discharge of their responsibilities. Through regular Board meetings and emails, all Directors are kept abreast of the conduct, business activities and development of the Company. During the year, the Directors have attended various in-house briefings and internal or external seminars/trainings, and have read internal or external newsletters, updates and other reading materials covering topics such as business of the Company, corporate governance, industry knowledge, regulatory updates, finance and management.

### Appointment, rotation and re-election of Directors

Pursuant to the Articles of Association of the Company, all newly appointed Directors of the Company shall hold office until the next general meeting and shall then be eligible for re-election. Every Director, including those appointed for a specific term shall be subject to retirement by rotation at least once every three years at the AGM. The retiring Directors shall be eligible for re-election.

In accordance with article 108(A) of the articles of association of the Company, Mr. Gong Xionghui, Mr. Han Huan Guang and Mr. Lin Zhigang will retire as Directors by rotation and, being eligible, offer themselves for re-election as Directors at the AGM.

### Term of appointment of INEDs

All INEDs were appointed for an initial term of not more than one year and will be renewable automatically for successive term of one year until terminated by not less than three months' notice in writing served by either party or the other. All INEDs are subject to retirement by rotation once every three years and are subject to reelection.

## 董事會 (續)

### 董事培訓

每名新委任之董事均在其首次接受委任時獲得全面、正式兼特為其而設之就任須知，以確保彼等對本公司之業務及運作均有適當之理解，以及完全知悉其於上市規則及有關監管規定下之職責。需要時，本公司亦安排向董事提供持續介紹及專業發展。

本公司經常向董事提供有關監管規定與本公司業務活動及發展之最新資料，以助彼等履行職責。透過定期參加董事會議或通過電郵，各董事可密切跟進本公司之舉動、業務活動及發展。本年度，董事已出席多個內部會議及內部或外部研討會／培訓，並已閱讀內部或外部實時通訊、快訊及其他閱讀材料，涵蓋主題如本公司業務、企業管治、行業知識、監管更新、財務及管理。

### 董事委任、輪值退任及重選

根據本公司的章程細則，每名獲董事局委任的新董事，他們的任期將直下屆股東大會為止，並符合資格膺選連任。每位董事包括有指定任期之董事須最少每三年於股東週年大會上輪值退任一次。退任董事可獲重選連任。

根據本公司之組織章程細則第108(A)條，龔雄輝先生、韓歡光先生、林志剛先生將於股東週年大會輪值退任董事，惟彼等符合資格並願意膺選連任董事。

### 獨立非執行董事之委任年期

本公司獨立非執行董事均按不超過一年之初步年期委任，並將於屆滿時自動續約一年，直至其中一名訂約方向另一方發出不少於三個月書面通知予以終止，所有獨立非執行董事均須每三年輪流退任，並須經重選連任。

### THE BOARD (CONTINUED)

#### Segregation of Roles of Chairman and Chief Executive Officer ("CEO")

The Company has not yet adopted A.2.1. Under the Code Provision A.2.1 of the CG Code, the roles of Chairman and CEO should be separate and would not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing.

The Company does not presently have any officer with the title CEO. At present, Mr. Yang Yirong, being the Chairman and the President of the Company, is responsible for the strategic planning, formulation of overall corporate development policy and running the business of the Group as well as the duties of Chairman. The Board considers that, due to the nature and extent of the Group's operations, Mr. Yang is the most appropriate chief executive because he possesses in-depth knowledge and experience in fine chemicals business and is able to ensure the sustainable development of the Group. Besides, he is the founder, the chairman and the controlling shareholder of the Group since its establishment and till now. Notwithstanding the above, the Board will review the current structure from time to time. When at the appropriate time and if candidate with suitable leadership, knowledge, skills and experience can be identified within or outside the Group, the Company may make the necessary amendments.

#### Company Secretary

The company secretary of the Company, Mr. Lam Kwok Kin, is responsible for ensuring that board procedures comply with all applicable laws, rules and regulations and advising the Board on corporate governance matters. He is also responsible for taking and keeping minutes of all Board and board committee meetings. Draft version of minutes is normally circulated to the Directors for comment within a reasonable time after each meeting and the final version of which is open for the Director's inspection. Moreover, the Company Secretary is responsible for keeping all Directors updated on Listing Rules, regulatory requirements and internal codes of conduct of the Company. He has attained no less than 15 hours of relevant professional training during the year.

#### Indemnification

The Company has arranged appropriate insurance cover in respect of legal actions against its Directors and officers. The Board reviews the extent of this insurance annually.

### 董事會 (續)

#### 主席及行政總裁職能之劃分

本公司尚未採納第A.2.1條之規定。根據企業管治守則之守則條文A.2.1，主席及行政總裁之角色應予區分，不應由同一人擔任。主席與行政總裁間之職責分工應清楚界定及以書面列明。本公司並無高級職員獲授行政總裁職銜。

本公司主席兼總裁楊毅融先生現負責策略規劃、整體企業發展政策制定及本集團業務營運以及主席職責。董事會認為，基於本集團之業務性質及範疇，楊先生不但具備精細化工業務之豐富知識及經驗，並有能力推動本集團持續發展，故為最合適的行政總裁人選。此外，彼亦為本集團之創辦人、自成立至今之主席兼控股股東，惟董事會將不時檢討現行架構，並於合適時候及倘本集團自內部或外界物色到具備適當領導才能、知識、技能及經驗之人選，本公司或會作出所需修訂。

#### 公司秘書

本公司的公司秘書林國健先生負責確保董事會程序符合所有適用法律、法例及法規，並就企業管治事宜向董事會提出建議。彼亦負責記錄及存置所有董事會及委員會會議的會議紀錄。會議紀錄草稿一般於各會議舉行後的一段合理時間內供董事傳閱以收集意見，而最終版本將可供董事查閱。此外，公司秘書負責通知全體董事有關上市規則、監管規定及本公司內部操守守則的最新資訊。彼於年內接受不少於15小時的相關專業訓練。

#### 賠償

本公司已就其董事及高級人員可能會面對之法律行動作適當之投保安排，投保範圍乃按年檢討。

## BOARD COMMITTEES

The Board has established three committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference which deal clearly with their authority and duties. The terms of reference of the Board committees are posted on the Company's website and are available to shareholders upon request.

The chairmen of the committees will report the findings and recommendations of the committees to the Board after each meeting. The minutes of all meetings of the committees are circulated to the Board for information.

### Audit Committee

The Audit Committee was established in 2004. Its current members comprises three INEDs, namely Mr. Yau Fook Chuen (the chairman of the committee), Professor Xiang Ming and Mr. Wong Yik Chung, John, in which Mr. Yau Fook Chuen possesses the appropriate professional qualifications or accounting or related financial management expertise.

The Board considers that each Audit Committee member has broad commercial experience and there is a suitable mix of expertise in accounting, business and legal on the Audit Committee. The new written terms of reference which describe the authority and duties of the Audit Committee were adopted in March 2017 to conform to the provisions of the New CG Code, a copy of which is posted on the Company's website.

The Audit Committee meets regularly to review the Group's financial reporting and other information to shareholders, the system of internal controls, risk management and the effectiveness and objectiveness of the audit process. The Audit Committee also provides an important link between the Board and the Company's auditors in matters coming within the scope of its terms of reference and keeps under review the independence and objectivity of the auditors.

During the year under review, the Audit Committee held three meetings with the senior management to review, consider and approve the interim and annual financial statements, discuss internal controls matters and the re-appointment of the external auditor. The Audit Committee has also reviewed the Group's accounting principles and practices, Listing Rules and statutory compliance and financial reporting matters.

## 董事委員會

董事會設有三個委員會，分別為審核委員會及提名委員會薪酬委員會及以監管本公司各類具體事務。本公司之所有董事會委員會均有明確的書面職權範圍，清晰訂明其權力及職能。董事委員會之職權範圍刊載於本公司網站，如股東有需要時可向公司索取有關資料參閱。

各委員會主席將於各會議完結後向董事會提交各委員會的結論及推薦意見。所有委員會會議記錄會交予董事會傳閱，以提供資訊。

### 審核委員會

審核委員會於2004年成立。其現任成員包括由三名獨立非執行董事組成，即丘福全先生(委員會主席)、向明教授及黃翼忠先生。當中，丘福全先生為具有適當專業資格或會計或有關財務管理經驗專業知識之獨立非執行董事。

董事會認為各審核委員會成員均具備廣泛營商經驗，審核委員會當中兼備合適之會計、商業及法律專業。為符合新企業管治守則條文，載列審核委員會權限及職責的書面職權範圍已於2017年3月被採納，職權範圍全文已刊載於本公司網頁內。

審核委員會定期開會以檢討本集團之財務匯報及給予股東之其他資料、內部監控系統、風險管理及審核過程之有效性及客觀性。審核委員會並為董事會及公司核數師之間之重要橋樑，在其職權範圍內持續檢討核數師之獨立性及客觀性。

於回顧年內，審核委員會曾與高級管理人員舉行三次會議，審閱、考慮及批准中期及年度財務報表、討論內部監控及外聘核數師續聘等事宜。審核委員會亦完成檢討本集團之會計原則與常規、上市規則及其他法規之遵行，以及財務匯報事宜。

## BOARD COMMITTEES (CONTINUED)

### Remuneration Committee

The Remuneration Committee was established in 2004. Its current members comprises three INEDs, namely, Mr. Wong Yik Chung, John (the chairman of the committee), Professor Xiang Ming and Mr. Yau Fook Chuen and two executive Directors, Mr. Han Huan Guang and Ms. Lu Jiahua.

The Remuneration Committee advises the Board on the Group's overall policy and structure for the remuneration of directors and senior management. The Remuneration Committee ensures that no director or any of his associate is involved in deciding his own remuneration. The new terms of reference of the Remuneration Committee were adopted in March 2012 to conform to the provisions of the New CG Code, a copy of which is posted on the Company's website.

In determining the emolument payable to directors, the Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the Group and the desirability of performance-based remuneration.

During the year under review, the Remuneration Committee held one meetings to review and consider the remuneration policy and packages, including any discretionary management bonus of the Executive Directors and senior management by reference to market conditions, performance of the Group and the individual and corporate goals.

## 董事委員會 (續)

### 薪酬委員會

薪酬委員會於2004年成立。其現任成員包括三名獨立非執行董事黃翼忠先生(委員會主席)、向明教授及丘福全先生，以及兩名執行董事韓歡光先生及盧家華女士。

薪酬委員會為本集團董事及高級管理層之薪酬之整體政策及架構向董事會作出建議。薪酬委員會確保概無董事或其任何聯繫人參與釐定其本身之薪酬。為符合新企業管治守則條文，薪酬委員會新訂的職權範圍已於2012年3月被採納，並已刊載於本公司網頁內。

在釐定應付予董事之酬金時，薪酬委員會乃考慮各項因素，包括同業薪金水平，董事所奉獻之時間及其職責，集團內部的僱傭情況及與表現掛鉤之酬金。

於回顧年度，薪酬委員會曾舉行會議一次，經參考市況、本集團及個人表現以及企業目標後，檢討及考慮執行董事及高級管理層之酬金政策及組合，包括任何酌情管理花紅。

## BOARD COMMITTEES (CONTINUED)

### Senior management remuneration by band

The emoluments of the senior management of the Group fell within the following band:

Remuneration bands	酬金範圍	Number of individuals 人數	
		2019	2018
Below HK\$500,000	港幣500,000元以下	2	2
HK\$500,001 – HK\$1,000,000	港幣500,001元至港幣1,000,000元	1	3
HK\$1,000,001 – HK\$1,500,000	港幣1,000,001元至港幣1,500,000元	2	2
		5	7

### Nomination Committee

The Nomination Committee was established in 2012. Its current members comprises two executive Directors, namely Mr. Yang Yirong (the chairman of the Committee) and Mr. Han Huan Guang and three INEDs, namely, Mr. Yau Fook Chuen, Professor Xiang Ming and Mr. Wong Yik Chung, John. The Nomination Committee has the duty of reviewing annually the board structure and composition.

The terms of reference of the Nomination Committee were adopted in March 2012 to confirm to the provision of the New CG Code, a copy of which is posted on the Company's website.

The Nomination Committee held one meeting during the year to review the structure, size and composition, and assessing the independence of the INEDs.

## 董事委員會 (續)

### 高級管理層薪酬 – 按組合範圍呈列

本集團高級管理層的酬金在下列組合範圍內：

### 提名委員會

提名委員會於2012年成立。其現任成員包括兩名執行董事楊毅融先生(委員會主席)及韓歡光先生以及三名獨立非執行董事丘福全先生、向明教授及黃翼忠先生。提名委員會有責任每年檢討董事會架構及組成。

提名委員會的職權範圍已於2012年3月被採納，並已刊載於本公司網頁內，以符合新企業管治守則的規定。

本年度內，提名委員會舉行一次會議，以討論董事會之架構、人數及組成以及評估董事會之獨立非執行董事之獨立性。

## RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The management provides such explanation and information to the Board to facilitate an informed assessment of the financial and other information put before the Board for approval. The Directors acknowledge their responsibility for preparing the consolidated financial statements which give a true and fair view and the statement of the independent auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the “Independent Auditor’s Report” on pages 53 to 60.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other financial disclosures required under the Listing Rules and other regulatory requirements. Meanwhile, the Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable. The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group’s ability to continue as a going concern. The Board has prepared the consolidated financial statements on a going concern basis.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding the Directors’ securities transactions on terms not less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made to all Directors and all the Directors have confirmed that they have complied with all the relevant requirements as set out in the Model Code throughout the year ended 31 December 2019.

## 有關合併財務報表之責任

管理層提供一切解釋及資料，以便董事會在知情之下就其提呈予以通過之財務及其他資料加以評定。董事知悉其須編製真實公平的合併財務報表之責任，本公司獨立核數師就彼等對合併財務報表之報告責任聲明載於第53至60頁之「獨立核數師報告書」。

而董事會則須負責對年報及中期報告、股價敏感資料公佈以及根據上市規則及其他監管規定須予披露的其他財務資料提呈平衡、清晰及易於理解的評審。同時亦須負責確保採納恰當之會計政策及貫徹採用，且所作判斷及估計乃審慎合理。董事會並不知悉任何可能會嚴重影響本集團繼續長遠經營之能力的重大不明朗事件或情況。因此，董事會在基於本集團長遠經營之假設下擬備合併編製財務報表。

## 進行證券交易的標準守則

本公司已採納一套有關董事進行證券交易的行為守則，條款不遜於上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）的規定標準。本公司已向全體董事作出具體查詢，而全體董事亦已確認，彼等於截至2019年12月31日止年度一直遵守標準守則所載所有有關規定。

## RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges that it has overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and maintaining appropriate and effective risk management and internal control systems. The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems. The systems and internal controls can only provide reasonable and not absolute assurance against material misstatement or loss, as they are designed to manage, rather than eliminate the risk of failure to achieve business objectives.

The Group has established an on-going process for identifying, evaluating and managing the significant risks of the Group. Business units are responsible for identifying, assessing and monitoring risks associated with their respective units. The results of evaluation will be reported to management through regular internal meetings. Each year, management prepares the risk assessment report listing the risks identified and management's assessment on the impact to the Group. The Board discusses findings in the risk assessment report and evaluates the effectiveness of the risk management and internal control system in Board meeting.

The Group handles and disseminates inside information with due care. Staff is required to comply with the confidentiality terms inside the staff manual. Only personnel at appropriate level can get reach of price sensitive and inside information.

Appropriate policies and controls have been designed and established to ensure that assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements.

The Group does not have an internal audit function due to the size of the Group and for cost effectiveness consideration. During the year under review, the Board conducted reviews of the internal control systems of the Company from time to time and considered that such the internal control systems of the Company had been implemented effectively. The reviews covered all material controls, including financial, operational and compliance controls and risk management functions. The Board also considered the Group's adequacy of resources, qualifications and experience of staff in its accounting and financial reporting functions, and their training programmes and budget. The Group continues to review the need for an internal audit function annually.

## 風險管理及內部監控

董事會確認其有整體責任評估及釐定本集團為達成策略目標所願承擔的風險性質及程度，並維持穩健及有效的風險管理及內部監控系統。董事會監察管理層在設計、實行和監察風險管理及內部監控系統方面的工作。有關系統及內部監控只能針對重大錯報或損失提供合理但並非絕對的保證，因為有關系統及內部監控旨在管理，而不是消除未能實現業務目標的風險。

本集團已制訂一套持續的程序，以識別、評估及管理本集團的顯著風險。業務部門負責識別、評估及監察與本身單位相關的風險。評價結果將通過定期內部會議向管理層報告。每年，管理層編製風險評估報告，列出所確定的風險，以及管理層對本集團所受影響的評估。董事會討論風險評估報告中的結果，並在董事會會議上評估風險管理及內部監控系統的成效。

本集團審慎處理和發放內幕消息。員工必須遵守員工手冊中的保密條款。僅適當級別的人員才獲准接觸價格敏感資料及內幕消息。

本集團設計並制訂適當的政策和監控措施，以確保資產得到保障，防止不當使用或處置；集團亦恪守和遵從相關規則和規例，並且根據相關會計準則和監管報告規定存置可靠的財務和會計記錄。

基於本集團的規模及本著成本效益，本集團並無設立內部審計職能。於回顧年度內，董事會已經不時對本公司之內部監控系統進行檢討並認為該系統被有效地執行。該檢討包含全部重大監控，包括財務、營運及法規監控及風險管理功能。董事會亦考慮本集團會計及財務匯報職能的資源充裕程度及員工的資質及經驗，以及其培訓課程及預算。本集團每年繼續檢討是否需要設立內部審計職能。

### EXTERNAL AUDITOR

During the year, PricewaterhouseCoopers, the external auditor of the Company received audit fee of approximately RMB2.22 million for audit services provided to the Group.

### COMMUNICATION WITH SHAREHOLDERS

The Company has adopted a Shareholders' Communication Policy in March 2012 reflecting mostly the current practices of the Company for communication with its shareholders. Information will be communicated to shareholders through: (i) continuous disclosure to the Stock Exchange of all material information; (ii) periodic disclosure through the annual and interim reports; (iii) notices of meetings and explanatory material; (iv) the annual general meetings and other general meetings; and (v) the Company's website at [www.ecogreen.com](http://www.ecogreen.com).

#### General Meeting

The Board endeavours to maintain an on-going dialogue with shareholders and in particular, use annual general meetings or other general meetings to communicate with shareholders and encourage their participation. The Chairman of the Board attended the AGM held in 2019 to answer questions and collect views of shareholders. The external auditor also attended the annual general meeting to answer questions of shareholders.

#### Voting by poll

Separate resolutions are proposed at the general meetings on each substantially separate issue, including the election of individual directors. In addition, poll voting procedure is included in the circular to shareholders dispatched together with the annual report and will be explained during the proceedings of meetings. Poll results will be posted on the website of the Stock Exchange and the Company subsequent to the close of the shareholders meeting.

### 外聘核數師

年內，本公司核數師羅兵咸永道會計師事務所就審計服務收取本集團約人民幣222萬元之審計費。

### 與股東之溝通

於2012年3月，本公司採納一項股東溝通政策，其主要反映本公司目前與股東溝通的做法。本公司將透過以下渠道向股東傳達信息：(i) 向聯交所持續披露所有重大信息；(ii) 通過年報及中期報告作定期披露；(iii) 大會通告及說明材料；(iv) 股東週年大會及其他股東大會；及(v) 本公司網站[www.ecogreen.com](http://www.ecogreen.com)。

#### 股東大會

董事會盡力保持與股東之間的持續對話，尤其是以股東週年大會或其他股東大會與股東溝通及鼓勵彼等參與。董事會主席已出席於2019年舉行之股東週年大會，並已回答股東之提問及收集股東之意見。外聘核數師亦已出席股東週年大會回答股東之提問。

#### 投票表決

各重大獨立事項(包括個別董事之選任)均會於股東週年大會上單獨提呈決議案。此外，載有投票表決程序之通函會與年報一併寄發予股東，並將於會議進行期間解釋。表決結果將於股東大會後在聯交所及本公司網站刊載。



## Investor Relations

The Company continues to enhance communications and relationships with its investors. Designated senior management has maintained close communication with shareholders and investors through email, conference call, one-on-one meetings, attending broker conferences, and non-deal roadshows, to ensure that investors and shareholders have received the Company's updates in a fair and timely manner and to facilitate their investment decision-making. Enquiries from investors are dealt with in an informative and timely manner. To promote effective communication, the Company also maintains corporate website ([www.ecogreen.com](http://www.ecogreen.com)) where extensive information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are posted.

## SHAREHOLDERS' RIGHTS

The Company has only one class of shares. All shares have the same voting rights and are entitled to the dividend declared. The rights of the Shareholders are set out in Company's Articles of Association. Shareholders of the Company can: (i) convene an extraordinary general meeting; (ii) put forward enquiries to the board of directors; (iii) put forward proposals at shareholders' meetings; and (iv) propose Directors for election. Details of relevant procedures are available on the Company's website.

## Constitutional Documents

There was no change in the memorandum and articles of association of the Company during the year ended 31 December 2019.

## 投資者關係

本公司持續加強與其投資者之溝通及關係。特定高級管理人員通過電郵、電話會議、一對一會面、出席經紀座談會及非交易路演等形式與股東及投資者保持緊密聯繫，以確保股東及投資者能夠公平、及時地得到本公司最新資訊以協助彼等作出投資決定。本公司會對投資者之查詢作出詳盡及適時之回應。為促進有效溝通，本公司設有公司網站([www.ecogreen.com](http://www.ecogreen.com))以刊載詳盡資料及更新本公司之業務發展及經營、財務資料、企業管治常規及其他資料。

## 股東權利

本公司僅擁有一類股份，所有股份均擁有相同的投票權並可獲派已宣派之股息。股東的權利載於本公司細則。本公司股東可以(i)召開股東特別大會；(ii)向董事會提出查詢；及(iii)在股東大會上提出建議；及(iv)建議參選之董事；相關程序詳情可於本公司網站查閱。

## 組織章程文件

截至2019年12月31日止年度，確認本公司之組織章程大綱及細則概無任何變動。

# //// Directors' Report

## 董事會報告

The directors (the "Directors") of EcoGreen International Group Limited (the "Company") submit their annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2019.

### PRINCIPAL ACTIVITIES, GEOGRAPHICAL ANALYSIS OF OPERATIONS AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 10 to the consolidated financial statements.

An analysis of the Group's performance for the year by operating segment is set out in Note 5 to the consolidated financial statements.

Further discussion and analysis of these activities and an indication of likely future developments in the Group's business, can be found in the Chairman's Statement and Management Discussion and Analysis set out on pages 4 to 11 and pages 17 to 21 respectively.

### FINAL RESULTS

The final results of the Group for the year are set out in the consolidated income statement on page 61.

### DIVIDEND

An interim dividend of HK1.7 cents per ordinary share was paid to shareholders of the Company (the "Shareholders") on 18 December 2019. The Board has recommended the payment of a final dividend of HK4.8 cents per ordinary share for the year ended 31 December 2019. Together with the interim dividend, this will bring the total dividend distribution to HK6.5 cents (2018: HK5.6 cents) per share for the year ended 31 December 2019.

Subject to the approval of the shareholders of the Company at the annual general meeting of the Company to be held on 30 June 2020, the proposed final dividend will be paid on or about 28 August 2020 to the shareholders whose names appear on the register of members of the Company on 24 July 2020.

中怡國際集團有限公司(「本公司」)董事(「董事」)謹將其全年報告連同本公司及其附屬公司(統稱「本集團」)截至2019年12月31日止年度之經審核合併財務報表呈覽。

### 主要業務、營運地區分析及業務回顧

本公司之主要業務為投資控股。附屬公司之業務載於合併財務報表附註10。

本集團於本年度之業績表現按營運分部劃分之分析載於合併財務報表附註5。

該等業務的進一步討論、分析以及本集團業務日後可能發展的揭示，可以分別於第4至11頁及第17至24頁的主席報告書及管理層討論與分析中查閱。

### 全年業績

本集團於本年度之全年業績載於第61頁之合併利潤表內。

### 股息

於2019年12月18日已向本公司股東(「股東」)派付中期股息每股1.7港仙，董事會建議派付截至2019年12月31日止年度末期股息每股普通股4.8港仙。連同中期股息，截至2019年12月31日止年度股息分派總額為每股6.5港仙(2018: 5.6港仙)。

倘獲本公司股東於2020年6月30日舉行的本公司股東週年大會上批准，建議末期股息將於2020年8月28日或前後向於2020年7月24日名列本公司股東名冊上之股東派發。

## SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in Note 24(a) to the consolidated financial statements.

## DISTRIBUTABLE RESERVES

As at 31 December 2019, the Company had distributable reserves amounting to RMB507,313,000 (2018: RMB486,505,000).

## EQUITY LINKED AGREEMENTS - SHARE OPTIONS GRANTED TO DIRECTORS AND SELECTED EMPLOYEES

Details of the share options granted in prior years is set out in Note 24(b) to the consolidated financial statements and "Share options" section contained in this Directors' Report. No shares were issued by the Company during the year ended 31 December 2019.

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

During the year ended 31 December 2019, the Company had not redeemed and neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities.

## PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association and there was no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a prorata basis to existing shareholders.

## FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years, restated and reclassified as appropriate, is set out on page 156. This summary does not form part of the audited consolidated financial statements.

## 股本

本公司於本年度之股本變動詳情載於合併財務報表附註24(a)。

## 可供分派之儲備

於2019年12月31日，本公司可供分派之儲備為人民幣507,313,000元（2018：人民幣486,505,000元）。

## 權益掛鉤協議－授予董事及挑選職工的購股權

在往年度授出的購股權詳情載於合併財務報表附註24(b)及此董事會報告「購股權」一節內。截至2019年12月31日止年度內，本公司並無發行任何股份。

## 購買、出售或贖回本公司上市證券

截至2019年12月31日止年度，本公司並無贖回，而本公司或其任何附屬公司概無購買或出售本公司任何上市證券。

## 優先購買權

本公司之組織章程細則並無有關優先購買權之規定，而根據開曼群島法例，該等權利並無限制，本公司毋須按比例向現有股東提呈發售新股份。

## 五年財務概要

本集團於過往五個財政年度經適當重列及重新歸類之業績、資產及負債概要載於第156頁。該概要並不構成經審核合併財務報表之一部分。

### KEY RISKS AND UNCERTAINTIES

Apart from those stated in the Chairman's Statement and Management Discussion and Analysis sections, the Company is exposed to the following key risks and uncertainties which are required to be disclosed pursuant to the Companies Ordinance (Cap 622 Laws of Hong Kong).

#### Raw Material Risk

The Group's business is dependent on the supply and cost of raw materials and any disruption in the supply or fluctuation in the prices of such raw materials could materially and adversely affect the Group's business, results of operations, financial condition and prospects.

#### Operational Risk

The Group's production facilities emit pollutants and are subject to various environmental protection laws and regulations in China. Any change to, or failure by the Group to comply with, environmental protection laws or regulations may cause the Group to incur additional costs and expenses. In addition, if the production facilities of the Group experience power, steam or water shortages, the Group's business and results of operations may be harmed.

#### Credit Risks Relating to Customers

Exposure to bad debts attributable to customers usually intensifies in a time of weak economic performance. To minimize credit risks, the management of the Group has appointed dedicated staff members to handle procedures for determining credit limits, credit approval and other monitoring procedures, to ensure follow-up with all receivables in a timely manner. In addition, the Group reviews the collectability of receivables at the end of a reporting period, to ensure that sufficient impairment losses are provided for in respect of uncollectible monies. Details of the credit risks are set out in Note 3.1(a) to the consolidated financial statements.

#### Liquidity Risks

In managing liquidity risks, the Group monitors and maintains cash and cash equivalents at a level which is considered by the management as sufficient, to satisfy the needs arising from the Group's operations and to mitigate the effect of fluctuations of cash flow. The management closely monitors the use of borrowings to ensure that relevant covenants relating to loans are complied with.

### 主要風險及不明朗因素

除主席報告書及管理層討論及分析提述事宜以外，本公司根據公司條例(香港法例第622章)須予披露所面對的主要風險及不明朗因素如下。

#### 原材料風險

本集團的業務取決於原材料的供應及成本，供應出現任何中斷或原材料價格出現波動可能會對本集團的業務、經營業績、財務狀況及前景造成重大不利影響。

#### 營運風險

本集團的生產設施排放廢水及其他污染物，並須受中國及本集團生產設施所在地的其他國家的各種環保法例及法規的規限。環保法例或法規的任何變動或本集團未能遵守環保法例或法規可能令本集團產生額外費用及開支。此外，倘本集團的生產設施出現電力、蒸汽或水力不足，本集團的業務及經營業績或會受損。

#### 客戶的信貸風險

隨著經濟疲弱，客戶壞帳風險相對增加。為減低信貸風險，本集團管理層已委派特定人員負責釐定信貸限額、信貸審批及其他監控程序，以確保及時跟進所有應收帳款。此外，本集團會於報告期末已檢討債項之可收回款額，以確保就不可收回款額作出足夠之減值虧損。信貸風險詳情載列於合併財務報表附註3.1(a)。

#### 流動資金風險

管理流動資金風險時，本集團會監察及保持管理層視為足夠水平之現金及現金等值項目，以撥付本集團營運所需及減低現金流量波動之影響。管理層會密切監察借貸之使用情況，確保遵守相關貸款契諾。

## KEY RISKS AND UNCERTAINTIES (CONTINUED)

### Currency Risk

The Group has foreign currency transactions and foreign currency borrowings, which expose the Group to foreign currency risk. The Group manages and monitors foreign exchange exposures to ensure appropriate measures are implemented on a timely and effective manner. The Group may enter into several foreign currency forward contracts to mitigate the risks as necessary. Details of the currency risk are set out in Note 3.1(d) to the consolidated financial statements.

### Interest Rate Risk

The Group also entered some interest rate swap contracts to hedge the floating-rate bank borrowings. It is the Group's policy to fix the interest rate for a portion of the bank borrowings while keeping the interest rate floating for the remaining portion of bank borrowing floating. The management monitors interest rate exposure and will consider changing the proportion of the interest rate hedging. Details of the interest rate risk are set out in Note 3.1(c) to the consolidated financial statements.

### Environmental Policies and Performance

The Group emphasizes in environmental protection during its production process and adopts various measures to ensure its duties of protecting the environment. The Group continues to update the requirements of the relevant environmental laws and regulations applicable to it to ensure compliance. The Group does not produce material waste nor emit material quantities of pollutants during its production process. During the year under review, the Group has complied with the relevant environmental laws and regulations applicable to it in all material respects, including waste water emission permit, gas emission permit and others. The Group has also adopted measures in order to achieve efficient use of resources, energy saving and waste reduction. The measures include wastewater and gas emission managements, noise control, greenhouse gas emission and resources management.

## 主要風險及不明朗因素 (續)

### 貨幣風險

本集團因有外幣交易以及外幣借貸，以致本集團承受外幣折算風險。本集團管理及監察外匯風險，以確保及時及有效地採取適當措施。本集團可能會訂立若干外匯遠期合約以在必要時減低風險。貨幣風險詳情載列於合併財務報表附註3.1(d)。

### 利率風險

本集團亦訂立利率掉期合約以對沖部分銀行借款之浮動利率。本集團的政策是固定部分銀行借款的利率，同時其餘部份之銀行借貸的利率保持浮動。管理層監控利率風險，並會考慮改變利率對沖的比例。利率風險詳情載列於合併財務報表附註3.1(c)。

### 環保政策及履行

本集團重視生產過程中的環境保護，並採取多項措施及監控方法履行對保護環境的責任。本集團不斷更新彼適用的相關環保法律法規的規定，確保已經遵從。本集團並無於其生產過程中製造重大廢料，亦無排放重大數量的污染物。回顧年度內，本集團在所有重大方面均已遵守彼適用的相關環保法律法規，包括廢水排放許可、氣體排放許可規定及其他規定。我們亦已採納措施以取得有效利用資源、節能及減少廢品。有關措施包括廢水及氣體管理、噪音控制、溫室氣體排放及資源管理。

### KEY RISKS AND UNCERTAINTIES (CONTINUED)

#### Compliance With Laws and Regulations

The Group continues to update the requirement of the relevant laws and regulations in various countries, particularly in the PRC and Hong Kong, applicable to it to ensure compliance. Substantially all of the Group's assets are located in the PRC and the Group's revenue is mainly derived from operations in the PRC. The Group was listed on the Stock Exchange of Hong Kong on 9 March 2004. During the year under review, the Group complied with the relevant laws and regulations in various countries applicable to it in all material respects.

### DIRECTORS

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

Mr. Yang Yirong, *Chairman & President*  
Mr. Gong Xionghui, *executive Director*  
Ms. Lu Jiahua, *executive Director*  
Mr. Han Huan Guang, *executive Director*  
Mr. Lin Zhigang, *executive Director*  
Dr. Lin David Ying Tsung, *executive Director*

Mr. Yau Fook Chuen, *INED*  
Mr. Wong Yik Chung, John, *INED*  
Professor Xiang Ming, *INED*  
(appointed on 9 April 2019)

Brief biographical details of Directors and senior management are set out on pages 22 to 25.

In accordance with article 108(A) of the Company's articles of association, Mr. Gong Xionghui, Mr. Han Huan Guang and Mr. Lin Zhigang will retire from office by rotation and, being eligible, offers themselves for re-election at the forthcoming annual general meeting.

The INEDs were appointed for an initial term of not more than one year and will be renewable automatically for successive term of one year until terminated by not less than three months' notice in writing served by either party on the other.

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

The Company has received, from each of the INEDs, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the INEDs are independent.

### 主要風險及不明朗因素 (續)

#### 遵守法律及法規

本集團不斷更新彼於多個國家(尤其是中國及香港)適用的相關法律法規，確保已經遵從。本集團絕大部分資產位於中國，而本集團收益主要來自於中國營運。本集團於2004年3月9日在香港聯交所上市。回顧年度內，本集團在所有重大方面均已遵守彼於多個國家適用的相關法律法規。

### 董事

於本年度及直至本報告日期之本公司董事如下：

楊毅融先生，*主席兼總裁*  
龔雄輝先生，*執行董事*  
盧家華女士，*執行董事*  
韓歡光先生，*執行董事*  
林志剛先生，*執行董事*  
林英宗博士，*執行董事*

丘福全先生，*獨立非執行董事*  
黃翼忠先生，*獨立非執行董事*  
向明教授，*獨立非執行董事*  
(於2019年4月9日獲委任)

董事及高級管理人員之個人簡歷載於第22至25頁。

根據本公司之組織章程細則第108(A)條，龔雄輝先生、韓歡光先生及林志剛先生將於應屆股東週年大會輪值退任，惟符合資格並願意膺選連任。

獨立非執行董事之任期初步不多於一年，並將自動續任一年，直至任何一方對對方發出不少於三個月之書面通知終止任期為止。

有意於應屆股東週年大會上重選連任之董事均無與本公司訂有本公司不可於一年內免付補償(法定補償除外)而終止之服務合同。

本公司已收到各位獨立非執行董事根據上市規則第3.13條發出之年度獨立確認書。本公司認為，所有獨立非執行董事均為獨立人士。

## DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director of the Company and the Director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## EMPLOYMENT AND REMUNERATION POLICY

As at 31 December 2019, the Group had a total of 618 employees (2018: 510 employees). Staff costs including directors' remuneration for the years ended 31 December 2019 and 31 December 2018 were approximately RMB76.57 million and approximately RMB63.47 million, respectively. Details of the emoluments of the Directors and the top five highest paid individuals of the Group are set out in Notes 36 and 9(b) to the consolidated financial statements.

The Group has established its human resources policies and procedures with a view to deploying the incentives and rewards of the remuneration system. The remuneration package offered to the staff is appropriate for the duties and in line with the prevailing market terms. Staff benefits, including medical coverage and provident funds, are provided to employees. The Group has also established effective performance evaluation system in which employees are properly rewarded on a performance-related basis under the Group's salary and bonus system. The Group has adopted a share option scheme for the purpose of providing incentives and rewards to the management, key technician and other eligible participants who contribute to the success of the Group's operations.

## PENSION SCHEMES

Details of the pension schemes operated by the Group are set out in Note 9(a) to the consolidated financial statements.

## 董事在對本公司業務而言屬於重要的交易、安排及合同中的重大權益

本年度內或年結時，本公司及其任何附屬公司概無簽訂任何涉及本集團之業務而本公司之董事及董事的關連人士直接或間接在其中擁有重大權益之重要交易、安排及合同。

## 僱員及薪酬政策

於2019年12月31日，本集團僱用618員工（2018：510名）。截至2019年12月31日止及2018年12月31日止年度之員工成本（包括董事酬金）分別約為人民幣7,657萬元及人民幣6,347萬元。本公司之董事及本集團之五名最高薪酬人士之薪酬詳情載於合併財務報表附註36及9(b)。

本集團制定其人力資源政策及程式，於其薪酬制度中加入花紅及獎勵。向員工發放之酬金待遇乃根據其職責而釐訂，且符合當時當地的市場水準。員工福利包括醫療保險及退休金。本集團亦設立一套有效表現評估制度，據此，本集團設定僱員的薪金及花紅制度，並按僱員表現發放適當的獎勵。本集團亦已採納購股權計劃，以獎勵及獎賞曾對本集團成功經營作出貢獻的管理人員和技術骨幹以及其他合資格參與人士。

## 退休金計劃

本集團管理的退休金計劃詳情載於合併財務報表附註9(a)。

## DIRECTORS' INTEREST IN COMPETING BUSINESSES

As at 31 December 2019, none of the Directors was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with that of the Group.

## MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year.

## PERMITTED INDEMNITY PROVISIONS

Pursuant to the Company's Articles of Association, every Director and officer of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he/she may sustain or incur in or about the execution or holding of his/her office or otherwise in relation thereto.

In addition, the Company has taken out and maintained insurance for the Directors against liabilities to third parties that may be incurred in the course of performing their duties as at the date of this report.

## MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales attributable to the Group's largest and the five largest customers were 12% and 27%, respectively. The aggregate purchases attributable to the Group's largest and the five largest suppliers were 8% and 26%, respectively.

None of the Directors, their associates or any shareholder of the Company, which to the knowledge of the Directors owned more than 5% of the Company's issued share capital, had any interest in the Group's five largest customers and five largest suppliers noted above.

## RELATED PARTY TRANSACTIONS

The related party transactions conducted during the year under review as disclosed in Note 35 to the financial statements did not constitute connected transactions as defined under Chapter 14A of the Listing Rules.

## 董事於競爭業務之權益

於2019年12月31日，概無董事於本集團業務以外之任何業務中擁有與本集團業務直接或間接構成或可能構成競爭之權益。

## 管理合約

年內，本公司並無訂立或訂有任何涉及本集團全部或任何重大部分業務之管理及行政合約。

## 獲准許的彌償條文

根據本公司組織章程細則下，本公司各董事及行政人員就其執行或擔任職務或在其他方面與此有關所蒙受或引致的一切費用、收費、支出、損失及責任，均有權從本公司資產中獲得彌償保證。

此外，本公司已為董事就可能於本報告日期履行彼等職責時招致的第三方責任進行投保及續保。

## 主要客戶及供應商

本集團之最大客戶及五大客戶應佔銷量總額分別為12%及27%。本集團之最大供應商及五大供應商應佔採購總額分別為8%及26%。

董事、彼等之聯繫人士或據董事所知任何擁有本公司已發行股本5%以上之本公司股東，概無擁有上述本集團五大客戶及五大供應商任何權益。

## 關聯方交易

財務報表附註35所披露於回顧年度進行的關聯方交易並不構成上市規則第14A章所界定之關連交易。



## DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2019, the interests or short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were 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 recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code adopted by the Company contained in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

### (a) Shares (including underlying shares)

## 董事之證券及相關股份之權益

於2019年12月31日，本公司董事於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所之權益或淡倉(包括根據證券及期貨條例之該等條文彼等被當作或視為擁有之權益或淡倉)，或已記入本公司須根據證券及期貨條例第352條存置之登記冊之權益或淡倉，或根據上市規則所載獲本公司採納之標準守則須知會本公司及聯交所之權益或淡倉如下：

### (a) 股份(包括相關股份)

Name of Directors	董事姓名	Number of shares held (including underlying shares) 所持股份數目(包括相關股份)			% of the issued share capital 佔已發行 股本百分比	
		Personal interests 個人權益	Corporate interests 法團權益	Underlying shares <sup>(iv)</sup> 相關股份 <sup>(iv)</sup>	Total 總計	
Mr. Yang Yirong	楊毅融先生	10,408,000	283,589,687 <sup>(i)</sup>	646,800	294,644,487	38.02%
Mr. Gong Xionghui	龔雄輝先生	2,706,000	15,006,315 <sup>(ii)</sup>	3,960,000	21,672,315	2.80%
Ms. Lu Jiahua	盧家華女士	2,046,000	11,254,736 <sup>(iii)</sup>	3,960,000	17,260,736	2.23%
Mr. Han Huan Guang	韓歡光先生	1,584,000	—	3,960,000	5,544,000	0.72%
Mr. Lin Zhigang	林志剛先生	2,376,000	—	3,960,000	6,336,000	0.82%
Mr. Yau Fook Chuen	丘福全先生	420,000	—	646,800	1,066,800	0.14%
Mr. Wong Yik Chung, John	黃翼忠先生	132,000	—	646,800	778,800	0.10%

#### Notes:

- (i) Mr. Yang Yirong is deemed to be interested in 283,589,687 shares of the Company held by Marietta Limited by virtue of it being controlled by Mr Yang Yirong.
- (ii) Mr. Gong Xionghui is deemed to be interested in 15,006,315 shares of the Company held by Dragon Kingdom Investment Limited by virtue of it being controlled by Mr Gong Xionghui.
- (iii) Ms. Lu Jiahua is deemed to be interested in 11,254,736 shares of the Company held by Sunwill Investments Limited by virtue of it being controlled by Ms Lu Jiahua.
- (iv) Underlying shares comprised the interest in the share options.

#### 附註：

- (i) 楊毅融先生因控制Marietta Limited而被視為擁有該公司所持的283,589,687股本公司股份的權益。
- (ii) 龔雄輝先生因控制Dragon Kingdom Investment Limited而被視為擁有該公司所持的15,006,315股本公司股份的權益。
- (iii) 盧家華女士因控制Sunwill Investments Limited而被視為擁有該公司所持的11,254,736股本公司股份的權益。
- (iv) 相關股份包括購股權之權益。

## DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES (CONTINUED)

### (b) Underlying Shares — Shares Options

Share options, being unlisted physically settled equity derivatives, to subscribe for the ordinary shares of the Company were granted to Directors, chief executives, employees and certain participants pursuant to the share option schemes approved by shareholders of the Company at the general meeting held on 28 May 2014. Information in relation to these share options during the year ended 31 December 2019 are set out in "Share options" section contained in this Directors' Report.

Saved as disclosed above, at no time during the year, the Directors and chief executives (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares or warrants or debentures of the Company, its specified undertakings and its other associated corporations required to be disclosed pursuant to the SFO and the Hong Kong Companies Ordinance (Cap. 622).

### (c) Nominees shares of the Company's subsidiaries held in trust

A Director also hold nominee shares of certain subsidiaries held in trust for the Group solely for the purpose of ensuring that the relevant subsidiary has more than one member.

All the interests stated above represent long positions.

Save as disclosed above, as at 31 December 2019, none of the Directors of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its specified undertakings or its other associated corporations (within the meaning of Part XV of the SFO and the Hong Kong Companies Ordinance (Cap. 622)).

## 董事之證券及相關股份之權益 (續)

### (b) 相關股份 — 購股權

根據2014年5月28日在股東大會上經本公司股東批准之購股權計劃，授予董事、行政總裁、僱員及若干參與人士之購股權屬於非上市實物交收股本衍生工具以認購本公司之普通股。有關截至2019年12月31日止年度內該等購股權之詳情，載於此董事會報告「購股權」一節內。

除上文披露外，根據證券條例及香港《公司條例》(第622章)，本年度內任何時間，各董事及行政總裁(包括彼等之配偶及十八歲以下子女)並無擁有、獲授予或行使任何可認購本公司、其指明企業及其其他有聯繫法團之股份或認股權證或債權證之權利需要披露。

### (c) 信託持有本公司附屬公司的代理人股

董事亦以信託方式為本集團持有若干附屬公司之代名人股份，僅為確保有關附屬公司擁有超過一名股東。

上述所有權益均指好倉。

除上文所披露者外，於2019年12月31日，本公司董事概無在本公司或其任何指明企業或其他相聯法團(定義見證券及期貨條例第XV部及香港《公司條例》(第622章))的股份、相關股份及債券中擁有任何權益或淡倉。

## SHARE OPTIONS

Share options are granted to Directors, executives, employees and business partners at the invitation of the Directors under the share option scheme (the "Scheme") approved by shareholders at general meeting held on 28 May 2014. The Scheme are designed to motivate executives and key employees and other persons who make a contribution to the Group and enable the Group to attract and retain individuals with experience and ability and to reward them for their past contributions.

The share options were granted at nil consideration. An option may be accepted by a participant within 21 days from the date of the offer for the grant of the option and the amount payable on acceptance of the grant of an option is HK\$1.

The exercise price of the granted options is not less than the highest of: (a) the closing price of the shares on the date of the grant; (b) the average closing price of the shares for the five business days immediately preceding the date of the grant; and (c) the nominal value of the Company's shares. Each option gives the holder the right to subscribe for one share of the Company. Unless otherwise determined by the Directors and stated in the offer for the grant of options to a grantee, there is no minimum period required for the holding of an option before it can be exercised; the share options have a contractual option term of 10 years.

The Company can issue share options so that the total number of shares that may be issued upon exercise of all options to be granted under all the share option schemes does not in aggregate exceed 10% of the shares in issue on the date of approval of the share option scheme. The Company may renew this limit at any time, subject to shareholders' approval and the issue of a circular and in accordance with the Listing Rules provided that the number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes does not exceed 30% of the shares in issue from time to time.

As at 15 April 2020, share options to subscribe for a total of 24,776,400 option shares were still outstanding under the Scheme which represent approximately 3.2% of the issued ordinary shares of the Company.

Unless approved by shareholders of the Company, the total number of shares issued and to be issued upon the exercise of the options granted to each participant (including both exercised and outstanding options) under the Scheme or any other share option scheme adopted by the Company in any 12-month period must not exceed 1% of the issued share capital.

## 購股權

根據股東在2014年5月28日於股東大會上批准的購股權計劃(「購股權計劃」)，在董事的邀請下購股權可授予董事、行政人員和職工，以及業務合夥人。購股權計劃是用以激勵行政人員、主要職工和其他對本集團有貢獻的人士，並有助本集團吸引和挽留人才，和報答他們作出的貢獻。

購股權以無償代價授出。參與者可由建議授出購股權當日起計21日內接納購股權，而於接納授予購股權時須支付之金額為1港元。

授出購股權的行使價不低於下列最高者：(a)授出日期股份的收市價；(b)授出日期前五個營業日股份的收市價；(c)本公司股份之面值。每份購股權授予其持有人認購本公司一股股份的權利。除非董事另行決定並於向承授人授出購股權之建議中表明，否則並無有關購股權可行使前必須持有之最短期限：購股權的合同認購期為十年。

本公司可以發行購股權，令致根據所有購股權計劃將授出的所有購股權行使時可能發行的股份總數，總計不超過購股權計劃批准當日已發行股份的10%。本公司可以隨時在股東批准和發出通函後按照上市規則更新這個限額，惟根據所有購股權計劃已授出但仍未行使的所有購股權在行使後將予發行的股份數目，不得超過當時已發行股份的30%。

於2020年4月15日，根據購股權計劃仍未行使的購股權可認購股份合共24,776,400股，佔本公司已發行普通股約3.2%。

除非獲本公司股東批准，否則於任何十二個月期間內，就根據計劃或本公司採納之任何其他購股權計劃而授予每名參與者之購股權(包括已行使及尚未行使者)獲行使而發行及將予發行之股份總數，不得超過已發行股本之1%。

## SHARE OPTIONS (CONTINUED)

An option must be exercised in accordance with the terms of the Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence from the date of the offer for the grant of option is made, but shall end in any event not later than 10 years from the date on which the offer for the grant of the option is made, subject to the provisions for early termination thereof.

Unless otherwise determined by the Directors and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Scheme for the holding of an option before it can be exercised.

The Scheme shall be valid and effective for a period of 10 years commencing from the approval of the Scheme after which no option can be granted under the Scheme. However, options that remain outstanding as at 27 May 2024 can be exercised until their respective expiry dates.

The following table discloses details of share options outstanding as at 31 December 2019 under the Scheme and the movements during the year.

Type of Grantee	承授人類別	Exercise price 行使價 HK\$ 港元	Date of grant 授出日期	Exercisable period 行使期	At 1 January 2019 於2019年 1月1日	Exercised during the year 年內行使	At 31 December 2019 於2019年 12月31日
<b>Category 1 – Directors</b>	<b>類別1 – 董事</b>						
Mr. Yang Yirong	楊毅融先生	1.70	1.12.2014	1.12.2014-30.11.2024	646,800	–	646,800
Mr. Gong Xionghui	龔雄輝先生	1.70	1.12.2014	1.12.2014-30.11.2024	3,960,000	–	3,960,000
Ms. Lu Jiahua	盧家華女士	1.70	1.12.2014	1.12.2014-30.11.2024	3,960,000	–	3,960,000
Mr. Han Huan Guang	韓歡光先生	1.70	1.12.2014	1.12.2014-30.11.2024	3,960,000	–	3,960,000
Mr. Lin Zhigang	林志剛先生	1.70	1.12.2014	1.12.2014-30.11.2024	3,960,000	–	3,960,000
Mr. Yau Fook Chuen	丘福全先生	1.70	1.12.2014	1.12.2014-30.11.2024	646,800	–	646,800
Mr. Wong Yik Chung, John	黃翼忠先生	1.70	1.12.2014	1.12.2014-30.11.2024	646,800	–	646,800
Sub-total	小計				17,780,400	–	17,780,400
<b>Category 2 – Employees under continuous employment contract</b>	<b>類別2 – 持續僱傭 合約僱員</b>	1.70	1.12.2014	1.12.2014-30.11.2024	3,036,000	–	3,036,000
<b>Category 3 – Consultants</b>	<b>類別3 – 顧問</b>	1.70	1.12.2014	1.12.2014-30.11.2024	3,960,000	–	3,960,000
Total	總計				24,776,400	–	24,776,400

## 購股權 (續)

購股權須於董事釐定並知會各承授人之期間隨時根據計劃條款行使，而除根據計劃規定提早終止外，該期間可自建議授出購股權當日起計，惟無論如何不得遲於建議授出購股權當日起計滿10年之日屆滿。除非董事另行決定並於向承授人授出購股權之建議中表明，否則並無有關購股權可行使前必須根據計劃持有之最短期限。

除非董事另行決定並於向承授人授出購股權之建議中表明，否則並無有關購股權可行使前必須根據計劃持有之最短期限。

購股權計劃由計劃批准起10年內維持有效，此後不得根據計劃授出購股權。然而，於2024年5月27日仍未行使之購股權可予行使，直至其各自屆滿日期為止。

下表載述於2019年12月31日根據計劃尚未行使之購股權詳情及其於年內之變動。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES

So far as is known to any Director or chief executive of the Company, as at 31 December 2019, shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

### Long positions in shares

Name 名稱	Number of shares held 所持股份數目			Total 總計	Shareholding percentage 持股百分比
	Beneficial owner 實益擁有人	Corporate interests 法團權益	Investment manager 投資經理		
Marietta Limited	283,589,687 <sup>(i)</sup>	–	–	283,589,687	36.59%
FMR LLC	–	–	70,802,800	70,802,800	9.14%
Guan Nian Trading Limited	58,500,000	–	–	58,500,000	7.55%
Kwok Ying Lan 郭英蘭	–	58,500,000 <sup>(ii)</sup>	–	58,500,000	7.55%

#### Notes:

- (i) These shares were registered in the name of and beneficially owned by Marietta Limited, the entire issued share capital of which was directly and beneficially owned by Mr. Yang Yirong.
- (ii) These shares were registered in the name of and beneficially owned by Guan Nian Trading Limited, the entire issued share capital of which was directly and beneficially owned by Ms. Kwok Ying Lan.

## 主要股東之股份權益

就本公司任何董事或最高行政人員所知，於2019年12月31日，於本公司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分部條文須向本公司披露之權益或淡倉，或已記入本公司須根據證券及期貨條例第336條存置之登記冊之權益或淡倉之股東（本公司董事或最高行政人員除外）如下：

### 好倉之股份

#### 附註：

- (i) 該等股份以Marietta Limited之名義登記，並由該公司實益擁有，而Marietta Limited全部已發行股本則以楊毅融先生直接實益擁有。
- (ii) 該等股份以Guan Nian Trading Limited之名義登記，並由該公司實益擁有，而Guan Nian Trading Limited全部已發行股本則以郭英蘭女士直接實益擁有。

Other than as disclosed above, the Company has not been notified by any persons, other than the Directors and chief executives of the Company, who had interest or short positions in the shares or underlying shares of the Company as at 31 December 2019.

除上文披露者外，本公司並無獲知會，於2019年12月31日，除董事及本公司行政總裁以外，有任何人士於本公司之股份或相關股份中擁有權益或淡倉。

### CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with most of the Corporate Governance Code contained in Appendix 14 of the Listing Rules throughout the year ended 31 December 2019, save for the deviations from Code Provision A.2.1 and A.5.1 of the CG Code. Information on the deviations and further information on the Company's corporate governance Code is set out in the "Corporate Governance Report" as set out on pages 26 to 39.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to and within the knowledge of the Directors, it is confirmed that there is sufficient public float of more than 25% of the Company's issued shares at 15 April 2020.

### SUBSEQUENT EVENT

Save as disclosed in Note 37 to the consolidated financial statements and up to the date of this report, there was no significant event relevant to the business or financial performance of the Group that come to the attention of the Directors after the year ended 31 December 2019.

### AUDITOR

The accompanying consolidated financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Directors  
**Yang Yirong**  
*Chairman & President*

Hong Kong, 31 March 2020

### 企業管治

董事認為，除第A.2.1條及第A.5.1條偏離企業管治常規守則條文外，本公司於截至2019年12月31日止年度一直遵守上市規則附錄14所載大部分《企業管治守則》。有關該等偏離及本公司企業管治守則之進一步資料載於第26至39頁「企業管治報告」。

### 充足公眾持股量

根據公開所得的資料以及就董事所知，在2020年4月15日，確認本公司有足夠公眾持股量，本公司已發行超過25%的股份。

### 結算日後事項

除合併財務報表附註37所披露外，截至2019年12月31日止年度後及截至本報告日期內，概無引起董事注意與本集團業務或財務表現有關的重大事件。

### 核數師

本合併財務報表已由羅兵咸永道會計師事務所審核，該核數師任滿告退，但表示願意應聘連任。

代表董事  
主席兼總裁  
**楊毅融**

香港，2020年3月31日



羅兵咸永道

To the Shareholders of EcoGreen International Group Limited  
(incorporated in the Cayman Islands with limited liability)

致中怡國際集團有限公司股東  
(於開曼群島註冊成立的有限公司)

### OPINION

### 意見

#### What we have audited

#### 我們已審計的內容

The consolidated financial statements of EcoGreen International Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 61 to 155, which comprise:

中怡國際集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第61至155頁的合併財務報表，包括：

- the consolidated balance sheet as at 31 December 2019;
  - the consolidated income statement for the year then ended;
  - the consolidated statement of comprehensive income for the year then ended;
  - the consolidated statement of changes in equity for the year then ended;
  - the consolidated statement of cash flows for the year then ended; and
  - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 於2019年12月31日的合併資產負債表；
  - 截至該日止年度的合併利潤表；
  - 截至該日止年度的合併綜合收益表；
  - 截至該日止年度的合併權益變動表；
  - 截至該日止年度的合併現金流量表；及
  - 合併財務報表附註，包括主要會計政策概要。

#### Our opinion

#### 我們的意見

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 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們認為，該等合併財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2019年12月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

### KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Net realisable value of inventories
- Impairment of intangible assets

#### (i) Net realisable value of inventories

##### **Refer to Note 22 to the consolidated financial statements**

At 31 December 2019, inventories of the Group amounted to RMB196.6 million. As described in the accounting policies in Note 2.10 to the consolidated financial statements, inventories are carried at the lower of cost and net realisable value.

### 意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### 獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

### 關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 存貨的可變現淨值
- 無形資產的減值

#### (i) 存貨的可變現淨值

##### **請參閱合併財務報表附註22**

於2019年12月31日，貴集團的存貨達人民幣196.6百萬元。誠如合併財務報表附註2.10會計政策所述，存貨按成本與可變現淨值兩者間的較低者列賬。



Management applied judgment in determining the net realisable value for inventories. Net realisable value is determined based upon a detailed analysis of inventories aging on a product by product basis, with reference to the current marketability and latest invoice prices of the respective finished goods and the current market conditions existing at the end of the reporting period. Inventory has been written down by RMB7.1 million to reduce the carrying value of certain inventories to their estimated net realisable value as at 31 December 2019.

We focused on this area due to the size of the balances and the judgment involved by management in determining the net realisable value of the inventories.

How our audit addressed the Key Audit Matter:

Our procedures in relation to management's assessment on net realisable value of inventories included:

- Understood and evaluated the appropriateness and consistency of the basis management used in estimating the level of provision for inventories by comparing the historical accuracy of inventory provisioning, on a sample basis, to the realised amount; and reviewing the level of inventory write-offs during the year in relation to inventories loss.
- Checked, on a sample basis, the accuracy of inventories aging used by management to estimate the appropriate provision for slow moving and obsolete inventories.
- Performed audit analytics on inventories holding and movement data to identify inventories with indication of slow moving or obsolescence.
- Checked the utilisation of inventories by production subsequent to the year, on a sample basis, for the appropriateness of the associated provision made.
- Compared the carrying amounts, on a sample basis, of inventories to their net realisable value through a review of sales subsequent to the year end to check for completeness of the associated provision. Where there are no subsequent sales of the respective products after the year end, we challenged management as to the realisable value of the products, corroborating explanations with the aging, sales orders, historical margins and marketability of the respective inventories, as appropriate.

Based on the procedures performed, we found the assumptions of management in relation to the assessment on the net realisable value of inventories to be supportable by available evidence.

管理層於釐定存貨的可變現淨值時運用判斷。可變現淨值是根據各成品當前的可銷售性及其最新的發票價格以及報告期末的現行市況，基於對個別產品的存貨賬齡作詳盡分析而釐定。於2019年12月31日，存貨已撇減人民幣7.1百萬元，以將若干存貨的賬面值減至彼等的估計可變現淨值。

我們集中於此範疇，是基於該等結餘的規模以及管理層在釐定存貨的可變現淨值時作涉及判斷。

我們的審計如何處理關鍵審計事項：

我們關於管理層對存貨的可變現淨值作出的評估之程序包括：

- 通過按抽樣方式對比存貨撥備與實現金額的過往準確性，並審閱存貨年內撇銷相對於存貨損失的水平，了解及評估管理層用於估計存貨撥備水平的基準是否適合和貫徹應用。
- 按抽樣方式檢查管理層就估計滯銷及陳舊存貨的適當撥備而使用的存貨賬齡的準確性。
- 對所持存貨及變動數據執行審計分析，以識別具有滯銷及過時跡象的存貨。
- 按抽樣方式檢查年度後生產的存貨之動用情況以評估所作的相關撥備是否適合。
- 通過年結後的銷售回顧，按抽樣方式對比存貨的賬面值及彼等的可變現淨值，從而檢查相關撥備的完成情況。倘各產品在年末後概無後續銷量，我們就產品的可變現價值向管理層提出質疑，並以各存貨的賬齡、銷售訂單、過往利潤率及可銷售性(倘適用)以佐證解釋。

根據所執行的程序，我們發現，管理層就評估存貨的可變現淨值作出的假設有可得的憑證作為支持。

(ii) Impairment of intangible assets

**Refer to Note 17 to the consolidated financial statements**

As at 31 December 2019, carrying amount of the Group's intangible assets amounted to RMB192.6 million. As described in the accounting policies in Note 2.7 to the consolidated financial statements, intangible assets are carried at cost less accumulated amortisation and impairment.

The Group's intangible assets represent development costs incurred on the designing, constructing and testing for new or improved products and processes of production. Management judgment is required in identifying whether there are indicators that intangible assets are impaired; and in the determination of their recoverable amounts, which is primarily based on the expectation of future sales of the relevant underlying products and the current market conditions. Accumulated impairment charge of RMB29.5 million has been recorded to reduce the carrying amounts of certain intangible assets to their recoverable amounts as at 31 December 2019.

We focused on this area due to the size of the balances and the judgment involved by management in determining the recoverable amounts of the intangible assets.

How our audit addressed the Key Audit Matter:

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

- Checked the accuracy of the carrying amount of each intangible asset against the books and records.
- Understood and evaluated the appropriateness and consistency of the basis for management used in identifying impairment indicator and estimating such impairment provision by comparing the forecasted sales and gross margin prepared by management for the respective products against their historical performance, production plans and confirmed sales orders, where relevant.

(ii) 無形資產的減值

**請參閱合併財務報表附註17**

於2019年12月31日，貴集團無形資產的賬面值達人民幣192.6百萬元。誠如合併財務報表附註2.7會計政策所述，無形資產乃按成本減累計攤銷及減值入賬。

貴集團的無形資產指設計、構建及測試新產品或改良產品以及生產過程中產生的開發成本。於確定無形資產是否有減值跡象時，以及於釐定彼等之可回收金額時（主要基於對有關產品的未來銷量的預期以及現行市況），管理層須運用判斷。用於將若干無形資產的賬面值減至彼等的可回收金額之累計減值費用人民幣29.5百萬元已於2019年12月31日入賬。

我們集中於此範疇，是基於該等結餘的規模以及管理層在釐定無形資產的可回收金額時涉及判斷。

我們的審計如何處理關鍵審計事項：

我們關於管理層對無形資產作出的減值評估之程序包括：

- 檢查賬簿及記錄以核對各無形資產賬面值之準確性。
- 通過將管理層根據各產品的過往表現、生產計劃及已確認銷售訂單（倘相關）就其編製的預測銷量及毛利率進行對比，了解及評估管理層用於識別減值跡象及估計有關減值撥備之基準是否適合和貫徹應用。

- Where historical pattern was not demonstrated by those newer products, we challenge management as to their sales projections including pricing, corroborating explanations with the price of similar products in the market and sales quotations, where available, and the underlying marketability study documentation.

Based on the procedures performed, we found the assumptions of management in relation to impairment assessment on intangible assets to be supportable by available evidence.

## OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

- 倘過往表現未能體現於新近產品，我們會向管理層就其銷售預測提出質疑，並以市面上同類產品的價格及銷售報價（倘適用），以及有關的可銷售性研究文獻以佐證解釋。

根據所執行的程序，我們發現，管理層就無形資產的減值評估作出的假設有可得的憑證作為支持。

## 其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括合併財務報表及我們的核數師報告。

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

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

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

## 董事及審核委員會就合併財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的合併財務報表，並對其認為為使合併財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

## Independent Auditor's Report

### 獨立核數師報告

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

The audit committee is responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion 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 judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

審核委員會須負責監督 貴集團的財務報告過程。

### 核數師就審計合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向 閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

- 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.
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

## Independent Auditor's Report

### 獨立核數師報告

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current 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 Mak Tze Leung, William.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 31 March 2020

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

出具本獨立核數師報告的審計項目合夥人是麥子良。

羅兵咸永道會計師事務所  
執業會計師

香港，2020年3月31日

# Consolidated Income Statement - by Function of Expense

## 合併利潤表 — 按費用的功能列報

For the year ended 31 December 2019 截至2019年12月31日止年度

		Note	2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
		附註		
<b>Revenue</b>	收入	5	2,422,810	2,198,217
Cost of sales	銷售成本	8	(1,902,882)	(1,665,994)
<b>Gross profit</b>	毛利		519,928	532,223
Other income and (losses)/gains, net	其他收入及(虧損)/ 收益—淨額	6	(7,878)	7,201
Selling and marketing costs	銷售及市場推廣成本	8	(35,442)	(31,029)
Administrative expenses	行政費用	8	(109,072)	(93,733)
Net (loss allowance)/reversal of loss allowance on financial assets	金融資產虧損撥備(計提)/ 回撥淨額	20	(462)	1,530
Operating profit	經營溢利		367,074	416,192
Finance income	財務收益	7	41,755	43,433
Finance expenses	財務費用	7	(84,009)	(143,742)
Net finance expenses	財務費用淨額	7	(42,254)	(100,309)
Share of profit of an associate	應佔聯營利潤份額	11	1,638	966
<b>Profit before taxation</b>	除稅前利潤		326,458	316,849
Taxation	稅項	12	(97,418)	(101,558)
<b>Profit for the year</b>	年度利潤		229,040	215,291
Profit/(loss) attributable to:	利潤/(虧損)歸屬於：			
Owners of the Company	本公司擁有人		229,949	215,291
Non-controlling interests	非控股性權益		(909)	—
			229,040	215,291
Earnings per share attributable to owners of the Company for the year (expressed in RMB per share)	年度每股收益歸屬於本公司擁有人 (每股以人民幣列示)			
— Basic	— 基本	13	29.67 Cents分	27.78 Cents分
— Diluted	— 攤薄	13	29.67 Cents分	27.77 Cents分

The above consolidated income statement should be read in conjunction with the accompanying notes.

上述合併利潤表應與附註一併閱讀。

# Consolidated Statement of Comprehensive Income

## 合併綜合收益表

For the year ended 31 December 2019 截至2019年12月31日止年度

	Note 附註	2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Profit for the year	年度利潤	229,040	215,291
Other comprehensive loss: Item that may be reclassified to profit or loss	其他綜合損失： 其後可能被重新分類為 損益項目		
Currency translation differences	外幣折算差額	(9)	(6)
Other comprehensive loss for the year	年度其他綜合損失總額	(9)	(6)
Total comprehensive income for the year	年度綜合收益總額	229,031	215,285
Total comprehensive income/(loss) attributable to:	綜合收益/(虧損)總額 歸屬於：		
Owners of the Company	本公司擁有人	229,940	215,285
Non-controlling interests	非控股性權益	(909)	—
		229,031	215,285

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述合併綜合收益表應與附註一併閱讀。



# Consolidated Balance Sheet

## 合併資產負債表

As at 31 December 2019 於2019年12月31日

		Note	2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
		附註		
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Land use rights	土地使用權	15(a)	–	39,424
Property, plant and equipment	物業、廠房及設備	16	1,317,753	934,193
Right-of-use assets	使用權資產	15(b)	43,677	–
Intangible assets	無形資產	17	192,614	160,875
Investment in an associate	聯營投資	11	10,334	8,696
Loan to an associate	聯營方借貸	35	–	3,000
Deferred income tax assets	遞延所得稅資產	29	4,907	4,889
Financial assets at fair value through other comprehensive income	按公允價值計入其他綜合收益之金融資產	18	200	200
Prepayments	預付款	21	32,116	27,820
			<b>1,601,601</b>	<b>1,179,097</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	22	196,601	245,778
Trade receivables and bills receivable	應收賬款及應收票據	20	999,379	942,952
Prepayments and other receivables	預付款及其他應收款	21	329,076	237,607
Amount due from a related company	應收關聯方款項	35	39	967
Derivative financial instruments	衍生金融工具	19	276	1,416
Pledged bank deposits	已抵押之銀行存款	23	85,664	66,090
Short-term bank deposits	短期銀行存款	23	513,734	629,650
Cash and cash equivalents	現金及現金等價物	23	958,126	897,903
			<b>3,082,895</b>	<b>3,022,363</b>
<b>Total assets</b>	<b>總資產</b>		<b>4,684,496</b>	<b>4,201,460</b>
<b>EQUITY AND LIABILITIES</b>	<b>權益及負債</b>			
<b>Equity attributable to owners of the Company</b>	<b>權益歸屬於本公司擁有人</b>			
Share capital	股本	24	75,380	75,380
Share premium	股本溢價	24	341,876	341,876
Other reserves	其他儲備	25	156,003	155,470
Retained earnings	保留盈利		1,718,479	1,523,113
			<b>2,291,738</b>	<b>2,095,839</b>
<b>Non-controlling interests</b>	<b>非控股性權益</b>		<b>4,056</b>	<b>–</b>
<b>Total equity</b>	<b>總權益</b>		<b>2,295,794</b>	<b>2,095,839</b>

# Consolidated Balance Sheet

## 合併資產負債表

As at 31 December 2019 於2019年12月31日

		Note 附註	2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Borrowings	借貸	28	546,590	743,743
Lease liabilities	租賃負債	15(b)	1,685	–
Deferred income tax liabilities	遞延所得稅負債	29	89,250	79,600
			<b>637,525</b>	<b>823,343</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables and bills payable	應付賬款及應付票據	26	322,922	228,822
Current income tax liabilities	即期所得稅負債		23,248	23,153
Borrowings	借貸	28	1,351,189	972,007
Lease liabilities	租賃負債	15(b)	3,546	–
Derivative financial instruments	衍生金融工具	19	1,172	1,516
Amount due to a related company	應付關聯方款項	35	2,309	644
Accruals and other payables	應計費用及其他應付款	27	46,765	56,106
Amount due to a director	應付一董事款項	35	26	30
			<b>1,751,177</b>	<b>1,282,278</b>
<b>Total liabilities</b>	<b>總負債</b>		<b>2,388,702</b>	<b>2,105,621</b>
<b>Total equity and liabilities</b>	<b>總權益及負債</b>		<b>4,684,496</b>	<b>4,201,460</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述合併資產負債表應與附註一併閱讀。

The consolidated financial statements on pages 61 to 155 were approved by the Board of Directors on 31 March 2020 and were signed on its behalf.

第61至155頁的合併財務報表已於2020年3月31日由董事會批核，並由董事會代表簽署。

**YANG YIRONG**

楊毅融

Chairman

主席

**LU JIAHUA**

盧家華

Executive director

執行董事

# Consolidated Statement of Changes in Equity

## 合併權益變動表

For the year ended 31 December 2019 截至2019年12月31日止年度

### Attributable to owners of the Company 歸屬於本公司擁有人

		Share capital 股本 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Non-controlling interests 非控股性權益 RMB'000 人民幣千元	Total equity 總權益 RMB'000 人民幣千元
<b>Balance at 1 January 2018</b>	於2018年1月1日之結餘	75,380	341,876	155,103	1,339,043	1,911,402	-	1,911,402
<b>Comprehensive income</b>	綜合收益							
Profit for the year	年度利潤	-	-	-	215,291	215,291	-	215,291
<b>Other comprehensive loss</b>	其他綜合損失							
Currency translation differences	外幣折算差額	-	-	(6)	-	(6)	-	(6)
Total comprehensive income/(loss) for 2018	2018年綜合收益/(虧損)總額	-	-	(6)	215,291	215,285	-	215,285
<b>Transactions with owners in their capacity as owners</b>	與權益所有者以其所有者的身份進行的交易							
2017 final dividend	2017年之末期股息	-	-	-	(20,702)	(20,702)	-	(20,702)
2018 interim dividend	2018年之中期股息	-	-	-	(10,146)	(10,146)	-	(10,146)
Transfer from retained earnings (Note 25)	保留盈利轉撥(附註25)	-	-	373	(373)	-	-	-
<b>Total transactions with owners in their capacity as owners</b>	與權益所有者以其所有者的身份進行交易的總額	-	-	373	(31,221)	(30,848)	-	(30,848)
<b>Balance at 31 December 2018</b>	於2018年12月31日之結餘	75,380	341,876	155,470	1,523,113	2,095,839	-	2,095,839
<b>Balance at 1 January 2019</b>	於2019年1月1日之結餘	75,380	341,876	155,470	1,523,113	2,095,839	-	2,095,839
<b>Comprehensive income/(loss)</b>	綜合收益/(虧損)							
Profit for the year	年度利潤	-	-	-	229,949	229,949	(909)	229,040
<b>Other comprehensive loss</b>	其他綜合損失							
Currency translation differences	外幣折算差額	-	-	(9)	-	(9)	-	(9)
Total comprehensive income/(loss) for 2019	2019年綜合收益/(虧損)總額	-	-	(9)	229,949	229,940	(909)	229,031
<b>Transactions with owners in their capacity as owners</b>	與權益所有者以其所有者的身份進行的交易							
Change in ownership interests in subsidiaries without change of control	於附屬公司之擁有權權益變動而控制權不變	-	-	-	5,035	5,035	4,965	10,000
2018 final dividend	2018年之末期股息	-	-	-	(27,183)	(27,183)	-	(27,183)
2019 interim dividend	2019年之中期股息	-	-	-	(11,893)	(11,893)	-	(11,893)
Transfer from retained earnings (Note 25)	保留盈利轉撥(附註25)	-	-	542	(542)	-	-	-
<b>Total transactions with owners in their capacity as owners</b>	與權益所有者以其所有者的身份進行交易的總額	-	-	542	(34,583)	(34,041)	4,965	(29,076)
<b>Balance at 31 December 2019</b>	於2019年12月31日之結餘	75,380	341,876	156,003	1,718,479	2,291,738	4,056	2,295,794

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述合併權益變動表應與附註一併閱讀。

# Consolidated Statement of Cash Flows

## 合併現金流量表

For the year ended 31 December 2019 截至2019年12月31日止年度

		Note 附註	2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
<b>Cash flows from operating activities</b>	<b>經營活動的現金流量</b>			
Cash generated from operations	經營業務所得的現金	31(a)	420,095	10,100
Interest paid	已付利息		(95,054)	(77,516)
Income tax paid	已付所得稅		(87,691)	(79,813)
Net cash generated from / (used in) operating activities	經營業務所得 / (所用) 現金淨額		237,350	(147,229)
<b>Cash flows from investing activities</b>	<b>投資活動的現金流量</b>			
Additions to property, plant and equipment	物業、廠房及設備增加		(390,722)	(605,102)
Additions to intangible assets	無形資產增加		(54,534)	(57,131)
Placement of structured bank deposits	配置結構性銀行存款		(1,204,000)	(1,028,184)
Redemption of structured bank deposits	贖回結構性銀行存款		1,299,000	430,184
Decrease / (increase) in short-term bank deposits	減少 / (增加) 短期銀行存款		20,916	(15,100)
Increase in pledged bank deposits	已抵押銀行存款增加		(19,574)	(8,836)
Interest received	已收利息		42,327	26,814
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		2,993	33
Repayment from loan to an associate	聯營方償還借貸		3,000	-
Net cash used in investing activities	投資活動所用現金淨額		(300,594)	(1,257,322)
<b>Cash flows from financing activities</b>	<b>融資活動的現金流量</b>			
Proceeds from borrowings	借貸所得款	31(b)	1,803,309	1,788,287
Repayments of borrowings	償還借貸	31(b)	(1,647,124)	(1,343,691)
Decrease in amount due to a director	應付一董事款項減少	31(b)	(4)	-
Dividends paid	股息支付		(39,076)	(30,848)
Principle elements of lease payments	租賃付款之本金部份	31(b)	(3,629)	-
Consideration received from non-controlling interests	收取非控股性權益之代價	10(j)	10,000	-
Net cash generated from financing activities	融資活動所得現金淨額		123,476	413,748
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加 / (減少) 淨額</b>		60,232	(990,803)
Cash and cash equivalents at beginning of the year	年初之現金及現金等價物		897,903	1,888,712
Exchange losses on cash and cash equivalents	現金及現金等價物之匯兌損失		(9)	(6)
<b>Cash and cash equivalents at end of the year</b>	<b>年終之現金及現金等價物</b>	23	958,126	897,903

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述合併現金流量表應與附註一併閱讀。

### 1. GENERAL INFORMATION

EcoGreen International Group Limited (“Ecogreen” or “the Company”) and its subsidiaries (together “the Group”) are principally engaged in the production and trading of fine chemicals from natural resources for use in aroma chemicals and pharmaceutical products.

The Company was incorporated in the Cayman Islands on 3 March 2003 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company’s head office and principal place of business in Hong Kong is situated at Suite 5301, 53rd Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (“the Stock Exchange”).

These consolidated financial statements are presented in Chinese Renminbi (“RMB”), unless otherwise stated.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

##### (i) Compliance with HKFRS and HKCO

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS(s)”) and the disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap. 622.

##### (ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities (including derivative instruments) which are measured at fair value.

### 1. 一般資料

中怡國際集團有限公司(「中怡」或「本公司」)及其附屬公司(統稱「本集團」)主要從事利用天然資源生產及買賣，以用於芳香化學品及醫藥產品的精細化學品。

本公司於2003年3月3日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

本公司之總辦事處及位於香港的主要營業地點為香港灣仔港灣道18號中環廣場53樓5301室。

本公司於香港聯合交易所有限公司(「聯交所」)主板上市。

除另有指明者外，本合併財務報表均以人民幣列值。

### 2. 主要會計政策概要

擬備本合併財務報表採用的主要會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內貫徹應用。

#### 2.1 擬備基準

##### (i) 遵守香港財務報告準則及香港公司條例

本公司的合併財務報表是根據所有適用的《香港財務報告準則》及香港法例第622章《公司條例》之披露規定。

##### (ii) 歷史成本法

除若干金融資產及金融負債(包括衍生工具)以公允價值計量外，合併財務報表乃以歷史成本基準編製。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (continued)

#### (iii) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing 1 January 2019:

HKFRS 16 – *Leases*

HKFRS 9 (Amendment) – *Prepayment Features with Negative Compensation*

HKAS 19 (Amendment) – *Plan Amendment, Curtailment or Settlement*

HKAS 28 (Amendment) – *Long-term Interests in Associates or Joint Ventures*

HK(IFRIC)-Int 23 – *Uncertainty over Income Tax Treatments*

Annual Improvements to HKFRSs 2015 - 2017 Cycle

The Group had to change its accounting policies and make retrospective adjustments, where relevant, as a result of adopting HKFRS 16.

Save as disclosed below, the adoption of other amendments on standards and interpretation did not have any material impact on the consolidated financial statements of the Group for the year.

#### (iv) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

## 2. 主要會計政策概要 (續)

### 2.1 擬備基準 (續)

#### (iii) 本集團採納之新訂及經修訂準則

本集團已於2019年1月1日開始的年度報告期間首次應用以下準則及修訂本：

《香港財務報告準則》第16號 – 租賃

《香港財務報告準則》第9號(修訂本) – 具有負補償之提前還款特性

《香港會計準則》第19號(修訂本) – 計劃修訂、縮減或結清

《香港會計準則》第28號(修訂本) – 於聯營及合營企業的長期利益

《香港(國際財務報告詮釋委員會) – 詮釋》第23號 – 所得稅處理的不確定性年度改進項目

香港財務報告準則2015 - 2017年週期之年度改進

因採納《香港財務報告準則》第16號，本集團改變其會計政策並作出相關的追溯調整。

除下文所披露者外，採納其他準則之修訂本及詮釋並未對本集團於年內之合併財務報表產生任何重大影響。

#### (iv) 尚未採納之新訂準則及詮釋

若干新訂會計準則及詮釋已頒佈但並未對2019年12月31日之報告期間強制生效且並獲本集團提早採納。預計這些準則於目前或未來報告期間不會對本集團及對可預見未來交易造成重大影響。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (continued)

#### (v) Adoption of HKFRS 16 'Leases'

The Group has adopted HKFRS 16 'Leases' from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing standard are therefore recognised in the opening balance sheet on 1 January 2019.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of HKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019 in each territory or region where the lease assets are located. The weighted average discount rate applied to the lease liabilities on 1 January 2019 was 5.18%.

The difference between the operating lease commitments disclosed as at 31 December 2018 and the lease liabilities recognised in the consolidated balance sheet upon the date of initial application mainly arose from the adjustments as a result of discounting the future lease payments to the present value upon adoption of HKFRS 16 and applying the practical expedient to account for those lease terms ends within 12 months of the date of initial application in the same way as short-term leases.

## 2. 主要會計政策概要 (續)

### 2.1 擬備基準 (續)

#### (v) 採納《香港財務報告準則》第16號「租賃」

本集團於2019年1月1日起採納《香港財務報告準則》第16號「租賃」，但本集團不會重列2018年報告期間可比較金額，此做法是該準則的特定過渡條款所允許的。新的租賃準則所導致的重新分類及調整已於2019年1月1日期初資產負債表中確認。

採納《香港財務報告準則》第16號後，本集團將原根據《香港會計準則》第17號「租賃」分類為經營租賃的租賃確認為租賃負債。此負債以剩餘租賃付款的現值計量，並採用承租人使用租賃資產所在的地區或國境並用2019年1月1日的增量借貸利率進行貼現。於2019年1月1日，適用於該等租賃負債的加權平均承租人的增量借款利率為5.18%。

於2018年12月31日披露的經營租賃承擔與首次應用日期計量在合併資產負債表中確認的租賃負債之間的差額主要是由於採用《香港財務報告準則》第16號將未來租賃付款貼現至現值而進行的調整及運用實際權宜方法就該等於首次應用日期起計剩餘租期不足12個月之經營租賃入賬作為短期租賃。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (continued)

#### (v) Adoption of HKFRS 16 'Leases' (continued)

##### (a) Measurement of lease liabilities

		RMB'000 人民幣千元
Operating lease commitments disclosed at 31 December 2018	於2018年12月31日披露的經營租賃承擔	8,439
Discounted using the Group's incremental borrowing rate at the date of initial application	本集團於首次應用日期的增量借貸利率折現	7,962
Less:	減：	
Short-term leases recognised on a straight-line basis as expense	直線法確認的短期租賃開支	(491)
Low-value leases recognised on a straight-line basis as expense	直線法確認的低值租賃開支	(24)
Lease liabilities recognised as at 1 January 2019	於2019年1月1日確認的租賃負債	<b>7,447</b>
Of which are:	包括：	
– Current lease liabilities	– 流動租賃負債	3,371
– Non-current lease liabilities	– 非流動租賃負債	4,076
		<b>7,447</b>

##### (b) Measurement of right-of-use assets

The right-of-use assets were measured at the amount equal to the lease liability, adjusted by the reclassifications from land use rights to right-of-use assets arising from the new leasing standards and therefore recognised in the opening balance sheet as at 1 January 2019.

## 2. 主要會計政策概要 (續)

### 2.1 擬備基準 (續)

#### (V) 採納《香港財務報告準則》第16號「租賃」(續)

##### (a) 計量租賃負債

##### (b) 計量使用權資產

使用權資產按等同於租賃負債的金額計量，並根據新租賃準則在期初之資產負債表中作出調整，將2019年1月1日土地使用權重新分類為使用權資產。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.1 Basis of preparation (continued)

#### (v) Adoption of HKFRS 16 'Leases' (continued)

##### (c) Adjustments recognised in the balance sheet on 1 January 2019

The change in accounting policy affected the following items in the balance sheet on 1 January 2019:

- Right-of-use assets – increase by RMB46,871,000
- Land use rights – decrease by RMB39,424,000
- Lease liabilities (current portion) – increase by RMB3,371,000
- Lease liabilities (non-current portion) – increase by RMB4,076,000

There was no impact on retained earnings on 1 January 2019.

##### (d) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 January 2019;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and HKFRIC 4 'Determining whether an Arrangement contains a Lease'.

## 2. 主要會計政策概要 (續)

### 2.1 擬備基準 (續)

#### (V) 採納《香港財務報告準則》第16號「租賃」(續)

##### (c) 於2019年1月1日在資產負債表中確認的調整

於2019年1月1日，會計政策變更對資產負債表有如下影響：

- 使用權資產 – 增加人民幣46,871,000元
- 土地使用權 – 減少人民幣39,424,000元
- 租賃負債(流動部分) – 增加人民幣3,371,000元
- 租賃負債(非流動部分) – 增加人民幣4,076,000元

於2019年1月1日的保留盈利並沒有影響。

##### (d) 所應用的實際權宜法

在首次執行《香港財務報告準則》第16號的過程中，本集團使用了該準則允許採用的下列實務簡易處理方法：

- 對具有合理相符特徵的租賃組合採用單一折現率；
- 依賴先前關於租賃是否虧損的評估，作為進行減值審閱的替代方法—於2019年1月1日並沒有虧損性的合同；
- 截至2019年1月1日的剩餘租賃期短於12個月的經營租賃作為短期租賃處理；
- 首次應用日期計量使用權時扣除初始直接費用；以及
- 如果合同包含續租或終止租賃的選擇權，則可在確定租賃期時使用後見之明。

本集團已選擇不在首次應用日期重新評估一項合同是否為租賃合同或是否包含租賃。相反，對於在過渡日之前簽訂的合同，本集團根據《香港會計準則》第17號和《香港財務報告解釋公告》第4號「確定一項安排是否包含租賃評估」。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.2 Subsidiaries

#### 2.2.1 Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

#### (a) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

## 2. 主要會計政策概要 (續)

### 2.2 附屬公司

#### 2.2.1 合併賬目

附屬公司指本集團對其具有控制權的所有實體(包括結構性實體)。當本集團因為參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其對指導該實體活動的權力影響此等回報時，本集團即控制該實體。附屬公司在控制權轉移至本集團之日起全部合併入賬。附屬公司在控制權終止之日起停止合併入賬。

集團公司之間的內部公司交易、交易結餘及未變現收益予以對銷，除非交易有證據顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。為確保與本集團採納之會計政策一致，有需要時，附屬公司之會計政策會作出相應的變動。為符合本集團的會計政策，在必要時會調整附屬公司報告內的金額。

附屬公司的業績及權益中的非控股性權益分別單獨於合併利潤表、綜合收益表、權益變動表及資產負債表內呈列。

#### (a) 業務合併

本集團採用收購會計法將所有業務合併入賬，而不論是否已收購權益工具或其他資產。收購一間附屬公司轉讓的代價包括：

- 所轉讓資產的公允價值
- 被收購業務前擁有人所產生的負債
- 本集團已發行股權
- 或然代價安排產生的任何資產或負債的公允價值，及
- 附屬公司任何已有股權的公允價值。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.2 Subsidiaries (continued)

#### 2.2.1 Consolidation (continued)

##### (a) Business combinations (continued)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquired entity and the acquisition date fair value of any previous equity interest in the acquired entity over the fair value of the identifiable net assets acquired is recorded as goodwill. If these amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in the consolidated income statement as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss.

## 2. 主要會計政策概要 (續)

### 2.2 附屬公司 (續)

#### 2.2.1 合併賬目 (續)

##### (a) 業務合併 (續)

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債初步按其於收購日期的公允價值計量(少數例外情況除外)。本集團根據個別收購基準按公允價值或非控股性權益享有被收購實體可識別資產淨值的份額比例確認於被收購實體的任何非控股性權益。

收購相關成本於產生時支銷。

所轉讓代價、被收購方的任何非控股性權益數額，及在收購日期在被收購方之前任何權益的公允價值，超過購入可辨識淨資產公允價值的數額記錄為商譽。倘該數額低於資產淨值之公允價值，則該差額會以廉價購入業務的方式直接於合併利潤表內確認。

倘若現金代價的任何部分延遲結算，未來應付數額一律貼現至交換日期的現值，所用貼現率為有關實體的新增借款利率，即按類似的條款及條件向獨立金融機構取得類似借款的有關利率。或然代價分類為權益或金融負債。分類為金融負債的金額其後按公允價值計量且公允價值變動於損益中確認。

如業務合併分階段進行，收購方之前在被收購方持有權益於收購日期的賬面值，按收購日期的公允價值重新計量，重新計量產生的任何盈虧在損益中確認。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.2 Subsidiaries (continued)

#### 2.2.1 Consolidation (continued)

##### (b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

#### 2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

## 2. 主要會計政策概要 (續)

### 2.2 附屬公司 (續)

#### 2.2.1 合併賬目 (續)

##### (b) 擁有權權益變動

本集團把與非控制性權益進行不會引致失去控制權的交易視為與本集團權益擁有人的交易。擁有權權益變動導致控股權益與非控制性權益賬面值之間之調整以反映彼等於附屬公司之相關權益。非控制性權益調整數額與任何已付或已收代價間之任何差額於儲備內確認。

倘本集團不再擁有其投資之控制權、共同控制權或重大影響力的時候，便需要終止合併或以權益價賬，其於該實體之任何保留權益按公允價值重新計量，其賬面值變動於損益中確認。就其後列賬為聯營、合營企業或財務資產之保留權益而言，該公允價值成為初始賬面價值。此外，就該實體先前於其他全面收益內確認之任何金額，按猶如本集團已直接出售有關資產或負債之方式入賬，即先前於其他全面收益內確認之金額可能會重分類至損益或按適用香港財務報告準則所規定／允許轉移至另一權益類別。

倘減少合營企業或聯營的擁有權權益，但保留共同控制或重大影響力，則在適當情況下僅將先前在其他全面收益中確認的部分金額重新分類至損益。

#### 2.2.2 獨立財務報表

附屬公司投資按成本扣除減值列賬。成本亦包括投資的直接歸屬成本。附屬公司的業績由本公司按已收及應收股利入賬。

如股利超過宣派股利期內附屬公司的總綜合收益，或如在獨立財務報表的投資賬面值超過合併財務報表中被投資公司淨資產（包括商譽）的賬面值，則必須對附屬公司投資作減值測試。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.3 Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the associate in profit or loss, and the Group's share of movements in other comprehensive income of the associate in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of an associate is tested for impairment in accordance with the policy described in Note 2.8.

### 2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive Directors.

## 2. 主要會計政策概要 (續)

### 2.3 聯營

聯營指所有本集團對其有重大影響力而無控制權的實體，通常附帶有20%至50%投票權的股權。聯營投資最初以成本確認，之後以權益法入賬。根據權益法，投資初始以成本確認，然後進行調整以確認應佔聯營收購後之損益的份額於本集團的損益內，及確認應佔聯營其他全面收益的變動中的份額於本集團的其他全面收益內。已收或應收聯營的股利確認為投資賬面價值的減少。

當本集團所佔聯營的虧損相等於或超過其於該聯營的權益(包括任何其他無抵押應收款項)時，本集團不會進一步確認虧損，除非其有已產生責任或代表該聯營付款。

本集團與其聯營交易的未變現收益將予對銷，惟以本集團於聯營的權益為限。未變現虧損亦予以對銷，除非有證據證明相關交易所轉讓資產已減值。為確保與本集團所採納的政策一致，需要時聯營的會計政策會作出相應的變動。

聯營的賬面價值按照附註2.8中所述的政策進行減值測試。

### 2.4 分部呈報

營運分部按照與向主要經營決策者提供的內部報告貫徹一致的方式報告。執行董事被認為主要經營決策者作出策略性決定，負責分配資源和評估營運分部的表現。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.5 Foreign currency translation

#### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Chinese Renminbi ("RMB"), which is the Company's functional and the Group's presentation currency.

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement, within "finance expenses". All other foreign exchange gains and losses are presented in the consolidated income statement on a net basis within "other (losses)/gains, net".

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss ("FVPL") are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income ("FVOCI") are recognised in other comprehensive income.

## 2. 主要會計政策概要 (續)

### 2.5 外幣換算

#### (a) 功能及呈列貨幣

本集團每個實體之財務報表所列項目，均以該實體經營所在的主要經濟環境的貨幣計量(「功能貨幣」)。合併財務報表以中國人民幣(「人民幣」)呈列，人民幣為本公司的功能貨幣及本集團的列報貨幣。

#### (b) 交易及結餘

外幣交易採用交易日期的匯率換算為功能貨幣。結算此等交易及按年終匯率折算以外幣計值的貨幣資產和負債產生的匯兌盈虧一般於損益中確認，倘其與合資格現金流量對沖及合資格淨投資對沖有關或應佔部分國外業務投資淨額，則於權益遞延。

與借貸和現金及現金等價物有關的匯兌盈虧在合併利潤表內的「財務費用」中呈列。所有其他匯兌盈虧按淨額基準在合併利潤表內的「其他(虧損)/收益-淨額」中呈列。

按公允價值計量及以外幣計值之非貨幣項目乃按釐定公允價值當日之匯率折算。按公允價值列賬之資產及負債折算差額呈報為公允價值收益或虧損的一部分。例如，非貨幣資產及負債(例如以公允價值計量且其變動計入損益的權益)的折算差額在損益中確認為公允價值收益或虧損的一部分，而非貨幣資產(例如分類為按公允價值計入其他綜合收益的權益)的折算差額於其他綜合收益中確認。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.5 Foreign currency translation (continued)

#### (c) Group companies

The results and financial position of foreign operation (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

### 2.6 Property, plant and equipment

#### 2.6.1 Construction-in-progress

Construction-in-progress, representing buildings on which construction work has not been completed and machinery pending installation, is stated at historical cost, which includes construction expenditures incurred, cost of machinery, and other direct costs capitalised during the construction and installation period, less accumulated impairment losses, if any. No depreciation is provided in respect of construction-in-progress until the construction and installation work is completed. On completion, the construction-in-progress is transferred to appropriate categories of property, plant and equipment.

## 2. 主要會計政策概要 (續)

### 2.5 外幣換算 (續)

#### (c) 集團公司

集團內的海外業務(當中沒有惡性通貨膨脹經濟的貨幣)之功能貨幣有別於本集團的列報貨幣時，則其業績和財務狀況須按如下方法換算為列報貨幣：

- (i) 每份列報的資產負債表內的資產和負債按該資產負債表日期的收市匯率換算；
- (ii) 每份利潤表內的收益和費用按平均匯率換算(除非此匯率並不代表交易日期匯率的累計影響的合理約數；在此情況下，收支項目按交易日期的匯率換算)；及
- (iii) 所有由此而產生之匯兌差額在其他綜合收益中確認。

收購海外業務時產生之商譽及公允價值調整乃視為該海外業務之資產及負債處理，並按期末匯率換算。外幣換算差額在其他綜合收益中確認。

### 2.6 物業、廠房及設備

#### 2.6.1 在建工程

在建工程指未完成建築工程之樓宇及未安裝之機器，並按成本入賬，當中包括所產生之建造開支、機器成本及建造與安裝期間其他撥充資本之直接成本，減任何累計減值虧損(如有)。建造及安裝完成前，不會就在建工程作出折舊。於完成時，在建工程轉撥至相關之物業、廠房及設備類別。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.6 Property, plant and equipment (continued)

#### 2.6.2 Other property, plant and equipment

Other property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are expensed in the consolidated income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost net of their residual values, over their estimated useful lives, as follows:

Buildings	30 to 40 years
Plant and machinery	5 to 15 years
Leasehold improvements	5 to 10 years
Office furniture and equipment	5 to 10 years
Motor vehicles	5 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8). Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within 'other (losses)/gains, net' in the consolidated income statement.

## 2. 主要會計政策概要 (續)

### 2.6 物業、廠房及設備 (續)

#### 2.6.2 其他物業、廠房及設備

其他物業、廠房及設備乃按歷史成本減折舊及減值虧損列賬。歷史成本包括收購項目直接產生之開支。成本亦可包括轉撥自權益之對沖物業、廠房及設備外幣採購項目之合資格現金流量所產生之任何盈虧。

僅在與項目相關之日後經濟效益有可能歸於本公司及能可靠地計算出項目成本之情況下，其後成本方會計入資產賬面值或確認為獨立資產(倘適用)。已更換零件的賬面值已被終止確認。所有其他維修及保養於其產生財政期間在合併利潤表列支銷。

其他物業、廠房及設備以直線法計算折舊，並按估計可使用年期分配成本至餘值淨額，估計可使用年期如下：

樓宇	30至40年
廠房及機器	5至15年
租賃物業裝修	5至10年
辦公室傢俬及設備	5至10年
汽車	5至10年

於各報告期末日檢討及調整(倘適用)資產之餘值及可使用年期。倘資產之賬面值超過其估計可收回金額，則資產之賬面值將即時減至其可收回金額(附註2.8)。出售盈虧經比較所得款項與賬面值而釐定，在合併利潤表內的「其他(虧損)/收益－淨額」中確認。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.7 Intangible assets

#### 2.7.1 Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (b) management intends to complete the intangible asset and use or sell it;
- (c) there is an ability to use or sell the intangible asset;
- (d) it can be demonstrated how the intangible asset will generate probable future economic benefits;
- (e) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (f) the expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over a period of 5 years.

## 2. 主要會計政策概要 (續)

### 2.7 無形資產

#### 2.7.1 研究及開發

研究成本於產生時列作開支。有關設計及測試新產品或改良產品之開發項目成本會於以下條件達成後確認為無形資產：

- (a) 在技術上可完成有關無形資產，並可供使用或出售；
- (b) 管理層有意完成並使用或出售有關無形資產；
- (c) 可使用或出售有關無形資產；
- (d) 證明有關無形資產可於日後獲得經濟利益；
- (e) 具備合適的技術、財政及其他資源完成開發並使用或出售有關無形資產；及
- (f) 可準確計算開發有關無形資產的所需開支。

不符合這些條件的其他開發成本於產生時列作開支。之前確認為開支的開發成本不會於其後期間確認為資產。

資本化的開發成本確認為無形資產，按直線法在5年期間內攤銷。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.8 Impairment of non-financial assets

Assets that have an indefinite useful life or not yet ready for use are not subject to amortisation and are at least tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.9 Financial assets

#### 2.9.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

## 2. 主要會計政策概要 (續)

### 2.8 非金融資產減值

無既定可使用年期或尚未可供用之資產毋須攤銷，並最少每年進行減值測試一次，但當事件或情況有變並顯示它們可能減值時便需要更頻繁地進行減值測試。當資產出現顯示未必能收回賬面值之事件或情況有變時即進行檢討減值。減值虧損就資產賬面值超過其可收回金額之差額確認。可收回金額為資產公允價值減出售成本及使用價值兩者間之較高者。就評估減值而言，資產按可獨立識別現金流量之最低水平(現金產生單位)分類。出現減值之非金融資產(商譽除外)於各申報日期檢討是否可能撥回減值。

### 2.9 金融資產

#### 2.9.1 分類

本集團將金融資產分類為以下計量類別：

- 其後按公允價值(透過綜合收益或透過損益)計量，及
- 按攤銷成本計量。

分類視乎實體管理金融資產的業務模式及現金流量的合約期限而定。

按公允價值計量之資產的收益及虧損將計入損益或其他綜合收益。權益工具投資並未持作買賣，其將視乎本集團於初步確認時有否作出不可撤回之選擇將權益投資按公允價值計入其他綜合收益入賬。

當且僅當本集團管理該等資產的業務模式變更時，方會對債務投資進行重新分類。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.9 Financial assets (continued)

#### 2.9.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### 2.9.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'other (losses)/gains, net' together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.

## 2. 主要會計政策概要 (續)

### 2.9 金融資產 (續)

#### 2.9.2 確認及終止確認

正常購入及出售金融資產於交易日(即本集團承諾買賣該資產之日期)確認。倘從金融資產收取現金流量之權利已到期或已轉讓且本集團已將其擁有權之絕大部分風險及回報轉讓，則金融資產將終止確認。

#### 2.9.3 計量

於初步確認時，如屬並非按公允價值計入損益的金融資產，本集團按金融資產的公允價值加上收購該金融資產直接應佔交易成本計量金融資產。按公允價值計入損益金融資產的交易成本於損益支銷。

確定具有嵌入衍生工具之金融資產的現金流量是否僅為支付本金及利息時，需從金融資產之整體進行考慮。

#### 債務工具

債務工具的后續計量取決於本集團管理資產的業務模式及該資產的現金流量特徵。本集團將其債務工具分類為三個計量類別：

- **攤銷成本：**倘持作收取合約現金流量的資產的現金流量僅為支付本金及利息，則按攤銷成本計量。該等金融資產的利息收入採用實際利率法計入融資收入。任何終止確認時產生的收益或虧損直接於損益中確認，並連同外匯收益及虧損於「其他(虧損)/收益」一淨額」呈列。減值虧損於合併利潤表中作為單獨項目呈列。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.9 Financial assets (continued)

#### 2.9.3 Measurement (continued)

##### Debt instruments (continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'other (losses)/gains, net'. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in 'other (losses)/gains, net' and impairment expenses are presented as separate line item in the consolidated income statement.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within 'other (losses)/gains, net' in the period in which it arises.

##### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in 'other (losses)/gains, net' in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

## 2. 主要會計政策概要 (續)

### 2.9 金融資產 (續)

#### 2.9.3 計量 (續)

##### 債務工具 (續)

- 按公允價值計入其他綜合收益：持作收取合約現金流量及出售金融資產的資產，倘該等資產現金流量僅為支付本金及利息，則按公允價值計入其他綜合收益計量。賬面值的變動乃計入其他綜合收益，惟於損益已確認的減值收益或虧損、利息收入及匯兌收益及虧損除外。在金融資產終止確認時，先前於其他綜合收益確認的累計收益或虧損由權益重新分類至損益並於「其他(虧損)/收益—淨額」中確認。該等金融資產的利息收入乃按實際利率法計入融資收入。外匯收益及虧損於「其他(虧損)/收益—淨額」呈列，且減值開支於合併利潤表中作為單獨項目呈列。
- 按公允價值計入損益：未達攤銷成本或按公允價值計入其他綜合收益標準的資產乃按公允價值計入損益計量。倘債務投資於後續按公允價值計入損益計量，則收益或虧損於損益中確認，並在產生期間呈列「其他(虧損)/收益—淨額」。

##### 權益工具

本集團按公允價值後續計量所有權益投資。倘本集團管理層選擇於其他綜合收益列報權益投資的公允價值收益及虧損，終止確認投資後，其後概不會重新分類公允價值收益及虧損至損益。當本集團收取股息付款的權利確立時，該等投資的股息繼續於損益確認為其他收入。

按公允價值計入損益的金融資產公允價值變動在適用的情況下於合併利潤表確認為「其他(虧損)/收益—淨額」。按公允價值計入其他綜合收益計量的權益投資的減值虧損(及減值虧損撥回)不與其他公允價值變動單獨列示。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.9 Financial assets (continued)

#### 2.9.4 Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 20 for further details.

For other financial assets at amortised cost, the expected credit loss is based on the 12-month expected credit loss. It is the portion of lifetime expected credit loss that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss.

#### 2.9.5 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

#### 2.9.6 Derivative financial instruments

Derivative financial instruments are initially measured at fair value on the date the derivative contracts are entered into and are subsequently remeasured to their fair values at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

As at 31 December 2019, the Group had not designated any derivatives as hedging instruments. Changes in fair values of derivatives that do not qualify for hedge accounting are being included in the consolidated income statement as 'other (losses)/gains, net'.

## 2. 主要會計政策概要 (續)

### 2.9 金融資產 (續)

#### 2.9.4 減值

本集團按前瞻性基準評估與其以攤銷成本及按公允價值計入其他綜合收益列賬的債務工具相關的預期信貸虧損。所應用的減值方法取決於信貸風險是否顯著增加。

就應收賬款而言，本集團採用《香港財務報告準則》第9號所允許的簡化方法，該方法規定預期全期虧損將自初步確認應收款項起確認，有關進一步詳情，請參閱附註20。

就按攤銷成本計量之其他金融資產而言，預期信貸虧損乃根據12個月預期信貸虧損而釐定。12個月預期信貸虧損為於報告日期後12個月內可能發生之財務工具違約事件而導致之預期信貸虧損，是全期預期信貸虧損之一部分。然而，如信貸風險自產生以來大幅上升，則有關撥備將根據全期預期信貸虧損計算。

#### 2.9.5 抵銷金融工具

當本集團目前具有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在資產負債表報告其淨額。法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時，這也必須具有約束力。

#### 2.9.6 衍生金融工具

衍生工具初步按衍生工具合約訂立當日的公允價值計量，其後在每個報告期末按其公允價值重新計量。後續公允價值變動的會計處理取決於該衍生工具是否指定為對沖工具，如指定為對沖工具，則會對沖到期項目。

於2019年12月31日，本集團並無指定任何衍生工具作為對沖工具。不合資格作對沖會計法之衍生工具公允價值變動，於綜合利潤表列為「其他(虧損)/收益－淨額」。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### 2.11 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 2.9.3 for further information about the Group's accounting for trade receivables and Note 2.9.4 for a description of the Group's impairment policies.

### 2.12 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

### 2.13 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or share options are shown in equity as a deduction, net of tax, from the proceeds.

### 2.14 Trade payables

Trade payables represent liabilities for goods or services provided to the Group prior to the end of financial year which are unpaid. Trade payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## 2. 主要會計政策概要 (續)

### 2.10 存貨

存貨按成本或可變現淨值兩者間之較低者列賬。成本按加權平均法釐定。產成品及在製品之成本包括原材料、直接勞工、其他直接成本及相關間接生產開支(按正常經營規模計算)，惟不包括借款成本。可變現淨值指日常經營活動中之估計銷售價減適用變動銷售開支。

### 2.11 應收賬款及其他應收款

應收賬款為在日常經營活動中就商品銷售或服務執行而應收客戶的款項。如應收賬款及其他應收款的收回預期在一年或以內(如仍在正常經營週期中，則可較長時間)，其被分類為流動資產；否則分類為非流動資產。

應收賬款初始按無條件代價的金額確認，惟倘包含重大融資部分，則按公允價值確認。本集團以收取合約現金流量為目的持有應收賬款，因此其後使用實際利率法按攤銷成本計量該等款項。請參閱附註2.9.3有關本集團應收賬款會計處理的進一步資料及附註2.9.4本集團減值政策的描述。

### 2.12 現金及等同現金項目

為了在合併現金流量表中列報之目的，現金及現金等價物包括手頭現金、銀行通知存款及原到期為三個月或以下的其他短期高流動性投資。

### 2.13 股本

普通股歸類為權益。

發行新股份或購股權直接所產生之新增成本，於權益中列為所得款項之扣減項目(扣除稅項)。

### 2.14 應付賬款

應付賬款指於財政年度末前提供予本集團之貨品或服務之未償債務。應付賬款列為流動負債，除非於報告期後12個月內未到期付款。最初以其公允價值確認，然後使用實際利率法按攤銷成本列賬。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.15 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 2.16 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised during the period of time is required to complete and prepare the asset for its intended use or sale. Qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs are added to the cost of those assets, until such time as 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 eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

## 2. 主要會計政策概要 (續)

### 2.15 借款

借款初步按公允價值扣除所產生之交易成本為初始確認。借款其後按攤銷成本列賬，所得款項（經扣除交易成本）及贖回價值間之任何差額於借貸期間以實際利率法於合併利潤表內確認。設立貸款融資時支付的費用倘部份或全部融資將會很可能提取，該費用確認為貸款的交易費用。在此情況下，費用遞延至貸款提取為止。如沒有證據證明部份或全部融資將會很可能被提取，則該費用資本化作為流動資金服務的預付款，並按有關的融資期間攤銷。

除非本集團具可無條件將負債的結算遞延至結算日後最少十二個月，否則借款分類為流動負債。

### 2.16 借款成本

合資格資產指必須經一段長時間處理以作其預定用途或銷售的資產。當這些合資格資產在一定時期內完成和準備用於其預期的使用或出售之前，直接歸屬於收購、興建或生產這些合資格資產的借款成本便需要資本化。借款成本加入該等資產的成本內，直至資產大致上備妥供其預定用途或銷售為止。

就特定借款，因有待合資格資產的支出而臨時投資賺取的投資收入，應自合資格資本化的借款成本中扣除。

其他借款成本在產生期內作為費用。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.17 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### (b) Deferred income tax

##### (i) Inside basis differences

Deferred income tax is provided in full using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

## 2. 主要會計政策概要 (續)

### 2.17 當期及遞延所得稅

期內所得稅費用或信貸按當期應納稅收入與各司法權區的適用所得稅率計算，並根據由於暫時性差異及未使用稅務虧損而導致的遞延稅項資產和負債變動作出調整。

#### (a) 當期所得稅

當期所得稅支出根據本公司的附屬公司及聯營營運及產生應課稅收入的國家於報告期末已頒佈或實質上已頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

#### (b) 遞延所得稅

##### (i) 內在差異

遞延所得稅利用負債法確認資產和負債的稅基與資產和負債在合併財務報表的賬面值的差額而產生的暫時性差異悉數提供。然而，若遞延所得稅負債來自對商譽的初始確認，以及若遞延所得稅來自在交易（不包括業務合併）中對資產或負債的初始確認，而在交易時不影響會計損益或應課稅利潤或損失，則不作記賬。

遞延所得稅採用在資產負債表日前已頒佈或實質上已頒佈，並在有關的遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用的稅率（及法例）而釐定。

遞延所得稅資產是就很可能有未來應課稅利潤而就此可使用暫時性差異而確認。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.17 Current and deferred income tax (continued)

#### (b) Deferred income tax (continued)

##### (ii) Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

#### (c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 2.18 Employee benefits

#### 2.18.1 Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognised until the time of the leave.

#### 2.18.2 Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

## 2. 主要會計政策概要 (續)

### 2.17 當期及遞延所得稅 (續)

#### (b) 遞延所得稅 (續)

##### (ii) 外在差異

就附屬公司、聯營和合營投資產生的應課稅暫時性差異確認遞延所得稅負債，但不包括本集團可以控制暫時性差異的轉回時間以及暫時性差異在可預見將來很可能不會轉回的遞延所得稅負債。一般而言，本集團無法控制聯營的暫時性差異的撥回。只有當有協議賦予本集團有能力控制暫時性差異的撥回時才不予確認。

就附屬公司、聯營和合營投資產生的可扣減暫時性差異確認遞延所得稅資產，但只限於暫時性差異很可能在將來轉回，並有充足的應課稅利潤抵銷可用的暫時性差異。

#### (c) 抵銷

當有法定可執行權力將當期稅項資產與當期稅務負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅實體或不同應課稅實體但有意向以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。

### 2.18 僱員福利

#### 2.18.1 僱員假期權益

僱員年假權益在僱員享有時確認。就僱員提供服務而產生的年假估計所須承擔之負債，就截至結算日止作出撥備。病假及產假之僱員權益於享有時方予以確認。

#### 2.18.2 辭退福利

辭退福利在本集團於正常退休日期前終止僱用職工，或當職工接受自願遣散以換取此等福利時支付。本集團在以下較早日期發生時確認辭退福利：(a)當本集團不再能夠撤回此等福利要約時；及(b)當實體確認的重組成本屬於香港會計準則第37號的範圍並涉及支付辭退福利時。在鼓勵職工自動遣散的要約情況下，辭退福利按預期接受要約的職工數目計算。在報告期末後超過12個月支付的福利應貼現為現值。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.18 Employee benefits (continued)

#### 2.18.3 Share-based compensation

##### (a) Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (share options) of the Group. The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the share options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (and share premium).

## 2. 主要會計政策概要 (續)

### 2.18 僱員福利 (續)

#### 2.18.3 股份付款酬金

##### (a) 權益結算以股份為支付基礎的交易

本集團設有一項以權益結算、以股份為基礎的報酬計劃，根據該等計劃，實體收取職工的服務以作為本集團權益工具(購股權)的代價。職工為換取獲授予購股權而提供服務的公允價值確認為費用。將作為費用的總金額參考授予購股權的公允價值釐定：

- 包括任何市場業績條件(例如實體的股價)；
- 不包括任何服務和非市場業績可行權條件(例如盈利能力、銷售增長目標和職工在某特定時期內留任實體)的影響；及
- 包括任何非可行權條件(例如規定職工儲蓄或在一段指定期間內持有股份)的影響。

非市場表現和服務條件包括在有關預期可行權的購股權數目的假設中。費用的總金額在等待期間內確認，等待期間指將符合所有特定可行權條件的期間。此外，在某些情況下，職工可能在授出日期之前提供服務，因此授出日期的公允價值就確認服務開始期與授出日期之期間內的開支作出估計。在每個報告期末，集團依據非市場表現和服務條件修訂其對預期可行權的購股權數目的估計。實體在合併利潤表確認對原估算修訂(如有)的影響，並對權益作出相應調整。

在購股權行使時，本公司發行新股。收取的所得款扣除任何直接歸屬交易成本撥入股本(和股本溢價)。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.18 Employee benefits (continued)

#### 2.18.3 Share-based compensation (continued)

- (b) Share-based payment transactions among group entities

The grant by the Company of share options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

#### 2.18.4 Pension obligations

Group companies operate various defined contribution plans. The plans are generally funded through payments to trustee-administered funds.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

## 2. 主要會計政策概要 (續)

### 2.18 僱員福利 (續)

#### 2.18.3 股份付款酬金 (續)

- (b) 集團內實體以股份為支付基礎的交易

本公司向集團附屬公司的職工授予其權益工具的購股權，被視為資本投入。收取職工服務的公允價值，參考授出日的公允價值計量，並在等待期內確認，作為對附屬公司投資的增加，並相應貸記母公司賬目的權益。

#### 2.18.4 退休金責任

集團公司經營多個定額供款計劃。此等計劃一般透過向受託管理基金付款而注資。

定額供款計劃是一項本集團向一個單獨實體支付供款的退休計劃。若該基金並無持有足夠資產向所有職工就其在當期及以往期間的服務支付福利，本集團亦無法定或推定債務支付進一步供款。對於定額供款計劃，本集團以強制性、合同性或自願性方式向公開或私人管理的退休保險計劃供款。本集團作出供款後，即無進一步付款債務。供款在應付時確認為僱員福利費用。預付供款按照現金退款或可減少未來付款而確認為資產。

### 2.19 撥備

當本集團因已發生的事件而產生現有的法律或推定債務；很可能需要有資源的流出以結算債務；及金額已被可靠估計時作出撥備。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.19 Provisions (continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditures expected to be required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

### 2.20 Revenue recognition

#### Sales of goods

The Group is principally engaged in the production and trading of fine chemicals from natural resources for use in aroma chemicals and pharmaceutical products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of discounts, returns and value added taxes.

A receivable is recognised when the products are delivered, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Substantially all of the Group's revenue are recognised at a point in time during the year.

## 2. 主要會計政策概要 (續)

### 2.19 撥備 (續)

如有多項類似債務，其需要在結算中有資源流出的可能性，則可根據債務的類別整體考慮。即使在同一債務類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

撥備乃按管理層對於報告期末預期須償付現有的責任的支出的最佳估計現值計算。用於釐定現值的折扣率為反映當時市場對金錢的時間值及該義務特定風險的評估的稅前利率。因時間推移而增加的撥備確認為利息開支。

### 2.20 收益確認

#### 銷售貨品

本集團主要從事生產及買賣利用天然資源製造的用於芳香化學品及醫藥產品的精細化學品。銷售乃於產品的控制權已轉移（即產品交付予客戶時），且並無未履行責任會影響客戶對產品的接收時確認。交付乃於產品已運抵指定地點，陳舊過時及損失風險已轉移予客戶，且客戶已根據銷售合約接收產品、接收條文已失效抑或本集團有客觀證據顯示所有接收標準均已達成後發生。

該等銷售的收益乃按合約訂明的價格經扣除折扣、退貨及增值稅後予以確認。

應收款項於產品交付時確認，因從該時間點開始，付款之到期僅需時間的流逝，有關代價成為無條件。本集團的絕大部分收益於年內的某一時間點確認。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.21 Interest income

Interest income is recognised using the effective interest method.

### 2.22 Government grants

Grants from the government are recognised at their value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

### 2.23 Leases

Until 31 December 2018, leases of property, plant and equipment where the Group, as lessee, had substantially all the risks and rewards of ownership were classified as finance leases. Finance leases were capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, were included in other short-term and long-term payables. Each lease payment was allocated between the liability and finance cost. The finance cost was charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases was depreciated over the assets' useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases for real estate for which the Group is lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

## 2. 主要會計政策概要 (續)

### 2.21 利息收益

利息收益乃採用實際利率法確認。

### 2.22 政府補助

當能夠合理地保證政府補助將可收取，而本集團將會符合所有附帶條件時，將政府提供的補助按其公允價值確認入賬。

### 2.23 租賃

直至2018年12月31日，倘本集團(作為承租人)具有擁有權的絕大部分風險及回報，則其物業、廠房及設備的租賃分類為融資租賃。融資租賃於租賃開始時按租賃物業的公平值或最低租賃付款的現值(以較低者為準)資本化。相應租賃責任在扣除融資支出後計入其他短期及長期應付款項。各項租賃付款乃分配至負債及財務成本。財務成本於租期內自損益扣除，以計算出各期間餘下負債結餘的固定週期利率。根據融資租賃取得之物業、廠房及設備按資產可使用年內折舊，或倘無法合理確定本集團將在租期末取得所有權，則按資產的可使用年期與租期兩者之較短者折舊。

擁有權之絕大部分風險和回報並未轉讓至本集團(作為承租人)之租賃分類為經營租賃。根據經營租賃作出之付款(扣除任何自出租人獲取之優惠)於租賃期內按直線法自損益扣除。

自2019年1月1日起，當已租賃資產可供本集團使用當日，便會確認租賃為使用權資產及相應負債。

合約可包含租賃及非租賃部分。本集團根據其相對獨立的價格將合約的代價分配至租賃及非租賃部分。然而，就本集團作為承租人租賃房地產而言，其已選擇不區分租賃及非租賃部分，相而將該等租賃入賬作為單一租賃部分。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.23 Leases (continued)

Asset and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- Where possible, uses recent third-party financing received by the individual lessee as starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for lease held by the Group, which does not have recent third party financing; and
- Makes adjustments specific to the lease, e.g. term, country, currency and security.

## 2. 主要會計政策概要 (續)

### 2.23 租賃 (續)

租賃所產生的資產及負債初始按現值基準計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 基於指數或利率並於開始日期按指數或利率初步計量的可變租賃付款；
- 剩餘價值擔保下的本集團預期應付款項；
- 購買選擇權的行使價(倘本集團合理確定行使該選擇權)；及
- 支付終止租賃的罰款(倘租期反映本集團行使權利終止租約)。

在某些合理的延期選擇權下支付的租賃付款也包括在負債的計量中。

租賃付款採用租賃所隱含的利率予以貼現。倘無法釐定該利率(本集團的租賃一般屬此類情況)，則使用承租人增量借款利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產價值類似的資產所需資金必須支付的利率。

為釐定增量借款利率，本集團：

- 在可能的情況下，以個別承租人最近收到的第三方融資為起點，並進行調整以反映自收到第三方融資以來融資條件的變化；
- 使用累加法，首先就本集團所持有租賃的信貸風險(最近並無第三方融資)調整無風險利率；及
- 對租賃作出特定調整，如年期、國家、貨幣及擔保。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.23 Leases (continued)

The Group is exposed to potential future increase in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use assets is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of warehouses and staff quarters and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise staff quarters.

## 2. 主要會計政策概要 (續)

### 2.23 租賃 (續)

本集團未來可能根據指數或利率增加可變租賃付款額，而有關指數或利率在生效前不會計入租賃負債。當根據指數或利率對租賃付款作出的調整生效時，租賃負債會根據使用權資產進行重新評估及調整。

租賃付款於本金及財務成本之間作出分配。財務成本在租賃期間於損益扣除，藉以令各期間的負債餘額的期間利率一致。

使用權資產按成本計量，包括以下各項：

- 租賃負債的初始計量金額；
- 於開始日期或之前做出的任何租賃付款減已收取任何租賃優惠；
- 任何初始直接成本；及
- 修復費用。

使用權資產一般於資產的可使用年期及租賃期(以較短者為準)內按直線法予以折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期內予以折舊。

與倉庫和員工宿舍的短期租賃以及所有低價值資產租賃相關的付款以直線法於損益確認為開支。短期租賃是指租賃期為12個月或更短的租賃，低價值資產包括員工宿舍。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, as appropriate.

### 2.25 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under HKFRS 9 'Financial Instruments' and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 'Revenue from Contracts with Customers'.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

## 2. 主要會計政策概要 (續)

### 2.24 股息分派

分派予本公司股東之股息於本公司股東或董事(倘適用)批准期間，在本集團及本公司之財務報表中確認為負債。

### 2.25 財務擔保合同

財務擔保於擔保發出時確認為金融負債。有關負債初始按公允價值計量，其後按以下兩者之較高者計量：

- 按《香港財務報告準則》第9號「金融工具」下的預期信貸虧損模式釐定的金額，與
- 初始確認的金額減去(如適用)按《香港財務報告準則》第15號來「自客戶合約之收入」的準則確認的收入累計金額。

財務擔保的公允價值乃根據債務工具項下規定的合約付款金額與無擔保情況下須支付金額之間的差額的現值，或就承擔有關債務須付給第三方的估計金額釐定。



### 3. FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's financial assets include cash and cash equivalents, bank deposits, trade and other receivables, loan to an associate, amount due from a related company, FVOCI and derivative financial instruments. The Group's financial liabilities include borrowings, trade and other payables, amount due to a related company, amount due to a director, derivative financial instruments and lease liabilities.

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposure, The board reviews and agrees policies for managing each of these risks and they are summarised below.

##### (a) Credit risk

The Group has policies in place to ensure that liquid funds are placed with financial institutions registered with sound credit standing in Mainland China and Hong Kong. Sales of products are made to customers with appropriate credit history. The Group performs credit evaluations on its customers.

Trade receivables are due within three months from the date of billing. For certain customers with good credit history, an extended period up to 180 days is allowed. As at 31 December 2019, 58% of the total trade receivables were due within three months (2018: 65%).

As at 31 December 2019, the five largest customers accounted for approximately 18% of the trade receivable carrying amount (2018: 25%). The Group considers the largest customers are financially healthy with no significant credit risk.

The maximum exposure to credit risk represents the carrying amounts of trade receivables in the balance sheet. Quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in Note 20.

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit loss. It considers available reasonable and supportive forwarding-looking information.

### 3. 財務風險管理

#### 3.1 財務風險因素

本集團之金融資產包括現金及現金等價物、銀行存款、應收賬款及其他應收款、聯營方借貸、應收關聯方款項、按公允價值計入其他綜合收益之金融資產及衍生金融工具。本集團之金融負債包括借貸、應付賬款及其他應付款、應付關聯方款項、應付一董事款項、衍生金融工具及租賃負債。

本集團業務面對各種財務風險：市場風險（包括外匯風險、公允價值利率風險、現金流量利率風險及價格風險）、信貸風險與流動資金風險。本集團整體風險管理策略針對金融市場之不可預測特性，並尋求方法減輕對本集團財務表現造成之潛在不利影響。本集團利用衍生金融工具對沖若干風險。董事會檢討及協定管理各此等風險的政策，茲概述如下。

##### (a) 信貸風險

本集團制定政策，確保流動資金存於國內及香港註冊之著名金融機構。本集團向擁有合適信貸記錄之客戶銷售產品。本集團會評估客戶信貸狀況。

應收賬款在出具賬單日起計三個月內到期。對於有良好信貸歷史的客戶，集團容許達至180日的信貸期。於2019年12月31日，58%的應收賬款總額將於未來三個月內被支付(2018：65%)。

於2019年12月31日，應收賬款賬面金額中有約18%來自本集團五個最大之客戶(2018：25%)。本集團認為主要客戶的財務穩健並沒有重大的信貸風險。

信貸風險敞口上限為合併資產負債表中應收賬款的賬面金額。有關本集團的應收賬款的信貸風險敞口的信息已在附註20披露。

本集團應用《香港財務報告準則》第9號所訂明之簡化處理方法就預期信貸虧損作出撥備，該準則允許對所有應收賬款採用全期預期信貸虧損撥備。為計量預期信貸虧損，應收賬款已根據共通信貸風險特徵分類。本集團已進行歷史分析，並確定影響信貸風險及預期信貸虧損的主要經濟變數。本集團會考慮可用的合理且可靠的前瞻性資料。

### 3. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (continued)

##### (a) Credit risk (continued)

The Group categorises its trade receivables, except those individually assessed, based on the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Given the track record of regular repayment of trade receivables, the directors are of the opinion that the risk of default by these customers is not significant, taking into account forward-looking information on macroeconomic factors. Therefore, expected credit loss rate of trade receivables is assessed to be insignificant and loss allowance provided on a collective basis was amounted to RMB900,000 (2018: RMB1,778,000).

For trade receivables relating to accounts in which objective evidence that the debtor faces significant financial difficulties or enter liquidation, they are assessed individually for impairment allowance. Accordingly, specific loss allowance of RMB4,773,000 (2018: RMB3,433,000) were made as at 31 December 2019.

In respect of cash deposited at banks, the credit risk is considered to be low as the counterparties are reputable banks. The existing counterparties do not have defaults in the past. Therefore, expected credit loss rate of cash at bank is assessed to be close to zero and no provision was made as of 31 December 2019.

The credit quality of loan to an associate, amount due from a related company, bills receivables and other receivables excluding prepayments and tax recoverable has been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. The directors are of the opinion that the credit risk of the loan to an associate and amounts due from related parties is low due to the sound collection history of the receivables due from them. Therefore, expected credit loss rate of the loan to an associate, amount due from a related company, bills receivables and other receivables excluding prepayments and tax recoverable is assessed to be close to zero and no provision was made as of 31 December 2019.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (a) 信貸風險 (續)

除個別進行評估者外，本集團根據逾期天數對其應收賬款進行分類。預期虧損率乃基於36個月期間銷售的付款情況及該期間內發生的相應歷史信貸虧損釐定。歷史虧損率會進行調整，以反映有關影響客戶結清應收款項能力的宏觀經濟因素的當前及前瞻性資料。

鑒於定期償還應收賬款的往績記錄，並經考慮有關宏觀經濟因素的前瞻性資料，董事認為該等客戶的違約風險並不重大。因此，應收賬款的預期信貸虧損率評估為並不重大，按集體基準計提的虧損撥備為人民幣900,000元(2018：人民幣1,778,000元)。

就存在客觀證據顯示債務人面臨重大財務困難或進行清算的客戶的相關應收賬款而言，有關款項會單獨進行減值撥備評估。就此，於2019年12月31日已計提特定虧損撥備人民幣4,773,000元(2018：人民幣3,443,000元)。

就存放於銀行的現金而言，由於對手方為信譽良好的銀行，因此信貸風險被認為較低。現有對手方過往並無違約。因此，銀行現金的預期信貸虧損率評估為接近零，截至2019年12月31日並無計提撥備。

聯營方借貸、應收關聯方款項、應收票據及其他應收款(不包括預付款及可收回稅項)的信貸質素已參考對手方違約率的歷史資料及交易對手的財務狀況進行評估。由於應收上述各方的款項收款記錄良好，董事認為應收關聯方款項及聯營方借貸的信貸風險較低。因此，聯營方借貸、應收關聯方款項、應收票據及其他應收款(不包括預付款及可收回稅項)的預期信貸虧損率評估為接近零，截至2019年12月31日並無計提撥備。

### 3. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (continued)

##### (b) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables detail the remaining contractual maturities at the balance sheet date 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 balance sheet date) and the earliest date the Group can be required to pay.

Where the loan agreement contains a repayable on demand clause which gives the lender the unconditional right to call the loan at any time, the amounts repayable are classified in the earliest time bracket in which the lender could demand repayment.

		Carrying amount	Total contractual undiscounted cash flow	Repayable on demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years
		賬面值	已訂約而未貼現的現金流量總額	接獲通知時	一年內	一年後但不足兩年	二年後但不足五年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
The Group	本集團	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 31 December 2019</b>	<b>於2019年12月31日</b>						
Borrowings	借貸	1,897,779	1,962,812	671,210	723,595	395,909	172,098
Trade payables and bills payables	應付賬款及應付票據	322,922	322,922	24,654	298,268	-	-
Accruals and other payables	應計費用及其他應付款	24,082	24,082	-	24,082	-	-
Amount due to a related company	應付關聯方款項	2,309	2,309	2,309	-	-	-
Derivatives settled on net basis	淨額結算衍生金融工具						
- Interest rate swaps	- 利率互換	(896)	(896)	-	(11)	(1,161)	276
Lease liabilities	租賃負債	5,231	5,510	-	3,713	731	1,066

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 流動資金風險

本集團的政策是定期監察流動資金需求，以及是否符合借款契諾的規定，以確保維持充裕的現金儲備，同時獲得主要金融機構承諾提供足夠的備用資金，以滿足短期和較長期的流動資金需求。

下表載列了本集團於結算日以合約未貼現現金流量(包括按照合約利率或(如屬浮動利率)結算日的現行利率計算的利息付款)的金融負債和本集團可能需要付款的最早日期為準的剩餘合約到期情況。

如果貸款協議載有一項按要求償還之條款，附予貸款人權利於任何時間無條件地要求還貸，該應付的數額於時間支架分類時，以貸款人可以要求還款之最早時間作為準則。

### 3. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (continued)

##### (b) Liquidity risk (continued)

The Group	本集團	Carrying amount	Total contractual undiscounted cash flow	Repayable on demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years
		賬面值 RMB'000 人民幣千元	已訂約而未貼現的現金流量 總額 RMB'000 人民幣千元	接獲通知時 RMB'000 人民幣千元	一年內 RMB'000 人民幣千元	一年後但不足兩年 RMB'000 人民幣千元	二年後但不足五年 RMB'000 人民幣千元
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>						
Borrowings	借貸	1,715,750	1,788,574	595,717	420,960	439,453	332,444
Trade payables and bills payables	應付賬款及應付票據	228,822	228,822	8,842	219,980	-	-
Accruals and other payables	應計費用及其他應付款	25,533	25,533	-	25,533	-	-
Amount due to a related company	應付關聯方款項	644	644	644	-	-	-
Derivatives settled on net basis	淨額結算衍生金融工具						
- Interest rate swaps	- 利率互換	(349)	(349)	-	81	(430)	-
- Forward foreign exchange contracts	- 遠期外匯合同	249	249	-	249	-	-

The table below summarises the maturity analysis of the Group's financial liabilities based on the scheduled repayments set out in the respective agreements. The amounts include interest payments computed using contractual rates. Taking into account the Group's financial position, the directors do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors believe that such amounts due and borrowings will be repaid in accordance with the scheduled repayment dates set out in the agreements.

下表概述本集團金融負債根據載於各自協議之償還時間表之到期日分析。有關金額包括使用合約利率計算之利息付款。經計及本集團之財務狀況，董事認為，關聯方或銀行或不會行使彼等之酌情權要求立即還款。董事認為，該等金額到期及借貸將根據協議所載預定還款日期償還。

**3. FINANCIAL RISK MANAGEMENT** (CONTINUED)

## 3.1 Financial risk factors (continued)

**(b) Liquidity risk** (continued)**3. 財務風險管理** (續)

## 3.1 財務風險因素 (續)

**(b) 流動資金風險** (續)

		Maturity Analysis - financial liabilities based on scheduled repayments 還款期分析 - 基於預定還款的金融負債					
		Carrying amount	Total contractual undiscounted cash flow	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total
		賬面值 RMB'000 人民幣千元	已訂約而未貼現的 現金流量總額 RMB'000 人民幣千元	一年內 RMB'000 人民幣千元	一年後 但不足兩年 RMB'000 人民幣千元	二年後 但不足五年 RMB'000 人民幣千元	總額 RMB'000 人民幣千元
<b>As at 31 December 2019</b>	<b>於2019年12月31日</b>						
Borrowings	借貸	1,897,779	1,976,091	1,400,823	403,170	172,098	1,976,091
Trade payables and bills payables	應付賬款及應付票據	322,922	322,922	322,922	-	-	322,922
Accruals and other payables	應計費用及其他應付款	24,082	24,082	24,082	-	-	24,082
Amount due to a related company	應付關聯方款項	2,309	2,309	2,309	-	-	2,309
Derivatives settled on net basis	淨額結算之衍生工具						
- Interest rate swaps	- 利率互換	(896)	(896)	(11)	(1,161)	276	(896)
- Forward foreign exchange contracts	- 遠期外匯合同	-	-	-	-	-	-
Lease liabilities	租賃負債	5,231	5,510	3,713	731	1,066	5,510
<b>As at 31 December 2018</b>	<b>於2018年12月31日</b>						
Borrowings	借貸	1,715,750	1,801,509	1,015,728	450,378	335,403	1,801,509
Trade payables and bills payables	應付賬款及應付票據	228,822	228,822	228,822	-	-	228,822
Accruals and other payables	應計費用及其他應付款	25,533	25,533	25,533	-	-	25,533
Amount due to a related company	應付關聯方款項	644	644	644	-	-	644
Derivatives settled on net basis	淨額結算之衍生工具						
- Interest rate swaps	- 利率互換	(349)	(349)	81	(430)	-	(349)
- Forward foreign exchange contracts	- 遠期外匯合同	249	249	249	-	-	249

**(c) Cash flow and fair value interest-rate risk**

The Group's exposure to changes in interest rates is mainly attributable to its bank borrowings. Bank borrowings at variable rates expose the Group to cash flow interest-rate risk which is partially offset by bank balances held at variable rates. Bank borrowings at fixed rates expose the Group to fair value interest-rate risk. Details of the Group's bank borrowings are disclosed in Note 28 to the consolidated financial statements. The Group analyses its interest rate exposure on a dynamic basis and to hedge its variable rate by fixed rate instruments, when necessary. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging.

During 2018 and 2019, the Group's borrowings at variable rates were denominated in United States dollars ("USD"), RMB and Hong Kong dollars ("HKD").

**(c) 現金流量及公允價值利率風險**

本集團之利率風險主要源自銀行借貸。按不同息率提供之銀行借貸使本集團面對現金流量利率風險，部份為按浮動利率持有的銀行存款所抵消。按定息提供之銀行借貸使本集團面對公允價值利率風險。有關本集團銀行借貸之詳情，於合併財務報表附註28披露。本集團以活躍方式分析其利率風險，本集團利用多個模擬方案，以計入再融資、現有持倉的續訂、其他可採用的融資和對沖。

於2018年及2019年內，本集團按浮動利率計算的貸款以美元、人民幣和港元為單位。

### 3. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (continued)

##### (c) Cash flow and fair value interest-rate risk (continued)

It is estimated that an increase/decrease of 50 basis points as at 31 December 2019 in bank borrowing interest rates for bank loans with all other variables held constant would decrease/increase the profit after taxation by approximately RMB8,831,000 (2018: 50 basis points; RMB7,982,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for non derivative financial instruments in existence at that date.

##### (d) Foreign exchange risk

The Group mainly operates in Mainland China with most of the transactions settled in RMB. Foreign exchange rate risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group's assets and liabilities, and transactions arising from its operations primarily do not expose to material foreign exchange risk, other than certain trade receivables, cash and cash equivalents, borrowings and derivative financial instruments denominated in USD and HKD, details of which have been disclosed in Note 20, Note 23, Note 28 and Note 19, respectively. The Group's assets and liabilities are primarily denominated in RMB. Other than approximately 15% (2018: 20%) of the sales are denominated in USD and certain expenses in HKD, the Group mainly generates RMB from sales in Mainland China to meet its liabilities denominated in RMB.

Further depreciation or appreciation of the USD and the HKD against the RMB will affect the Group's financial position and results of operations.

If the RMB had strengthened/weakened against the USD and the HKD by 100 basis points as at the respective balance sheet dates, profit after taxation would increase/decrease by approximately RMB6,143,000 (2018: RMB6,833,000) and increase/decrease by approximately RMB7,168,000 (2018: RMB4,837,000), respectively, mainly as a result of foreign exchange gain/loss on translation of USD and HKD denominated bank borrowings, trade receivables and cash and cash equivalents.

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (c) 現金流量及公允價值利率風險(續)

於2019年12月31日，估計銀行貸款的利率每上升／下降50個基準點，如果所有其他變量保持不變，除稅後利潤會減少／增加約人民幣8,831,000元(2018：50個基準點；人民幣7,982,000元)。

上述敏感度分析的釐定已假設利率變動在結算日已經發生，並且應用在該日已存在的非衍生金融工具的利率風險敞口上。

##### (d) 外匯風險

本集團主要在中國內地經營業務。本集團大部分交易、資產及負債均以中國人民幣結算。當未來商業交易或已確認資產和負債的計值貨幣並非該實體的功能貨幣，外匯風險便會產生。

本集團的資產與負債以及業務過程中的交易基本上並無重大外匯風險，除若干應收賬款、現金及等同現金項目、借貸以及衍生金融工具以美元及港元計值(詳情分別於附註20、附註23、附註28及附註19披露)外，本集團的資產及負債主要以人民幣計值。除約15%(2018: 20%)的銷售以美元計值以及若干港元開支外，本集團在中國的銷售主要賺取人民幣，以償付按人民幣計值的負債。

美元及港元兌人民幣進一步貶值或升值均會影響本集團的財務狀況及經營業績。

於各相關結算日，人民幣兌美元及港元升值／貶值100個基準點會分別增加／減少除稅後利潤約人民幣6,143,000元(2018：人民幣6,833,000元)及增加／減少約人民幣7,168,000元(2018：人民幣4,837,000元)，主要因為換算以美元及港元為單位的銀行貸款及衍生金融工具所得的匯兌收益／虧損。

### 3. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (continued)

##### (e) Price risk

The Group is exposed to equity securities price risk because certain investments held by the Group are classified as FVOCI. As the amount of such financial assets is not material to the Group, the exposure to price risk is considered to be insignificant.

The Group purchases turpentine as one of its major raw materials for its manufacturing process, and is exposed to fluctuation in its market price. The Group does not use any derivative instruments to manage its economic exposure to the change in price of raw materials.

#### 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as "equity", as shown in the consolidated balance sheet, plus net debt.

The net debt amounts and gearing ratio at 31 December 2019 and 2018 were as follows:

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Total borrowings (Note 28)	總借貸(附註28)	1,897,779	1,715,750
Less: cash and cash equivalents (Note 23)	減：現金及現金等價物(附註23)	(958,126)	(897,903)
Net debt	淨債務	939,653	817,847
Total capital	總資本	3,235,447	2,913,686
Gearing ratio	負債率	29%	28%

### 3. 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (e) 價格風險

由於本集團所持若干投資分類作按公允價值計入其他綜合收益之金融資產，故本集團面對股本證券價格風險。由於該等金融資產之金額對本集團而言並不重大，故價格風險被視為不重大。

本集團採購松節油作為其生產過程的主要原材料，並面對市場價格波動。本集團並無使用任何衍生工具以管理原材料價格波動之經濟風險。

#### 3.2 資金風險管理

本集團的資金管理政策，是保障本集團能繼續營運，以為股東提供回報和為其他權益持有人提供利益，同時維持最佳的資本結構以減低資金成本。

為了維持或調整資本結構，本集團可能會調整支付予股東的股息數額、向股東分派的資本返還、發行新股或出售資產以減低債務。

與業內其他公司一樣，本集團利用負債比率監察其資本。此比率按照債務淨額除以總資本計算。債務淨額為總借貸（包括合併資產負債表所列的即期及非即期貸款）減去現金及現金等價物。總資本為「權益」（如合併資產負債表所列），加淨債務。

在2018年及2019年12月31日，淨債務之金額及負債率如下：

### 3. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.2 Capital risk management (continued)

There is no significant change to the gearing ratio during the year.

#### 3.3 Fair value estimation

HKFRS 7 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. The Group does not have this type of financial instruments.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). As at 31 December 2019, the Group recognised outstanding interest rate swap contracts with fair value of RMB1,172,000 as liabilities (2018: 455,000) and RMB276,000 as assets (2018: RMB106,000). The Group recognised outstanding forward foreign exchange contracts with fair value of nil as liabilities (2018: RMB1,061,000) and nil as assets (2018: RMB1,310,000).
- Level 3 – Inputs for asset or liability that are not based on observable market data (that is, unobservable inputs). As at 31 December 2019, the Group had FVOCI of RMB200,000 (2018: RMB200,000) that are within this category.

There were no transfers between levels 1, 2 and 3 during the year.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates.

If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### 3. 財務風險管理 (續)

#### 3.2 資金風險管理 (續)

年內，負債比率並無重大變化。

#### 3.3 公允價值估計

《香港財務報告準則》7規定按下列公允價值計量架構披露公允價值計量：

- 相同資產或負債在活躍市的報價(未經調整)(第1層)。本集團並無此種類的金融工具。
- 除了第1層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。於2019年12月31日，本集團持有仍未結算的遠期利率互換合同之公允價值為人民幣1,172,000元(2018：人民幣455,000元)確認為負債、人民幣276,000元(2018：人民幣106,000元)確認為資產。本集團持有仍未結算的遠期外匯合同之公允價值為人民幣零元(2018：人民幣1,061,000元)確認為負債、人民幣零元(2018：人民幣1,310,000元)確認為資產。
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)，於2019年12月31日，本集團擁有按公允價值計入其他綜合收益之金融資產共人民幣200,000元(2018：共人民幣200,000元)。

年內第1、第2與第3層之間並無轉撥。

沒有在活躍市場買賣的金融工具的公允價值利用估值技術釐定。估值技術儘量利用可觀察市場數據(如有)，儘量少依賴實體的特定估計。

如計算一金融工具的公允價值所需的所有重大輸入為可觀察數據，則該金融工具列入第2層。如一項或多項重大輸入並非根據可觀察市場數據，則該金融工具列入第3層。



### 3. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.3 Fair value estimation (continued)

Specific valuation techniques used to value financial instruments include:

- The fair value of interest rate swaps was calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

#### 3.4 Offsetting financial assets and financial liabilities

The Group does not have any financial assets and liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements for the year.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### 3. 財務風險管理 (續)

#### 3.3 公允價值估計 (續)

用以估值金融工具的特定估值技術包括：

- 利率互換的公允價值根據可觀察收益率曲線，按估計未來現金流量的現值計算。
- 遠期外匯合同的公允價值利用資產負債表日期的遠期匯率釐定，而所得價值折算至現值。
- 其他技術，例如折算現金流量分析，用以釐定其餘金融工具的公允價值。

#### 3.4 抵銷金融資產和負債

本集團並無金融資產及負債受抵銷、可執行總互抵安排和類似協議的規限。

## 4. 重大會計估計及判斷

本集團根據過往經驗及其他因素不斷對估計及判斷作出評估，包括根據該等情況相信為合理之未來事項預測。

本集團就未來發展作出估計及判斷。所得會計估值故名思義甚少等同於相關實際結果。以下所論述之估計及假設存有對下一個財政年度資產及負債賬面值造成重大調整之重大風險。

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

##### (a) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on current market conditions and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to changes in market conditions. Management reassesses these estimates at the end of each reporting period. During the year ended 31 December 2019, a provision for impairment of inventories of RMB764,000 (2018: RMB1,641,000) was recognised in the consolidated income statement within 'cost of sales'.

##### (b) Estimated impairment of intangible assets

The Group makes provision for impairment of intangible assets based on an assessment of the recoverability of intangible assets. Provisions are applied to intangible assets where events or changes in circumstances indicate that the balances may not be recoverable. The identification of impairment requires the use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of intangible assets and provision for impairment in the period in which such estimate has been changed.

##### (c) Estimated loss allowance for trade receivables

The loss allowances for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3.1(a).

##### (d) Estimated useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to market conditions. Management will increase the depreciation charge where useful lives are less than previously estimated lives or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

#### 4. 重大會計估計及判斷

(續)

##### (a) 存貨可變現淨值

存貨可變現淨值為日常業務中的估計售價減估計完成成本及銷售開支。該等估計建基現行市場狀況，加上製造及銷售類似性質產品的過去經驗。客戶口味的轉變及競爭對手因應市場狀況變化的行動可導致存貨可變現淨值出現重大改變。管理層於各報告期末再評估該等估計。截至2019年12月31日年度，存貨減值撥備人民幣764,000元(2018：人民幣1,641,000元)已在合併利潤表「銷售成本」內。

##### (b) 無形資產之估計減值

本集團根據無形資產之可收回情況作出之評估，就無形資產作出減值撥備。倘出現事項或情況有變而顯示不一定可收回餘款時，撥備應用於無形資產。識別減值須運用判斷及估計。倘預算金額有別於原訂估值，有關差額將影響估值出現變動期間無形資產之賬面以及期內減值撥備。

##### (c) 應收賬款之估計虧損撥備

應收賬款虧損撥備乃基於對違約風險及預期虧損率之假設而作出。基於本集團之過往記錄、現有市場狀況以及前瞻估計，本集團於各報告期末作出該等假設及選擇計算減值之輸入時會作出判斷。有關主要假設及輸入之詳情於附註3.1(a)披露。

##### (d) 物業、廠房及設備之估計可用年期

本集團管理層釐定其物業、廠房及設備之估計可用年期及相關折舊開支。有關估值按類似性質及功能之物業、廠房及設備之實際可用年期的過往經驗計算，或會基於科技革新及競爭對手因應市場狀況作出回應而出現重大變動。當可用年期少於先前估計年期，管理層將增加折舊開支，或撤銷或撤減技術陳舊之存貨或遭廢棄或出售之非策略資產。

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(CONTINUED)*

##### (e) Income taxes

The Group is subject to income taxes in Hong Kong and Mainland China. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and income tax expense in the periods in which such estimate is changed.

Provision for withholding tax that would be payable on the unremitted earnings of certain subsidiaries is subject to management's estimates that the Company controls the dividend policies of these subsidiaries.

##### (f) Research and development costs

Critical judgment by the Group's management is applied when deciding whether the recognition requirements for development costs have been met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems at the time of recognition. Judgments are based on the best information available at each balance sheet date. In addition, all internal activities related to the research and development of new products is continuously monitored by the Group's management.

#### 4. 重大會計估計及判斷

(續)

##### (e) 所得稅

本集團需要在香港和中國大陸繳納所得稅。在釐定所得稅撥備時，需要作出重大判斷。在一般業務過程中，有許多交易和計算所涉及的最終稅務釐定都是不確定的。本集團根據對是否需要繳付額外稅款的估計，就預期稅務審計項目確認負債。如此等事件的最終稅務後果與最初記錄的金額不同，此等差額將影響作出此等釐定期間的所得稅和遞延稅項撥備。

與某些暫時性差異和稅務虧損相關的遞延所得稅資產，在管理層認為很可能獲得未來應納稅所得額用以抵扣暫時性差異或稅務虧損時予以確認。如果預期與原估計不同，這種差異將影響遞延所得稅資產和所得稅費用在該估計變更期間的確認。

附屬公司的未匯返利潤的代扣所得稅取決於本集團管理層認為本公司能夠推測附屬公司的派息策略。

##### (f) 研究及開發成本

本集團管理層於決定開發成本是否已達到確認要求時作出重大判斷。由於任何產品開發能否取得經濟效益尚屬未知數，且會受確認時的未來技術問題所影響，故此乃屬必要之舉。判斷以各結算日所得的最齊備資料作為基礎。此外，一切與研究及開發新產品有關的內部活動乃由本集團管理層持續監察。

## 5. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive Directors. The executive Directors review the Group's internal reports in order to assess performance and allocate resources. Management has determined the operating segments based on the internal reports provided for review by the executive Directors.

The executive Directors consider the performance of the Group from a product perspective. The executive Directors assesses the performance of the operating segments based on a measure of adjusted EBITDA. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as write-off of property, plant and equipment, provision for impairment of intangible assets, legal expenses and net exchange gains/losses. The measure also excludes the effects of share of profit of an associate and net/losses on financial instruments. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

The segment information for the year ended 31 December 2019 is presented below:

## 5. 分部資料

首席經營決策者被認為執行董事。執行董事審視本集團內部報告以評估表現和分配資源。管理層已決定根據此呈執行董事內部報告釐定營運分部。

執行董事從產品角度審視集團業績。執行董事根據「已扣除利息、稅項、折舊和攤銷的經調整盈利」(「EBITDA」)的一項計量措施評估經營分部的表現。此項計量基準不包括經營分部非經常性開支的影響，例如物業、廠房及設備之撇銷、無形資產減值撥備、法律費用及淨匯兌虧損收益。該項計量措施亦不包括應佔聯營收益和金融工具虧損淨額的影響。利息收入和支出並無分配至分部，因為此類型活動是由負責管理本集團現金狀況的中央財務部所推動。

截至2019年12月31日止年度之分部資料呈列如下：

		Scent and Taste	Naturals	Specialties and Others	Unallocated	Total
		芳香及味道	天然產物	特殊化學品 及其他	未分配	總額
		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
<b>Revenue</b>	<b>收入</b>	1,649,071	456,380	317,359	–	2,422,810
<b>Adjusted EBITDA</b>	<b>經調整EBITDA</b>	318,592	65,966	60,087	–	444,645
Depreciation of property, plant and equipments	物業、廠房及設備之折舊	–	–	–	(32,105)	(32,105)
Depreciation of right-of-use assets	使用權資產之折舊	–	–	–	(4,607)	(4,607)
Write-off of property, plant and equipment	物業、廠房及設備之折舊撇銷	–	–	–	(11,592)	(11,592)
Amortisation	攤銷	–	–	–	(17,795)	(17,795)
Provision for impairment of intangible assets	無形資產減值撥備	–	–	–	(5,000)	(5,000)
Net losses on financial instruments	金融工具虧損淨額	–	–	–	(1,528)	(1,528)
Net finance expenses	財務費用淨額	–	–	–	(42,254)	(42,254)
Others	其他	–	–	–	(4,944)	(4,944)
Share of profit of an associate	應佔聯營收益	–	–	–	1,638	1,638
Taxation	稅項	–	–	–	(97,418)	(97,418)
<b>Profit for the year</b>	<b>年度利潤</b>	<b>318,592</b>	<b>65,966</b>	<b>60,087</b>	<b>(215,605)</b>	<b>229,040</b>

## 5. SEGMENT INFORMATION (CONTINUED)

The segment information for the year ended 31 December 2018 is presented below:

		Scent and Taste	Naturals	Specialties and Others	Unallocated	Total
		芳香及味道	天然產物	特殊化學品 及其他	未分配	總額
		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
<b>Revenue</b>	<b>收入</b>	1,470,695	444,954	282,568	–	2,198,217
<b>Adjusted EBITDA</b>	<b>經調整EBITDA</b>	359,055	67,344	49,302	–	475,701
Depreciation of property, plant and equipment	物業、廠房及設備之 折舊	–	–	–	(37,263)	(37,263)
Amortisation	攤銷	–	–	–	(19,654)	(19,654)
Net losses on financial instruments	金融工具虧損淨額	–	–	–	(2,632)	(2,632)
Net finance expenses	財務費用淨額	–	–	–	(100,309)	(100,309)
Others	其他	–	–	–	40	40
Share of profit of an associate	應佔聯營收益	–	–	–	966	966
Taxation	稅項	–	–	–	(101,558)	(101,558)
Profit for the year	年度利潤	359,055	67,344	49,302	(260,410)	215,291

## 5. 分部資料 (續)

截至2018年12月31日止年度之分部資料呈列如下：

## Liability related to contracts with customers

As at 31 December 2019, contract liabilities included in accruals and other payables amounted to RMB2,330,000 (2018: RMB423,000).

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

## 有關客戶合約之負債

於2019年12月31日，計入應計費用及其他應付款之合約負債為人民幣2,330,000元(2018：人民幣423,000元)。

下表列示於當前報告期間內確認的收益與結轉的合約負債的相關程度。

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Revenue recognised that was included in the contract liability balance at the beginning of the period	計入期初合約負債結餘的已確認收入	423	1,212

## 5. SEGMENT INFORMATION (CONTINUED)

In presenting information of geographical segments, segment revenue from external customers by continent is based on the destination of the customer. The Group's FVOCI and deferred tax income assets are not considered to be segment non-current assets for reporting. The Group's derivative financial instruments are not considered to be segment total assets for reporting. Other total assets are allocated based on where the assets are located. The Group's deferred income tax liabilities, borrowings and derivative financial instruments are not considered to be segment liabilities for reporting as they are managed by the Group's central treasury.

## 5. 分部資料 (續)

於呈列地域資料時，外部客戶分部收入乃根據客戶所在地，按洲份劃分進行計算。本集團的按公允價值計入其他綜合收益之金融資產和遞延所得稅資產不被視為分部非流動資產。本集團的衍生金融工具不被視為分部資產總值。其他資產總值乃按資產所在地分配。由於集團的遞延所得稅負債、借款及衍生金融工具由中央資金部管理，故此不被視為分部負債。

		Mainland China	Europe	Asia (excluding Mainland China)	North America	Others/ Unallocated	Total
		中國內地	歐洲	亞洲 (中國內地 除外)	北美洲	其他/ 未分配	總額
		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
<b>2019</b>	<b>2019年</b>						
Revenue	收入	2,048,989	123,286	113,412	102,102	35,021	2,422,810
Non-current assets	非流動資產	1,594,578	-	1,916	-	5,107	1,601,601
Total assets	資產總值	4,580,818	3,395	94,900	-	5,383	4,684,496
Total liabilities	負債總額	387,355	722	12,424	-	1,988,201	2,388,702
<b>2018</b>	<b>2018年</b>						
Revenue	收入	1,767,849	137,220	148,902	110,032	34,214	2,198,217
Non-current assets	非流動資產	1,173,795	-	213	-	5,089	1,179,097
Total assets	資產總值	4,081,182	6,412	107,361	-	6,505	4,201,460
Total liabilities	負債總額	293,255	529	14,971	-	1,796,866	2,105,621

Capital expenditure comprises additions to right-of-use assets (Note 15(b)), property, plant and equipment (Note 16) and intangible assets (Note 17). No geographical analysis of capital expenditure is presented as substantially all of the Group's capital expenditure was incurred in respect of assets located in Mainland China.

資本開支包括使用權資產(附註15(b))、物業、廠房及設備(附註16)以及無形資產(附註17)。由於本集團絕大部分資本開支就位於中國內地之資產產生，因此並無呈報資本開支之地區分析。

Revenues of RMB283,981,000 (2018: RMB223,429,000) and RMB180,857,000 (2018: RMB180,705,000), respectively, are derived from two major customers. These revenues are mainly attributable to the segments of Scent and Taste and Naturals.

來自兩個主要客戶的收益分別為人民幣283,981,000元(2018: 人民幣223,429,000元)及人民幣180,857,000元(2018: 人民幣180,705,000元)。此等收益主要來自芳香及味道及天然產物分部。

## 6. OTHER INCOME AND (LOSSES)/GAINS, NET

## 6. 其他收入及(虧損)/收益－淨額

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Income on government grants	政府撥款之收益	3,967	2,529
Derivative financial instruments (Note a):	衍生金融工具(附註a)：		
– Net realised losses	– 已變現虧損淨額	(732)	(2,493)
– Net fair value losses	– 公允淨值虧損	(796)	(139)
Net foreign exchange gains (Note 14)	淨匯兌收益(附註14)	1,973	7,908
Loss on disposals of property, plant and equipment (Note b)	出售物業、廠房及設備之虧損(附註b)	(694)	(365)
Write-off of property, plant and equipment (Note c)	物業、廠房及設備之撇銷(附註c)	(11,592)	–
Others	其他	(4)	(239)
		<b>(7,878)</b>	<b>7,201</b>

## Notes:

- (a) Net realised losses on interest rate swap and foreign exchange contracts amounting to RMB732,000 (2018: RMB2,493,000). The net fair value losses on interest rate swap amounting to RMB547,000 (2018: RMB388,000) and the net fair value losses on foreign exchange contracts of RMB249,000 (2018: net fair value gain of RMB249,000) had been recognised, respectively, which amounts are included in the respective year end balances of derivative financial instruments as set out in Note 19.
- (b) The Group recorded a loss of RMB694,000 (2018: RMB365,000) on disposals of property, plant and equipment as the Group was not able to sell them at their carrying amounts.
- (c) During the year, the Group restructured part of a plant resulting in write-off of certain property, plant and equipment amounted to RMB11,592,000.

## 附註：

- (a) 已確認利率互換及外匯合同之已變現虧損淨額為人民幣732,000元(2018：人民幣2,493,000元)。已被確認之利率互換合同之公允價值淨損失為人民幣547,000元(2018：人民幣388,000元)和外匯合同之公允價值淨損失為人民幣249,000元(2018：公允價值淨收益為人民幣249,000元)已計入附註19所載衍生金融工具相關年結日結餘內。
- (b) 本集團無法以其賬面值出售物業、廠房及設備，因此於出售該等資產時錄得虧損人民幣694,000元(2018：人民幣365,000元)。
- (c) 於本年度內，本集團重建一部份的廠房而引致若干物業、廠房及設備之撇銷共人民幣11,592,000元。

## 7. NET FINANCE EXPENSES

## 7. 財務費用淨額

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Interest expense:	利息費用：		
– Bank borrowings	– 銀行借貸	(101,567)	(88,090)
– Government loans	– 政府貸款	–	(13)
– Lease liabilities	– 租賃負債	(340)	–
Net foreign exchange losses on financing activities (Note 14)	融資活動的淨匯兌虧損 (附註14)	(26,860)	(69,478)
Finance expenses	財務費用	(128,767)	(157,581)
Less: amounts capitalised on qualifying assets	減：合資格資產資本化數額	44,758	13,839
Total finance expenses	總財務費用	(84,009)	(143,742)
Finance income	財務收益		
– Interest income on bank deposits	– 銀行存款的利息收益	41,755	43,433
Net finance expenses	財務費用淨額	(42,254)	(100,309)



## 8. EXPENSES BY NATURE

## 8. 按性質劃分之開支

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Amortisation of prepaid operating lease payments (Note 15(a))	預付經營租賃款項攤銷(附註15a)	–	899
Depreciation of property, plant and equipment (Note 16)	物業、廠房、設備之折舊(附註16)	32,105	37,263
Depreciation of right-of-use assets (Note 15(b))	使用權資產之折舊(附註15(b))	4,607	–
Amortisation of intangible assets (Note 17)	無形資產攤銷(附註17)	17,795	18,755
Provision for impairment of intangible assets (Note 17)	無形資產減值撥備(附註17)	5,000	–
Provision for impairment of inventories (Note 22)	存貨減值撥備計提(附註22)	764	1,641
Employee benefit expense (Note 9)	僱員福利開支(附註9)	76,564	63,469
Cost of inventories (Note 22)	存貨成本(附註22)	1,753,003	1,504,523
Transportation costs	運輸成本	23,179	21,831
Operating lease payments	營運租賃租金	–	5,382
Expenses related to low value and short-term leases	低值及短期租賃之費用	2,462	–
Auditors' remuneration	核數師酬金		
– Audit service	– 審計服務	2,220	2,156
– Non-audit service	– 非審計服務	–	–
Utilities and electricity charges	燃料動力及水電費用	35,700	35,566
Subcontracting expenses	加工費用	16,477	18,881
Other PRC taxes	其他中國稅項	20,204	29,389
Consumables and supplies	物料消耗	5,875	4,142
Bank charges	銀行費用	5,089	4,427
Other expenses	其他費用	46,352	42,432
Total cost of sales, selling and marketing costs and administrative expenses	銷售成本、銷售及市場推廣成本及行政費用之總額	2,047,396	1,790,756

## 9. EMPLOYEE BENEFIT EXPENSE

## 9. 僱員福利開支

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Wages, salaries, other allowances and benefits in kind	工資、薪金、其他津貼及實物利益	69,995	58,082
Pension costs – defined contribution plans (Note a)	退休金成本—定額供款計劃(附註a)	6,569	5,387
		<b>76,564</b>	<b>63,469</b>

## (a) Pensions - defined contribution plans

As stipulated by rules and regulations in Mainland China, the Group contributes to a state-sponsored retirement plan for its employees in Mainland China, which is a defined contribution plan. The Group and its employees contribute approximately 12% to 14% and 0% to 8%, respectively, of the employees' salary as specified by the local government, and the Group has no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The state-sponsored retirement plan is responsible for the entire pension obligations payable to retired employees.

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group and its Hong Kong employees makes monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. Both the Group's and the employees' contributions are subject to a cap of HK\$1,500 per month.

During the year, the aggregate amount of the Group's contributions to the aforementioned retirement schemes was approximately RMB6,569,000 (2018: RMB5,387,000). As at 31 December 2019, the Group was not entitled to any forfeited contributions to reduce the Group's future contributions.

## (a) 退休金成本—定額供款計劃

根據中國內地法規，本集團為其中國內地僱員向國家認可之定額供款退休計劃供款。本集團及其僱員分別按地方政府所指定之僱員薪金約12%至14%及0%至8%供款，除作出年度供款外，本集團毋須再承擔實際支付退休金或退休後福利之責任。國家認可之退休金計劃承擔應付予退休僱員之一切退休福利責任。

本集團已安排其香港僱員參與由獨立信託人管理之定額供款計劃強制性公積金計劃(「強積金計劃」)。根據強積金計劃，本集團及其香港僱員須每月按照強制性公積金條例所釐定之僱員收入5%各自向計劃供款，而本集團及僱員每月供款上限為1,500港元。

本年度，本集團有關上述退休金計劃之供款總額約為人民幣6,569,000元(2018：人民幣5,387,000元)。於2019年12月31日，本集團並無已沒收供款可用作減少其日後供款。

**9. EMPLOYEE BENEFIT EXPENSE** (CONTINUED)**(b) Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group include four (2018: four) directors whose emoluments are reflected in the analysis shown in Note 36. The emoluments payable to the remaining one (2018: one) individual during 2019 are as follows:

		<b>2019</b> <b>RMB'000</b> 人民幣千元	2018 RMB'000 人民幣千元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	1,099	1,068
Retirement benefit – defined contribution plans	退休福利—定額供款計劃	16	15
		<b>1,115</b>	<b>1,083</b>

The emoluments fell within the following band:

Emolument band	薪酬範圍	<b>Number of individual(s)</b> 人數	
		<b>2019</b>	2018
HK\$1,000,001 – HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	1	1

During the years ended 31 December 2019 and 2018, no emoluments were paid to the directors or the five highest paid individuals as an inducement to join or as compensation for loss of office.

**9. 僱員福利開支** (續)**(b) 五名最高薪人**

本集團最高薪酬的五位人士包括四位(2018: 四位)董事，他們的薪酬在本列報的附註36反映。2019年支付於其餘一位(2018: 一位)人士的薪酬如下：

2019  
RMB'000  
人民幣千元

2018  
RMB'000  
人民幣千元

此等薪酬在下列組合範圍內：

截至2018年及2019年12月31日止年度，並無向本公司董事或該五名最高薪人士支付任何酬金，作為吸引彼加盟之獎金或作為離職之補償。

# Notes to the Consolidated Financial Statements

## 合併財務報表附註

### 10. SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2019:

### 10. 附屬公司

以下為於2019年12月31日主要附屬公司的名單：

Name	Place of incorporation and kind of legal entity	Particular of issued share capital	Proportion of ordinary shares directly held by parent (%)	Proportion of ordinary shares held by the Group (%)	Proportion of ordinary shares held by non-controlling interests (%)	Principal activities and place of operation
名稱	註冊成立地點及法定立體類別	已發行股本詳情	由母公司直接持有的普通股比例	由本集團持有的普通股比例	由非控股性權益持有的普通股比例	主要業務及經營地點
EcoGreen Fine Chemicals Limited	British Virgin Islands 英屬處女群島	US\$95,000 95,000美元	100%	100%	-	Investment holding, in Hong Kong 投資控股，香港
Doingcom International Limited 中坤國際有限公司	Hong Kong 香港	HK\$100,000,000 港幣100,000,000元	-	100%	-	Trading of fine chemicals, in Hong Kong 買賣精細化學品，香港
Xiamen Doingcom Chemical Co., Ltd. 廈門中坤化學有限公司	Mainland China (Note b) 中國內地(附註b)	RMB190,000,000 人民幣190,000,000元	-	100%	-	Manufacturing and sale of fine chemicals in Mainland China 生產及銷售精細化學品，中國內地
Xiamen Doingcom Biotechnology Co., Ltd. 廈門中坤生物科技股份有限公司	Mainland China (Note c) 中國內地(附註c)	RMB50,000,000 人民幣50,000,000元	-	100%	-	Manufacturing of fine chemicals in Mainland China 生產精細化學品，中國內地
廈門中坤貿易有限公司(附註a) Xiamen Doingcom Enterprise Limited (Note a)	Mainland China (Note d) 中國內地(附註d)	RMB20,000,000 人民幣20,000,000元	-	100%	-	Sale of fine chemicals in Mainland China 銷售精細化學品，中國內地
廈門中坤食品有限公司(附註a) Xiamen Doingcom Food Co., Ltd. (Note a)	Mainland China (Note e) 中國內地(附註e)	RMB20,000,000 人民幣20,000,000元	-	100%	-	Manufacturing and sale of food additives and seasoning 生產及銷售食品添加劑及調味料，中國內地
Xiamen Sinotek Enterprise Development Co., Ltd. 廈門中技實業發展有限公司	Mainland China (Note f) 中國內地(附註f)	RMB20,000,000 人民幣20,000,000元	-	100%	-	Manufacturing and sale of fine chemicals in Mainland China 生產及銷售精細化學品，中國內地
漳州滙友實業有限公司(附註a) Zhangzhou Huiyou Enterprise Co., Ltd. (Note a)	Mainland China (Note g) 中國內地(附註g)	US\$10,000,000 10,000,000美元	-	100%	-	Manufacturing and sale of fine chemicals in Mainland China 生產及銷售精細化學品，中國內地
楚雄中怡林產貿易有限公司(附註a) Chuxiong EcoGreen Forestry Trading Co., Ltd. (Note a)	Mainland China (Note h and j) 中國內地(附註h及j)	RMB10,000,000 人民幣10,000,000元	-	55%	45%	Sale of forestry products in Mainland China 銷售林業產品，中國內地
中怡化工(漳州)有限公司(附註a) EcoGreen Chemicals (Zhangzhou) Co., Ltd. (Note a)	Mainland China (Note i) 中國內地(附註i)	RMB21,580,000 人民幣21,580,000元	-	100%	-	Manufacturing and sale of fine chemicals in Mainland China 生產及銷售精細化學品，中國內地

## 10. SUBSIDIARIES (CONTINUED)

Notes:

- (a) The English names are for identification purpose only.
- (b) Xiamen Doingcom Chemical Co., Ltd. is sino-foreign owned enterprise established in Xinmen, Fujian Province, Mainland China for a term of 40 years up to October 2037.
- (c) Xiamen Doingcom Biotechnology Co., Ltd. is sino-foreign owned enterprise established in Xiamen, Fujian Province, Mainland China for a term of 20 years up to July 2024.
- (d) Xiamen Doingcom Enterprise Limited is a limited liability enterprise established in Xiamen, Fujian Province, Mainland China for a term of 20 years up to June 2024.
- (e) Xiamen Doingcom Food Co., Ltd. is a limited liability enterprise established in Xiamen, Fujian Province, Mainland China for a term of 20 years up to October 2031.
- (f) Xiamen Sinotek Enterprise Development Co., Ltd. are wholly foreign owned enterprises established in Xiamen, Fujian Province, Mainland China for a term of 30 years up to July 2026.
- (g) Zhangzhou Huiyou Enterprise Co., Ltd. is wholly foreign owned enterprise established in Changtai, Zhangzhou, Fujian Province, Mainland China for a term of 50 years up to April 2057.
- (h) Chuxiong EcoGreen Forestry Trading Co., Ltd. is a limited liability enterprise established in Chuxiong, Yunnan Province, Mainland China for a term of 30 years up to March 2037.
- (i) EcoGreen Chemicals (ZhangZhou) Co., Ltd is a limited liability are wholly foreign owned enterprises established in ZhangZhou, Fujian Province, Mainland China for a term of 20 years up to December 2032.
- (j) During the year, the Group disposed of 45% of the equity interest in then Chuxiong EcoGreen Forestry Trading Co., Ltd, a then wholly owned subsidiary, to an independent third party for a consideration of RMB10,000,000. The Group's equity interests in the subsidiary was reduced from 100% to 55%. The difference between the consideration receivable and the carrying value of net assets disposed of in an equity transaction with non-controlling interest resulted from the change in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary amounting to approximately RMB5,035,000 was recognized in equity and an increase of approximately RMB4,965,000 was recognised in the non-controlling interests.

## 10. 附屬公司 (續)

附註：

- (a) 英名名稱僅供識別。
- (b) 廈門中坤化學有限公司為在中國內地福建省廈門市成立之中外合資企業，經營期為40年，直至2037年10月止。
- (c) 廈門中坤生物科技有限公司為在中國內地福建省廈門市成立之中外合資企業，經營期為20年，至2024年7月止。
- (d) 廈門中坤貿易有限公司為於中國內地福建省廈門市成立之有限公司，經營期為20年，至2024年6月止。
- (e) 廈門中坤食品有限公司為於中國內地福建省廈門市成立之有限公司，經營期為20年，至2031年10月止。
- (f) 廈門中技實業發展有限公司為外商獨資企業，在中國內地福建省廈門市成立，經營期為30年，至2026年7月止。
- (g) 漳州滙友實業有限公司為一間全外資企業，在中國內地福建省漳州市長泰縣成立，經營期為50年，至2057年4月止。
- (h) 楚雄中怡林產貿易有限公司於中國內地雲南省楚雄市成立之有限公司，經營期為30年，至2037年3月止。
- (i) 中怡化工(漳州)有限公司為於中國內地福建省漳州成立之有限公司，經營期為20年，至2032年12月止。
- (j) 年內，本集團將當時全資附屬公司楚雄中怡林產貿易有限公司的45%股權出售予一名獨立第三方，代價為人民幣10,000,000元。本集團於附屬公司的股權由100%減少至55%。與非控制性權益的股權交易中，應收代價與出售的淨資產賬面價值之間的差額是由於本集團在附屬公司中的擁有權益變動而對該附屬公司控制權不變而導致的。約人民幣5,035,000元已確認為權益，約人民幣4,965,000元已確認為非控股性權益之增加。

## 11. INVESTMENT IN AN ASSOCIATE

## 11. 聯營投資

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
At 1 January	於1月1日	8,696	7,730
Share of profit of an associate	應佔聯營利潤份額	1,638	966
At 31 December	於12月31日	10,334	8,696

Details of the associate as at 31 December 2019 and 2018 are as follows:

在2019年及2018年12月31日聯營投資的性質如下：

Name of entity 名稱	Place of business/ country of incorporation 註冊成立國家/ 業務地址	Particulars of registered and paid up capital 註冊及 實收資本詳情	Percentage of ownership interest (Held by a Subsidiary) 所有權益 (由附屬公司持有)		Measurement Method 計量法	Principal activities 主要業務
			2019	2018		
武漢格源精細化工有限公司 (附註a)	Mainland China	RMB30,000,000	25%	25%	Equity	Manufacturing of fine chemicals
Wuhan Geyuan Fine Chemicals Co., Ltd. (Note a)	中國內地	人民幣30,000,000元			權益法	生產精細化學品

Note:

(a) Wuhan Geyuan Fine Chemicals Co., Ltd. is a private limited liability company and there is no quoted market price available for its shares.

In the opinion of the directors, the associate is relatively immaterial to the Group and therefore no summarised financial information of the associate was disclosed.

There are no contingent liabilities relating to Group's interest in the associate and there are no contingent liabilities of the associate itself.

Details of loan to an associate and amount due to an associate are disclosed in Notes 35(b) and 35(c), respectively.

附註：

(a) 武漢格源精細化工有限公司為私人有限責任公司，其股份沒有市場報價。

董事認為聯營相對集團並不重大，因此沒有對聯營的摘要財務資料作出披露。

關於聯營投資，本集團概無任何或然負債及聯營本身也無任何或然負債。

聯營方借貸及應付聯營方的詳情分別於附註35(b)及附註35(c)披露。

## 12. TAXATION

## 12. 稅項

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Current tax	現有稅項		
– Mainland China corporate income tax for the year	– 本年度中國內地企業所得稅	87,390	87,288
– Under/(over) provision in previous year	– 以前年度少計/(多提)之所得稅	396	(511)
Total current tax	現有稅項總額	87,786	86,777
Deferred income tax (Note 29)	遞延所得稅項(附註29)	9,632	14,781
		97,418	101,558

Notes:

**(a) Hong Kong profits tax**

No Hong Kong profits tax has been provided as the Group had no assessable profit arising in or derived from Hong Kong.

**(b) Mainland China corporate income tax**

The subsidiaries established in Mainland China are subject to Mainland China corporate income tax at a rate of 25% (2018: 25%). Xiamen Doingcom Chemicals Co. Ltd. was granted the High and New Technology Enterprise (“HNTE”) status in October 2018, being valid for 3 years, and therefore is entitled to a preferential tax rate of 15%.

**(c) Overseas income taxes**

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and, accordingly, is exempted from Cayman Islands income tax. The Company’s subsidiaries established in the British Virgin Islands are incorporated under the International Business Companies Acts of the British Virgin Islands and, accordingly, are exempted from British Virgin Islands income tax.

**(d) Withholding tax**

Pursuant to the New Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. Withholding taxes are payable on dividends distributed/to be distributed by those subsidiaries and an associate established in Mainland China in respect of earnings generated from 1 January 2008.

附註：

**(a) 香港利得稅**

由於本集團並無在香港獲得或賺取應課稅利潤，因此並無就香港利得稅作出撥備。

**(b) 中國內地企業所得稅**

於中國內地成立之附屬公司須按25% (2018：25%)之稅率繳納中國內地企業所得稅。於2018年10月，廈門中坤化學有限公司獲授予高新技術企業的地位，為期3年，因此可按優惠稅率15%繳稅。

**(c) 海外所得稅**

本公司根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司，因此獲豁免繳納開曼群島所得稅。本公司在英屬處女群島成立之附屬公司乃根據英屬處女群島國際商業公司法註冊成立，因此獲豁免繳納英屬處女群島所得稅。

**(d) 代扣所得稅**

根據新稅法，自2008年1月1日起，自中國分配給外商投資者的股息應按10%的稅率代扣所得稅。該法令從2008年1月1日起生效，並適用於2007年12月31日之後所產生利潤的分配。如果中國與外商投資者所在地區已達成稅收協定，則可採用更低的代扣所得稅稅率。本集團使用的稅率為10%。因此，自2008年1月1日起，本集團按照設立於中國的附屬公司及聯營公司所產生利潤確認遞延所得稅負債。

## 12. TAXATION (CONTINUED)

The tax on the Group's profit before taxation differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities and the reconciliation is as follows:

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Profit before taxation	除稅前利潤	326,458	316,849
Tax calculated at domestic tax rates applicable to profits in the respective countries	按相關國家利潤適用之當地稅率計算之稅項	73,190	81,493
Income not subject to tax	無須課稅的收益	(782)	(2,610)
Expense not deductible for tax purposes	不可扣稅的費用	2,609	4,620
Under/(over) provision in previous year	以前年度少計/(多提)之所得稅	396	(511)
Withholding tax on dividends of the PRC subsidiaries	中國附屬公司之股息須予支付之代扣所得稅	10,000	14,200
Tax losses for which no deferred tax asset was recognised	沒有確認遞延稅項資產的稅務虧損	12,005	5,123
Utilisation of previously unrecognised tax losses	使用早前未確認的稅務虧損	-	(757)
Tax charge	稅項支出	97,418	101,558

The weighted average applicable tax rate was 22.4% (2018: 25.7%). The fluctuation in the weighted average applicable tax rate arose mainly because of the change in the relative profitability of the companies within the Group.

Included in the tax losses as at 31 December 2019 was a loss of RMB79,054,000 (2018: RMB36,077,000) that will expire during the period from 2020 to 2024 (2018: 2019 to 2023), while other losses of RMB45,207,000 (2018: RMB40,323,000) can be carried forward indefinitely. The deferred tax benefit of such tax losses has not been recognised as it is not probable that future taxable profit will be available against which the unutilised tax losses can be utilised, or the amounts attributable to specific subsidiaries are insignificant.

## 12. 稅項 (續)

以本集團就除稅前利潤計算之稅項，與採用合併實體利潤適用的加權平均稅率計算而產生的理論稅項存在差異，對賬如下：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Profit before taxation	除稅前利潤	326,458	316,849
Tax calculated at domestic tax rates applicable to profits in the respective countries	按相關國家利潤適用之當地稅率計算之稅項	73,190	81,493
Income not subject to tax	無須課稅的收益	(782)	(2,610)
Expense not deductible for tax purposes	不可扣稅的費用	2,609	4,620
Under/(over) provision in previous year	以前年度少計/(多提)之所得稅	396	(511)
Withholding tax on dividends of the PRC subsidiaries	中國附屬公司之股息須予支付之代扣所得稅	10,000	14,200
Tax losses for which no deferred tax asset was recognised	沒有確認遞延稅項資產的稅務虧損	12,005	5,123
Utilisation of previously unrecognised tax losses	使用早前未確認的稅務虧損	-	(757)
Tax charge	稅項支出	97,418	101,558

適用加權平均稅率為22.4% (2018 : 25.7%)。加權平均適用稅率出現波動主要是由於本集團內公司的相對盈利能力發生變化。

於2019年12月31日之稅務虧損包括虧損人民幣79,054,000元 (2018 : 人民幣36,077,000元)，結轉期將於2020年至2024年 (2018 : 2019年至2023年) 間屆滿，其他虧損人民幣45,207,000元 (2018 : 人民幣40,323,000元) 則可無限期結轉。由於並不肯定未來有應課稅利潤可以未動用之稅務虧損抵銷，或該金額對個別附屬公司微不足道，因此上述稅務虧損之遞延稅項利益並無確認入賬。



## 13. EARNINGS PER SHARE

## Basic

Basic earnings per share is calculated by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Profit attributable to owners of the Company	利潤歸屬於本公司擁有人	229,949	215,291
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均數 (千計)	775,059	775,059
Basic earnings per share (RMB per share)	每股基本收益(每股人民幣)	29.67 Cents分	27.78 Cents分

## Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The dilutive potential ordinary shares of the Company mainly comprise the share options. The number of shares that would have been issued assuming the exercise of the share options less the number of shares that could have been issued at fair value (determined as the average market price per share for the year) for the same total proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share.

## 13. 每股收益

## 基本

每股基本收益乃根據歸屬於本公司擁有人之利潤，除以年內已發行普通股的加權平均數計算。

## 攤薄

攤薄每股收益假設所有可攤薄的潛在普通股被兌換後，根據已發行普通股的加權平均股數計算。本公司可攤薄的潛在普通股主要包括購股權。零代價發行的股份數目是基於假設行使了購股權後應該發行的股份數目減去假設按照公允價值(按照全年平均市場價格而定)發行並獲得相同股票發行收入的情況下，可能需要發行的股份數目後得到的。這一零代價發行的股份數目將構成加權平均普通股數目的一部分，將作為計算攤薄每股收益時所用的分母。

**13. EARNINGS PER SHARE** (CONTINUED)

Diluted (continued)

		<b>2019</b> <b>RMB'000</b> 人民幣千元	2018 RMB'000 人民幣千元
Profit attributable to owners of the Company	利潤歸屬於本公司擁有着	229,949	215,291
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均數(千計)	775,059	775,059
Adjustments assuming the exercise of share options (thousands)	假設購股權被行使的調整(千計)	-	68
Weighted average number of ordinary shares for diluted earnings per share (thousands)	計算每股攤薄盈利的普通股的加權平均數(千計)	775,059	775,127
Diluted earnings per share (RMB per share)	每股攤薄收益(每股人民幣)	29.67 Cents分	27.77 Cents分

**13. 每股收益** (續)

攤薄(續)

**14. NET FOREIGN EXCHANGE (LOSSES)/GAINS**

The exchange differences (charged)/credited in the consolidated income statement are included as follows:

		<b>2019</b> <b>RMB'000</b> 人民幣千元	2018 RMB'000 人民幣千元
Other income and (losses)/gains, net (Note 6)	其他收入及(虧損)/收益—淨額(附註6)	1,973	7,908
Net finance expenses (Note 7)	淨財務費用(附註7)	(26,860)	(69,478)
		<b>(24,887)</b>	<b>(61,570)</b>

**14. 匯兌(損失)/收益淨額**

在合併利潤表中(借記)/貸記的匯兌差額包括在下列項目內:

## 15. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES 15. 使用權資產及租賃負債

### (a) Land use rights

The Group's interests in land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

		RMB'000 人民幣千元
At 1 January 2018	於2018年1月1日	40,323
Amortisation of prepaid operating lease payments (Note 8)	預付經營租賃款項的攤銷 (附註8)	(899)
At 31 December 2018	於2018年12月31日	39,424
Reclassification on adoption of HKFRS 16	採用《香港財務報告準則》第16號 重新分類	(39,424)
At 1 January 2019 and at 31 December 2019	於2019年1月1日及2019年12月31日	-

### (a) 土地使用權

本集團於土地使用權之權益指預付經營租賃款項，按其賬面淨值分析如下：

### (b) Leases

#### (i) Amounts recognised in the consolidated balance sheet

		31 December 2019 2019年 12月31日 RMB'000 人民幣千元	1 January 2019 2019年 1月1日 RMB'000 人民幣千元
<b>Right-of-use assets</b>	<b>使用權資產</b>		
Office and warehouses	辦公室及倉庫	5,152	7,447
Land use rights	土地使用權	38,525	39,424
		43,677	46,871
<b>Lease liabilities</b>	<b>租賃負債</b>		
Current	流動	3,546	3,371
Non-current	非流動	1,685	4,076
		5,231	7,447

Additions to the right-of-use assets during the 2019 financial year were RMB1,413,000.

在2019財政年度，使用權資產增加了人民幣1,413,000元。

**15. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES***(CONTINUED)***(b) Leases** *(continued)***(ii) Amounts recognised in the consolidated income statement**

The consolidated income statement shows the following amounts relating to leases:

		2019 RMB'000 人民幣千元
<b>Depreciation of right-of-use assets (Note 8)</b>	<b>使用權資產之折舊(附註8)</b>	
Offices and warehouses	辦公室和倉庫	3,708
Land use rights	土地使用權	899
		<b>4,607</b>
Interest expense (Note 7)	利息支出(附註7)	340
Expenses related to low value and short-term leases (Note 8)	低值及短期租賃之費用(附註8)	2,462

The total cash outflow for leases in 2019 was RMB6,431,000.

**The Group's leasing activities and how these are accounted for**

The Group leases various offices and warehouses. Rental contracts are typically made for fixed periods of 6 months to 5 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

**15. 使用權資產及租賃負債** (續)**(b) 租賃** (續)**(ii) 合併利潤表中確認的金額**

合併利潤表中與租賃有關的金額如下：

		2019 RMB'000 人民幣千元
<b>Depreciation of right-of-use assets (Note 8)</b>	<b>使用權資產之折舊(附註8)</b>	
Offices and warehouses	辦公室和倉庫	3,708
Land use rights	土地使用權	899
		<b>4,607</b>
Interest expense (Note 7)	利息支出(附註7)	340
Expenses related to low value and short-term leases (Note 8)	低值及短期租賃之費用(附註8)	2,462

2019年租賃的現金流出總額為人民幣6,431,000元。

**本集團的租賃活動以及這些活動的會計方法**

本集團租賃各種辦公室和倉庫，租賃合同通常為6個月至5年的固定期限。

租賃條款是根據個別情況協商確定的，其中包含各種不同的條款和條件。除了出租人持有的租賃資產中的擔保權益外，租賃協議不施加任何其他約定。租賃資產不得用作借貸擔保。

## 16. PROPERTY, PLANT AND EQUIPMENT

## 16. 物業、廠房及設備

		Buildings	Plant and machinery	Leasehold improvements, office furniture and equipment 租賃物業裝修、傢俬及設備	Motor vehicles	Construction-in-progress	Total
		樓宇 RMB'000 人民幣千元	廠房及機器 RMB'000 人民幣千元	及設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
<b>Year ended 31 December 2018</b>	<b>截至2018年12月31日止年度</b>						
Opening net book amount	年初賬面淨值	103,819	117,978	7,175	475	63,656	293,103
Additions	添置	64	3,882	2,967	640	671,198	678,751
Transfers	轉撥	-	6,494	-	-	(6,494)	-
Disposals	出售	(365)	(9)	(24)	-	-	(398)
Depreciation (Note 8)	折舊(附註8)	(5,261)	(28,825)	(3,001)	(176)	-	(37,263)
Closing net book amount	年終賬面淨值	98,257	99,520	7,117	939	728,360	934,193
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>						
Cost	成本	155,326	445,962	26,559	5,610	728,360	1,361,817
Accumulated depreciation	累計折舊	(57,069)	(346,442)	(19,442)	(4,671)	-	(427,624)
Net book amount	賬面淨值	98,257	99,520	7,117	939	728,360	934,193
<b>Year ended 31 December 2019</b>	<b>截至2019年12月31日止年度</b>						
Opening net book amount	年初賬面淨值	98,257	99,520	7,117	939	728,360	934,193
Additions	添置	-	4,506	934	834	424,670	430,944
Write-off (Note 6)	撇銷(附註6)	-	(11,592)	-	-	-	(11,592)
Disposals	出售	(607)	(3,001)	-	(79)	-	(3,687)
Depreciation (Note 8)	折舊(附註8)	(5,207)	(23,765)	(2,856)	(277)	-	(32,105)
Closing net book amount	年終賬面淨值	92,443	65,668	5,195	1,417	1,153,030	1,317,753
<b>At 31 December 2019</b>	<b>於2019年12月31日</b>						
Cost	成本	154,544	404,801	27,320	4,827	1,153,030	1,744,522
Accumulated depreciation	累計折舊	(62,101)	(339,133)	(22,125)	(3,410)	-	(426,769)
Net book amount	賬面淨值	92,443	65,668	5,195	1,417	1,153,030	1,317,753

**16. PROPERTY, PLANT AND EQUIPMENT***(CONTINUED)*

The Group's buildings and buildings under construction, totalling RMB120,792,000 (2018: RMB119,525,000) are situated in Mainland China with lease terms of 50 years up to December 2047, December 2048, May 2053, April 2054 and December 2064, respectively.

Depreciation expense of RMB21,316,000 (2018: RMB26,950,000) has been charged in 'cost of sales' and RMB10,789,000 (2018: RMB10,313,000) in 'administrative expenses'.

An analysis of construction-in-progress is as follows:

**16. 物業、廠房及設備 (續)**

本集團之樓宇及在建樓宇合共人民幣 120,792,000 元 (2018 : 人民幣 119,525,000 元) , 建於中國內地多幅土地上, 租賃為期50年, 分別於2047年12月、2048年12月、2053年5月、2054年4月及2064年12月屆滿。

折舊費用其中人民幣21,316,000元(2018年: 人民幣26,950,000元)在「銷售成本」中支銷, 而人民幣10,789,000元(2018年: 人民幣10,313,000元)則計入「行政費用」中。

在建工程分析如下:

		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Construction costs of buildings	樓宇建築成本	28,349	21,268
Cost of leasehold improvements and plant and machinery	租賃物業裝修、廠房及機器成本	1,124,681	707,092
		<b>1,153,030</b>	728,360

## 17. INTANGIBLE ASSETS

## 17. 無形資產

		<b>Product development cost</b> 產品開發成本 RMB'000 人民幣千元
<b>Year ended 31 December 2018</b>	<b>截至2018年12月31日止年度</b>	
Opening net book amount	期初賬面淨值	122,499
Additions	添置	57,131
Amortisation (Note 8)	攤銷(附註8)	(18,755)
Closing net book amount	期終賬面淨值	160,875
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	
Cost	成本	294,310
Accumulated amortisation	累計攤銷	(108,913)
Accumulated impairment	累計減值	(24,522)
Net book amount	賬面淨值	160,875
<b>Year ended 31 December 2019</b>	<b>截至2019年12月31日止年度</b>	
Opening net book amount	期初賬面淨值	160,875
Additions	添置	54,534
Amortisation (Note 8)	攤銷(附註8)	(17,795)
Provision for impairment (Note 8)	減值撥備(附註8)	(5,000)
Closing net book amount	期終賬面淨值	192,614
<b>At 31 December 2019</b>	<b>於2019年12月31日</b>	
Cost	成本	348,844
Accumulated amortisation	累計攤銷	(126,708)
Accumulated impairment	累計減值	(29,522)
Net book amount	賬面淨值	192,614

Note:

- (a) Amortisation of RMB17,795,000 (2018: RMB18,755,000) is included in 'cost of sales' in the consolidated income statement.
- (b) During the year ended 31 December 2019, provision for impairment of intangible assets of RMB5,000,000 (2018: nil) had been included in 'cost of sales' in the consolidated income statement.

附註：

- (a) 人民幣17,795,000元之攤銷(2018：人民幣18,755,000元)在合併利潤表中計入「銷售成本」內。
- (b) 截至2019年12月31日止年度，無形資產減值撥備為人民幣5,000,000元(2018：無)已計入合併利潤表之「銷售成本」內。

**18. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME****(a) Classification of financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

**(b) Equity investments at fair value through other comprehensive income****18. 按公允價值計入其他綜合收益之金融資產****(a) 按公允價值計入其他綜合收益之金融資產之分類**

按公允價值計入其他綜合收益之金融資產包括並非持作買賣之股本證券，及本集團已於初步確認時不可撤回地選擇將於此類別內確認。該等證券為戰略投資，及本集團認為此分類更有相關性。

**(b) 按公允價值計入其他綜合收益之金融資產之分類**

		<b>2019</b> <b>RMB'000</b> 人民幣千元	2018 RMB'000 人民幣千元
Unlisted equity securities	非上市股本證券	<b>200</b>	200



## 19. DERIVATIVE FINANCIAL INSTRUMENTS

## 19. 衍生金融工具

		2019		2018	
		Assets	Liabilities	Assets	Liabilities
		資產	負債	資產	負債
		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
Current portion:	流動部份：				
Interest rate swaps (note a)	利率互換(附註a)	276	1,172	106	455
Forward foreign exchange contracts (note b)	遠期外匯合同(附註b)	-	-	1,310	1,061
<b>Total</b>	<b>總計</b>	<b>276</b>	<b>1,172</b>	<b>1,416</b>	<b>1,516</b>

## (a) Interest rate swap contracts

The Group entered into interest rate swap contracts to mitigate the exposure to the interest rate risk associated with the Group's borrowings.

The notional principal amounts of the outstanding interest rate swap contracts at 31 December 2019 were RMB1,607,464,000 (2018: RMB1,310,871,000), for which RMB411,598,000 (2018: RMB1,310,871,000) and RMB1,195,866,000 (2018: nil) were entered into for the purpose of managing LIBOR and HIBOR floating rates respectively.

The fixed interest rates of swap contracts under LIBOR and HIBOR range between 2.40% and 2.82% (2018: 1.90% and 2.82%) and 1.73% (2018: nil) respectively.

## (b) Forward foreign exchange contracts

The Group entered into some simple forward contracts. The total notional amount of these simple contracts remained outstanding as at 31 December 2018 was RMB47,453,000.

## (a) 利率掉期合約

本集團訂立利率掉期合約以減低本集團借貸所承受的利率風險。

於2019年12月31日，仍未結算的利率互換合同的設定金額為人民幣1,607,464,000元(2018：人民幣1,310,871,000元)，其中人民幣411,598,000元(2018：人民幣1,310,871,000元)用於對沖倫敦銀行同業拆息浮動利率，及人民幣1,195,866,000元(2018：無)用於對沖香港銀行同業拆息浮動利率。

於2019年12月31日，倫敦銀行同業拆息及香港銀行同業拆息的定息利率分別為2.40%至2.82%(2018：1.90%至2.82%)及1.73%(2018：無)。

## (b) 遠期外匯合同

本集團訂立多份簡單遠期合同，該等簡單合同於2018年12月31日餘下未完成之名義金額合共為人民幣47,453,000元。

## 20. TRADE RECEIVABLES AND BILLS RECEIVABLE 20. 應收賬款及應收票據

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Trade receivables	應收賬款	1,003,874	947,745
Bills receivable	應收票據	1,178	418
		1,005,052	948,163
Less: Loss allowance	減：虧損撥備	(5,673)	(5,211)
		999,379	942,952

The carrying amounts of trade receivables and bills receivable approximate their fair values.

The credit period granted by the Group to its customers is between 60 and 90 days. For certain customers with good credit history, an extended period up to 180 days is allowed. The aging analysis of trade receivables and bills receivable is as follows:

應收賬款及應收票據賬面值與其公允價值相若。

本集團給予其客戶之信貸期一般60至90天。對於有良好信貸歷史的客戶，集團容許達至180日的信貸期。應收賬款及應收票據之賬齡分析如下：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
0 to 30 days	0至30天	224,560	238,906
31 to 60 days	31至60天	201,455	201,838
61 to 90 days	61至90天	149,044	179,321
91 to 120 days	91至120天	173,054	157,649
121 to 150 days	121至150天	132,425	92,695
151 to 180 days	151至180天	97,705	64,248
181 to 365 days	181至365天	22,936	9,531
Over 365 days	365天以上	3,873	3,975
		1,005,052	948,163
Less: Loss allowance	減：虧損撥備	(5,673)	(5,211)
		999,379	942,952

**20. TRADE RECEIVABLES AND BILLS RECEIVABLE***(CONTINUED)*

The loss allowance for trade receivables and bills receivables as at 31 December reconcile to the opening loss allowance as follows:

		<b>2019</b> <b>RMB'000</b> 人民幣千元	2018 RMB'000 人民幣千元
Opening loss allowance at 1 January	於1月1日的期初虧損撥備	5,211	6,741
Net loss allowance/(reversal of loss allowance) for trade receivables	應收賬款虧損撥備計提/(回撥)淨額	462	(1,530)
Closing loss allowance at 31 December	於12月31日的期末虧損撥備	5,673	5,211

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Note 3.1(a) set out the details about the calculation of the allowance.

The carrying amounts of the Group's trade receivables and bills receivable are denominated in the following currencies:

		<b>2019</b> <b>RMB'000</b> 人民幣千元	2018 RMB'000 人民幣千元
Renminbi	人民幣	939,846	857,032
US dollar	美元	59,533	85,920
		<b>999,379</b>	<b>942,952</b>

Information about the loss allowance of trade receivables and bills receivable and the Group's exposure to credit risk, foreign currency risk and interest rate risk can be found in Note 3.1.

**20. 應收賬款及應收票據***(續)*

截至12月31日的應收賬款及應收票據的虧損撥備與期初的虧損撥備之對賬，如下：

		<b>2019</b> <b>RMB'000</b> 人民幣千元	2018 RMB'000 人民幣千元
Opening loss allowance at 1 January	於1月1日的期初虧損撥備	5,211	6,741
Net loss allowance/(reversal of loss allowance) for trade receivables	應收賬款虧損撥備計提/(回撥)淨額	462	(1,530)
Closing loss allowance at 31 December	於12月31日的期末虧損撥備	5,673	5,211

本集團應用《香港財務報告準則》第9號項下所訂明之簡化處理方法，就預期信貸虧損作出撥備。有關計算撥備的詳細信息附載於附註3.1(a)。

本集團的應收賬款及應收票據的賬面值以下列貨幣為單位：

		<b>2019</b> <b>RMB'000</b> 人民幣千元	2018 RMB'000 人民幣千元
Renminbi	人民幣	939,846	857,032
US dollar	美元	59,533	85,920
		<b>999,379</b>	<b>942,952</b>

有關應收賬款及應收票據之虧損撥備及本集團信貸風險敞口、外幣折算風險及利率風險之資料可於附註3.1查閱。

## 21. PREPAYMENTS AND OTHER RECEIVABLES

## 21. 預付款及其他應收款

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Prepayments for purchases of raw materials	購買原料預付款	179,582	201,667
Prepayments for construction-in-progress	在建工程預付款	32,116	27,820
Input value-added tax recoverable	可收回進項增值稅	124,588	12,218
Others	其他	24,906	23,722
		<b>361,192</b>	<b>265,427</b>
Less: non-current portion Prepayments	減：非流動部份 預付款	<b>(32,116)</b>	<b>(27,820)</b>
Prepayments and other receivables – current portion	預付款及其他應收款 – 流動部份	<b>329,076</b>	<b>237,607</b>

The carrying amounts of other receivables approximate their fair values and are mainly denominated in RMB.

其他應收款賬面值與其公允價值相若且主要以人民幣列值。

## 22. INVENTORIES

## 22. 存貨

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Raw materials	原料	126,902	163,591
Work-in-progress	在製品	762	934
Finished goods	產成品	76,053	87,605
		<b>203,717</b>	<b>252,130</b>
Less: Provision for impairment	減：減值撥備	<b>(7,116)</b>	<b>(6,352)</b>
		<b>196,601</b>	<b>245,778</b>

The cost of inventories recognised as expense and included in 'cost of sales' amounted to RMB1,753,003,000 (2018: RMB1,504,523,000).

確認為開支及計入「銷售成本」之存貨成本為人民幣1,753,003,000元(2018：人民幣1,504,523,000元)。

During the year ended 31 December 2019, provision for impairment of inventories of RMB764,000 (2018: RMB1,641,000) has been included in 'cost of sales' in the consolidated income statement.

於2019年12月31日止年度內，人民幣764,000元之存貨減值撥備(2018：人民幣1,641,000元)已計入合併利潤表之「銷售成本」內。

## 23. PLEDGED BANK DEPOSITS, SHORT-TERM BANK DEPOSITS, CASH AND CASH EQUIVALENTS

## 23. 已抵押之銀行存款、短期銀行存款、現金及現金等價物

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Pledged bank deposits	已抵押之銀行存款	85,664	66,090
Structured bank deposits	結構性銀行存款	503,000	598,000
Other short-term bank deposits	其他短期銀行存款	10,734	31,650
Cash and cash equivalents	現金及現金等價物	958,126	897,903
		<b>1,557,524</b>	<b>1,593,643</b>

The carrying amounts of pledged bank deposits, short-term bank deposits, cash and cash equivalents are denominated in the following currencies:

於已抵押之銀行存款、短期銀行存款、現金及現金等價物的賬面值結算貨幣的金額如下：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Renminbi	人民幣	1,532,609	1,567,984
Hong Kong dollar	港元	5,986	4,292
US dollar	美元	17,766	19,658
Euro	歐羅	1,161	1,691
Others	其他	2	18
		<b>1,557,524</b>	<b>1,593,643</b>

As at 31 December 2019, the effective interest rate on pledged bank deposits was 1.48% (2018: 1.67%) per annum. The pledged bank deposits of the Group have an average maturity of 198 days (2018: 182 days).

於2019年12月31日，已抵押之銀行存款之實際利率為每年1.48%（2018：1.67%）。本集團已抵押之銀行存款之平均到期日為198天（2018：182天）。

As at 31 December 2019, the effective interest rate on structured bank deposits was 3.67% (2018: 3.43%) per annum. The structured bank deposits of the Group will mature in 360 days (2018: 180 days to 360 days).

於2019年12月31日，結構性銀行存款之實際利率為每年3.67%（2018：3.43%）。本集團結構性銀行存款將於360天（2018：180天至360天）後到期。

As at 31 December 2019, the effective interest rate on other short-term bank deposits was 1.35% (2018: 2.2%) per annum. The other short-term bank deposits of the Group have an average maturity of 183 days (2018: 355 days).

於2019年12月31日，其他短期銀行存款之實際利率為每年1.35%（2018：2.2%）。本集團之其他短期銀行存款之平均到期日為183天（2018：355天）。

As at 31 December 2019, the Group's bank deposits, and cash and cash equivalents balances of approximately RMB1,532,241,000 (2018: RMB1,567,984,000) are deposited with banks in the PRC. The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

於2019年12月31日，本集團的銀行存款、現金及現金等價物結餘約人民幣1,532,241,000元（2018：人民幣1,567,984,000元）均存放於中國境內的銀行。將人民幣計值的結餘兌換為外幣，以及將這些外幣計值的銀行結餘和現金匯出中國，應遵守中國政府頒布的外匯管制的有關規定。

## 23. PLEDGED BANK DEPOSITS, SHORT-TERM BANK DEPOSITS, CASH AND CASH EQUIVALENTS (CONTINUED)

At 31 December 2019, bank balances of RMB85,664,000 (2018: RMB66,090,000) have been pledged to banks to secure credit facilities granted to certain of the Group's subsidiaries.

The cash and cash equivalents are not exposed to material credit risk.

## 23. 已抵押之銀行存款、短期銀行存款、現金及現金等價物 (續)

於2019年12月31日，人民幣85,664,000元(2018: 人民幣66,090,000元)之銀行存款已予以抵押作為本集團某些附屬公司向銀行取得借貸額度之抵押。

現金及現金等價物並沒有重大的信貸風險。

## 24. SHARE CAPITAL, PREMIUM AND SHARE OPTIONS

### (a) Share capital - Ordinary shares of HK\$0.1 each

Authorised:	法定:	Number of shares 股份數目 '000 千計	Nominal value of ordinary shares 普通股面值 HK\$'000 港幣千元
At 1 January 2018, 31 December 2018 and 31 December 2019	於2018年1月1日、2018年12月31日及2019年12月31日	2,000,000	200,000

Fully paid:	已繳:	Fully paid shares 已繳股款 股份數目 '000 千計	Value of ordinary shares 普通股面值 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2018, 31 December 2018 and 31 December 2019	於2018年1月1日、2018年12月31日及2019年12月31日	775,059	75,380	341,876	417,256

## 24. 股本、溢價及購股權

### (a) 股本－每股面值0.1港元之普通股

### (b) Share options

Share options are granted to directors and to selected employees. The exercise price of the granted options is equal to the market price of the shares on the date of the grant or the average closing prices of the shares for the five trading days immediately preceding the date of the offer of grant, whichever is higher. The share options would vest progressively from the grant date to the third year after the grant (the vesting period) provided that the relevant employee remained employed by the Group. Share options are exercisable up to 10 years after the grant date. The Group has no legal or constructive obligation to repurchase or settle the share options in cash.

### (b) 購股權

董事和經挑選的職工可獲授購股權。所授予的購股權的行使價相等於授予日期股份市價或緊接授出日期前五個交易日股份之平均收市價，以較高者為準。有關購股權在授出當日至第三年期間(給予期)漸次授予，但期間有關僱員必須一直為集團的僱員。購股權可於授出日期起計10年內行使。本集團並無法定或推定債務，以現金購回或償付購股權。

## 24. SHARE CAPITAL, PREMIUM AND SHARE OPTIONS (CONTINUED)

### (b) Share options (continued)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

		2019		2018	
		Average exercise price per share option	Number of share options	Average exercise price per share option	Number of share options
		每股購股權行使價	購股權數目	每股購股權行使價	購股權數目
		HK\$	'000	HK\$	'000
		港元	千計	港元	千計
At 1 January and 31 December	於1月1日及12月31日	1.70	24,777	1.70	24,777

Out of the total 24,777,000 (2018: 24,777,000) outstanding share options as at 31 December 2019, 24,777,000 (2018: 24,777,000) share options were fully vested and exercisable.

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

		Original exercise price per share option	Adjusted exercise price per share option	2019 Number of share options (thousands)	2018 Number of share options (thousands)
		每股購股權原始行使價	每股購股權經調整行使價	購股權數目 (千計)	購股權數目 (千計)
		HK\$	HK\$	(Note)	(Note)
		港元	港元	(附註)	(附註)
Expiry date	到期日				
30 November 2024	2024年11月30日	2.24	1.70	24,777	24,777

## 24. 股本、溢價及購股權

(續)

### (b) 購股權 (續)

未行使的購股權數目及有關的加權平均行使價的變動如下：

於2019年12月31日，尚未行使的購股權總數為24,777,000 (2018：24,777,000) 份，其中共有24,777,000 (2018：24,777,000) 份之購股權已完全歸屬並可予行使。

在年終時未行使購股權的到期日和行使價如下：

## 24. SHARE CAPITAL, PREMIUM AND SHARE OPTIONS (CONTINUED)

### (b) Share options (continued)

Note: The issue of bonus shares was completed on 13 August 2015 and 12 July 2016. Pursuant to the respective terms of the share option schemes, adjustments were made to the exercise price of the share and the number of shares entitled to be subscribed for under the outstanding share options as a result of the completion of the bonus issue.

## 24. 股本、溢價及購股權

(續)

### (b) 購股權 (續)

附註：紅股發行於2015年8月13日及2016年7月12日完成，根據購股權計劃之條款，尚未行使購股權之股份行使價及數目須要在完成紅股發行後分別作出調整。

## 25. OTHER RESERVES

## 25. 其他儲備

		Capital reserve (Note a) 股本儲備 (附註a) RMB'000 人民幣千元	Contributed surplus (Note b) 實繳盈餘 (附註b) RMB'000 人民幣千元	Statutory reserves (Note c) 法定公積金 (附註c) RMB'000 人民幣千元	Capital redemption reserve (Note d) 股本贖回 儲備 (附註d) RMB'000 人民幣千元	Share options equity reserve 購股權 股本儲備 RMB'000 人民幣千元	Currency translation reserve 匯兌儲備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於2018年1月1日	492	9,500	133,551	711	10,774	75	155,103
Currency translation differences	匯兌差額	-	-	-	-	-	(6)	(6)
Transfer from retained earnings	保留盈利轉撥	-	-	373	-	-	-	373
Balance at 31 December 2018	於2018年12月31日之結餘	492	9,500	133,924	711	10,774	69	155,470
At 1 January 2019	於2019年1月1日	492	9,500	133,924	711	10,774	69	155,470
Currency translation differences	匯兌差額	-	-	-	-	-	(9)	(9)
Transfer from retained earnings	保留盈利轉撥	-	-	542	-	-	-	542
Balance at 31 December 2019	於2019年12月31日之結餘	492	9,500	134,466	711	10,774	60	156,003



**25. OTHER RESERVES** (CONTINUED)

Notes:

- (a) Capital reserve of the Group mainly represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the share exchange on 16 February 2004 over the nominal value of the share capital of the Company issued in exchange therefor.
- (b) Contributed surplus represents the capital contribution from an executive Director and an indirect substantial shareholder of the Company, as part of a reorganisation exercise of the Group.
- (c) According to the articles of association of the relevant subsidiaries established in Mainland China and the Mainland China rules and regulations, Mainland China subsidiaries are required to transfer not less than 10% of their net profit as stated in their annual financial statements prepared under Mainland China accounting regulations to statutory reserves before the corresponding Mainland China subsidiaries can distribute any dividend. Such a transfer is not required when the amount of statutory reserves reaches 50% of the corresponding subsidiaries' registered capital. The statutory reserves shall only be used to make up losses of the corresponding subsidiaries, to expand the corresponding subsidiaries' production operations, or to increase the capital of the corresponding subsidiaries. Upon approval by resolutions of the corresponding subsidiaries' shareholders in general meetings, the corresponding subsidiaries may convert their statutory reserves into registered capital and issue bonus capital to existing owners in proportion to their existing ownership structure. As at 31 December 2019, the amount of statutory reserves of Xiamen Doingcom Chemical Co., Ltd, Xiamen Sinotek Enterprise Development Co., Ltd and Xiamen Doingcom Biotechnology Co. Ltd. had reached 50% of its registered capital and accordingly, no further transfer to its statutory reserves has been made.
- (d) The capital redemption reserve relates to the cancellation of the Company's own shares.

**25. 其他儲備** (續)

附註：

- (a) 本集團資本儲備指根據2004年2月16日重組所收購附屬公司股份的面值超過本公司發行以換取上述股份之股本面值的差額。
- (b) 實繳盈餘指本公司一名執行董事兼間接主要股東就集團重組作出之出資額。
- (c) 根據於中國內地成立之有關附屬公司之組織章程細則及相關中國內地規則及規例，中國內地附屬公司須先行將根據中國內地會計準則擬備之年度財務報表所列純利其中不少於10%，撥入法定公積金，方可派付股息。當法定公積金達到有關附屬公司註冊資本50%時，則毋須再作轉撥。法定公積金僅可用於抵銷有關附屬公司虧損、擴大有關附屬公司生產規模或增加有關附屬公司股本。當獲得有關附屬公司之股東在股東大會通過決議案批准，則有關附屬公司可將法定公積金轉為註冊資本，並且按現有股東之現有擁有權結構比例發行紅股。於2019年12月31日，廈門中坤化學有限公司、廈門中技實業發展有限公司及廈門中坤生物科技股份有限公司的法定公積金已達到註冊資本50%，因此並無再作轉撥。
- (d) 股本贖回儲備與註銷本公司之股份有關。

## 26. TRADE PAYABLES AND BILLS PAYABLE

## 26. 應付賬款及應付票據

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Trade payables	應付賬款	73,098	55,190
Bills payable	應付票據	249,824	173,632
		<b>322,922</b>	<b>228,822</b>

The aging analysis of trade payables and bills payable based on invoice date were as follows:

應付賬款及應付票據跟據發票日期之賬齡分析如下：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
0 to 30 days	0至30天	46,044	71,482
31 to 60 days	31至60天	107,171	49,395
61 to 90 days	61至90天	82,358	40,357
91 to 180 days	91至180天	79,459	60,334
181 to 365 days	181至365天	4,580	1,533
Over 365 days	超過365天	3,310	5,721
		<b>322,922</b>	<b>228,822</b>

The carrying amounts of the Group's trade payables and bills payable are denominated in the following currencies:

本集團的應付賬款及應付票據的賬面值以下列貨幣為單位：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Renminbi	人民幣	318,841	220,519
US dollar	美元	4,081	8,303
		<b>322,922</b>	<b>228,822</b>

The carrying amounts of trade payables and bills payable approximate their fair values.

應付賬款及應付票據賬面值與其公允價值相若。

Bills payable are secured by pledged bank deposits.

應付票據以銀行存款作抵押。

## 27. ACCRUALS AND OTHER PAYABLES

## 27. 應計費用及其他應付款

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Payable for construction costs and property, plant and equipment	應付建造成本及購買物業、廠房及設備應付之開支	6,887	7,127
Contract liabilities	合約負債	2,330	423
Output value-added tax payable	應付銷項增值	6,305	18,893
Accruals for administrative, selling and marketing expenses	應計行政、銷售及市場推廣費用	31,243	29,663
		<b>46,765</b>	<b>56,106</b>

The carrying amounts of the Group's accruals and other payables are denominated in the following currencies:

本集團的應計費用及其他應付款的賬面金額以下列貨幣為單位：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Renminbi	人民幣	39,241	48,339
US dollar	美元	157	-
Hong Kong dollar	港元	7,367	7,767
		<b>46,765</b>	<b>56,106</b>

The carrying amounts of the Group's accruals and other payables approximate their fair values.

本集團的應計費用及其他應付款賬面值與其公允價值相若。

## 28. BORROWINGS

## 28. 借貸

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
<b>Non-current</b>	<b>非流動</b>		
Bank borrowings	銀行借貸	546,590	743,743
		546,590	743,743
<b>Current</b>	<b>即期流動</b>		
Government loans	政府貸款	-	670
Bank borrowings	銀行借貸	1,351,189	971,337
		1,351,189	972,007
<b>Total borrowings</b>	<b>借貸總額</b>	<b>1,897,779</b>	<b>1,715,750</b>

Terms and maturity of the government loans are as follows:

政府貸款的條款及還款期如下：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Repayable on demand, non-interest bearing	即期償還，免息	-	670

At 31 December 2019, the Group's borrowings were repayable as follows:

於2019年12月31日，本集團借貸的還款期如下：

		Bank borrowings 銀行借貸		Government loans 政府貸款	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Within 1 year or repayable on demand	一年以內或 按要求償還	1,351,189	971,337	-	670
Between 1 and 2 years	一年至兩年	380,300	413,965	-	-
Between 2 and 5 years	兩年至五年	166,290	329,778	-	-
		<b>1,897,779</b>	<b>1,715,080</b>	<b>-</b>	<b>670</b>

**28. BORROWINGS** (CONTINUED)

The borrowings were repayable, without taking into account the repayable on demand clauses, as follows:

**28. 借貸** (續)

未計及按要求償還的條款，借貸的還款期如下：

		Bank borrowings 銀行借貸		Government loans 政府貸款	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Within 1 year	一年以內	1,344,047	958,112	–	670
Between 1 and 2 years	一年至兩年	387,442	424,252	–	–
Between 2 and 5 years	兩年至五年	166,290	332,716	–	–
		1,897,779	1,715,080	–	670

The effective annual interest rates at the balance sheet date were as follows:

於結算日之實際年利率如下：

		2019	2018
Government loans	政府貸款	Not applicable 不適用	Not applicable 不適用
Bank borrowings	銀行借貸	4.61%	5.18%

The carrying amounts of borrowings approximate their fair values.

貸款的賬面值與其公允價值相近。

The carrying amounts of the borrowings are denominated in the following currencies:

貸款的賬面金額以下列貨幣為單位：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Renminbi	人民幣	503,092	466,466
US dollar	美元	678,036	767,700
HK dollar	港幣	716,651	481,584
		1,897,779	1,715,750

## 28. BORROWINGS (CONTINUED)

The Group has the following undrawn borrowing facilities:

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Floating rate	浮息		
– expiring within one year	– 一年內到期	234,185	207,659
– expiring beyond one year	– 一年以上到期	140,641	20,590
Fixed rate	定息		
– expiring within one year	– 一年內到期	44,869	34,393
– expiring beyond one year	– 一年以上到期	–	17,681
		<b>419,695</b>	<b>280,323</b>

As at 31 December 2019, the Company has provided corporate guarantees to support banking facilities granted to certain subsidiaries amounting to RMB1,248,578,000 (2018: RMB940,357,000).

Bank borrowings and bills payable of RMB873,336,000 (2018: RMB737,318,000) are supported by corporate guarantees provided by the Company and bank borrowings and bills payable of RMB1,274,267,000 (2018: RMB1,151,393,000) are supported by cross guarantees between subsidiaries.

The exposure of the Group's borrowings to interest-rate changes and the contractual repricing dates at the balance sheet dates are as follows:

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
6 months or less	6個月或以下	1,660,349	1,480,724
6-12 months	6-12個月	237,430	234,356
		<b>1,897,779</b>	<b>1,715,080</b>

## 28. 借貸 (續)

本集團有下列未提取貸款融資：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Floating rate	浮息		
– expiring within one year	– 一年內到期	234,185	207,659
– expiring beyond one year	– 一年以上到期	140,641	20,590
Fixed rate	定息		
– expiring within one year	– 一年內到期	44,869	34,393
– expiring beyond one year	– 一年以上到期	–	17,681
		<b>419,695</b>	<b>280,323</b>

於2019年12月31日，本公司就授予某些附屬公司人民幣1,248,578,000元(2018：人民幣940,357,000元)的銀行融資額度作出公司擔保。

銀行貸款及應付票據人民幣873,336,000元(2018：人民幣737,318,000元)以公司企業支持，銀行貸款及應付票據人民幣1,274,267,000元(2018：人民幣1,151,393,000元)以附屬公司企業擔保。

於結算日，本集團的貸款在利率變動及合約重新定價日期所承擔的風險如下：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
6 months or less	6個月或以下	1,660,349	1,480,724
6-12 months	6-12個月	237,430	234,356
		<b>1,897,779</b>	<b>1,715,080</b>

## 29. DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following balances, determined after appropriate offsetting, are shown in the consolidated balance sheet:

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Deferred income tax assets to be recovered after more than 12 months	超過12個月後收回的遞延所得稅資產	4,907	4,889
Deferred income tax liabilities to be settled after more than 12 months	超過12個月後收回的遞延所得稅負債	(89,250)	(79,600)

The gross movements in the deferred income tax assets and liabilities are as follows:

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
At 1 January	於1月1日	(74,711)	(59,930)
Charged to the consolidated income statement (Note 12)	在合併利潤表內借記(附註12)	(9,632)	(14,781)
At 31 December	於12月31日	(84,343)	(74,711)

## 29. 遞延所得稅項

當有法定可執行權力將當期稅項資產與當期稅務負債抵銷，且遞延所得稅資產和負債涉及同一稅務機關，則可將遞延所得稅資產和負債互相抵銷。考慮結餘可在同一徵稅區內抵銷的遞延所得稅資產與負債的分析如下：

遞延所得稅資產及負債的總變動如下：

## 29. DEFERRED INCOME TAX (CONTINUED)

### Deferred income tax assets

		Provision 撥備 RMB'000 人民幣千元	Tax loss 稅務虧損 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2018	於2018年1月1日	–	5,470	5,470
Charged to the consolidated income statement	借記合併利潤表	–	(581)	(581)
At 31 December 2018 and 1 January 2019	於2018年12月31日及2019年1月1日	–	4,889	4,889
Credit/(charged) to the consolidated income statement	貸記/(借記)合併利潤表	750	(732)	18
At 31 December 2019	於2019年12月31日	750	4,157	4,907

### Deferred income tax liabilities

		Withholding tax 代扣所得稅	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
At 1 January	於1月1日	79,600	65,400
Charged to the consolidated income statement	在合併利潤表內借記	9,650	14,200
At 31 December	於12月31日	89,250	79,600

At 31 December 2019, the Group has unused tax losses of RMB149,448,000 (2018: RMB106,027,000) available for offsetting against future profits, and a deferred income tax asset of RMB4,157,000 (2018: RMB4,889,000) has been recognised in respect of such losses. No deferred income tax asset has been recognised in respect of a total of RMB27,631,000 (2018: RMB15,959,000) due to the unpredictability of future profit streams.

## 29. 遞延所得稅項 (續)

### 遞延所得稅資產

	Provision 撥備 RMB'000 人民幣千元	Tax loss 稅務虧損 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
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At 1 January 2018	於2018年1月1日	–	5,470	5,470
Charged to the consolidated income statement	借記合併利潤表	–	(581)	(581)
At 31 December 2018 and 1 January 2019	於2018年12月31日及2019年1月1日	–	4,889	4,889
Credit/(charged) to the consolidated income statement	貸記/(借記)合併利潤表	750	(732)	18
At 31 December 2019	於2019年12月31日	750	4,157	4,907

### 遞延所得稅負債

		Withholding tax 代扣所得稅	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
At 1 January	於1月1日	79,600	65,400
Charged to the consolidated income statement	在合併利潤表內借記	9,650	14,200
At 31 December	於12月31日	89,250	79,600

於2019年12月31日，本集團有未動用稅務虧損人民幣149,448,000元(2018：人民幣106,027,000元)可用於抵銷未來利潤，而就此類虧損已確認遞延所得稅資產人民幣4,157,000元(2018：人民幣4,889,000元)。由於未來利潤流的不可預測性，因此未確認合共人民幣27,631,000元(2018：人民幣15,959,000元)的遞延所得稅資產。



**29. DEFERRED INCOME TAX** (CONTINUED)

## Deferred income tax liabilities (continued)

At 31 December 2019, deferred income tax liabilities of RMB168,741,000 (2018: RMB150,109,000) has not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries as the Company controls the dividend policies of these subsidiaries and it is not probable that these subsidiaries would distribute these earnings in the foreseeable future. As at 31 December 2019, unremitted earnings amounted to RMB1,687,413,000 (2018: RMB1,501,086,000).

**29. 遞延所得稅項** (續)

## 遞延所得稅負債 (續)

於2019年12月31日，因集團能夠控制各附屬公司的派息策略及各附屬公司在可見的未來不會就未匯返利潤作出分配，本集團並未就若干附屬公司的未匯返利潤須予支付的代扣所得稅和其他稅項確認遞延所得稅負債人民幣168,741,000元(2018：人民幣150,109,000元)。於2019年12月31日的未匯返收益合共人民幣1,687,413,000元(2018：人民幣1,501,086,000元)。

**30. FINANCIAL INSTRUMENTS BY CATEGORY****30. 金融工具 (按類別)**

		Financial assets at amortised costs	Financial assets at fair value through the profit & loss	Financial assets at fair value through other comprehensive income	Total
		按攤銷成本計量之金融資產	以公允價值計量且其變動計入損益之金融資產	按公允價值計入其他綜合收益之金融資產	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
<b>At 31 December 2019</b>	<b>於2019年12月31日</b>				
<b>Financial assets as per balance sheet</b>	<b>根據資產負債表的金融資產</b>				
Trade and other receivables excluding non-financial assets	應收賬款及其他應收款 (不包括非金融資產)	1,018,935	-	-	1,018,935
Amount due from a related company (Note 35(c))	應收關聯方款項 (附註35(c))	39	-	-	39
Pledged bank deposits (Note 23)	已抵押之銀行存款(附註23)	85,664	-	-	85,664
Short-term bank deposits (Note 23)	短期銀行存款(附註23)	513,734	-	-	513,734
Cash and cash equivalents (Note 23)	現金及現金等價物(附註23)	958,126	-	-	958,126
Financial assets at fair value through other comprehensive income (Note 18)	按公允價值計入其他綜合收益之金融資產(附註18)	-	-	200	200
Derivative financial instruments (Note 19)	衍生金融工具(附註19)	-	276	-	276
<b>Total</b>	<b>總計</b>	<b>2,576,498</b>	<b>276</b>	<b>200</b>	<b>2,576,974</b>

### 30. FINANCIAL INSTRUMENTS BY CATEGORY

(CONTINUED)

### 30. 金融工具(按類別)(續)

		Other financial liabilities at amortised cost 其他 按攤銷成本計量 之其他金融負債 RMB'000 人民幣千元	Financial liabilities at fair value through the profit and loss 以公允價值計量 且其變動計入 損益的金融負債 RMB'000 人民幣千元	Total  總計 RMB'000 人民幣千元
<b>At 31 December 2019</b>	<b>於2019年12月31日</b>			
<b>Financial liabilities as per balance sheet</b>	<b>根據資產負債表的金融負債</b>			
Borrowings (Note 28)	借款(附註28)	1,897,779	-	1,897,779
Trade and other payables excluding non-financial liabilities	應付賬款及其他應付款 (不包括非金融負債)	347,004	-	347,004
Amount due to a related company (Note 35(c))	應付關聯方款項 (附註35(c))	2,309	-	2,309
Amount due to a director (Note 35(e))	應付一董事款項(附註35(e))	26	-	26
Derivative financial instruments (Note 19)	衍生金融工具(附註19)	-	1,172	1,172
Lease liabilities (Note 15)	租賃負債(附註15)	5,231	-	5,231
<b>Total</b>	<b>總計</b>	<b>2,252,349</b>	<b>1,172</b>	<b>2,253,521</b>

## 30. FINANCIAL INSTRUMENTS BY CATEGORY

(CONTINUED)

## 30. 金融工具(按類別)(續)

	Financial assets at amortised costs	Financial assets at fair value through the profit & loss	Financial assets at fair value through other comprehensive income	Total
	按攤銷成本計量之金融資產	以公允價值計量且其變動計入損益之金融資產	按公允價值計入其他綜合收益之金融資產	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
<b>At 31 December 2018</b>				
<b>Financial assets as per balance sheet</b>				
Trade and other receivables excluding non-financial assets	962,274	-	-	962,274
Loan to an associate (Note 35(b))	3,000	-	-	3,000
Amount due from a related company (Note 35(c))	967	-	-	967
Pledged bank deposits (Note 23)	66,090	-	-	66,090
Short-term bank deposits (Note 23)	629,650	-	-	629,650
Cash and cash equivalents (Note 23)	897,903	-	-	897,903
Financial assets at fair value through other comprehensive income (Note 18)	-	-	200	200
Derivative financial instruments (Note 19)	-	1,416	-	1,416
<b>Total</b>	<b>2,559,884</b>	<b>1,416</b>	<b>200</b>	<b>2,561,500</b>

	Other financial liabilities at amortised cost	Financial liabilities at fair value through the profit and loss	Total
	其他按攤銷成本計量之其他金融負債	以公允價值計量且其變動計入損益之金融負債	總計
	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元
<b>At 31 December 2018</b>			
<b>Financial liabilities as per balance sheet</b>			
Borrowings (Note 28)	1,715,750	-	1,715,750
Trade and other payables excluding non-financial liabilities	254,355	-	254,355
Amount due to a related company (Note 35(c))	644	-	644
Amount due to a director (Note 35(e))	30	-	30
Derivative financial instruments (Note 19)	-	1,516	1,516
<b>Total</b>	<b>1,970,779</b>	<b>1,516</b>	<b>1,972,295</b>

## 31. CASH FLOW INFORMATION

## (a) Cash generated from operations

## 31. 現金流資料

## (a) 經營業務產生之現金

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Profit for the year	年度利潤	229,040	215,291
Adjustments for:	調整項目：		
– Taxation (Note 12)	– 稅項(附註12)	97,418	101,558
– Depreciation of property, plant and equipment (Note 16)	– 物業、廠房及設備之折舊(附註16)	32,105	37,263
– Depreciation of right-of-use assets (Note 15)	– 使用權資產之折舊(附註15)	4,607	–
– Loss on disposals of property, plant and equipment (Note 6)	– 出售物業、廠房及設備之虧損(附註6)	694	365
– Write-off of property, plant and equipment (Note 6)	– 物業、廠房及設備之撇銷(附註6)	11,592	–
– Amortisation of:	– 攤銷以下各項：		
– Land use rights (Note 15)	– 土地使用權(附註15)	–	899
– Intangible assets (Note 17)	– 無形資產(附註17)	17,795	18,755
– Provision for impairment of intangible assets (Note 17)	– 無形資產減值撥備(附註17)	5,000	–
– Provision for impairment of inventory (Note 22)	– 存貨減值撥備(附註22)	764	1,641
– Net loss allowance/(reversal of loss allowance) on financial assets (Note 20)	– 金融資產虧損計提/(回撥)淨額(附註20)	462	(1,530)
– Interest income (Note 7)	– 利息收入(附註7)	(41,755)	(43,433)
– Interest expense (Note 7)	– 利息開支(附註7)	57,149	74,264
– Share of profit of an associate (Note 11)	– 享有聯營利潤份額(附註11)	(1,638)	(966)
– Net fair value losses on derivative financial instruments (Note 6)	– 衍生金融工具的公允價值淨額損失(附註6)	796	139
– Exchange differences	– 匯兌差異	19,460	46,202
Operating profit before working capital changes	營運資金變動前之經營利潤	433,489	450,448
Changes in working capital:	營運資金變動：		
– Inventories	– 存貨	48,413	(63,847)
– Trade receivables and bills receivable	– 應收賬款及應收票據	(56,889)	(418,270)
– Prepayments and other receivables	– 預付款及其他應收款	(92,041)	(13,014)
– Amount due from a related company	– 應收關聯方款項	928	1,448
– Amount due to a related company	– 應付關聯方款項	1,665	(43)
– Trade payables and bills payable	– 應付賬款及應付票據	94,100	38,566
– Accruals and other payables	– 應計費用及其他應付款	(9,570)	14,812
Cash generated from operations	經營業務產生之現金	420,095	10,100

**31. CASH FLOW INFORMATION** (CONTINUED)**(b) Reconciliation of liabilities arising from financing activities**

The table below details changes in the Group's liabilities arising from financing activities.

**31. 現金流資料** (續)**(b) 融資活動產生的負債，對賬如下：**

下表載述本集團由融資活動產生負債之變動。

		Liabilities from financing activities 融資活動產生之負債				Total 合計
		Amount due to a director 應付一董事款項 RMB'000 人民幣千元	Borrowings due within 1 year 一年以內到期的債務 RMB'000 人民幣千元	Borrowings due after 1 year 一年以後到期的債務 RMB'000 人民幣千元	Leases liabilities 租賃負債 RMB'000 人民幣千元	
<b>As at 1 January 2019</b>	<b>於2019年1月1日</b>	30	972,007	743,743	-	1,715,780
Recognised on adoption of HKFRS 16	採納香港財務報告準則第16號後確認	-	-	-	7,447	7,447
Cash flows	現金流	(4)	(51,575)	207,760	(3,629)	152,552
Acquisition – leases	購置一租賃	-	-	-	1,413	1,413
Foreign exchange adjustments	滙兌調整	-	12,995	6,465	-	19,460
Other non-cash movements	其他非現金變動	-	417,762	(411,378)	-	6,384
<b>As at 31 December 2019</b>	<b>於2019年12月31日</b>	26	1,351,189	546,590	5,231	1,903,036

		Liabilities from financing activities 融資活動產生之負債				Total 合計
		Amount due to a director 應付一董事款項 RMB'000 人民幣千元	Borrowings due within 1 year 一年以內到期的債務 RMB'000 人民幣千元	Borrowings due after 1 year 一年以後到期的債務 RMB'000 人民幣千元	Leases liabilities 租賃負債 RMB'000 人民幣千元	
<b>As at 1 January 2018</b>	<b>於2018年1月1日</b>	30	764,914	449,385	-	1,214,329
Cash flows	現金流	-	44,003	400,593	-	444,596
Foreign exchange adjustments	滙兌調整	-	10,573	35,629	-	46,202
Other non-cash movements	其他非現金變動	-	152,517	(141,864)	-	10,653
<b>As at 31 December 2018</b>	<b>於2018年12月31日</b>	30	972,007	743,743	-	1,715,780

### 32. DIVIDENDS

A final dividend in respect of the year ended 31 December 2019 of HK4.8 cents per share, totalling approximately of RMB33,992,000, is to be proposed at the forthcoming annual general meeting. These consolidated financial statements do not reflect such dividend payable.

### 32. 股息

於即將舉行之股東週年大會上，有關截至2019年12月31日止年度擬派末期股息每股4.8港仙，合共約人民幣33,992,000元。此合併財務報表並無反映此應付股息。

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Interim dividend paid of HK1.7 cents (2018: HK1.5 cents) per ordinary share	已派中期股息每股普通股1.7港仙 (2018: 1.5港仙)	11,893	10,146
Proposed final dividend of HK4.8 cents (2018: HK4.1 cents) per ordinary share	擬派末期股息每股普通股4.8港仙 (2018: 4.1港仙)	33,992	27,183
		<b>45,885</b>	<b>37,329</b>

### 33. CONTINGENT LIABILITIES

As at 31 December 2019, the Group had no significant contingent liabilities (2018: nil).

### 33. 或然負債

於2019年12月31日，本集團概無任何重大之或然負債(2018：無)。

### 34. COMMITMENTS

#### (a) Capital commitments

### 34. 承擔

#### (a) 資本承擔

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Capital commitments contracted but not provided for at end of the reporting period are as follows:	於報告期末已授權及已訂約的資本開支如下：		
– Construction-in-progress and property, plant and equipment	– 在建工程以及物業、廠房及設備	236,236	132,929
– Product development projects	– 產品開發計劃	31,430	24,260
		<b>267,666</b>	<b>157,189</b>

**34. COMMITMENTS** (CONTINUED)**(b) Operating lease commitments**

The Group leases various office, warehouse and land use rights under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

From 1 January 2019, the Group has recognised right-of-use assets for these leases, except for short-term and low-value leases, see Note 15(b) for further information.

The future aggregate minimum lease payments under non-cancellable operating leases were as follows:

		2018 RMB'000 人民幣千元
Not later than 1 year	不超過一年	4,196
Later than 1 year and not later than 5 years	超過一年但不超過五年	4,243
		8,439

**35. RELATED PARTY TRANSACTIONS**

The Company is 36.6% owned by Marietta Limited (incorporated in the British Virgin Islands) which is owned by Mr. Yang Yirong.

**(a) Sales and purchases of goods and services**

The following transactions were carried out with related parties:

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Sales of goods to a related company	貨品銷售予關聯方	7,376	-
Sales of goods to an associate	貨品銷售予聯營方	10,345	15,964
Purchase of goods from related companies	貨品採購自關聯方	2,972	-
Purchases of goods from an associate	貨品採購自關聯方	16,285	7,982
Subcontracting fee payable to an associate	應付聯營方之加工費	1,359	4,595

In the opinion of the Directors, the above transactions were carried out in the normal course of the Group's business, and conducted at terms mutually agreed by the respective parties.

**34. 承擔** (續)**(b) 經營租約承擔**

本集團根據不可撤銷的經營租賃承租各種辦公室、倉庫和土地使用權。租賃具有不同的條款，升級條款和續訂權。續訂時，將重新協商租賃條款。

自2019年1月1日起，除短期和低價值租賃外，本集團已確認這些租賃的使用權資產，請參閱附註15(b)有更多相關的資料。

根據不可撤銷經營租賃，未來最低租賃付款總額如下：

**35. 關聯方交易**

本公司之36.6%權益由一間楊毅融先生持有之英屬處女群島註冊成立之公司—Marietta Limited擁有。

**(a) 貨品及服務之銷售及購買**

與關聯方進行的交易如下：

董事認為，上述交易乃於本集團正常業務過程中產生，並按雙方同意之條款進行。

**35. RELATED PARTY TRANSACTIONS** (CONTINUED)

## (b) Loan to an associate

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Loan to an associate	聯營方借貸	–	3,000

As at 31 December 2018, the loan to an associate was unsecured, bearing interest at the rate of 6% per annum and was repayable on 14 April 2020. The loan has been fully repaid by the associate during the year.

**35. 關聯方交易** (續)

## (b) 聯營借貸

於2018年12月31日，該聯營方貸款為無抵押，年利率為6%，並須於2020年4月14日償還，該貸款已於年內全數償還。

## (c) Amount due from/to a related company

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Amount due from a related company	應收關聯方款項	39	967
Amount due to a related company – an associate	應付關聯方款項 – 聯營	2,309	644

As at 31 December 2019, the balances are unsecured, interest-free and are repayable on demand.

## (c) 應收／應付關聯方款項

於2019年12月31日，款項為無抵押、免息及須應要求償還。

## (d) Key management compensation

Key management includes directors (executive and non-executive) and the senior management with their details as set out in the “Biographical details of directors and senior management” section of the annual report. The compensation paid or payable to key management for employee services is shown below:

## (d) 關鍵管理人員酬金

關鍵管理人員包括董事（執行董事與非執行董事）及高級管理人員，有關人仕的詳情已附載於年報「董事及高級人員履歷」一節內。向關鍵管理人員支付作為僱員服務的已付或應付酬金如下：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	11,620	12,517
Retirement benefit – defined contribution plans	退休福利 – 一定額供款計劃	166	197
Total	總計	11,786	12,714



**35. RELATED PARTY TRANSACTIONS** (CONTINUED)**35. 關聯方交易** (續)**(e) Amount due to a director****(e) 應付一位董事款項**

The details of the amount due to a director are as follows:

應付一位董事款項的詳情如下：

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Mr. Yang Yirong	楊毅融先生	26	30

The amount due to a director is unsecured, non-interest bearing and is repayable on demand.

應付一位董事之款項為無抵押、免息及須應要求償還。

**36. BENEFITS AND INTERESTS OF DIRECTORS****36. 董事的利益和權益****(a) Directors' and chief executive's emoluments****(a) 董事及行政總裁酬金**

During the year ended 31 December 2019, the remuneration of every director and the chief executive is set out below:

截至2019年12月31日止年度，每名董事及行政總裁的薪酬如下：

Name of Director	董事姓名	2019				2018			
		Director's fees	Salaries and allowance	Retirement benefit scheme	Total	Director's fees	Salaries and allowance	Retirement benefit scheme	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive Directors:</b>	<b>執行董事：</b>								
Mr. Yang Yirong	楊毅融								
(Chairman and President)	(主席兼總裁)	648	1,798	25	2,471	622	1,811	29	2,462
Mr. Gong Xionghui	龔雄輝	385	389	25	799	369	833	27	1,229
Ms. Lu Jiahua	盧家華	385	783	25	1,193	369	920	15	1,304
Mr. Lin David Ying Tsung	林英宗	369	704	-	1,073	312	794	-	1,106
Mr. Lin Zhigang	林志剛	385	519	25	929	369	541	27	937
Mr. Han Huan Guang	韓觀光	385	964	16	1,365	-	-	-	-
<b>Independent Non-Executive Directors:</b>	<b>獨立非執行董事：</b>								
Mr. Yau Fook Chuen	丘福全	190	13	-	203	214	11	-	225
Professor Xiang Ming (Note (i))	向明(附註(i))	141	13	-	154	-	-	-	-
Mr. Wong Yik Chung, John	黃翼忠	190	13	-	203	214	11	-	225

Note (i): Professor Xiang Ming has been appointed as an INED of the Company on 9 April 2019.

附註(i)：向明教授已於2019年4月9日被任命為本公司獨立非執行董事。

During the year, no discretionary bonuses, remunerations paid or receivable in respect of accepting office as director and emoluments paid or receivable in respect of director's other service in connection with the affairs of the Company or its subsidiary undertakings were paid or made, directly or indirectly, to the directors; nor are any payable (2018: nil).

本年度，概無直接或間接向董事提供獎金、就接納擔任董事一職而支付或應收的酬金及就管理本公司或其附屬公司企業的事務提供其他董事服務而支付或應收的酬金或任何應付款(2018：無)。

None of the directors waived any emoluments during the year ended 31 December 2019 (2018: nil).

截至2019年12月31日止年度，並無董事放棄任何酬金(2018：無)。

## 36. BENEFITS AND INTERESTS OF DIRECTORS

(CONTINUED)

### (b) Directors' retirement benefits and termination benefits

During the year, no retirement benefits, payments or benefits in respect of termination of directors' services were paid or made, directly or indirectly, to the directors; nor are any payable (2018: nil).

### (c) Consideration provided to third parties for making available directors' services

No consideration was provided to or receivable by third parties for making available directors' services (2018: nil).

### (d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

As at 31 December 2019, there are no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate by and connected entities with such directors (2018: None).

### (e) Directors' material interests in transactions, arrangements or contracts

None of the directors of the Company and their connected entities had a material interest, directly or indirectly, in any significant transactions, arrangements and contracts in relation to the Group's business to which the Company was or is a party that subsisted at the end of the year or at any time during the year (2018: None).

## 37. EVENTS AFTER THE BALANCE SHEET DATE

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, a series of precautionary and control measures have been and continued to be implemented across the region. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Group. As at the date on which these financial statements were authorised for issue, the Group was not aware of any material adverse effects on the financial statements as a result of the COVID-19 outbreak except that the construction of the Group's new plant in Gulei Chemical Industrial Park may experience certain delay.

## 36. 董事的利益和權益 (續)

### (b) 董事退休福利及離職福利

本年度，概無直接或間接向董事提供退休福利、就終止董事服務支付款項或提供福利或任何應付款(2018：無)。

### (c) 就獲提供董事服務向第三方支付之代價

概無就獲提供董事服務而給予第三者的代價或第三者可就提供董事服務而收取的代價(2018：無)。

### (d) 有關以董事、受董事控制之法團及與董事有關連之實體為受益人之貸款、準貸款及其他交易之資料

於2019年12月31日，概無向董事、彼等之受控制法人團體及有關連實體作出的貸款、類似貸款或以該等人士為受益人的其他交易(2018：無)。

### (e) 董事於交易、安排或合約之重大利益

本年度內或年結時，本公司並無簽訂任何涉及本集團之業務而本公司之董事或其關連實體直接或間接在其中擁有重大權益之重要交易、安排或合同(2018：無)。

## 37. 結算日後事項

在2020年初爆發2019年冠狀病毒疾病(「COVID-19爆發」)之後，該地區已採取並繼續實施一系列預防和控制措施。本集團將密切關注COVID-19疫情的發展，並評估其對本集團財務狀況和經營成果的影響。截至本財務報表獲批准發佈之日，本集團尚未意識到因COVID-19爆發而對財務報表造成任何重大不利影響，惟本集團在古雷化工園區的新工廠的建設可能會遇到有限程度的延遲。

## 38. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

## 38. 本公司的資產負債表及儲備變動

(a) Balance sheet of the Company as at 31 December 2019

(a) 截至2019年12月31日止本公司的資產負債表

	Note 附註	2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in and amounts due from subsidiaries		401,974	401,974
<b>Current assets</b>			
Amounts due from subsidiaries		1,260,220	1,133,470
Prepayments		–	45
Derivative financial instruments		276	106
Cash and cash equivalents		6,715	4,608
		1,267,211	1,138,229
<b>Total assets</b>		<b>1,669,185</b>	<b>1,540,203</b>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		75,380	75,380
Share premium		341,876	341,876
Other reserves	(b)	102,426	102,426
Retained earnings	(c)	63,011	42,203
<b>Total equity</b>		<b>582,693</b>	<b>561,885</b>

**38. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY** (CONTINUED)

(a) Balance sheet of the Company as at 31 December 2019 (continued)

**38. 本公司的資產負債表及儲備變動** (續)

(a) 截至2019年12月31日止本公司的資產負債表(續)

		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
<b>LIABILITIES</b>	<b>負債</b>		
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Borrowings	借貸	546,590	743,743
<b>Current liabilities</b>	<b>流動負債</b>		
Borrowings	借貸	536,065	230,542
Derivative financial instruments	衍生金融工具	1,172	455
Accruals and other payables	應計費用及其他應付款	2,665	3,578
		539,902	234,575
<b>Total liabilities</b>	<b>總負債</b>	<b>1,086,492</b>	<b>978,318</b>
<b>Total equity and liabilities</b>	<b>總權益及負債</b>	<b>1,669,185</b>	<b>1,540,203</b>

The balance sheet of the Company was approved by the Board of Directors on 31 March 2020 and was signed on its behalf.

本公司的資產負債表已由董事會於2020年3月31日批核，並由董事會代表簽署。

**YANG YIRONG**

楊毅融

Chairman

主席

**LU JIAHUA**

盧家華

Executive Director

執行董事

### 38. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED) 38. 本公司的資產負債表及儲備變動 (續)

#### (b) Other reserve movement of the Company

#### (b) 公司其他儲備變動

		Capital reserve 股本儲備 RMB'000 人民幣千元	Capital redemption reserve 股本贖回儲備 RMB'000 人民幣千元	Share options equity reserve 購股權 股本儲備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018, 31 December 2018 and 31 December 2019	於2018年1月1日、 2018年12月31日及 2019年12月31日	90,941	711	10,774	102,426

#### (c) Retained earnings movement of the Company

#### (c) 公司保留盈利變動

		RMB'000 人民幣千元
At 1 January 2018	於2018年1月1日	53,097
Profit for the year	年度利潤	19,954
2017 final dividend	2017年之末期股息	(20,702)
2018 interim dividend	2018年之中期股息	(10,146)
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	<b>42,203</b>
At 1 January 2019	於2019年1月1日	42,203
Profit for the year	年度利潤	59,884
2018 final dividend	2018年之末期股息	(27,183)
2019 interim dividend	2019年之中期股息	(11,893)
<b>At 31 December 2019</b>	<b>於2019年12月31日</b>	<b>63,011</b>

# Five-Year Financial Summary

## 五年財務概要

### RESULTS

### 業績

Year ended 31 December  
截至12月31日止年度

		2015 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Revenue	收入	1,536,763	1,632,779	1,571,382	2,198,217	2,422,810
Operating profit	經營利潤	221,436	301,251	236,659	416,192	367,074
Finance expenses	財務費用	(65,930)	(81,128)	5,682	(100,309)	(42,254)
Share of losses of associates and provision for impairment of investment in an associate	應佔聯營虧損份額及聯營投資減值撥備	(4,026)	(386)	307	966	1,638
Profit before taxation	除稅前利潤	151,480	219,737	242,648	316,849	326,458
Taxation	稅項	(66,296)	(74,229)	(58,881)	(101,558)	(97,418)
Profit for the year	年度利潤	85,184	145,508	183,767	215,291	229,040
Profit/(loss) attributable to: Owners of the Company	利潤/(虧損)歸屬於： 本公司擁有人	85,515	145,383	183,767	215,291	229,949
Non-controlling interests	非控股性權益	(331)	125	-	-	(909)
		85,184	145,508	183,767	215,291	229,040
Dividends	股息	21,200	28,108	29,291	37,329	45,885
Earnings per share (RMB cents)	每股盈利(分人民幣)					
Basic	基本	15.8	22.4	26.8	27.78	29.67
Diluted	攤薄	15.7	22.3	26.8	27.77	29.67

### FINANCIAL POSITIONS

### 財務狀況

As at 31 December  
截至12月31日

		2015 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2017 RMB'000 人民幣千元	2018 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Non-current assets	非流動資產	464,678	460,229	556,978	1,179,097	1,601,601
Current assets	流動資產	2,403,068	2,689,918	2,879,668	3,022,363	3,082,895
Total assets	資產總值	2,867,746	3,150,147	3,436,646	4,201,460	4,684,496
Non-current liabilities	非流動負債	549,454	280,052	514,785	823,343	637,525
Current liabilities	流動負債	846,203	1,263,160	1,010,459	1,282,278	1,751,177
Total liabilities	負債總額	1,395,657	1,543,212	1,525,244	2,105,621	2,388,702
Net assets	資產淨值	1,472,089	1,606,935	1,911,402	2,095,839	2,295,794

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Yang Yirong (*Chairman & President*)  
Ms. Lu Jiahua  
Mr. Gong Xionghui  
Dr. Lin David Ying Tsung  
Mr. Han Huan Guang  
Mr. Lin Zhigang

#### Independent Non-executive Directors

Mr. Yau Fook Chuen  
Mr. Wong Yik Chung, John  
Professor Xiang Ming

### BOARD COMMITTEES

#### Audit Committee

Mr. Yau Fook Chuen (*Chairman*)  
Mr. Wong Yik Chung, John  
Professor Xiang Ming

#### Remuneration Committee

Mr. Wong Yik Chung, John (*Chairman*)  
Mr. Yau Fook Chuen  
Professor Xiang Ming  
Ms. Lu Jiahua  
Mr. Han Huan Guang

#### Nomination Committee

Mr. Yang Yirong (*Chairman*)  
Mr. Yau Fook Chuen  
Professor Xiang Ming  
Mr. Wong Yik Chung, John  
Mr. Han Huan Guang

### COMPANY SECRETARY

Mr. Lam Kwok Kin *FCCA, FCPA*

### AUDITOR

PricewaterhouseCoopers  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*

### 董事會

#### 執行董事

楊毅融先生(*主席兼總裁*)  
盧家華女士  
龔雄輝先生  
林英宗博士  
韓歡光先生  
林志剛先生

#### 獨立非執行董事

丘福全先生  
黃翼忠先生  
向明教授

### 董事委員會

#### 審核委員會

丘福全先生(*主席*)  
黃翼忠先生  
向明教授

#### 薪酬委員會

黃翼忠先生(*主席*)  
丘福全先生  
向明教授  
盧家華女士  
韓歡光先生

#### 提名委員會

楊毅融先生(*主席*)  
邱福全先生  
向明教授  
黃翼忠先生  
韓歡光先生

### 公司秘書

林國健先生 *FCCA, FCPA*

### 核數師

羅兵咸永道會計師事務所  
*執業會計師*  
*註冊公眾利益實體核數師*

## Corporate Information

### 公司資料

#### REGISTERED OFFICE

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

#### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 5301, 53rd Floor  
Central Plaza  
18 Harbour Road  
Wanchai, Hong Kong

#### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited  
P.O. Box 1093  
Boundary Hall, Cricket Square  
Grand Cayman KY1-1102  
Cayman Islands

#### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

#### PRINCIPAL BANKERS

Agricultural Bank of China  
ANZ  
Bank of China  
Bank of Communications  
BNP Paribas  
Citibank, N.A.  
China Citic Bank  
CTBC  
Far Eastern International Bank  
Hang Seng Bank  
KBC Bank N.V.  
O-Bank  
Rabobank  
Standard Chartered Bank  
Taishin International Bank  
United Overseas Bank

#### 註冊辦事處

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

#### 總辦事處兼香港主要營業地點

香港灣仔  
港灣道18號  
中環廣場  
53樓5301室

#### 股份過戶登記總處

Maples Fund Services (Cayman) Limited  
P.O. Box 1093  
Boundary Hall, Cricket Square  
Grand Cayman KY1-1102  
Cayman Islands

#### 股份過戶登記處香港分處

卓佳登捷時有限公司  
香港灣仔  
皇后大道東183號  
合和中心54樓

#### 主要往來銀行

中國農業銀行  
澳新銀行  
中國銀行  
交通銀行  
法國巴黎銀行  
花旗銀行  
中信銀行  
中國信託商業銀行  
遠東國際商業銀行  
恒生銀行  
比利時聯合銀行  
王道商業銀行  
荷蘭合作銀行  
渣打銀行  
台新國際商業銀行  
大華銀行



Listing:	Listed on the Main Board of The Stock Exchange of Hong Kong Limited since 9 March 2004	上市：	由2004年3月9日起於香港聯合交易所有限公司主板上市
Stock Code:	2341	股份代號：	2341
Board Lot:	2,000	買賣單位：	2,000
Par Value:	HK\$0.1	面值：	0.1港元
Trading Currency:	HK\$	交易貨幣：	港元

## FINANCIAL CALENDAR 2020

Financial year ended	31 December 2019
Full year results announced	31 March 2020
Register of members closed (for ascertaining shareholders' rights to attend and vote at annual general meeting)	24-30 June 2020
Annual general meeting	30 June 2020
Ex-entitlement date for final dividend	20 July 2020
Register of members closed (for determining entitlement to final dividend)	22-24 July 2020
Record date for final dividend	24 July 2020
Despatch of dividend warrants	on or about 28 August 2020
Interim results to be announced	on or about 31 August 2020

## FINAL DIVIDEND

The Board has proposed a final dividend of HK4.8 cents per share for the year ended 31 December 2019 payable to shareholders on the register of members of the Company on 24 July 2020.

Subject to approval of the proposed final dividend by the shareholders at the forthcoming annual general meeting of the Company to be held on 30 June 2020, the final dividend warrants will be despatched to the shareholders of the Company on or about 28 August 2020.

## 2020年財務行事曆

財政年度結算日	2019年12月31日
全年業績公佈	2020年3月31日
暫停辦理股份過戶登記手續 (以釐定股東出席及於股東週年大會上投票之權利)	2020年6月24至30日
股東週年大會	2020年6月30日
末期股息除權日期	2020年7月20日
暫停辦理股份過戶登記手續 (以釐定獲派末期股息之權利)	2020年7月22至24日
末期股息記錄日期	2020年7月24日
寄發股息單	2020年8月28日或該日前後
中期業績公佈	2020年8月31日或該日前後

## 股息

董事會建議派發截至2019年12月31日止年度之末期股息每股4.8港仙，予於2020年7月24日名列本公司股東名冊之股東。

建議之末期股息，須待於本公司即將在2020年6月30日舉行之應屆股東週年大會上獲股東批准後，方可作實。末期股息單將於2020年8月28日左右寄發予本公司股東。

## CLOSING OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 24 June 2020 to Tuesday, 30 June 2020, both days inclusive, during which no transfer of shares will be effected. In order to qualify for attendance of annual general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited no later than 4:30 p.m. on Tuesday, 23 June 2020.

The register of members of the Company will also be closed from Wednesday, 22 July 2020 to Friday, 24 July 2020, both days inclusive, during which no transfer of shares will be effected. To rank for the proposed final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited no later than 4:30 p.m. on Tuesday, 21 July 2020.

## SHAREHOLDER SERVICES

For enquiries about share transfer and registration, please contact the Company's branch share registrar and transfer office in Hong Kong:

Tricor Tengis Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong  
Telephone: (852) 2980 1333  
Facsimile: (852) 2810 8185  
Email: is-enquiries@hk.tricorglobal.com

Holders of the Company's shares should notify the Company's branch share registrar and transfer office in Hong Kong promptly of any change of addresses.

## INVESTOR RELATIONS

For enquiries relating to investor relations, please contact:

EcoGreen International Group Limited  
Suite 5301, 53rd Floor, Central Plaza  
18 Harbour Road, Wanchai, Hong Kong  
Telephone : (852) 2530 0609  
Facsimile : (852) 2530 0619  
Email : ir-contact@ecogreen.com

## 暫停辦理股份過戶登記手續

本公司將於2020年6月24日(星期三)至2020年6月30日(星期二)(包括首尾兩天)暫停辦理股東登記手續，期間概不會辦理任何股份過戶登記。為符合出席股東週年大會的資格，所有填妥之股份過戶表格連同有關股票，最遲必須於2020年6月23日(星期二)下午四時三十分之前，交回本公司之股份過戶登記處香港分處卓佳登捷時有限公司辦理登記。

本公司亦將於2020年7月22日(星期三)至2020年7月24日(星期五)(包括首尾兩天)暫停辦理股東登記手續，期間概不會辦理任何股份過戶登記。為符合收取建議之末期股息的資格，所有填妥之股份過戶表格連同有關股票，最遲必須於2020年7月21日(星期二)下午四時三十分之前，交回本公司之股份過戶登記處香港分處卓佳登捷時有限公司辦理登記。

## 股東服務

任何有關股份過戶及登記之查詢，請聯絡本公司之股份過戶登記處香港分處：

卓佳登捷時有限公司  
香港  
皇后大道東183號  
合和中心54樓  
電話：(852) 2980 1333  
傳真：(852) 2810 8185  
電郵：is-enquiries@hk.tricorglobal.com

持有本公司股票之人士，若更改地址，請盡快通知本公司之股份過戶登記處香港分處。

## 投資者關係

任何有關投資者關係之查詢，請聯絡：

中怡國際集團有限公司  
香港灣仔港灣道18號  
中環廣場53樓5301室  
電話：(852) 2530 0609  
傳真：(852) 2530 0619  
電郵：ir-contact@ecogreen.com



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**中怡國際集團有限公司**

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

