



興發鋁業控股有限公司 XINGFA ALUMINIUM HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(HKEX stock code: 98)

(香港交易所股份代號: 98)

ANNUAL REPORT 年報 2021



Content 目錄

| | | |
|---|----------------|-----|
| Corporate Information | 公司資料 | 2 |
| Chairman's Statement | 主席報告 | 5 |
| Management Discussion and Analysis | 管理層討論及分析 | 9 |
| Directors and Senior Management | 董事及高級管理人員 | 24 |
| Report of the Directors | 董事會報告 | 37 |
| Corporate Governance Report | 企業管治報告 | 71 |
| Environmental, Social and Governance Report | 環境、社會及管治報告 | 87 |
| Independent Auditor's Report on the Consolidated Financial Statements | 綜合財務報表之獨立核數師報告 | 161 |
| Consolidated Statement of Profit or Loss | 綜合損益表 | 171 |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 綜合損益及其他全面收益表 | 172 |
| Consolidated Statement of Financial Position | 綜合財務狀況表 | 173 |
| Consolidated Statement of Changes in Equity | 綜合權益變動表 | 175 |
| Consolidated Cash Flow Statement | 綜合現金流量表 | 176 |
| Notes to the Consolidated Financial Statements | 綜合財務報表附註 | 178 |
| Five Years Summary | 五年概要 | 315 |

Corporate Information 公司資料

Directors and Board Committees

Directors

Executive Directors

LIU Libin (Chairman)
LIAO Yuqing (Chief Executive Officer)
WANG Lei (appointed on 4 August 2021)
ZHANG Li (Chief Financial Officer) (resigned from the position of
an executive Director on 4 August 2021)
LAW Yung Koon
WANG Zhihua
LUO Jianfeng

Non-executive Directors

ZUO Manlun
XIE Jingyun

Independent Non-executive Directors

CHEN Mo
HO Kwan Yiu
LAM Ying Hung, Andy
WEN Xianjun (appointed on 4 August 2021)
LIANG Shibin (resigned on 4 August 2021)

Board Committees

Audit Committee

LAM Ying Hung, Andy (Chairman)
CHEN Mo
HO Kwan Yiu
XIE Jingyun

Remuneration Committee

HO Kwan Yiu (Chairman)
CHEN Mo
LAM Ying Hung, Andy
LIU Libin
LIAO Yuqing

Nomination Committee

LIU Libin (Chairman)
CHEN Mo
HO Kwan Yiu
LAM Ying Hung, Andy
ZUO Manlun

董事及董事委員會

董事

執行董事

劉立斌(主席)
廖玉慶(行政總裁)
王磊(於二零二一年八月四日獲委任)
張莉(財務總監)
(於二零二一年八月四日辭任執行董事)
羅用冠
王志華
羅建峰

非執行董事

左滿倫
謝景雲

獨立非執行董事

陳默
何君堯
林英鴻
文獻軍(於二零二一年八月四日獲委任)
梁世斌(於二零二一年八月四日辭任)

董事委員會

審核委員會

林英鴻(主席)
陳默
何君堯
謝景雲

薪酬委員會

何君堯(主席)
陳默
林英鴻
劉立斌
廖玉慶

提名委員會

劉立斌(主席)
陳默
何君堯
林英鴻
左滿倫

Corporate Information 公司資料

Company Secretary

WONG Tik (*resigned on 2 February 2021*)
PANG Wai Ching (*appointed on 2 February 2021*)

Authorised Representatives

LIU Libin
LIAO Yuqing
WONG Tik (alternate to LIU Libin)
(*resigned on 2 February 2021*)
WANG Zhihua (alternate to LIAO Yuqing)

Registered Office

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

Head Office and Principal Place of Business in the PRC

No. 5, Zone D
Central Science and Technology Industrial Park
Sanshui District, Foshan City
Guangdong Province
China

Principal Place of Business in Hong Kong

Unit 605, 6/F
Wing On Plaza
62 Mody Road
Tsim Sha Tsui East
Kowloon
Hong Kong

Principal Bankers

Bank of China
Agriculture Bank of China
China Construction Bank Corporation

公司秘書

黃荻(於二零二一年二月二日辭任)
彭偉正(於二零二一年二月二日獲委任)

授權代表

劉立斌
廖玉慶
黃荻(劉立斌之替任代表)
(於二零二一年二月二日辭任)
王志華(廖玉慶之替任代表)

註冊辦事處

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

中國總辦事處及主要營業地點

中國
廣東省
佛山市三水區
中心科技工業園
D區5號

香港主要營業地點

香港
九龍
尖沙咀東部
麼地道62號
永安廣場
6樓605室

主要往來銀行

中國銀行
中國農業銀行
中國建設銀行股份有限公司

Corporate Information

公司資料

Legal Adviser

As to Hong Kong law:

LCH Lawyers LLP

As to Cayman Islands law:

Conyers Dill & Pearman

Auditors

KPMG

Public Interest Entity Auditor

*Registered in accordance with the
Financial Reporting Council Ordinance*

8th Floor, Prince's Building

10 Chater Road

Central

Hong Kong

Share Registrars

Principal Share Registrar and Transfer Office in the Cayman Islands

Suntera (Cayman) Limited

Suite 3204, Unit 2A, Block 3, Building D

P.O. Box 1586

Gardenia Court, Camana Bay

Grand Cayman, KY1-1110

Cayman Islands

Branch Share Registrar and Transfer Office in Hong Kong

Tricor Investor Services Limited

Level 54, Hopewell Centre

183 Queen's Road East

Wanchai,

Hong Kong

WEBSITE

www.xingfa.com

STOCK CODE

00098.HK

法律顧問

香港法律：

呂鄭洪律師行有限法律責任合夥

開曼群島法律：

Conyers Dill & Pearman

核數師

畢馬威會計師事務所

於《財務匯報局條例》下的

註冊公眾利益實體核數師

香港

中環

遮打道10號

太子大廈8樓

股份過戶登記處

開曼群島股份過戶登記總處

Suntera (Cayman) Limited

Suite 3204, Unit 2A, Block 3, Building D

P.O. Box 1586

Gardenia Court, Camana Bay

Grand Cayman, KY1-1110

Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司

香港

灣仔

皇后大道東183號

合和中心54樓

網址

www.xingfa.com

股份代號

00098.HK

Chairman's Statement 主席報告

I am pleased to present the 2021 annual results of Xingfa Aluminium Holdings Limited (the "Company" and, together with its subsidiaries, the "Group", "the Company", "Xingfa Aluminium" or "Xingfa").

In 2021, the real estate industry in the PRC has undergone significant adjustments due to the intermittent outbreak of the COVID-19 pandemic in the PRC, coupled with the impact of a series of incidents, which had a certain impact on the aluminium profile industry. However, with our high quality aluminum profiles, we continued to gain customer support and managed to achieve satisfactory performance during the year.

As a long-term supplier of high-end aluminum profiles to many major real estate developers in the PRC, the Group continued to participate in the construction of major landmark projects as the main supplier and provided high-end aluminium profiles for the Memorial Hall of the 100th Anniversary of the Communist Party of China* (中國共產黨100周年紀念館), Chengdu Tianfu International Airport, Hangzhou Asian Games Village, Beijing Daxing International Airport Terminals, Wuhan Yangtze River Center and Xi'an Olympic Sports Center Gymnasium. Of which, Chengdu Tianfu International Airport was officially opened on 27 June 2020 and Hangzhou Asian Games Village project was completed on schedule, demonstrating that the quality of the Group's products is reliable and highly trusted by the market. The construction of landmark projects and stable orders not only helped to drive the revenue and profit of the Group to new highs during the year but also strengthened Xingfa's leading position as the premier brand of construction aluminium profiles in the PRC.

In 2021, the Group's revenue increased by 29.8% to approximately RMB15,432,900,000 (2020: RMB11,886,900,000) and sales volume rose by approximately 5.1% to 685,006 tonnes (2020: 651,721 tonnes). Of which, the sales of construction aluminium profiles and industrial aluminum profiles accounted for 78.4% and 18.6% of the revenue, respectively. Gross profit reached RMB1,811,800,000 for the year, representing a year-on-year increase of 11.2%. The gross profit margin was 11.7% and net profit attributable to shareholders increased by 16.0% to approximately RMB887,800,000 (2020: RMB765,400,000). The Directors recommended the payment of a final dividend of HKD0.80 per ordinary share of the Company for the year ended 31 December 2021 (2020: HKD0.36) as a reward to shareholders for their support to Xingfa.

本人欣然呈報興發鋁業控股有限公司(「本公司」，連同其附屬公司統稱「本集團」、「本公司」、「興發鋁業」或「興發」)二零二一年之年度業績。

二零二一年，新冠肺炎疫情在國內間歇爆發，加上一系列事件的影響，中國房地產行業經歷重大調整，對鋁型材行業帶來一定影響。然而，我們憑藉高品質的鋁型材，繼續獲得客戶支持，年內成功實現理想的業績表現。

集團作為中國多家主要房地產商長期合作的高端鋁型材提供商，繼續以主供應商身份參與各大地標項目的建設，為中國共產黨100周年紀念館、成都天府國際機場、杭州亞運村、北京大興國際機場航站樓、武漢長江中心、西安奧體中心體育館等多個項目提供高端鋁型材。其中，成都天府國際機場於去年六月二十七日正式投入使用，杭州亞運村項目也如期竣工，足以印證本集團的產品品質可靠、備受市場信賴。地標項目的建設及穩定的訂單不但助推本集團於年內的營業額及盈利再創新高，更令興發作為中國建築鋁型材第一品牌的市場領先地位更加穩固。

於二零二一年，營業額增加29.8%至約人民幣15,432,900,000元(二零二零年：人民幣11,886,900,000元)，銷售量上升約5.1%至685,006噸(二零二零年：651,721噸)，其中建築鋁型材及工業鋁型材銷售分別佔營業額的78.4%及18.6%。年內毛利錄得人民幣1,811,800,000元，同比上升11.2%，毛利率為11.7%。股東應佔溢利上升16.0%至約人民幣887,800,000元(二零二零年：人民幣765,400,000元)。董事建議派付截至二零二一年十二月三十一日止年度之末期股息每股本公司普通股0.80港元(二零二零年：0.36港元)，以回饋各位股東對興發的支持。

Chairman's Statement 主席報告

Riding on the continuous efforts of the Company in technology, R&D, product quality, services and management, Xingfa has been able to establish its presence in the industry for years and maintained its industry leading position, leading the industry in terms of technology and formulating industrial standards. Xingfa Aluminium actively explores the cutting-edge new trends of the aluminium industry and expands the application fields of aluminium with market orientation and from the perspective of customers' needs, continuously strengthens investment in R&D, builds core product advantages and promotes sustainable and stable development of the enterprise. In adhering to the path of new industrialization, we will continue to improve the standard of intelligent manufacturing and construction, modify the process by applying modern digital management approaches, enhance the quality of intelligent services, and achieve cost reduction and efficiency enhancement.

In the past year, Xingfa insisted on pragmatic development and received numerous awards. In the list of Management Benchmarks for key state-owned enterprises announced by the State-owned Assets Supervision and Administration Commission of the State Council, Xingfa Aluminium was successfully selected as one of the three benchmark enterprises in Guangdong Province. In addition, after being selected as an individual champion demonstration enterprise in manufacturing industry in 2018, Xingfa was named as "Individual Champion Demonstration Enterprises in Manufacturing Industry" (製造業單項冠軍示範企業) again in recognition of its comprehensive advantages of advanced technology, brand products and market services.

興發能夠在行業內屹立多年，並長期處於行業領先位置，領導業內技術及制定行業標準，離不開公司在技術、研發、產品品質、服務和管理等多方面持續精進所付出的努力。興發鋁業積極探索鋁材行業前沿新趨勢，以市場為導向，從客戶需求出發，拓展鋁材的應用領域，持續加強研發投入，打造產品核心優勢，促進企業持續穩健發展。在堅持走新型工業化道路中，不斷深化智慧製造建設水準，運用現代化的數位管理手段，進行流程化再造，提升智慧化服務水準，實現降本增效。

在過去的一年裡，興發堅持務實發展，屢獲殊榮。在國務院國資委公佈的國有重點企業管理標杆名單中，興發鋁業作為廣東省三家標杆企業之一成功入選；此外，興發憑藉先進技術、品牌產品、市場服務等綜合優勢，繼二零一八年入選國家製造業單項冠軍示範企業後，再次獲評「國家製造業單項冠軍示範企業」稱號。



Chairman's Statement 主席報告

The Group continued to devote to the “construction profiles + industrial profiles” dual-engine development roadmap to expand the source of revenue of the Group. With the continuous improvement of the PRC's economy, the Group believes that the consumption of aluminium will continue to rise and the market for aluminum profiles has huge potential. As a major supplier of construction aluminium profiles, Xingfa is likely to earn stable revenue from the construction materials industry. Meanwhile, the Group will leverage its technology and experience in the construction materials industry and expand into the industrial materials industry, manufacture electronic consumer products and lightweight transport products. With the official commissioning of the precision manufacturing base situated at Sanshui Industrial Park in Guangdong Province, the Group plans to start investing in new production bases to support the huge production capacity demand for construction aluminium profiles and industrial aluminium profiles in the future, it will facilitate the Group to better seize market opportunities in the construction and industrial materials industry.

To support the long-term development of construction aluminium profiles and the business expansion on industrial aluminum profiles, Xingfa actively carries out the upgrading plan of intelligent production base and digital production management. The Group also synchronously improves our service, technology and processing quality to enhance the overall long-term operating operational efficiency, increase product mix and improve quality from multiple perspectives in a bid to provide customers with the best aluminum profiles. In addition, the Group's reforms in various aspects such as production process, product R&D, information technology, sales process and human resources management have been generally completed and the integrated strategy of production, supply and marketing has achieved preliminary results, which not only have significantly improved the overall effectiveness and efficiency, but also significantly increased customer retention and improved loyalty, laying a solid foundation for the Group to deliver more orders quickly in the future.

集團繼續致力於「建築材+工業材」雙引擎發展路線，拓寬集團的收入來源。隨著中國經濟的持續向好發展，本集團相信鋁消費會持續提升，鋁型材市場空間巨大。興發作為建築鋁型材的主要供應商，有望繼續從建築材領域獲取穩定收益；同時，集團會借助在建築材領域的工藝及經驗，進入工業材領域，製造電子消費產品、交通輕量化相關產品。隨著位於廣東三水工業園的精密製造基地正式投產，本集團計劃開展新生產基地的投資，以支持未來建築鋁型材及工業鋁型材的龐大產能需求，助力集團更好地把握建築及工業材領域的市場機遇。

為支持建築鋁型材的長遠發展和工業鋁型材的業務開拓，興發積極進行生產基台智慧化及生產管理數碼化升級計劃，本集團亦同步提升服務、技術及工藝品質，務求從多角度提升整體長遠運營效益、增加產品組合及改善品質，為客戶提供最頂級的鋁型材。此外，本集團圍繞生產流程、產品研發、資訊科技、銷售流程及人力資源管理等各方面的變革已經大致完成，產供銷一體化策略已見階段性成效，不但整體效益及效率得到大幅改善，更大幅提升了客戶粘性及忠誠度，為本集團未來更多訂單的快速交付打下堅實基礎。

Chairman's Statement 主席報告

Looking ahead to the new year, Xingfa Aluminium will continue to closely follow the national development strategy and industry policies, base the new development stage, carry out the new development concept, strongly support new technologies, new models and new business modes, develop and extend the relevant industry chain and enhance the value chain, create a new engine for enterprise development, and realize further enhancement of Xingfa's corporate value.

Finally, Xingfa would like to thank its shareholders and customers for their continuous support to the Group. In the future, Xingfa Aluminium will continue to work hard to enhance its corporate core competitiveness and cooperate with its shareholders to reach new heights and deliver greater and sustainable returns for our shareholders. Thanks every one again.

LIU Libin, *Chairman*

Foshan China, 25 March 2022

展望新的一年，興發鋁業將繼續緊跟國家發展戰略與行業政策，立足新發展階段、貫徹新發展理念、大力支持新技術、新模式、新業態，發展延伸相關產業鏈和提升價值鏈，打造企業發展新引擎，實現興發企業價值的進一步提升。

最後，興發再次感謝各位股東及客戶對集團一直以來的鼎力支持。未來，興發鋁業將會繼續深耕，提升企業核心競爭力，與各位股東攜手再創高峰，為各位帶來更豐厚、可持續的回報，多謝各位。

主席，**劉立斌**

中國佛山，二零二二年三月二十五日



Management Discussion and Analysis 管理層討論及分析

INDUSTRY AND BUSINESS OVERVIEW

Industry Review

2021 was a year of both challenges and gains for the domestic aluminium processing industry. Uncertainties such as the COVID-19 pandemic, fluctuating aluminium prices, dual energy control and high international shipping costs have led to higher production costs and higher operating risks for aluminium processing enterprises. However, under the direction of “Ensuring Supply for Stable Price (保供穩費)” by the PRC government and the explosive growth in some sub-sectors during the Year, the aluminium products, profits and exports nationwide have their growth trends maintained. According to the National Bureau of Statistics and the Chinese customs, the output and export volume of aluminium profiles for 2021 increased by 7.4% and 17.9% respectively with the major annual indicators expected to exceed the pre-epidemic level, achieving a good start for the “14th Five-Year Plan (十四五)”.

As the largest consumer of the aluminium profile market in the PRC, the real estate sector continues to experience significant adjustments under the combined impact from the uncertain macro environment and the domestic policy of “three red lines (三條紅線)”. During the Year, the capital chains of a number of major real estate developers were affected and their projects in various places had to be suspended. This has not only weakened the demand for construction aluminium profiles but also given rise to bad and doubtful debts, affecting the cash flow of upstream aluminium suppliers. However, even though the development of real estate projects had slowed down, the Group believes that there is still a huge demand for construction aluminium profiles in the PRC market, as construction aluminium profiles are needed whether in home remoulding and renovation as well as functional renovation, etc. As a leading domestic manufacturer for construction aluminium profiles, the Group is expected to seize the opportunity of adjusting the industry, strengthening resource integration and solidifying its foundation to prepare for long-term development.

行業及業務概覽

行業回顧

二零二一年，對國內鋁加工行業而言，是挑戰與收穫並存的一年。新冠疫情、鋁價波動，能源雙控及國際航運成本高企等多項不明朗因素，導致鋁加工企業的生產成本上漲、經營風險上升。然而，在中國政府推出「保供穩費」方針，及部分細分領域在年內取得爆發性增長下，全國鋁材產品、利潤及出口仍保住增長趨勢。據國家統計局及海關資料，二零二一年的鋁型材產量及出口量，分別增長7.4%及17.9%，預期全年主要指標超過疫情前水準，實現「十四五」良好開局。

房地產作為中國鋁型材市場的最大消費領域，在宏觀環境不明朗，加之國內「三條紅線」政策共同影響下，繼續經歷重大調整。年內，多家主要房地產開發商資金鏈受到影響，令各地項目需要停工，不但削弱對建築鋁型材的需求，亦衍生出呆壞賬問題，影響上游鋁供應商的現金流。然而，即使房地產項目開發速度有所放緩，本集團相信，中國建築鋁型材市場依然有巨大的存量需求，無論是住房改造、家庭裝修及功能性裝修等，都需要用到建築鋁型材。本集團作為國內首屈一指的建築鋁型材生產商，有望把握行業調整的窗口，加強資源整合，壯大實力，為長遠發展做好準備。

Management Discussion and Analysis

管理層討論及分析

After years of development, many new applications have emerged in the aluminium profile industry. As the country has accelerated towards the “reaching carbon peak and carbon neutralization (雙碳)” policy, processed aluminium profiles are further recognized by the public for their advantages in environment protection and energy saving. Among those processed aluminium profiles, aluminum for photovoltaic use has become one of the fastest growing sub-sectors of aluminium applications in the PRC, with the market expectation of annual consumption of aluminium for photovoltaic use to double by 2025. With the gradual improvement of our business layout in areas other than construction profiles and with the official commencement of production at the precision manufacturing base in Sanshui, Foshan, Guangdong Province which has the capacity of producing industrial aluminium profiles during the Year, we shall be in a better position to expand into this new blue ocean and to seize the opportunities arising from the fast-growing new applications for the realization of the dual-engine strategy of “construction profiles + industrial profiles” that the Group is promoting in recent years.

Business Review

Xingfa Aluminium is one of the leading aluminium profile manufacturers in the PRC and is principally engaged in the manufacture and sale of aluminium profiles which are being used as construction and industrial materials. In 2002, 2012 and 2017, the Group was awarded the “No. 1 of the National Construction Aluminium Profiles Enterprise” by the China Non-Ferrous Metals Fabrication Industrial Association for three consecutive sessions and was awarded the “Made-in-China Beauty — Industry Benchmark Award (中國製造之美行業標杆獎)” and the “Top 500 Enterprises in Guangdong Manufacturing Industry (ranking 60th)” in 2020 and 2021 respectively. As of 31 December 2021, the Group had obtained approximately 1,550 national patents and participated in the drafting of approximately 103 national and industry standards. Currently, we are also one of the largest global suppliers of electrical conductive aluminium profiles for metro vehicles. In recent years, the Group focuses on gradually establishing our sales outlets in the prefecture-level cities in Southern China and Eastern China, and at the same time has invested its resources to increase its establishment of sales outlets mainly in key cities of relatively under-developed regions, and apparent positive results were seen from the regional sales data.

經過多年發展，鋁型材行業新應用如雨後春筍般湧現。隨著國內加速朝「雙碳」政策邁進，經加工鋁型材憑藉其環保節能的優勢，進一步得到外界認可。經加工鋁型材當中，光伏用鋁已成為中國鋁材應用增長最快的細分領域之一，市場預期到二零二五年光伏年的用鋁量有望實現翻倍。隨著本集團逐步完善在建築材以外的業務佈局，加之擁有工業鋁型材產能的廣東佛山三水精密製造基地於年內正式投產，我們將有更充足的實力拓展這片新藍海，把握各種新應用進入快車道所帶來的機遇，實現集團近年致力推動的「建築材+工業材」雙輪驅動策略。

業務回顧

興發鋁業是中國領先鋁型材製造商之一，主要從事製造及銷售用作建築及工業材料之鋁型材。本集團於二零零二年、二零一二年及二零一七年連續三屆被中國有色金屬加工工業協會評定為「中國建築鋁型材企業第一名」，分別在二零二零年及二零二一年榮獲「中國製造之美行業標杆獎」以及「廣東省製造業企業500強第60位」。截至二零二一年十二月三十一日，本集團已獲得約1,550項國家專利，也參與起草約103項國家標準和行業標準。目前，我們是全球最大的地鐵機車導電鋁型材供應商之一。近幾年，集團著重在華南及華東區域將銷售網站逐步開設至地級市層級，同時投入資源加大在相對欠發達地區以重點城市為核心開設銷售網站，從區域銷售資料來看，成效明顯。

Management Discussion and Analysis

管理層討論及分析

In 2021, amidst a complex and volatile macro environment, the Group adopted a relatively conservative sales approach to consolidate its existing business while achieving steady growth in production and sales volume. In view of the further tightening of financing conditions imposed on the domestic real estate industry, the Group has prudently selected to work with real estate developers who were relatively financially sound to reduce the risk of bad and doubtful debts. Concurrently, the Group has strengthened its ties with real estate developers whom it has been working with to provide more flexible payment cycles, so as to ride out the hard times with them while maintaining healthy cash flow and to enhance customer loyalty in the long run. Despite the challenging environment in the industry as a whole, by virtue of our strong capabilities in the field of construction aluminium profiles, the Group still has ample contracts in hand for full production at our production facilities generally.

During the Year, the Group actively strengthened its strategies in the industrial aluminium profile sector and gradually increased its production capacity in the hope of being adequately equipped before entering this new blue ocean which is full of opportunities. After two years of construction and debug, the precision manufacturing base situated at Sanshui, Foshan, Guangdong Province commenced official production finally in 2021. Currently, staff training for the plant has been generally completed and the overall operation is in line with the expectation of the management. Out of the nine production lines in aggregate, seven were put into service during the Year and assemblance of the other two will be completed and put into operation in 2022. With the unique positioning of the precision plant (精密廠房), it is expected that the Group could utilise the fruitful research results of the Xingfa Research Institute in the field of industrial profiles in the mass production stage, allowing the Group to launch more top-selling products that are well recognized by the market in addition to Xingfa Door and Window Systems (興發門窗系統) to drive the growth of its performance.

二零二一年，在複雜多變的宏觀形勢下，本集團採取相對保守的銷售方針，鞏固現有業務的同時，實現產銷量穩健增長。鑒於對國內房地產行業的融資條件推行進一步收緊，本集團審慎挑選與財務上相對穩健的房地產商合作，降低出現呆壞賬的風險。同時，本集團與一直有合作的房地產商加強聯繫，透過提供更具彈性的賬款週期，在維持健康現金流的情況下，與對方共度艱難時期，長遠提升客戶粘性。雖然整體行業環境充滿挑戰，惟本集團憑藉在建築鋁型材領域的深厚實力，在手合同數目依然充裕，生產設施大致維持滿產情況。

年內，本集團積極加強在工業鋁型材領域佈局，逐步提升產能，期望有足夠實力進軍這片充滿機遇的新藍海。位於廣東佛山三水的精密製造基地經過兩年多的興建及調試後，終於在二零二一年正式投產。目前廠房的人員培訓大致完成，整體運作符合管理層預期。全數9台生產線之中，有7台已經在年內投入服務，另外兩台將會在二零二二年完成組裝入列。憑藉精密廠房的獨特定位，本集團有望將興發研究院在工業材領域的豐碩研究成果，於量產階段運用，讓集團推出繼興發門窗系統以外，更多深受市場認可的爆款產品，驅動業績增長。

Management Discussion and Analysis

管理層討論及分析

For overseas market, as the pandemic remained severe, some of the markets that the Group has been vigorously developing in recent years, such as Vietnam and Australia, have once experienced temporary underproduction locally, resulting in the shortage of aluminium profile products in the market. However, given the persistently high sea freight rates and the severe shortage of warehouse spaces, the Group has also encountered certain difficulties in expanding its overseas business. In addition, immigration control imposed by various countries has also hindered the plan of exploring new markets by our sales staff. Therefore, the Group shall strengthen our domestic business during this period and satisfy the needs of our overseas customers when circumstances permit while preparing for the full expansion into overseas markets in the post-epidemic period.

Revenue

For the year ended 31 December 2021, the revenue and sales volume of the Group increased by 29.8% and 5.1% to approximately RMB15,432.9 million and 685,006 tonnes respectively (2020: RMB11,886.9 million and 651,721 tonnes respectively), of which the sales of construction aluminium profiles and industrial aluminium profiles accounted for 78.4% and 18.6% of the revenue respectively. The gross profit of the Group for the Year increased by 11.2% year-on-year to approximately RMB1,811.8 million. The gross profit margin was 11.7% (2020: 13.7%), and such a decrease was mainly due to the increase in the procurement costs was stronger than expected during the Year as a result of general increase in the price of raw materials. During the Year, the profit attributable to owners of the Company was approximately RMB887.8 million, representing an increase of 16.0% year-on-year.

Construction aluminium profiles

The construction aluminium profiles are aluminium profiles with surface finishing, which are mainly used for the construction and installation of doors and windows, curtain walls, ceilings and blinds and other decorative products.

In 2021, the revenue of construction aluminium profiles increased by 30.6% to approximately RMB12,093.5 million (2020: RMB9,261.7 million), and sales volume increased by 6.2% to approximately 534,309 tonnes (2020: 502,948 tonnes).

海外市場方面，由於疫情仍然嚴峻，部分本集團近年大力發展的市場例如越南及澳大利亞一度出現本土產能階段性不足的情況，導致市面鋁型材產品短缺。然而，由於海運價格持續高企，加上倉位嚴重不足，本集團海外業務的拓展亦遇到一定困難。另外，各國的出入境限制亦阻礙本集團銷售人員開拓新市場的計劃。因此，本集團會在這段時間加強鞏固國內業務，並在情況許可時滿足海外客戶需要，同時為後疫情時期全力拓展海外市場作準備。

營業額

截至二零二一年十二月三十一日止年度，本集團之營業額及銷量分別增加29.8%及5.1%至約人民幣15,432,900,000元及685,006噸(二零二零年：分別為人民幣11,886,900,000元及651,721噸)，其中建築鋁型材及工業鋁型材銷售分別佔營業額的78.4%及18.6%。年內本集團毛利錄得人民幣1,811,800,000元，同比增加11.2%。毛利率為11.7%(二零二零年：13.7%)，毛利率下降主要是原材料價格整體上升，導致年內採購成本的增加較預期強勁所致。年內，公司擁有人應佔溢利為人民幣887,800,000元，同比增加16.0%。

建築鋁型材

建築鋁型材是經表面處理的鋁型材，主要用作建造及安裝門窗、幕牆、天花板及百葉窗等裝飾成品。

於二零二一年，建築鋁型材營業額增加30.6%至約人民幣12,093,500,000元(二零二零年：人民幣9,261,700,000元)，而銷量增加6.2%至約534,309噸(二零二零年：502,948噸)。

Management Discussion and Analysis 管理層討論及分析

Industrial aluminium profiles

The industrial aluminium profiles are mainly plain aluminium profiles, which can be used as container frames and other products such as new conductive profiles of urban railway locomotives and ship components. Moreover, the industrial aluminium profiles can be produced into different forms and shapes, such as central processing unit (CPU) and display thermal sinks and electronic consumer product frames.

The revenue of industrial aluminium profiles in 2021 increased by 23.7% to approximately RMB2,869.9 million (2020: RMB2,320.3 million), and sales volume remained stable at approximately 144,096 tonnes (2020: 144,142 tonnes).

PROSPECT

At the beginning of 2022, the Group is still optimistic about the domestic economy and the aluminium profile industry. Since the inception of the "14th Five-Year Plan (十四五)", by virtue of the smooth implementation of domestic policies and cooperation among different parties and coupled with the decisive and efficient anti-epidemic policies, the economic growth rate has been higher than that of other major economies. Under this environment, the level of national consumption continues to rise with increasing demand for ancillary commodities, one of which is housing. Although a number of policies of the Chinese government has been executed to suppress the irrational expansion of the real estate industry, the healthy development of the real estate industry is still being supported in the long run, in hopes of satisfying the housing demand and allowing the living of citizens ensured with felicity. Therefore, the Group believes that the construction aluminium profile market will gradually recover after this round of adjustment. In addition, with the improvement of living standards, the demand for home remoulding and renovation will be increased. As a leading manufacturer of construction aluminium profiles in the PRC, the Group will benefit from the healthy development of the real estate industry.

工業鋁型材

工業鋁型材主要為光身鋁型材，可用作集裝箱的箱框，例如城市鐵路機車的新導電型材及船舶元件等；另外，亦可製成不同形式及形裝，例如中央處理器(CPU)及顯示器的散熱片及電子消費產品框架。

工業鋁型材營業額於二零二一年增長23.7%至約人民幣2,869,879,000元(二零二零年：人民幣2,320,300,000元)，而銷量維持平穩至約144,096噸(二零二零年：144,142噸)。

前景

踏入二零二二年，本集團對國內經濟以至鋁型材行業仍然感到樂觀。自「十四五」開局以來，國內政通人和，加上果斷高效的抗疫政策，經濟增速一直優於其他主要經濟體。在此大環境下，國民消費水準不斷上升，對生活周邊商品有更強需求，而住房就是其中之一。雖然中國政府推出多項政策壓抑房地產行業盲目擴張，但長遠而言仍然支持房地產行業的健康發展，期望滿足人民的住房需求，讓百姓安居樂業。因此，本集團相信建築鋁型材市場經歷這一輪調整後將會逐步復蘇，伴隨著生活水準提升，住房改造及家庭裝修的需求將會增加。本集團作為中國首屈一指的建築鋁型材製造商，將會受惠於房地產行業的良性發展。

Management Discussion and Analysis

管理層討論及分析

Besides, the Group well understands the importance of diversifying its businesses for long-term development, so we have actively participated in the flourishing market for industrial aluminium profiles which have been widely used in recent years. The precision manufacturing base in Guangdong, which was put into operation in 2021, focuses on the production of high-end industrial aluminium profiles to be applied in the fields of high-end electronic communication equipment, heat cooling equipment, medical equipment and military applications, etc., shouldering the important task of vitalizing the aluminium industry and the dual-engine backed up by construction aluminium profiles and industrial aluminium profiles. Meanwhile, the exclusive research and development team for industrial aluminium profiles is also working round the clock to study the technology in this area, aspiring to improving the production capacity of industrial aluminium profiles and to developing additional new applications, especially products that can help achieve the direction of “reaching carbon peak and carbon neutralization (雙碳)” policy, so as to develop new growth engines for the Group.

In order to undertake more and larger orders, the Group has never slowed down its pace in capacity expansion. Following the precision manufacturing base in Guangdong, we are constructing a new manufacturing base in Zhejiang with its trial production expected to begin in the second half of 2023. The new plant has a designated area for industrial aluminium profiles, which is capable of satisfying orders for industrial aluminium profiles and construction aluminium profiles and is larger than the precision manufacturing base in Guangdong in terms of both site area and production capacity, with its expected annual output reaching 200,000 tonnes and accounting for 30% of our existing overall production capacity. Moreover, the Group is preparing to establish its first overseas manufacturing base in Australia, while the specific plan will be finalized after the end of the pandemic. We believe that setting up factories overseas is the key to expanding overseas business. By setting up factories locally, the required cost and time can be reduced for export of products while the recognition of the Group can also be enhanced at the same time, playing an important role in our stable development.

此外，本集團深明拓展多元業務對長遠發展的重要性，故此積極進軍近年百花齊放、應用廣泛的工業鋁型材市場。二零二一年投產的廣東精密製造基地，正專注於生產應用於高端電子通訊設備、散熱器材、醫療器械及軍工應用等領域的高端工業鋁型材，肩負起興發鋁業以建築鋁型材及工業鋁型材作雙輪驅動的重任。同時，工業鋁型材的專屬研發團隊亦正日以繼夜鑽研這方面的工藝，期望提升工業鋁型材的生產實力，以及開發出更多新應用，尤其是能夠助力實現「雙碳」方針的產品，為集團開拓新的增長引擎。

為了承接更多、更大的訂單，本集團在產能擴張的步伐從未放慢。繼廣東精密製造基地後，本集團正於浙江興建新的製造基地，預期二零二三年下半年試產。新廠房設有工業鋁型材專區，能夠兼顧工業鋁型材及建築鋁型材的訂單，無論是佔地面積還是產能都比廣東精密製造基地大，預期全年產量達到20萬噸，是現時集團整體產能的三成。此外，本集團正籌備在澳大利亞建立首個海外生產基地，具體計劃會在疫情結束後敲定。本集團相信海外設廠是壯大海外業務的關鍵。透過在當地設立廠房，本集團能夠減省將產品出口至外地將需要的成本及時間，同時亦能夠提升集團知名度，對集團保持穩健的發展起重要作用。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue

The revenue and sales volume of the Group for the Year increased by 29.8% and 5.1% year-on-year to approximately RMB15,432.9 million and 685,006 tonnes respectively (2020: RMB11,886.9 million and 651,721 tonnes respectively). The growth was attributable to the increase in sales orders during the Year.

The sales volume of construction aluminium profiles for the Year increased by 6.2% to 534,309 tonnes (2020: 502,948 tonnes). Meanwhile, the sales volume of industrial aluminium profiles for the Year remained stable at 144,096 tonnes (2020: 144,142 tonnes).

The following table sets forth the details of our revenue by reportable segments for the years ended 31 December 2021 and 2020:

財務回顧

營業額

於本年度，本集團之營業額及銷量按年分別增加29.8%及5.1%至約人民幣15,432,900,000元及685,006噸（二零二零年：分別為人民幣11,886,900,000元及651,721噸）。該增長乃主要由於年內銷售訂單增加所致。

於本年度，建築鋁型材銷量增加6.2%至534,309噸（二零二零年：502,948噸）。與此同時，於本年度，工業鋁型材銷量維持平穩於144,096噸（二零二零年：144,142噸）。

下表載列本集團於截至二零二一年及二零二零年十二月三十一日止年度按可呈報分部劃分的營業額詳情：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|----------|-----------------------------------|-----------------------------------|
| Manufacturing and sale of aluminium profiles | 生產及銷售鋁型材 | | |
| — Construction aluminium profiles | — 建築鋁型材 | 12,093,485 | 9,261,704 |
| — Industrial aluminium profiles | — 工業鋁型材 | 2,869,879 | 2,320,269 |
| | | 14,963,364 | 11,581,973 |
| All other segments | 所有其他分部 | 469,536 | 304,889 |
| Total | 總計 | 15,432,900 | 11,886,862 |

Note: Our Group's revenue from all other segments represented revenue generated from processing service contracts related to aluminum products, sale of office premises and residential properties and sale of aluminium panels, aluminium alloy, moulds and spare parts.

附註：本集團來自所有其他分部的營業額指有關鋁產品之加工服務合約、銷售辦公物業及住宅物業以及銷售鋁板、鋁合金、模具及零部件所產生的營業額。

Management Discussion and Analysis

管理層討論及分析

Gross profit and gross profit margin

The gross profit of the Group for the Year increased by 11.2% year-on-year to approximately RMB1,811.8 million (2020: RMB1,629.4 million).

The overall gross profit margin for the Year of the Group decreased by 2.0% to 11.7% (2020: 13.7%), and the sales to production ratio remained stable at 97% (2020: 99%).

The following table sets forth the gross profit margin of our aluminium profiles in 2021 and 2020:

| | | 2021 二零二一年 | 2020 二零二零年 |
|---------------------------------|-------|---------------|---------------|
| Construction aluminium profiles | 建築鋁型材 | 11.8% | 13.5% |
| Industrial aluminium profiles | 工業鋁型材 | 7.4% | 9.8% |

The gross profit margin of construction aluminium profiles and industrial aluminium profiles decreased to 11.8% and 7.4% for the Year respectively as compared to that of 2020. Such decrease was mainly because the increase in the procurement costs was stronger than expected during the Year as a result of general increase in the price of raw materials.

Other income

Other income of the Group for the Year decreased by 9.2% year-on-year to approximately RMB133.0 million (2020: RMB146.4 million), which was mainly attributable to the decrease in changes in fair value of commodity future contracts as a result of a more effective hedging.

毛利及毛利率

於本年度，本集團之毛利按年增加11.2%至約人民幣1,811,800,000元（二零二零年：人民幣1,629,400,000元）。

於本年度，本集團之整體毛利率下降2.0%至約11.7%（二零二零年：13.7%），而銷售生產比率維持穩定於97%（二零二零年：99%）。

下表載列本集團於二零二一年及二零二零年鋁型材之毛利率：

建築鋁型材及工業鋁型材於本年度之毛利率較二零二零年分別下降至11.8%及7.4%。有關下降主要由於原材料價格整體上升，導致年內採購成本的增加較預期強勁。

其他收益

於本年度，本集團之其他收益按年下降9.2%至約人民幣133,000,000元（二零二零年：人民幣146,400,000元），乃主要由於更有效對沖，導致商品期貨合約的公平值變化減少。

Management Discussion and Analysis 管理層討論及分析

Distribution costs

The distribution costs of the Group for the Year decreased by 12.6% to approximately RMB314.6 million (2020: RMB360.0 million), which accounted for 2.0% of the revenue (2020: 3.0%). The decrease was mainly due to the effective cost control implemented by the Group.

Administrative expenses

Due to business expansion of the Group, the number of management staff increased, resulting in an increase in staff costs during the Year. As a result, the administrative expenses of the Group for the Year increased by 1.3% to approximately RMB401.1 million (2020: RMB396.1 million), which accounted for 2.6% of the revenue (2020: 3.3%).

Finance costs

Finance costs remained stable at approximately RMB101.1 million for the Year (2020: RMB101.6 million) mainly due to the overall decrease in effective interest rate despite the increase in loans and borrowings during the Year.

Profit for the Year and net profit margin

The profit attributable to shareholders of the Company (“Shareholders”) for the Year increased by 16.0% year-on-year to approximately RMB887.8 million (2020: RMB765.4 million). The increase was primarily attributable to the increase in sales orders during the Year.

分銷成本

於本年度，本集團之分銷成本減少12.6%至約人民幣314,600,000元（二零二零年：人民幣360,000,000元），佔營業額之2.0%（二零二零年：3.0%）。該下降乃主要由於本集團實施的有效成本控制所致。

行政開支

由於本集團之業務拓展，管理員工人數增加，導致本年度員工成本增加。因此，於本年度，本集團之行政開支增加1.3%至約人民幣401,100,000元（二零二零年：人民幣396,100,000元），佔營業額之2.6%（二零二零年：3.3%）。

財務成本

財務成本維持平穩於約人民幣101,100,000元（二零二零年：人民幣101,600,000元），乃主要由於儘管本年度貸款及借貸增加，但實際利率整體下降。

本年度溢利及純利率

本公司股東（「股東」）應佔本年度溢利按年增加16.0%至約人民幣887,800,000元（二零二零年：人民幣765,400,000元）。該增加乃主要由於本年度銷售訂單增長所致。

Management Discussion and Analysis

管理層討論及分析

ANALYSIS OF FINANCIAL POSITION

Current and quick ratios

The following table sets out our Group's current and quick ratios as at 31 December 2021 and 2020:

| | | 2021 二零二一年 | 2020 二零二零年 |
|------------------------|------------|---------------|---------------|
| Current ratio (Note i) | 流動比率(附註i) | 1.48 | 1.30 |
| Quick ratio (Note ii) | 速動比率(附註ii) | 1.21 | 1.01 |

Notes:

- (i) Current ratio is calculated based on the total current assets divided by the total current liabilities at the end of the year.
- (ii) Quick ratio is calculated based on the difference between the total current assets and the inventories divided by the total current liabilities at the end of the year.

財務狀況分析

流動及速動比率

下表載列本集團於二零二一年及二零二零年十二月三十一日之流動及速動比率：

附註：

- (i) 流動比率以年末之流動資產總值除以流動負債總額計算。
- (ii) 速動比率以年末之流動資產總值與存貨之差額除以流動負債總額計算。

Both ratios as at 31 December 2021 increased as compared to those as at 31 December 2020. Such increases were in line with higher level of cash and cash equivalents as of 31 December 2021 due to higher utilization of banking facilities.

截至二零二一年十二月三十一日，兩個比率均較截至二零二零年十二月三十一日上升。有關上升與因動用更多銀行信貸導致截至二零二一年十二月三十一日的現金及現金等價物水平提高一致。

Gearing ratio

The following table sets out our Group's gearing ratio as at 31 December 2021 and 2020:

| | | 2021 二零二一年 | 2020 二零二零年 |
|----------------------|----------|---------------|---------------|
| Gearing ratio (Note) | 負債比率(附註) | 15.4% | 13.4% |

Note:

Gearing ratio is calculated based on the loans and borrowings divided by total assets and multiplied by 100%.

負債比率

下表載列本集團於二零二一年及二零二零年十二月三十一日之負債比率：

附註：

負債比率以貸款及借貸除以資產總值再乘以100%計算。

The gearing ratio increased for the Year as compared to that of 2020 which was mainly due to the increase in the balances of loans and borrowings as at 31 December 2021.

於本年度之負債比率較二零二零年增加，乃主要由於於二零二一年十二月三十一日的貸款及借貸結餘增加所致。

Management Discussion and Analysis

管理層討論及分析

Inventory turnover days

The following table sets out our Group's inventory turnover days during the years ended 31 December 2021 and 2020:

存貨周轉期

下表載列本集團於截至二零二一年及二零二零年十二月三十一日止年度之存貨周轉：

| | | 2021 二零二一年 | 2020 二零二零年 |
|--------------------------------|-----------|---------------|---------------|
| Inventory turnover days (Note) | 存貨周轉期(附註) | 37 | 42 |

Note:

Inventory turnover days is calculated based on the average of the beginning and ending inventory balance before provision for the periods divided by the total cost of sales during the years multiplied by 365 days.

附註：

存貨周轉期以計提撥備前之期初及期終之存貨結餘平均數除以年內之銷售成本總額再乘以365日計算。

The production efficiency was improved due to better arrangement on production plans, leading to a reduction in inventory backlog and the inventory turnover days for the Year.

生產效率有所改善乃由於生產計劃作出了更佳之安排，令年內存貨積壓及存貨周轉期減少。

Debtors' turnover days

The following table sets out our Group's debtors' turnover days during the years ended 31 December 2021 and 2020:

應收賬款記賬期

下表載列本集團於截至二零二一年及二零二零年十二月三十一日止年度之應收賬款記賬期：

| | | 2021 二零二一年 | 2020 二零二零年 |
|-------------------------------|-------------|---------------|---------------|
| Debtors' turnover days (Note) | 應收賬款記賬期(附註) | 94 | 96 |

Note:

Debtors' turnover days is calculated based on the average of the beginning and ending balance of trade and bills receivables (net of allowance for doubtful debts) for the periods divided by revenue during the years multiplied by 365 days.

附註：

應收賬款記賬期以期初及期終之交易應收款項及應收票據結餘(扣除呆賬撥備)之平均數除以年內之營業額再乘以365日計算。

The debtors' turnover days decreased slightly for the Year as compared to that of 2020. This was mainly because a tighter credit control over the debtors was implemented during the Year.

於本年度之應收賬款記賬期較二零二零年稍微下降。此乃主要由於年內對應收賬款實施了更嚴格的信貸監控。

Management Discussion and Analysis

管理層討論及分析

Creditors' turnover days

The following table sets out our Group's creditors' turnover days during the years ended 31 December 2021 and 2020:

| | | 2021 二零二一年 | 2020 二零二零年 |
|---------------------------------|-------------|---------------|---------------|
| Creditors' turnover days (Note) | 應付賬款記賬期(附註) | 88 | 83 |

Note:

Creditors' turnover days is calculated based on the average of the beginning and ending balance of trade and bills payables for the periods divided by the total cost of sales during the years multiplied by 365 days.

The creditors' turnover days for the Year increased as compared to that of 2020. This was mainly because longer credit period was granted by the main suppliers due to better negotiation power of the Group.

Loans and borrowings

As at 31 December 2021, the Group's loans and borrowings dominated in RMB amounted to approximately RMB1,751.4 million (31 December 2020: RMB1,130.3 million), of which approximately RMB632.6 million were fixed rate borrowings (31 December 2020: RMB518.6 million).

Save for typically lower borrowing requirements in the first quarter of the Year due to holidays during the Chinese Lunar New Year, there was no seasonality in the Group's bank borrowing requirements.

Banking facilities and guarantee

As at 31 December 2021, the banking facilities of the Group amounted to approximately RMB9,023.0 million (31 December 2020: RMB9,377.0 million), of which approximately RMB5,185.0 million were utilised (31 December 2020: RMB2,770.0 million).

No banking facilities were guaranteed by related parties of the Group.

應付賬款記賬期

下表載列本集團於截至二零二一年及二零二零年十二月三十一日止年度之應付賬款記賬期：

附註：

應付賬款記賬期以期初及期終之交易應付款項及應付票據結餘之平均數除以年內之銷售成本總額再乘以 365 日計算。

於本年度，應付賬款記賬期較二零二零年上升。此乃主要由於本集團的磋商能力較佳，本集團獲主要供應商給予較長之記賬期。

貸款及借貸

於二零二一年十二月三十一日，本集團之貸款及借貸以人民幣計值約為人民幣1,751,400,000元(二零二零年十二月三十一日：人民幣1,130,300,000元)，其中約人民幣632,600,000元為固定利率借貸(二零二零年十二月三十一日：人民幣518,600,000元)。

除因農曆新年假期令本年度第一季度的借貸要求通常較低外，本集團的銀行借貸要求並無季節性。

銀行信貸額度及擔保

於二零二一年十二月三十一日，本集團之銀行信貸額度約為人民幣9,023,000,000元(二零二零年十二月三十一日：人民幣9,377,000,000元)，其中約人民幣5,185,000,000元(二零二零年十二月三十一日：人民幣2,770,000,000元)已動用。

並無銀行信貸額度已獲本集團關連方擔保。

Management Discussion and Analysis

管理層討論及分析

Capital expenditure

Capital expenditure was used for acquisition of property, plant and equipment and lease prepayment. During the Year, our Group's capital expenditure amounted to approximately RMB686.8 million (2020: RMB438.9 million). The significant increase in capital expenditure during the Year was mainly due to the acquisition of equipment and lease prepayment for our production plants.

Capital structure

As at 31 December 2021, the Company had 419,496,334 ordinary shares of HK\$0.01 each in issue. During the Year, a total of 1,428,134 ordinary shares of the Company were issued upon the exercise of share options granted under the share option scheme of the Company at an exercise price of HK\$5.46 per share by certain Directors and employees of the Group.

Financial instruments for hedging purposes

During the year ended 31 December 2021, the Group used aluminium products futures contracts in the Shanghai Futures Exchange to manage the commodity price risk exposure in respect of the highly probable forecast purchase of aluminium products. The Group designates those futures contracts as hedging instruments in cash flow hedges and does not separate the forward and spot element of the futures contracts but instead designates the futures contract in its entirety in a hedging relationship.

TREASURY POLICIES

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserve of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in both short term and long term.

Certain sales and purchases of inventories of the Group are denominated in the United States ("US") dollars and Hong Kong ("HK") dollars. Furthermore, certain trade receivables, trade payables, bank balances and bank loans are denominated in US dollars and HK dollars, therefore exposing the Group to the currency risk of US dollars and HK dollars.

資本開支

資本開支乃用作購買物業、廠房及設備及預付租金。於本年度，本集團之資本開支約為人民幣686,800,000元(二零二零年：人民幣438,900,000元)。本年度之資本開支大幅增加乃主要由於購置生產廠房之設備及預付租金。

資本結構

於二零二一年十二月三十一日，本公司已發行419,496,334股每股面值0.01港元之普通股。於年內，本公司若干董事及僱員根據本公司之購股權計劃行使獲授購股權後，已發行合共1,428,134股本公司普通股，行使價為每股5.46港元。

作對沖用途的金融工具

於截至二零二一年十二月三十一日止年度，本集團於上海期貨交易所使用鋁產品期貨合約管理有關成數很高的預期購買鋁產品的商品價格風險。本集團將該等期貨合約指定為現金流量對沖的對沖工具及並無分開期貨合約的遠期及現貨成份，而是在對沖關係中整體指定期貨合約。

庫務政策

本集團之政策為定期監察流動資金需求及遵守借貸契諾，以確保其維持充裕現金儲備及向大型金融機構取得足夠的承諾資金額度，從而滿足其短期及長遠流動資金需要。

本集團若干存貨之買賣乃以美元(「美元」)及港元(「港元」)計值。此外，由於若干交易應收賬款、交易應付賬款、銀行結餘及銀行貸款乃以美元及港元計值，因而令本集團面臨美元及港元貨幣風險。

Management Discussion and Analysis

管理層討論及分析

CASH FLOW HIGHLIGHTS

The following table sets out our Group's cash flow highlights during the years ended 31 December 2021 and 2020:

現金流量摘要

下表載列本集團於截至二零二一年及二零二零年十二月三十一日止年度之現金流量摘要：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|---------------|-----------------------------------|-----------------------------------|
| Net cash generated from operating activities | 經營活動所得現金淨額 | 1,333,295 | 973,398 |
| Interest received | 已收利息 | 78,083 | 53,899 |
| Payment for purchase of property, plant and equipment | 購買物業、廠房及設備之付款 | (686,834) | (438,918) |
| Interest paid | 支付利息 | (92,742) | (101,351) |
| Net increase/(decrease) in bank borrowings | 銀行借貸增加／(減少)淨額 | 621,067 | (568,816) |
| Dividends paid to equity shareholders of the Company | 已付本公司權益股東之股息 | (123,631) | (106,904) |

We generally finance our operations through internally generated cash flows and bank borrowings. Our Directors believe that on a long-term basis, our liquidity will be funded from operations and, if necessary, additional equity financing or bank borrowings.

本集團一般透過內部產生之現金流量及銀行借貸為營運提供資金。董事相信，長遠而言，本集團之流動資金將以來自營運及(如有需要)額外股本融資或銀行借貸撥資。

As at 31 December 2021, the Group had cash and cash equivalents of RMB1,643.1 million (31 December 2020: RMB509.6 million), among which 0.76% was held in US dollars, 2.0% was held in HK dollars and the remaining balance was held in RMB.

於二零二一年十二月三十一日，本集團擁有現金及現金等價物人民幣1,643,100,000元(二零二零年十二月三十一日：人民幣509,600,000元)，其中0.76%以美元持有、2.0%以港元持有及餘額以人民幣持有。

Management Discussion and Analysis

管理層討論及分析

PROPERTY DEVELOPMENT

“Xingfa Plaza” (興發大廈), a property project wholly-owned by the Group, is located at the northern side of Jihua Road and western side of Changang Road, Chancheng District, Foshan City, Guangdong Province, the PRC. The land use rights of the property were granted for a term of 40 years expiring on 19 May 2050 for commercial service, office, culture and entertainment uses. The property comprises a parcel of land with a site area of approximately 16,961.36 sq.m. and a gross floor area of approximately 123,527.29 sq.m..

During the Year, 8 units of “Xingfa Plaza” (興發大廈) had been sold and delivered. The revenue recognized from such sale for the Year amounted to approximately RMB13.1 million (2020: RMB15.0 million).

HUMAN RESOURCES

As at 31 December 2021, our Group employed a total of approximately 8,854 full time employees in the PRC and Hong Kong which included management staff, technicians, salespersons and workers. In 2021, our Group’s total expenses on the remuneration of employees were approximately RMB1,019.1 million, represented approximately 6.6% of the revenue of our Group. Our Group’s emolument policies are formulated on the performance of individual employees, which will be reviewed regularly every year. Apart from the provident fund scheme (according to the provisions of the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees), housing fund, medical insurance, unemployment insurance and other relevant insurance (according to the PRC rules and regulations for PRC employees), discretionary bonuses and employee share options are also awarded to employees according to the assessment of individual performance. In-house and external training programmes are provided as and when required.

物業發展

興發大廈(由本集團全資擁有之物業項目)位於中國廣東省佛山市禪城區季華路以北及禪港路以西。該物業之土地使用權獲授年期40年，於二零五零年五月十九日屆滿，用作商業服務、辦公、文化及娛樂用途。該物業包括一幅地盤面積約16,961.36平方米及建築面積約123,527.29平方米的土地。

於本年度，興發大廈有8個單元已出售及交付。於本年度確認之有關銷售營業額約為人民幣13,100,000元(二零二零年：人民幣15,000,000元)。

人力資源

於二零二一年十二月三十一日，本集團於中國及香港聘用合共約8,854名全職僱員，包括管理員工、技術人員、銷售人員及工人。於二零二一年，本集團之僱員薪酬總開支約為人民幣1,019,100,000元，佔本集團營業額約6.6%。本集團之酬金政策乃按個別僱員之表現而制定，並會每年進行定期檢討。除根據強制性公積金計劃條例之規定為香港僱員設立公積金計劃，或根據中國之條例及規定為中國僱員參與住房公積金、醫療保險、失業保險及其他相關保險外，本集團亦會根據個別表現評估結果向僱員提供酌情花紅及僱員購股權作為獎勵。本集團亦按需要提供內部及外界培訓計劃。

Directors and Senior Management

董事及高級管理人員

Directors

Executive Directors

Mr. Liu Libin (“Mr. Liu”), aged 50, was appointed as the Chairman of the Company (“Chairman”) since 8 September 2011. Mr. Liu obtained a Degree of Executive Master of Business Administration from South China University of Technology and has held various senior positions in financial, marketing and governmental fields. Mr. Liu had been the vice section chief (副科長) of finance division of Department of Foreign Trade and Economic Cooperation of Guangdong Province, finance manager and deputy general manager of Sinomart Development Co. Limited (經貿國際有限公司), director and general manager of the finance department of Goldsland Holdings Company Limited (廣新控股有限公司), deputy chairman of Guangdong Advertisement Co., Ltd. (廣東省廣告有限公司) and chairman of Guangdong Guangxin PACO Technology Co., Ltd. (廣東廣新柏高科技有限公司), a subsidiary of Guangdong Guangxin Holdings Group Ltd. (廣東省廣新控股集團有限公司) (“Guangxin Holdings”). Mr. Liu is the chairman of the board of directors of Guangdong Xingfa Aluminium Co., Ltd. (廣東興發鋁業有限公司) (“Guangdong Xingfa”, together with its subsidiaries as “Guangdong Xingfa Group”), a wholly-owned subsidiary of the Company and an executive director of Foshan Xingfa Real Estate Co., Ltd., a wholly-owned subsidiary of the Company.

Mr. Liao Yuqing (“Mr. Liao”), aged 53, is an executive Director and the chief executive officer of the Company. He is in charge of the sales and marketing activities of the Group and is responsible for the planning, development, implementation and evaluation of the marketing strategies of the Group. Mr. Liao joined the Group in January 1993. Prior to that, Mr. Liao was in the military between 1986 to 1991. Mr. Liao worked at the Agricultural Bank of China Jiujiang Branch from 1991 to 1992. Mr. Liao is the director of Guangdong Xingfa and an executive director of Foshan Xingfa Trading Co., Ltd., Guangdong Xingfa Precision Manufacturing Co., Ltd., Guangdong Xingfa Aoke Architecture Technology Co., Ltd., Alxin Investment Co., Ltd. (鋁信投資有限公司) and Alxin Development Co., Ltd. (鋁信發展有限公司). Mr. Liao is the son-in-law of Mr. Luo Su, the Honourable Adviser of the Group.

董事

執行董事

劉立斌先生(「劉先生」)，50歲，自二零一一年九月八日起擔任本公司的主席(「主席」)。劉先生於華南理工大學取得高級管理人員工商管理碩士學位(EMBA)，並於金融、市場推廣及政府領域擔任多個高級職位。劉立斌先生曾擔任廣東省對外經濟貿易合作廳財務處之副科長、經貿國際有限公司之財務經理及副總經理、廣新控股有限公司董事兼財務部總經理、廣東省廣告有限公司之副董事長及廣東省廣新控股集團有限公司(「廣新控股」)之附屬公司廣東廣新柏高科技有限公司之主席。劉先生亦為本公司全資附屬公司廣東興發鋁業有限公司(「廣東興發」，連同其附屬公司統稱為「廣東興發集團」)之董事會主席及本公司全資附屬公司佛山市興發房地產開發有限公司之執行董事。

廖玉慶先生(「廖先生」)，53歲，本公司之執行董事及行政總裁。彼負責本集團銷售及市場推廣活動，並且負責規劃、開展、執行及檢討本集團之市場推廣策略。廖先生於一九九三年一月加入本集團。加入本集團前，廖先生於一九八六年至一九九一年服兵役，於一九九一年至一九九二年任職於中國農業銀行九江分行。廖先生為廣東興發之董事及佛山市興發商貿有限公司、廣東興發精密制造有限公司、廣東興發奧科建築科技有限公司、鋁信投資有限公司及鋁信發展有限公司之執行董事。廖先生為本集團榮譽顧問羅蘇先生之女婿。

Directors and Senior Management 董事及高級管理人員

Mr. Law Yung Koon (“Mr. Law”), aged 64, has been appointed as an executive Director since 28 April 2009. He is responsible for the sales and marketing of our products in overseas market. Prior to joining the Group, Mr. Law was the general manager of Hang Fat Aluminium Profiles Company Limited, which was the sole distributor of the Group in Hong Kong and Macau and one of the suppliers of aluminium ingots.

Mr. Wang Lei, aged 52, is a senior engineer. Mr. Wang obtained his bachelor's degree in mechanical engineering from University of Science and Technology Beijing (北京科技大學) and master's degree in business administration from Central South University (中南大學) in 1991 and 2004 respectively. He has extensive business management experience. Mr. Wang was the executive president of Guangzhou Zhongyong Group Co., Ltd.* (廣州市中庸集團有限公司) from 2005 to 2006 and the general manager of Guangdong Venture Capital Group Co., Ltd.* (廣東省風險投資集團有限公司) stationed in Guangdong Hongli Machinery Co., Ltd.* (廣東泓利機器有限公司) from 2006 to 2009. Since 2009, Mr. Wang has served various group companies of Guangdong Guangxin Holdings Group Ltd.* (廣東廣新控股集團有限公司) (“Guangxin Holdings”). He was the vice president of FSPG Hi-Tech Co., Ltd. (佛山佛塑科技集團股份有限公司), the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000973), from 2009 to 2016 and was a member of the party committee of FSPG Hi-Tech Co., Ltd.. From 2016 to 2017, Mr. Wang served as the deputy director of the operation department of Guangxin Holdings and the deputy general manager of Guangxin Maritime Heavy Industry Co., Ltd.* (廣新海事重工股份有限公司). He was also the chairman and secretary of the party committee of Guangdong Guangqing Metal Technology Co., Ltd.* (廣東廣青金屬科技有限公司) as well as the executive director of Guangdong Guangqing Metal Rolling Company* (廣東廣青金屬壓延公司) from 2017 to 2020. From 2020 to present, he is a director of Guangxin Shengte Investment Co., Ltd.* (廣東廣新盛特投資有限公司).

羅用冠先生(「羅先生」)，64歲，自二零零九年四月二十八日起擔任執行董事，負責本集團產品於海外市場之銷售及市場推廣。於加入本集團前，羅先生為恆發鋁型材有限公司之總經理，該公司為本集團於香港及澳門之唯一分銷商，並為鋁錠供應商之一。

王磊先生，52歲，正高級工程師。王先生分別於一九九一年及二零零四年獲北京科技大學機械工程學士學位及中南大學工商管理碩士學位。彼擁有豐富的業務管理經驗。王先生曾於二零零五年至二零零六年任廣州市中庸集團有限公司執行總裁，並於二零零六年至二零零九年任廣東省風險投資集團有限公司派駐廣東泓利機器有限公司總經理。自二零零九年起，王先生曾任職於廣東廣新控股集團有限公司(「廣新控股」)旗下多間集團公司。彼曾於二零零九年至二零一六年任佛山佛塑科技集團股份有限公司(其股份於深圳證券交易所上市(股份代號：000973))副總裁，曾為佛山佛塑科技集團股份有限公司黨委委員。於二零一六年至二零一七年，王先生曾任廣新控股運營部副部長兼任廣新海事重工股份有限公司副總經理。彼亦曾於二零一七年至二零二零年任廣東廣青金屬科技有限公司董事長及黨委書記以及廣東廣青金屬壓延公司執行董事。自二零二零年至今，彼擔任廣東廣新盛特投資有限公司董事。

* For identification purpose only

* 僅供識別

Directors and Senior Management

董事及高級管理人員

Mr. Wang Zhihua (“Mr. Wang”), aged 51, is an executive Director. Prior to joining the Group in January 2003, from 1992 to 1997, Mr. Wang worked at Guanglian Industrial Co., Ltd. and the Guangzhou Branch of Huaxia Securities Co., Ltd. Mr. Wang obtained a bachelor’s degree in statistics from the Jiangxi University of Finance and Economics in 1992. Mr. Wang is also an executive director of Xingfa Aluminium (Chengdu) Co., Ltd..

Mr. Luo Jianfeng, (“Mr. Luo”), aged 50, has been appointed as an executive Director since 16 April 2018. Mr. Luo has approximately 29 years of experience in accounting and finance. He worked in (i) Shunde City Accounting Firm from July 1993 to March 1996; (ii) Guangdong Dezheng Accounting Firm with Limited Liability from April 1996 to December 2001; (iii) Guangdong Gongcheng Accounting Firm from January 2002 to December 2007. He then worked in Foshan City Zhongzhengcheng Accounting Firm Co., Limited as a certified public accountant from January 2008 to April 2016. In addition, Mr. Luo was the independent non-executive director of Bestsun Energy Co. Ltd. (百川能源股份有限公司) (stock code: 600681), the shares of which are listed on the Shanghai Stock Exchange, from June 2009 to June 2015. Mr. Luo obtained a bachelor’s degree in economics from Guangdong University of Business Studies in the PRC in June 1993 and is a non-practising member of The Chinese Institute of Certified Public Accountants. Mr. Luo is an executive director of China Lesso Group Holdings Limited (中國聯塑集團控股有限公司) (stock code: 2128) (“China Lesso”), the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”). He is also a director/general manager/supervisor of various companies in China Lesso and its subsidiaries (“China Lesso Group”).

王志華先生(「王先生」)，51歲，執行董事。二零零三年一月加入本集團前，王先生自一九九二年至一九九七年於廣聯實業有限公司及華夏證券有限公司廣州分公司工作。王先生於一九九二年獲頒發江西財經大學統計學學士學位。王先生亦為興發鋁業(成都)有限公司之執行董事。

羅建峰先生(「羅先生」)，50歲，自二零一八年四月十六日起擔任執行董事。羅先生於會計及財務方面擁有約29年經驗，(i)於一九九三年七月至一九九六年三月任職於順德市會計師事務所；(ii)於一九九六年四月至二零零一年十二月任職於廣東德正有限責任會計師事務所；(iii)於二零零二年一月至二零零七年十二月任職於廣東公誠會計師事務所。彼其後於二零零八年一月至二零一六年四月任職於佛山市中正誠會計師事務所有限公司(擔任註冊會計師)。此外，羅先生曾於二零零九年六月至二零一五年六月在百川能源股份有限公司(股份代號：600681，其股份於上海證券交易所上市)出任獨立非執行董事。羅先生於一九九三年六月取得中國廣東商學院的經濟學學士學位，現為中國註冊會計師協會非執業會員。羅先生為中國聯塑集團控股有限公司(「中國聯塑」，其股份於香港聯合交易所有限公司(「聯交所」)主板上市(股份代號：2128))之執行董事。彼亦為中國聯塑及其附屬公司(「中國聯塑集團」)內多間公司之董事／總經理／監事。

Directors and Senior Management 董事及高級管理人員

Non-executive Directors

Mr. Zuo Manlun (“Mr. Zuo”), aged 49, has been appointed as a non-executive Director since 16 April 2018. Mr. Zuo has approximately 22 years of experience in the industry of plastic pipe. Mr. Zuo has extensive business management experience. He is the chief executive officer of China Lesso Group and was appointed as an executive director of China Lesso in February 2010. He is also a director/general manager/supervisor of various companies in China Lesso Group. Mr. Zuo’s expertise was recognised by several awards including “Outstanding Worker of the Plastic Industry in the PRC” accredited by China Plastics Processing Industry Association in 2009 and “Senior Plastic Product Engineer (Technical Entrepreneur)” accredited by Guangdong Human Resources and Social Security Department in 2019.

Ms. Xie Jingyun (“Ms. Xie”), aged 41, has been appointed as a non-executive Director since 6 December 2018. Ms. Xie is experienced in strategic investment and capital operation and is currently the general manager of the operating management centre of Guangxin Holdings. Ms. Xie first joined the Guangxin Holdings group in 2003. She became the deputy department head of the investment development department of Guangxin Holdings in 2008 and was subsequently promoted as the department head. She then joined the capital operation department of Guangxin Holdings as an assistant to department head in 2015 and was promoted as the deputy department head and department head in 2016 and 2018 respectively. She served as the general manager of the operating management centre of the Guangxin Holdings group in 2021. Ms. Xie obtained a bachelor’s degree in business administration from the Guangdong University of Foreign Studies in 2003. Ms. Xie is also a director of (i) Guangdong Advertising Group Co., Limited* (廣東省廣告集團股份有限公司), a company established in the PRC whose shares are listed on the Shenzhen Stock Exchange (stock code: 002400); (ii) Guangdong Shengyi Technology Co., Ltd.* (廣東生益科技股份有限公司), a company established in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 600183); and (iii) SHENGYI ELECTRONICS CO., LTD.* (生益電子股份有限公司), a company established in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 688183).

* For identification purpose only

非執行董事

左滿倫先生(「左先生」)，49歲，自二零一八年四月十六日起擔任非執行董事。左先生於塑料管行業擁有約22年經驗。左先生擁有豐富之業務管理經驗。彼為中國聯塑集團行政總裁及於二零一零年二月獲委任為中國聯塑執行董事。彼亦為中國聯塑集團內多間公司之董事／總經理／監事。左先生之專業曾獲多個獎項認可，包括於二零零九年獲中國塑料加工工業協會評為「中國塑料行業先進工作者」及於二零一九年獲廣東省人力資源及社會保障廳認證為「高級塑料產品工程師(技術企業家)」。

謝景雲女士(「謝女士」)，41歲，自二零一八年十二月六日起擔任非執行董事。謝女士具有豐富的戰略投資及資本運營經驗，目前於廣新控股出任運營管理中心總經理。於二零零三年，謝女士首次加入廣新控股集團。彼於二零零八年成為廣新控股之投資發展部副部門主管，隨後獲晉升為部門主管。彼其後於二零一五年加入廣新控股之資本運營部擔任部長助理，並分別於二零一六年及二零一八年獲晉升為副部長及部長，於二零二一年任廣新控股集團運營管理中心總經理。謝女士於二零零三年在廣東外語外貿大學取得工商管理學士學位。謝女士亦為(i)廣東省廣告集團股份有限公司(於中國成立之公司)，其股份於深圳證券交易所上市(股份代碼：002400)；(ii)廣東生益科技股份有限公司(於中國成立之公司，其股份於上海證券交易所上市(股份代碼：600183))；及(iii)生益電子股份有限公司(於中國成立之公司，其股份於上海證券交易所上市(股份代碼：688183))之董事。

* 僅供識別

Directors and Senior Management

董事及高級管理人員

Independent non-executive Directors

Mr. Chen Mo ("Mr. Chen"), aged 57, was appointed as an independent non-executive Director on 29 February 2008. He obtained the lawyer qualification certificate issued by the Guangdong Provincial Department of Justice in June 1989. Mr. Chen has been a practicing lawyer in the PRC since 1993 and has been a partner of (i) Goldsun Law Firm (國信聯合律師事務所) from 1998 to 2011; and (ii) Guangdong King & Land Law Firm (廣東君厚律師事務所) from 2011 to March 2019. Mr. Chen was admitted as a lawyer by the Department of Justice of Guangdong Province in June 1989 and obtained 三級律師資格 (Third Grade Lawyer) from the Department of Personnel of Guangdong Province in 1999. Mr. Chen graduated from the Political Education Department of South China Normal University (華南師範大學) in 1986. He has been granted the 《律師從事證券法律業務資格證書》(Certificate of Engaging in Securities Law Business) jointly by the Ministry of Justice and China Securities Regulatory Commission in 1996, the 《律師從事集體科技企業產權界定法律業務資格證書》(Certificate of Engaging in Delimitation of Property Rights of Collective Science and Technology Enterprises) jointly by the Ministry of Justice, the Ministry of Science and Technology of the PRC and the State-owned Asset supervision and Administration Commission of the State Council in 1998, and the 《上市公司獨立董事培訓結業證》(Certificate of Completion of Training on Independent Directors of Listed Companies) by the China Securities Regulatory Commission and the School of Management of Fudan University jointly in 2001. Mr. Chen joined Guangdong Lianyue Law Firm (廣東連越律師事務所) in April 2019.

獨立非執行董事

陳默先生(「陳先生」)，57歲，於二零零八年二月二十九日獲委任為獨立非執行董事。彼於一九八九年六月獲得廣東省司法廳頒發的律師執業資格證書。陳先生自一九九三年起為中國執業律師，及由(i)一九九八年至二零一一年為國信聯合律師事務所合夥人；及(ii)二零一一年至二零一九年三月為廣東君厚律師事務所合夥人。陳先生於一九八九年六月獲委任為廣東省司法廳律師，其後於一九九九年獲得廣東省人事廳三級律師資格。陳先生於一九八六年畢業於華南師範大學政治教育系，於一九九六年獲司法部及中國證券監督管理委員會聯合頒發《律師從事證券法律業務資格證書》，於一九九八年獲司法部、中國科學技術部及國務院國有資產監督管理委員會頒發《律師從事集體科技企業產權界定法律業務資格證書》，於二零零一年獲中國證券監督管理委員會及復旦大學管理學院聯合頒發《上市公司獨立董事培訓結業證》。陳先生於二零一九年四月加入廣東連越律師事務所。



Directors and Senior Management 董事及高級管理人員

Mr. Junius K. Y. Ho ("Mr. Ho"), aged 59, was appointed as an independent non-executive Director on 29 February 2008. He is a Senior Partner of Messrs. K.C. Ho & Fong, Solicitors & Notaries where he is the head of the Litigation and Commercial Department. He is also the Principal Representative of the Guangzhou Office. Having studied at Anglia Ruskin University in the United Kingdom (formerly known as Chelmer Institute of Higher Education), Mr. Ho obtained his Bachelor of Laws Degree in 1984. He then joined the University of Hong Kong for the Postgraduate Certificate in Laws. Mr. Ho was further awarded with the honorary degree of Doctor of Laws by China University of Political Science and Law in 2019.

Mr. Ho was admitted as a solicitor in Hong Kong in 1988. He was subsequently admitted in Singapore, England and Wales in 1995 and 1997 respectively. In 2003, he was appointed as a China-Appointed Attesting Officer.

Mr. Ho has over 30 years of legal experience. Being the Past President (2011-2012) and the Council Member (1995-2017) of The Law Society of Hong Kong, he is committed in serving the community and contributing to the economic co-operation between Hong Kong and Mainland China. Apart from serving the legal profession, he also serves on various government and public boards as follows:

1. Justice of the Peace of the Hong Kong Special Administrative Region (2016-present);
2. New Territories Justice of the Peace of the Hong Kong Special Administrative Region (2016-present);
3. Member of Legislative Council of the Hong Kong Special Administrative Region (2016-present);
4. Elected Member of Lok Tsui District of Tuen Mun District Council (2016-2019);
5. Founder and Director of International Probono Legal Services Association (2018-present);
6. Member of the Council of Lingnan University of Hong Kong (2015-2021);

何君堯先生(「何先生」)，59歲，於二零零八年二月二十九日獲委任為獨立非執行董事。彼為何君柱律師樓的高級合夥人，主理訴訟及商業部門，亦同時兼任廣州辦事處首席代表。於英國安格利亞魯斯金大學(前稱州瑪高等教育學院)學習後，何先生於一九八四年取得法律學士學位。之後他攻讀香港大學法學專業證書。於二零一九年，何先生進一步獲中國政法大學頒授法學名譽博士學位。

何先生於一九八八年取得香港執業律師資格，其後分別在一九九五年及一九九七年取得新加坡、英格蘭及威爾斯律師資格。於二零零三年，彼獲委任為中國委託公證人。

何先生擁有逾30年之法律工作經驗，作為香港律師會之前任會長(二零一一年至二零一二年)及理事(一九九五年至二零一七年)，他致力於服務社區及促進香港與內地經貿合作。除投身於其本身法律專業外，彼亦擔任下列之多項政府及公共部門之工作：

1. 香港特別行政區太平紳士(二零一六年至今)；
2. 香港特別行政區新界太平紳士(二零一六年至今)；
3. 香港特別行政區立法會議員(二零一六年至今)；
4. 屯門區樂翠區區議員(二零一六年至二零一九年)；
5. 國際公益法律服務協會創辦人及董事(二零一八年至今)；
6. 香港嶺南大學校董(二零一五年至二零二一年)；

Directors and Senior Management

董事及高級管理人員

- | | |
|---|--|
| 7. Member of the Panel of Adjudicators of the Obscene Articles Tribunal (2013-present); | 7. 管制淫褻及不雅物品審裁小組委員(二零一三年至今)； |
| 8. Ex-officio Executive Councillor of Heung Yee Kuk (2016-present); | 8. 新界鄉議局當然執行委員(二零一六年至今)； |
| 9. Spokesman of New Territories Concern Group (2013-present); | 9. 新界關注大聯盟發言人(二零一三年至今)； |
| 10. Indigenous Village Representative of Leung Tin Village (2011-present); | 10. 新界屯門良田村原居民村代表(二零一一年至今)； |
| 11. Director and Chairman of Yan Oi Tong (1993-1997) and Advisory Board Member of Yan Oi Tong (1997-present); | 11. 仁愛堂董事及主席(一九九三年至一九九七年)及仁愛堂諮議局成員(一九九七年至今)； |
| 12. Founder of Butterflyers Association (a charitable organization) (2010-present); | 12. 匯蝶公益創辦人(慈善組織)(二零一零年至今)； |
| 13. Independent Director of Hong Kong Football Association (2011-2019); | 13. 香港足球總會獨立董事(二零一一年至二零一九年)； |
| 14. Arbitrator of Zhengzhou Arbitration Commission (2009-2018); | 14. 鄭州仲裁委員會仲裁員(二零零九年至二零一八年)； |
| 15. Arbitrator of South China International Economic and Trade Arbitration Commission (Shenzhen Court of International Arbitration) (2012-present); | 15. 華南國際經濟貿易仲裁委員會(深圳國際仲裁院)仲裁員(二零一二年至今)； |
| 16. Member of the Political Consultative Conference of Huangpu District, Guangzhou (2013-present); | 16. 中國人民政治協商會議廣州市黃埔區委員會委員(二零一三至今)； |
| 17. Special Adviser of "One Belt One Road" Legal Services Research Centre of the Guangdong Lawyers Association (2017-present); | 17. 廣東省律師協會「一帶一路」法律服務研究中心特別顧問(二零一七年至今)； |
| 18. Part-time Tutor of Master of Public Administration, China University of Labor Relations (2018-2021); and | 18. 中國勞動關係學院公共管理碩士兼職研究生導師(二零一八年至二零二一年)；及 |
| 19. Arbitrator of Hong Kong Arbitration Centre of China International Economic and Trade Arbitration Commission (2021 to 2026). | 19. 中國國際經濟貿易仲裁委員會香港仲裁中心仲裁員(二零二一至二零二六年)。 |

Directors and Senior Management 董事及高級管理人員

Mr. Lam, Ying Hung Andy (“Mr. Lam”), aged 57, was appointed as an independent non-executive Director on 29 February 2008. He is an associate member of various professional organisations, namely The Institute of Chartered Secretaries and Administrators, The Hong Kong Institute of Company Secretaries and The Hong Kong Institute of Bankers. Mr. Lam is also a fellow member of The Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He obtained his master’s degree in professional accounting from The Hong Kong Polytechnic University. Mr. Lam has over 30 years of experience in the accounting, banking and finance sectors and currently is the managing consultant of Lontreprise Consulting Limited. Mr. Lam was also the president of Dragon Junior Chamber, a local chamber affiliated with Junior Chamber International Hong Kong in 2004 and was elected as the national vice president of the Junior Chamber International Hong Kong in 2005. He is currently an independent non-executive director of each of Brilliant Circle Holdings International Limited (stock code: 1008), Synertone Communication Corporation (stock code: 1613) and Weiye Holdings Limited (stock code: 1570), the shares of which are listed on the Main Board of the Stock Exchange.

林英鴻先生(「林先生」)，57歲，於二零零八年二月二十九日獲委任為獨立非執行董事。林先生為多家專業機構之會員，包括英國特許秘書及行政人員公會、香港公司秘書公會及香港銀行學會，亦是英國特許公認會計師公會及香港會計師公會資深會員。林先生在香港理工大學取得專業會計碩士學位，擁有逾30年會計、銀行和金融行業經驗，目前為龍企諮詢有限公司之首席顧問。林先生於二零零四年擔任騰龍青年商會會長，該商會是國際青年商會香港總會之地方分支機構，並於二零零五年獲選為國際青年商會香港總會副會長。彼目前為貴聯控股國際有限公司(股份代號：1008)、協同通信集團有限公司(股份代號：1613)及偉業控股有限公司(股份代號：1570)之獨立非執行董事，該等公司股份均於聯交所主板上市。



Directors and Senior Management

董事及高級管理人員

Mr. Wen Xianjun ("Mr. Wen"), aged 59, graduated from Central South University (中南大學) with a bachelor of engineering majoring in metallic materials in July 1984 and Beijing Non-Ferrous Research Institute* (北京有色金屬研究總院) with a master of engineering majoring in metallic materials in June 1990. Mr. Wen has approximately over 37 years of experience in the industry of non-ferrous metals. He successively served as an associate engineer of Beijing Non-Ferrous Research Institute* (北京有色金屬研究總院) from 1984 to 1987, an engineer of the technology department of China National Non-ferrous Metals Industry Corporation* (中國有色金屬工業總公司) from 1990 to 1992, a deputy director and a senior engineer of Development and Exchange Centre of China Nonferrous Metals Industry Technology* (中國有色金屬技術開發交流中心) from 1992 to 1996, a deputy director of the investment and operations department and a senior engineer of China National Non-ferrous Metals Industry Corporation* (中國有色金屬工業總公司) from 1996 to 1998, the deputy head, a director level consultant and a senior engineer of Industry Administration Department of the State Non-ferrous Metals Industry Administration of the People's Republic of China* ("PRC") (國家有色金屬工業局行業管理司) from 1998 to 2000, as well as the director of CPC Central Enterprise Working Committee (中央企業工委) from January 2001 to March 2001. He also served as the chairman of China Nonferrous Metals Processing Industry Association* (中國有色金屬加工工業協會) from 2010 to 2017, and has successively served as the deputy head of industry coordination department, head of the aluminum department, and the vice chairman of China Nonferrous Metals Industry Association* (中國有色金屬工業協會) from April 2001 to April 2021.

* For identification purpose only

文獻軍先生(「文先生」)，59歲，於一九八四年七月畢業於中南大學，取得工學學士學位，主修金屬材料，於一九九零年六月畢業於北京有色金屬研究總院研究生部，取得工學碩士學位，主修金屬材料。文先生於有色金屬行業擁有逾37年經驗。彼自一九八四年至一九八七年擔任北京有色金屬研究總院助理工程師，自一九九零年至一九九二年擔任中國有色金屬工業總公司科技局工程師，自一九九二年至一九九六年擔任中國有色金屬技術開發交流中心副處長及高級工程師，自一九九六年至一九九八年擔任中國有色金屬工業總公司投資經營部副處長及高級工程師，自一九九八年至二零零零年擔任中華人民共和國(「中國」)國家有色金屬工業局行業管理司副處長、正處級調研員及高級工程師，自二零零一年一月至二零零一年三月擔任中央企業工委處長。彼亦自二零一零年至二零一七年擔任中國有色金屬加工工業協會理事長，並自二零零一年四月至二零二一年四月於中國有色金屬工業協會相繼擔任行業協調部副主任、鋁部主任及副會長。

* 僅供識別



Directors and Senior Management 董事及高級管理人員

Mr. Liang Shibin ("Mr. Liang"), aged 82, was appointed as an independent non-executive Director on 14 December 2013. He completed the programme of Nonferrous Metal and Heat Treatment in the Department of Special Metallurgy from 中南礦冶學院 (unofficial English translation being Central South Institute of Mining and Metallurgy) (now known as 中南大學 (Central South University)). From 1965 to 1982, Mr. Liang had worked in the special workshop of 東北輕合金加工廠 (unofficial English translation being Northeast Light Alloy Processing Factory) first as technician and later as engineer and specialized in atomic reactor technical matters. From 1982 to 1992, Mr. Liang had worked in 廣東省有色金屬加工廠 (unofficial English translation being Guangdong Nonferrous Metal Processing Factory) first as workshop manager, and later as deputy factory general manager and then factory general manager. From 1988 to 1992, he also served as the president of 廣東省鋁型材協會 (unofficial English translation being Guangdong Aluminium Profile Association). From 1992 to 2003, he first served as the general manager of 杭州宏昌鋁業公司 (unofficial English translation being Hangzhou Hongchang Aluminium Company) and later as the deputy general manager and chief engineer of 寧波鋁業公司 (unofficial English translation being Ningbo Aluminium Company). From 2003 to 2011, he served as a senior consultant of 福建省閩發鋁業股份有限公司 (Fujian Minfa Aluminium Co., Ltd.) (a company listed on Small and Medium-sized Enterprise Board of Shenzhen Stock Exchange with stock code: 002578). From 2008 to 2013, Mr. Liang was an independent director of 福建省閩發鋁業股份有限公司 (Fujian Minfa Aluminium Co., Ltd.). Mr. Liang resigned from the position of independent non-Executive Director on 4 August 2021.

梁世斌先生(「梁先生」)，82歲，於二零一三年十二月十四日獲委任為獨立非執行董事。彼自中南礦冶學院(現名中南大學)特種冶金系的有色金屬及熱處理專業畢業。自一九六五年至一九八二年，梁先生曾任職於東北輕合金加工廠特殊車間，首先出任技術員，隨後出任工程師，專注於原子反應堆技術事宜。自一九八二年至一九九二年，梁先生曾任職於廣東省有色金屬加工廠，首先出任車間主任，隨後出任工廠副總經理及工廠總經理。自一九八八年至一九九二年，彼亦擔任廣東省鋁型材協會會長。自一九九二年至二零零三年，彼首先擔任杭州宏昌鋁業公司之總經理，隨後擔任寧波鋁業公司之副總經理兼總工程師。自二零零三年至二零一一年，彼擔任福建省閩發鋁業股份有限公司(一間於深圳證券交易所中小企業板上市之公司，股份代號：002578)之高級顧問。自二零零八年至二零一三年，梁先生擔任福建省閩發鋁業股份有限公司之獨立董事。梁先生於二零一一年八月四日辭任獨立非執行董事一職。

Directors and Senior Management

董事及高級管理人員

Senior Management

Ms. Zhang Li ("Ms. Zhang"), aged 42, has been appointed as an executive Director and the chief financial officer of the Company since 10 May 2018. Ms. Zhang is also a director of Guangdong Xingfa. Ms. Zhang has extensive business management experience, before joining the Group, she has worked in various departments of the group companies of Guangxin Holdings since July 2001. She worked at the finance department of Guangdong Dong Fang Import and Export Corp.* (廣東省東方進出口公司) as an accountant from July 2001 to December 2003 and was then promoted to be the deputy manager from January 2004 to December 2004. She then joined the clearings department of Guangxin Holdings as the deputy head from January 2005 to December 2006 and was promoted to be the head of the clearings department from January 2007 to April 2013. Ms. Zhang worked for the capital management department of Guangxin Holdings as an assistant to the head from May 2013 to June 2014 and as the deputy head of the capital management department from June 2014 to April 2018. She has also been a director of Guangxin Shipbuilding & Heavy Industry Co., Ltd.* (廣新海事重工股份有限公司) since September 2014. Ms. Zhang was accredited as a senior accountant in the PRC in April 2011. Ms. Zhang obtained a bachelor's degree in economics from Central University of Finance and Economics in the PRC in 2001 and a master's degree in accounting from Sun Yat-Sen University in the PRC in 2009.

Mr. Lin Yan ("Mr. Lin"), aged 53, is the deputy general manager of Guangdong Xingfa Group. Mr. Lin is responsible for the sales operation of the Group. Prior to joining Xingfa Aluminium, Mr. Lin worked in a state-owned enterprise, Guangdong Metals & Minerals Import & Export Group Corporation (廣東省五金礦產進出口集團公司), with more than 20 years of experience in international trade. He was awarded a certificate of Economist by Ministry of Human Resources of the PRC in 1996. Mr. Lin held a Bachelor Degree in Economics from Jinan University, the Degree of Executive Master of Business Administration (EMBA) at South China University of Technology.

* For identification purpose only

高級管理人員

張莉女士(「張女士」)，42歲，自二零一八年五月十日起擔任本公司執行董事及財務總監。張女士亦為廣東興發之董事。張女士具有豐富的業務管理經驗，她在加入本集團之前，由二零零一年七月起於廣新控股之集團公司的多個部門工作。由二零零一年七月至二零零三年十二月，彼於廣東省東方進出口公司之財務部擔任會計師，其後於二零零四年一月至二零零四年十二月獲晉升為副經理。隨後，由二零零五年一月至二零零六年十二月期間，彼加入廣新控股之結算中心出任副主管，並由二零零七年一月至二零一三年四月期間獲晉升為結算中心主管。由二零一三年五月至二零一四年六月期間，張女士曾於廣新控股之資金管理部擔任部長助理，並由二零一四年六月至二零一八年四月期間於資金管理部擔任副部長。自二零一四年九月起，彼亦為廣新海事重工股份有限公司之董事。於二零一一年四月，張女士獲認可為中國高級會計師。張女士於二零零一年在中國中央財經大學獲得經濟學學士學位，並於二零零九年在中國中山大學獲得會計學碩士學位。

林嚴先生(「林先生」)，53歲，擔任廣東興發集團之副總經理，負責本集團銷售業務。林先生加入興發鋁業前，於大型國有企業廣東省五金礦產進出口集團公司工作，有二十多年從事國際貿易的經驗。彼於一九九六年獲全國人力資源部經濟師資格。林先生持有暨南大學經濟學學士學位，華南理工大學高級工商管理碩士學位(EMBA)。

* 僅供識別

Directors and Senior Management 董事及高級管理人員

Mr. Liu Yuntang, aged 53, is the deputy general manager of Guangdong Xingfa Group and is responsible for production management of the Group. Mr. Liu Yuntang joined Guangdong Xingfa Aluminium Profiles Factory in 1993. Prior to joining the Group in October 1993, Mr. Liu Yuntang worked at Nanhai Guangdong Cable Factory Co., Ltd. from 1991 to 1993. Mr. Liu Yuntang was granted a bachelor's degree in engineering by the Guangdong Mechanics Institute in 1991. He was certified as assistant engineer in 1993 by the Nanhai City Science Technology Committee and certified as engineer in 2001 by the Foshan City Human Resources Bureau. He was awarded as senior engineer by Guangdong Human Resources and Social Security Department on 4 May 2015, and was granted a senior Executive Master in Business Administration Degree by Sun Yat-sen University on 29 December 2015. On 15 December 2020, he was awarded as Intermediate Certified Safety Engineer by Human Resources and Social Security Department of the PRC.

Mr. Chen Wensi ("Mr. Chen"), aged 51, is the deputy general manager of Guangdong Xingfa Group. Mr. Chen is responsible for the technology research and development, quality control and safety in environmental protection of the Group. Mr. Chen joined Guangdong Xingfa Aluminum Profiles Factory in 1997. Prior to joining the Group in January 1997, Mr. Chen worked for Guangdong Chang'e Thermal Insulation Container Factory (廣東嫦娥保溫器皿廠) from 1995 to 1996. Mr. Chen graduated from Guangzhou Zhongkai Institute of Agricultural Technology (廣州仲愷農業技術學院) in 1995. He was qualified as a senior engineer in mechanical engineering in 2018. He is also a member of the Measurement Technology Committee of China Nonferrous Metals Industry Association and an expert of the Expert Committee of China Non-ferrous Metals Processing Industry Association. Mr. Chen has participated in the development, management and standardization of scientific research projects from various national, provincial, municipal and district governments. He has won 5 excellence awards in patents in China, 3 first prizes of the excellence awards in technical standards by the National Non-ferrous Metals Standardization Technical Committee, and 2 progress awards in science and technology by Guangdong Province. On 4 November 2020, he was awarded as senior engineer in metal pressure processing by Foshan Science and Technology Association (佛山市科學技術協會).

劉允棠先生，53歲，廣東興發集團之副總經理，負責本集團之生產管理。劉允棠先生於一九九三年加入廣東興發鋁型材廠。於一九九三年十月加入本集團前，劉允棠先生於一九九一年至一九九三年任職於南海廣東電纜廠。劉允棠先生於一九九一年獲廣東機械學院授予工程學士學位。彼於一九九三年獲南海市科學技術委員會評為助理工程師，於二零零一年獲佛山市人力資源局評為工程師。彼於二零一五年五月四日獲廣東省人力資源和社會保障廳評為高級工程師，及於二零一五年十二月二十九日獲中山大學授予高級管理人員工商管理碩士學位。於二零二零年十二月十五日，彼獲中國人力資源和社會保障部評為中級註冊安全師。

陳文泗先生(「陳先生」)，51歲，廣東興發集團之副總經理，負責本集團技術研發、質量管控與安全環保。陳先生於一九九七年加入廣東興發鋁型材廠。一九九七年一月加入本集團前，陳先生於一九九五年至一九九六年任職於廣東嫦娥保溫器皿廠。陳先生於一九九五年畢業於廣州仲愷農業技術學院，於二零一八年獲機械工程高級工程師資格，兼任中國有色金屬工業協會計量技術委員會委員及中國有色金屬加工工業協會專家委員會專家。陳先生參與多項國家、省、市、區各級政府科研項目開發管理工作及標準編製工作，獲中國專利優秀獎5項、全國有色金屬標準化技術委員會技術標準優秀獎一等獎3項、廣東省科技進步獎2項等多項科技獎勵。於二零二零年十一月四日，彼獲得由佛山市科學技術協會授予的金屬壓力加工教授級高級工程師。

Directors and Senior Management

董事及高級管理人員

Mr. Guan Dubiao (“Mr. Guan”), aged 51, is the deputy general manager of Guangdong Xingfa Group. Mr. Guan is a senior Economist and is currently the council member of Foshan City CPA Institute and Foshan City Association of Chief Financial Officers. His education background is undergraduate, studying business management (accounting) and economic management. Prior to joining the Group, Mr. Guan started his accounting career in the business department of Foshan Nanzhuang Economic Development Company. Subsequently, Mr. Guan served as different important financial positions, such as chief accountant, chief of finance, etc., within several group companies of Foshan Nanzhuang Economic Development Company. Mr. Guan joined the Group in 1999 as deputy head of finance department and chief accountant and subsequently promoted as head of finance department. He was further promoted as deputy general manager of Guangdong Xingfa Group since September 2011.

Mr. Wu Xi Kun (“Mr. Wu”), aged 50, is the deputy general manager of Guangdong Xingfa Group since 12 May 2020. Mr. Wu obtained Bachelor of Material Science and Engineering from Guangdong Industrial University in the PRC and joined Guangdong Xingfa Group in July 1994. Currently, Mr. Wu is a postgraduate student of Master of Philosophy (Engineering) in Central South University in the PRC.

Mr. Wu has over 20 years of experience in the production management, quality control and research of manufacturing of aluminium ingots and aluminium profiles. Mr. Wu participated in the academic research and seminars in the industry. He published the “Practical Handbook in the Processing Techniques of Aluminium Profiles” in 2006. He also participated in the set up of various national standards regarding aluminium profiles.

COMPANY SECRETARY

Mr. Pang Wai Ching (“Mr. Pang”), aged 33, joined our Group as the company secretary of the Company since February 2021. Mr. Pang has been a member of the Hong Kong Institute of Certified Public Accountants since March 2015. He obtained the Bachelor degree of Business Administration in Accountancy from City University of Hong Kong in July 2010. He has more than 10 years’ experience in accounting, auditing and company secretarial matters. In addition, Mr. Pang was the independent non-executive director of China Shenghai Group Limited (stock code: 1676) from 19 October 2019 to 1 April 2021.

關道標先生(「關先生」)，51歲，廣東興發集團之副總經理。關先生為一名高級經濟師，現任佛山市會計學會及佛山市總會計師協會常務理事。學歷：本科，攻讀企業管理(財會類)專業和經濟管理專業。加入本集團前，關先生於佛山南莊經濟發展總公司經營部任會計工作，其後在佛山南莊經濟發展總公司之下屬多間公司擔任主管會計、財務科長等不同的主要財務職務。關先生於一九九九年加入本集團並任職財務部副部長兼主管會計，其後升任至財務部部長，二零一一年九月升任為廣東興發集團之副總經理。

吳錫坤先生(「吳先生」)，50歲，自二零二零年五月十二日起為廣東興發集團之副總經理。於一九九四年七月，吳先生於中國廣東工業大學畢業取得材料科學與工程學學士學位及加入廣東興發集團。吳先生現為中國中南大學工程學碩士研究生。

吳先生於生產鋁錠及鋁型材擁有逾20年生產管理、品質管理及研究的經驗。吳先生參與了業界學術研究及交流。於二零零六年，吳先生出版了《鋁型材加工技術實用手冊》。吳先生亦參與就鋁型材設定不同的國家標準。

公司秘書

彭偉正先生(「彭先生」)，33歲，自二零二一年二月起加入本集團並擔任本公司之公司秘書。彭先生於二零一五年三月起為香港會計師公會會員。彼於二零一零年七月獲香港城市大學頒授工商管理會計學學士學位。彼於會計、核數及公司秘書事宜方面擁有逾10年經驗。此外，彭先生於二零一九年十月十九日至二零二一年四月一日擔任中國升海集團有限公司(股份代號：1676)之獨立非執行董事。

Report of the Directors 董事會報告

The directors ("Directors") of Xingfa Aluminium Holdings Limited ("Company") present their report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group"), for the year ended 31 December 2021 ("Year").

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of other members of the Group are set out in note 3(a) in notes to the consolidated financial statements.

There were no significant changes in the nature of the Group's principal activities during the year ended 31 December 2021.

RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 December 2021 are set out in the consolidated statement of profit or loss on page 171 of the annual report.

FINAL DIVIDEND

The Directors recommended the payment of a final dividend of HKD0.80 per ordinary share for the year ended 31 December 2021 (2020: HKD0.36).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the right to attend the forthcoming annual general meeting to be held on Friday, 27 May 2022, the register of members of the Company will be closed from Tuesday, 24 May 2022 to Friday, 27 May 2022 (both days inclusive). During such period, no transfer of the shares of the Company will be registered. In order to qualify for the attendance in the annual general meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong not later than 4:30 p.m. on Monday, 23 May 2022.

興發鋁業控股有限公司(「本公司」)董事(「董事」)呈報其報告，連同本公司及其附屬公司(統稱「本集團」)截至二零二一年十二月三十一日止年度(「本年度」)之經審計綜合財務報表。

主要業務

本公司之主要業務為投資控股。本集團其他成員公司之主要業務詳情載於綜合財務報表附註之附註3(a)。

於截至二零二一年十二月三十一日止年度內，本集團之主要業務性質並無重大變動。

業績及分配

本集團截至二零二一年十二月三十一日止年度之業績載於年報第171頁綜合損益表。

末期股息

董事建議就截至二零二一年十二月三十一日止年度派發末期股息每股普通股0.80港元(二零二零年：0.36港元)。

暫停辦理股份過戶登記手續

為釐定出席將於二零二二年五月二十七日(星期五)舉行的應屆股東週年大會之權利，本公司將由二零二二年五月二十四日(星期二)起至二零二二年五月二十七日(星期五)止(包括首尾兩日)暫停辦理股份過戶登記手續，於該期間內本公司將不會辦理任何股份過戶。為符合資格出席股東週年大會，所有過戶文件連同相關股票必須最遲於二零二二年五月二十三日(星期一)下午四時三十分前送達本公司之香港股份過戶登記分處。

Report of the Directors

董事會報告

For the purpose of determining the entitlement to the final dividend, the register of members of the Company will be closed from Wednesday, 8 June 2022 to Friday, 10 June 2022 (both days inclusive). During such period, no transfer of the shares of the Company will be registered. In order to qualify for the final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong not later than 4:30 p.m. on Tuesday, 7 June 2022.

The current Hong Kong branch share registrar and transfer office of the Company ("Share Registrar") is Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. With effect from 1 May 2022, the Share Registrar will be changed to Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong ("New Share Registrar").

Application for registration and transfer of shares of the Company should be lodged with the New Share Registrar with effect from 1 May 2022. Share certificates uncollected on or after 29 April 2022 shall be collected from the New Share Registrar from 3 May 2022 onwards.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five years is set out on page 315.

LOANS AND BORROWINGS

Details of the Group's loans and borrowings at the balance sheet date are set out in note 24 in notes to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 11 in notes to the consolidated financial statements.

SHARE CAPITAL

Details of the Company's paid-in capital for the year ended 31 December 2021 are set out in note 29 in notes to the consolidated financial statements.

為釐定享有末期股息之權利，本公司將自二零二二年六月八日(星期三)起至二零二二年六月十日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續。於該期間內，將不會辦理任何本公司股份之過戶。為符合收取末期股息之資格，所有過戶文件連同相關股票須不遲於二零二二年六月七日(星期二)下午四時三十分送交予本公司之香港股份過戶登記分處。

本公司現時之香港股份過戶登記分處(「股份登記處」)為卓佳證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心54樓。自二零二二年五月一日起，股份登記處將更改為香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖(「新股份登記處」)。

自二零二二年五月一日起，本公司的股份登記及過戶申請應送交新股份登記處。於二零二二年四月二十九日或之後尚未領取之股票，自二零二二年五月三日起應從新股份登記處領取。

財務概要

本集團於過往五年之業績、資產及負債概要載於第315頁。

貸款及借貸

本集團於結算日之貸款及借貸詳情載於綜合財務報表附註之附註24。

物業、廠房及設備

本集團之物業、廠房及設備於年內之變動詳情載於綜合財務報表附註之附註11。

股本

本公司截至二零二一年十二月三十一日止年度之實繳股本詳情載於綜合財務報表附註之附註29。

Report of the Directors 董事會報告

DONATIONS

The Group made donation of RMB554,000 (2020: RMB353,000) for charitable or any other purposes during the Year.

EQUITY-LINKED AGREEMENT

Details of the equity-linked agreements entered into during the Year or subsisting at the end of the Year are set out below.

SHARE OPTION SCHEME

The Company conditionally adopted a new share option scheme ("Share Option Scheme") on 29 December 2017. The Share Option Scheme became effective for 10 years commencing from 5 January 2018.

The purpose of the Share Option Scheme is to enable the Group to grant options to eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any invested entity in which the Group holds an equity interest ("Invested Entity").

Eligible participants under the Share Option Scheme include directors and employees of the Group or any Invested Entity; any suppliers, customers, advisers or consultants of the Group or any Invested Entity; any persons or entities that provide research and development or other technological support to the Group or any Invested Entity; any holders of securities issued by any member of the Group or any Invested Entity; any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and any other groups or classes of participants whom the Board considers have contributed or will contribute to the Group.

The principal terms of the Share Option Scheme are summarised as follows:

The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the shares of the Company in issue from time to time.

捐款

於本年度，本集團作出人民幣554,000元（二零二零年：人民幣353,000元）之慈善捐款或作任何其他用途。

股權掛鈎協議

於本年內訂立或於本年末存續之股權掛鈎協議詳情載於下文。

購股權計劃

本公司於二零一七年十二月二十九日有條件採納一項新購股權計劃（「購股權計劃」）。購股權計劃自二零一八年一月五日起10年內有效。

購股權計劃旨在讓本集團向合資格參與者授出購股權作為彼等對本集團貢獻之鼓勵或獎勵及／或讓本集團招聘及留聘優秀僱員，並吸引對本集團及本集團持有股權之任何實體（「投資實體」）有價值之人力資源。

購股權計劃項下之合資格參與者包括本集團或投資實體之董事及僱員；本集團或任何投資實體之任何供應商、客戶、顧問或諮詢人；向本集團或任何投資實體提供研發或其他科技支援之任何人士或實體；本集團任何成員公司或任何投資實體所發行證券之任何持有人；本集團任何成員公司或任何投資實體任何業務範疇或業務發展之任何顧問（專業或其他）；及任何董事會認為對本集團已或將作出貢獻之其他組別或類別之參與者。

購股權計劃之主要條款概述如下：

根據購股權計劃及本集團採納之任何其他購股權計劃將予授出之授出而尚未行使之所有購股權獲行使時而可予配發及發行之最高普通股數目合共不得超過本公司不時已發行普通股之30%。

Report of the Directors

董事會報告

The total number of shares of the Company which may be allotted and issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 41,800,000 shares, being 10% of the shares in issue as at the date of approval of the Share Option Scheme by the Shareholders at the extraordinary general meeting held on 29 December 2017. As at the date of this report, the total number of ordinary shares available for issue under the Share Option Scheme is 37,791,533 shares, which represents 9% of the issued shares of the Company as at the date of this report.

The maximum number of shares of the Company issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group to each eligible participant (including exercised and outstanding options) in any 12-month period shall not exceed 1% of the issued shares of the Company from time to time.

The subscription price for shares of the Company under the Share Option Scheme shall be a price determined by the directors of the Company, but shall not be less than the highest of (i) the closing price of shares of the Company as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the shares on the offer date, which must be a business day; (ii) the average closing price of shares of the Company as stated in the Stock Exchange's daily quotations sheets for trade in one or more board lots of the shares for the five business days immediately preceding the offer date; and (iii) the nominal value of a share of the Company.

Upon acceptance of the grant of an option, the grantee shall pay HK\$1.00 to the Company as nominal consideration for the grant.

The Company has granted 4,180,000 share options pursuant to the Share Option Scheme on 15 October 2018. The closing price of the shares of the Company immediately before the date of grant of share options was HK\$5.39.

因行使所有根據本集團購股權計劃及任何其他購股權計劃而授出的購股權(不包括就根據本集團購股權計劃及任何其他購股權計劃條款已失效的購股權)而可配發及發行之本公司股份總數合共不得超過41,800,000股, 相當於股東於二零一七年十二月二十九日舉行的股東特別大會上批准購股權計劃當天本公司已發行股份的10%。於本報告日期, 根據購股權計劃可予以發行的普通股總數為37,791,533股, 其相當於本公司於本報告日期已發行股份的9%。

於任何12個月期間根據購股權計劃及本集團任何其他購股權計劃授予每名合資格參與者之購股權(包括已行使及未行使購股權)獲行使而已發行及將予發行本公司股份之最高數目, 不得超過本公司不時已發行股份之1%。

購股權計劃項下本公司股份之認購價將由本公司董事釐定, 惟不得低於下列之最高者: (i) 本公司股份於發售日期(必須為營業日)按一手或多手買賣單位交易時於聯交所之每日報價表所示之收市價; (ii) 緊接發售日期前五個營業日本公司股份按一手或多手買賣單位交易時於聯交所每日報價表所示之平均收市價; 及(iii) 本公司股份面值。

於接納授出購股權後, 承授人須向本公司支付1.00港元作為授出之名義代價。

本公司已於二零一八年十月十五日根據購股權計劃授出4,180,000份購股權。本公司緊接購股權授出日期前之股份收市價為5.39港元。

Report of the Directors

董事會報告

Details of the outstanding share options and movements of the share options during the year ended 31 December 2021 are as follows:

於截至二零二一年十二月三十一日止年度尚未行使的購股權及購股權變動詳情如下：

| Category of grantees | Date of grant | Outstanding as at 1 January 2021 於 二零二一年 一月一日 尚未行使 | Exercised during the Year 本年度 已行使 | Cancelled during the Year 本年度 已註銷 | Lapsed/ Expired during the Year 本年度 已失效/屆滿 | Outstanding as at 31 December 2021 於 二零二一年 十二月三十一日 尚未行使 |
|-------------------------------|---------------|---|---|---|---|--|
| 承授人類別 | 授出日期 | | | | | |
| Directors | | | | | | |
| 董事 | | | | | | |
| LIU Libin | 15.10.2018 | 229,000 | (76,334) | – | (76,333) | 76,333 |
| 劉立斌 | | | | | | |
| WANG Zhihua | 15.10.2018 | 192,000 | (64,000) | – | – | 128,000 |
| 王志華 | | | | | | |
| Sub-total | | 421,000 | (140,334) | – | – | 280,666 |
| 小計 | | | | | | |
| Employees of the Group | 15.10.2018 | 3,605,800 | (1,287,800) | – | (10,200) | 2,307,800 |
| 本集團僱員 | | | | | | |
| Total | | 4,026,800 | (1,428,134) | – | (86,533) | 2,512,133 |
| 總計 | | | | | | |

Note:

附註：

In relation of each grantee of the share options granted on 15 October 2018, 1,376,334 share options and 1,272,800 share options were vested on 15 October 2020 and 15 October 2021 respectively and 1,359,333 options will vest on 15 October 2022 and the share options vested are then exercisable on or before 14 October 2023. The exercise price per share is HK\$5.46.

就於二零一八年十月十五日授出購股權各承授人而言，1,376,334份股購股權及1,272,800份股購股權已分別於二零二零年十月十五日歸屬及二零二一年十月十五日歸屬及1,359,333份購股權將於二零二二年十月十五日歸屬及已歸屬的購股權屆時可於二零二三年十月十四日或之前行使。每股股份的行使價為5.46港元。

Further details of the options granted under the Share Option Scheme are set out in Note 27 in notes to the consolidated financial statements.

購股權計劃項下授出購股權之進一步詳情載於綜合財務報表附註之附註27。

Report of the Directors 董事會報告

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association ("Articles") or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2021.

RESERVES

Details of movements in the reserves of the Group during the Year are set out in note 29 in notes to the consolidated financial statements and in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

As at 31 December 2021, the Company's reserves available for distribution calculated in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands amounted to RMB579,095,000 (2020: RMB572,208,000).

CONTINGENT LIABILITIES

Details of the contingent liabilities of the Group as at 31 December 2021 are set out in note 32 in notes to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2021, sales to the Group's five largest customers accounted for 16.0% (2020: 20.1%) of the Group's revenue where sales to the largest customer accounted for 6.0% (2020: 6.2%) of the Group's revenue.

優先購買權

本公司之組織章程細則(「細則」)或開曼群島(即本公司註冊成立之司法權區)法例並無優先購買權之規定，致使本公司必須按比例向現有股東提呈發售新股份。

購買、出售或贖回本公司上市證券

於截至二零二一年十二月三十一日止年度內，本公司及其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

儲備

本集團儲備於年內之變動詳情載於綜合財務報表附註之附註29及綜合權益變動表。

可供分派儲備

於二零二一年十二月三十一日，本公司根據開曼群島法例第22章公司法(一九六一年第3號法例，經綜合及修訂)計算並可用作分派之儲備達人民幣579,095,000元(二零二零年：人民幣572,208,000元)。

或然負債

於二零二一年十二月三十一日，本集團或然負債之詳情載於綜合財務報表附註之附註32。

主要客戶及供應商

截至二零二一年十二月三十一日止年度，本集團向五大客戶之銷售額佔本集團營業額16.0%(二零二零年：20.1%)，而向最大客戶之銷售額佔本集團營業額6.0%(二零二零年：6.2%)。

Report of the Directors 董事會報告

For the year ended 31 December 2021, purchases from the Group's five largest suppliers accounted for 81.6% (2020: 79.1%) of the Group's total cost of purchase whereas purchases from the largest supplier accounted for approximately 61.0% (2020: 64.5%) of the Group's total cost of purchase.

None of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or five largest suppliers during the year ended 31 December 2021.

BUSINESS REVIEW

Below is a business review of this report as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The discussion on a fair review of the Group's business, financial key performance indicators and performance indicators and performance and indication of future development of the Group for the year ended 31 December 2021 can be found in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" in this annual report. Those discussions form part of this report of the Directors.

PRINCIPAL RISKS AND UNCERTAINTIES FACED BY THE GROUP

The Group is exposed to various risks and uncertainties. The effects of such risks may vary over time. The following sets forth material risks classified by the Group and the relevant alleviating measures for each material risk for the management of such risks.

Business risks

Firstly, most of the Group's revenue was generated from customers in the PRC. Should there be any material adverse change in the political, economic, legal or social conditions in the PRC and the Group is unable to divert sales to other markets outside of the PRC, the turnover, profitability and prospects may be adversely affected.

截至二零二一年十二月三十一日止年度，向五大供應商之採購額佔本集團總採購成本81.6%（二零二零年：79.1%），而向最大供應商之採購額佔本集團總採購成本約61.0%（二零二零年：64.5%）。

於截至二零二一年十二月三十一日止年度內，董事或彼等任何緊密聯繫人士或任何股東（就董事所深知，擁有本公司已發行股本5%以上）概無擁有本集團五大客戶或五大供應商之任何實益權益。

業務回顧

以下為按香港法例第622章公司條例附表5規定所作出的本報告業務回顧。有關截至二零二一年十二月三十一日止年度對本集團業務、關鍵財務績效指標及表現以及預計日後發展的討論載於本年報「主席報告」及「管理層討論及分析」章節。該等討論組成本董事會報告一部分。

本集團面臨之主要風險及不明朗因素

本集團面臨若干風險及不明朗因素。該等風險之影響可不時發生變動。下文載列本集團分類之重大風險及就各重大風險的相關應對措施，以管理有關風險。

業務風險

首先，本集團大部分營業額產生自中國客戶。倘中國政治、經濟、法律或社會環境出現任何重大不利變動，而本集團未能將銷售轉移至中國境外的其他市場，則營業額、盈利能力及前景可能受到不利影響。

Report of the Directors

董事會報告

In order to alleviate such risk, the Group will continue to put efforts to expand overseas market and increase the proportion of overseas sales. During the Year, we have export sales to Australia and Vietnam. The Group will also continue to review competitive edges of the Group in the industry and market trend.

Secondly, the Group's production activities of aluminium profiles rely on, among other things, sufficient and uninterrupted supply of aluminium ingots, being our principal raw materials. The Group procures such principal raw materials from several major suppliers and has not entered into any long-term purchase contracts with any of our major suppliers of aluminium ingots for flexibility in purchasing aluminium ingots at competitive prices at various times.

In order to alleviate such risk, the Group will conduct investigation and assessment on suppliers periodically to ensure stable supply source of raw materials.

Financial risks

Delayed payments of customers who were granted credit period by the Group will increase the Group's exposure to financial risks and have an impact on financial performance and operating cash flows of the Group.

In order to alleviate such risk, the Group will review accounts receivables due from major customers on a regular basis and control over it to an appropriate level. The Group will also manage and maintain strict control internally and put additional efforts to collect trade receivables overdue.

為降低有關風險，本集團將繼續致力拓展海外市場及增加海外銷售比例。於本年度，我們的銷售出口至澳洲及越南。本集團亦將繼續檢討本集團於業內之競爭優勢及市場趨勢。

其次，本集團鋁型材的生產活動依賴（其中包括）主要原材料鋁錠的充足及不間斷供應。本集團自若干主要供應商採購有關主要原材料，及並未與任何主要鋁錠供應商訂立任何長期購買合約，以於不同時期可按具競爭力價格靈活購買鋁錠。

為降低有關風險，本集團將定期對供應商進行調查及評估以確保原材料供應來源的穩定。

金融風險

獲授予本集團信貸期的客戶若延遲付款將令本集團面臨的金融風險增加及對本集團之財務表現及營運現金流產生影響。

為降低有關風險，本集團將定期審閱應收主要客戶之賬款並將其控制在適當水平。本集團亦實施嚴密的內部管理及監控並盡力收回逾期應收賬款。



Report of the Directors 董事會報告

KEY RELATIONSHIPS

1. Employees

Human resources are the most valuable asset of the Group. Developing and retaining talents are vital to our success. The Group is committed to providing our employees with a safe, pleasant and healthy working environment. The Group rewards and recognises employees by competitive remuneration package and implements a key performance index scheme with appropriate incentives, and promote career development and progression by providing opportunities for career advancement to employees.

In addition, each department of the Group is responsible for determining its training needs for employees in its department and any suggested applicable training courses either arranged internally or by external service providers shall be submitted to the senior management of the Group for approval. Knowledge, skills and capacities of employees are vital to continuous business growth and success of the Group. The Group strives to ensure that all employees can fulfill the relevant job requirements in terms of education, training, technical and work experience.

2. Suppliers

We have developed long-standing relationships with a number of our vendors and take great care to ensure that they share our commitment to quality and ethics. We carefully select our suppliers and require them to satisfy certain assessment criteria including track record, experience, financial strength, reputation, ability to produce high-quality products and quality control effectiveness.

3. Distributors and customers

We sell our products to distributors and customers. We require our distributors and customers to comply with the relevant laws and regulations and our sales and marketing policies, including but not limited to selling price, promotional activities and usage of our ERP system. We also monitor the financial condition and repayment history of our distributors and customers, and their sales performance.

主要關係

1. 僱員

人力資源是本集團最具價值之資產。培養及留聘人才對我們的成功至關重要。本集團致力於為我們的僱員提供安全、舒適及健康的工作環境。本集團透過提供有競爭力的薪酬待遇獎勵及認可我們的僱員，實施附帶適當激勵的主要業績指標計劃，通過為僱員提供晉升機會促進僱員職業生涯發展。

此外，本集團各部門負責確定本部門僱員培訓需求，內部安排或外界服務提供商建議的任何相關培訓課程須交由本集團高級管理層批准。僱員的知識、技能及能力對於本集團業務持續增長及成功至關重要。本集團致力確保所有僱員在教育、培訓、技術及工作經驗方面均符合相關工作要求。

2. 供應商

我們已與多名供應商建立長期的合作關係，並盡力確保其遵守我們對質素及道德的承諾。我們審慎挑選供應商，並要求其滿足若干評估標準，包括往績記錄、經驗、財務實力、聲譽、生產高質素產品的能力及質量控制效力。

3. 分銷商及客戶

我們向分銷商及客戶銷售我們的產品。我們要求分銷商及客戶遵守相關法律法規以及我們的銷售及市場政策（包括但不限於銷售價格、推廣活動以及我們的ERP系統的使用）。我們亦會監控分銷商及客戶之財務狀況及過往付款情況，以及彼等的銷售表現。

Report of the Directors

董事會報告

ENVIRONMENTAL POLICIES AND PERFORMANCES

As a supporter of environmental protection and taking into account of the national green manufacturing development plan and guided by enterprise strategy, the Group formulated the Xingfa Aluminium Protection System. The primary mission of the Group's environmental production policy is to govern production emissions by relying on technology, comprehensive utilisation of production waste residue, reduce environmental pollution and develop clean production.

The Group has been in compliance with the relevant environmental laws and regulations in both PRC and Hong Kong.

A further discussion of the environmental policies of the Group is contained in the Environmental, Social and Governance Report of the Company.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with relevant requirements could lead to adverse impact on business operation and financial position of the Group. The Board as a whole is responsible to ensure the Group is in compliance with relevant laws and regulations that have a significant impact on the Company. During the course of the business operations, the Group shall comply with different laws and regulations, including i) laws regarding employee recruitment and benefits, such as the "Labor Law of the PRC", the "Labor Contract Law of the PRC", and the "Rulings of Implementing the Labor Contract Law of the PRC"; and ii) the PRC national and local laws and regulations with respect to environmental protection, including the Environmental Protection Law of the PRC. For the year ended 31 December 2021, the Group was in strict compliance with the aforesaid laws and regulations.

環境政策及表現

作為環保擁護者，並結合國家綠色製造發展規劃，以企業戰略為導向，本集團制定了興發鋁業環境保護制度。本集團環境保護的主要任務是依靠科技治理生產排放，生產廢渣綜合利用，減少環境污染及發展潔淨生產。

本集團已遵守中國及香港兩地的相關環境法律法規。

有關本集團環境政策的進一步討論載於本公司環境、社會及管治報告。

遵守相關法律及法規

本集團深明遵守監管規定的重要性及不遵守相關規定會對本集團業務營運及財務狀況帶來不利影響之風險。董事會整體負責確保本集團遵守對本公司有重大影響之相關法律及法規。於業務營運過程中，本集團須遵守各類法律法規，包括 i) 有關員工招募及福利的法律，如《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及《中華人民共和國勞動合同法實施條例》；及 ii) 有關環境保護的中國國家及地方法律法規，包括《中華人民共和國環境保護法》。本集團於截至二零二一年十二月三十一日止年度已嚴格遵守前述法律法規。

Report of the Directors 董事會報告

DIRECTORS

The Directors during the year ended 31 December 2021 and as at date of this report were:

Executive Directors:

Mr. LIU Libin (Chairman)
Mr. LIAO Yuqing (Chief Executive Officer)
Mr. WANG Lei (appointed on 4 August 2021)
Ms. ZHANG Li (Chief Financial Officer)
(resigned from the position of executive Director on 4 August 2021)
Mr. LAW Yung Koon
Mr. WANG Zhihua
Mr. LUO Jianfeng

Non-executive Directors:

Mr. ZUO Manlun
Ms. XIE Jingyun

Independent non-executive Directors:

Mr. CHEN Mo
Mr. HO Kwan Yiu
Mr. LAM Ying Hung, Andy
Mr. WEN Xianjun (appointed on 4 August 2021)
Mr. LIANG Shibin (resigned on 4 August 2021)

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and the Company considered all the independent non-executive Directors to be independent.

董事

於截至二零二一年十二月三十一日止年度內及截至本報告日期之董事如下：

執行董事：

劉立斌先生(主席)
廖玉慶先生(行政總裁)
王磊先生(於二零二一年八月四日獲委任)
張莉女士(財務總監)(於二零二一年八月四日
辭任執行董事一職)
羅用冠先生
王志華先生
羅建峰先生

非執行董事：

左滿倫先生
謝景雲女士

獨立非執行董事：

陳默先生
何君堯先生
林英鴻先生
文獻軍先生(於二零二一年八月四日獲委任)
梁世斌先生(於二零二一年八月四日辭任)

概無董事與本公司或其任何附屬公司訂立本集團不可於一年內免付賠償(法定賠償除外)而予以終止之服務合約。

本公司已根據聯交所證券上市規則(「上市規則」)第3.13條自每名獨立非執行董事取得有關其獨立性之年度確認書，而本公司認為全體獨立非執行董事均為獨立人士。

Report of the Directors

董事會報告

UPDATE OF INFORMATION PURSUANT TO RULE 13.51(B)

根據第 13.51(B) 條更新資料

During the Year, the emoluments of the following Directors have been changed as follows:

於本年度，以下董事的酬金已變動如下：

| Name of Directors 董事姓名 | Details of change 變動詳情 |
|---------------------------|--|
| Mr. Chen Mo 陳默先生 | The director's fee of Mr. Chen Mo has been increased to RMB180,000 per annum (2020: RMB150,000). 陳默先生的董事袍金已增至每年人民幣 180,000 元(二零二零年：人民幣 150,000 元)。 |
| Mr. Ho Kwan Yiu 何君堯先生 | The director's fee of Mr. Ho Kwan Yiu has been increased to RMB180,000 per annum (2020: RMB150,000). 何君堯先生的董事袍金已增至每年人民幣 180,000 元(二零二零年：人民幣 150,000 元)。 |

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理層履歷

Biographical details of the Directors and the senior management of the Group are set out on pages 24 to 36 of the annual report.

本集團董事及高級管理層之履歷詳情載於年報第 24 至 36 頁。

CONTRACT OF SIGNIFICANCE

重大合約

Save as disclosed in note 33 in notes to the consolidated financial statements and in paragraph headed "Connected transactions" in this report, (i) there is no transaction, arrangement or contract of significance subsisting during or at the end of the Year in which a Director or an entity connected with a Director is or was materially interested, either directly or indirectly; (ii) no other contract of significance was entered into by, and/or subsisted between the Company or any of its subsidiaries with its controlling shareholder or any of its subsidiaries during the Year; and (iii) no other contract of significance in relation to provision of services to the Company or any of its subsidiaries by the controlling shareholder or any of its subsidiaries during the Year.

除綜合財務報表附註之附註 33 及本報告「關連交易」一段所披露者外，(i) 本公司於本年度內或於本年度末概無存在任何董事或董事之關連實體於其中直接或間接擁有或曾擁有重大權益之重大交易、安排或合約；(ii) 本公司或其任何附屬公司與其控股股東或其任何附屬公司之間概無於年內訂立、及／或存在任何其他重大合約；及(iii) 年內概無涉及控股股東或任何附屬公司向本公司或其任何附屬公司提供服務之任何其他重大合約。

Report of the Directors 董事會報告

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

董事於本公司及其相聯法團之股份、 相關股份及債權證中之權益

As at 31 December 2021, the interests and short positions of the Directors and chief executives of the Company 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 Future Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules ("Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

於二零二一年十二月三十一日，按本公司根據香港法例第571章證券及期貨條例（「證券及期貨條例」）第352條須予保存之登記冊所記錄，或根據上市規則附錄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」）必須知會本公司及聯交所之資料，各董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證之權益及淡倉如下：

Long position

好倉

| Name of directors | Capacity | Ordinary shares of the Company 本公司普通股 | Underlying shares of the Company 本公司相關股份 | Total | Percentage of interest in the Company 佔本公司權益百分比 |
|----------------------|--|--|---|------------|--|
| 董事姓名 | 身份 | | | 總數 | 權益百分比 |
| LIAO Yuqing 廖玉慶 | Founder of a discretionary trust who can influence how the trustee exercises his discretion 全權信託創立人，可影響受託人行使其酌情權之方式 | 48,200,100 | — | 48,200,100 | 11.49% |
| LAW Yung Koon 羅用冠 | Beneficial owner 實益擁有人 | 19,432,000 | — | 19,432,000 | 4.63% |
| | Interest of spouse 配偶權益 | 1,719,000 | — | 1,719,000 | 0.41% |
| LIU Libin 劉立斌 | Beneficial owner 實益擁有人 | 76,334 | 76,333 | 152,667 | 0.04% |
| WANG Zhihua 王志華 | Beneficial owner 實益擁有人 | 64,000 | 128,000 | 192,000 | 0.05% |

Report of the Directors 董事會報告

Save as disclosed above, as at 31 December 2021, none of the Directors or the chief executive of the Company had registered an interest or short positions in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Other than the share options granted under the share option scheme disclosed in note 27 in notes to the consolidated financial statements, at no time during the year ended 31 December 2021 were rights to acquire benefits by means of the acquisitions of Shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the Director to acquire such rights in any other body corporate.

DIRECTOR'S INTERESTS IN COMPETING BUSINESS

Save as disclosed in the prospectus of the Company dated 17 March 2008, none of the Directors hold any interests in any business apart from the Company's business, which competes or is likely to compete, either directly or indirectly, with the Company's business for the year ended 31 December 2021.

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS WHO ARE REQUIRED TO DISCLOSE THEIR INTERESTS PURSUANT TO PART XV OF THE SFO

As at 31 December 2021, the following persons, other than a Director or the chief executive of the Company, had interests or short positions in the shares and underlying shares of the Company which are required to be recorded in the register required to be kept by the Company under section 336 of the SFO:

除上文所披露者外，於二零二一年十二月三十一日，董事或本公司主要行政人員概無登記於本公司或其任何相聯法團之股份、相關股份中擁有的根據證券及期貨條例第352條須予記錄或根據標準守則須知會本公司及聯交所之權益或淡倉。

董事購買股份或債務證券之權利

除綜合財務報表附註之附註27披露之購股權計劃項下授出之購股權外，於截至二零二一年十二月三十一日止年度內任何時間概無授予任何董事或彼等各自之配偶或未成年子女可透過購入本公司股份或債權證而獲益之權利，或由彼等行使任何該等權利；或由本公司或其任何附屬公司訂立任何安排致使董事可於任何其他法人團體獲得該等權利。

董事於競爭業務之權益

除本公司於二零零八年三月十七日刊發之售股章程所披露者外，截至二零二一年十二月三十一日止年度，董事概無於與本公司業務直接或間接構成競爭或可能構成競爭之任何業務（本公司業務除外）中擁有任何權益。

根據證券及期貨條例第XV部須披露彼等之權益之主要股東及其他人士

於二零二一年十二月三十一日，下列人士（董事或本公司行政人員除外）於本公司之股份及相關股份中擁有須登記於本公司根據證券及期貨條例第336條而存置之登記冊內之權益或淡倉：

Report of the Directors

董事會報告

Long position

好倉

| Name of entities | Capacity | Total number of ordinary shares of the Company 本公司之普通股總數 | Percentage of interest in the Company 佔本公司權益百分比 |
|--|---|---|--|
| 實體名稱 | 身份 | | |
| Guangxin Aluminium (HK) Limited 香港廣新鋁業有限公司 | Beneficial owner 實益擁有人 | 132,382,000 | 31.56% |
| Guangdong Guangxin Holdings Group Ltd* 廣東省廣新控股集團有限公司 | Interest of controlled corporation 受控制法團權益 | 132,382,000 | 31.56% |
| State-owned Assets Supervision and Administration Commission of The People's Government of Guangdong Province* 廣東省人民政府國有資產監督管理委員會 | Interest of controlled corporation 受控制法團權益 | 132,382,000 | 31.56% |
| Lesso Group Holdings Limited 領尚集團控股有限公司 | Beneficial owner 實益擁有人 | 109,842,900 | 26.18% |
| China Lesso Group Holdings Limited 中國聯塑集團控股有限公司 | Interest of controlled corporation 受控制法團權益 | 109,842,900 | 26.18% |
| New Fortune Star Limited New Fortune Star Limited | Interest of controlled corporation 受控制法團權益 | 109,842,900 | 26.18% |
| Xi Xi Development Limited 西溪發展有限公司 | Interest of controlled corporation 受控制法團權益 | 109,842,900 | 26.18% |
| UBS Trustees (B.V.I.) Limited UBS Trustees (B.V.I.) Limited | Interest of controlled corporation 受控制法團權益 | 109,842,900 | 26.18% |

Report of the Directors

董事會報告

| Name of entities | Capacity | Total number of ordinary shares of the Company 本公司之 普通股總數 | Percentage of interest in the Company 佔本公司 權益百分比 |
|-----------------------------|---|---|--|
| 實體名稱 | 身份 | | |
| WONG Luen Hei | Founder of a discretionary trust who can influence how the trustee exercises his discretion | 109,842,900 | 26.18% |
| 黃聯禧 | 全權信託創立人，可影響受託人行使其酌情權之方式 | | |
| Sure Keen Limited 利順有限公司 | Beneficial owner 實益擁有人 | 48,200,100 | 11.49% |
| Glorious Joy Limited | Interest of controlled corporation | 48,200,100 | 11.49% |
| Glorious Joy Limited | 受控制法團權益 | | |
| TMF (Cayman) Limited | Trustee | 48,200,100 | 11.49% |
| TMF (Cayman) Limited | 受託人 | | |

Save as disclosed above and in the paragraph headed "Directors' interests in shares, underlying shares and debentures of the Company and its associated corporations" above, as at 31 December 2021, no other person had interests or short positions in the shares and underlying shares of the Company which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

除上文及於「董事於本公司及其相聯法團之股份、相關股份及債權證中之權益」一段所披露者外，於二零二一年十二月三十一日，概無其他人士於本公司之股份及相關股份中擁有須記錄於本公司根據證券及期貨條例第336條而存置之登記冊內之權益或淡倉。

Report of the Directors 董事會報告

CONNECTED TRANSACTIONS

關連交易

A. The following entities are connected parties of the Company and had connected transactions and/or continuing connected transactions with the Group during the year ended 31 December 2021:

A. 以下實體為本公司之關連人士，並於截至二零二一年十二月三十一日止年度內與本集團進行關連交易及／或持續關連交易：

Name of the entity 實體名稱

Relationship with the Company 與本公司之關係

Guangdong Xingfa Curtain Wall, Door & Window Co., Ltd.
("Xingfa Curtain Wall")
廣東興發幕牆門窗有限公司(「興發幕牆」)

Owned as to 21% by Mr. LIAO Yuqing and as to 46% by Mr. LUO Su. Mr. LIAO Yuqing is an executive Director and Mr. LUO Su is the father-in-law of Mr. LIAO Yuqing.
由廖玉慶先生擁有21%權益及羅蘇先生擁有46%權益。廖玉慶先生為執行董事及羅蘇先生為廖玉慶先生的岳父。

China Lesso Group Holdings Limited ("China Lesso")
中國聯塑集團控股有限公司(「中國聯塑」)

A substantial shareholder of the Company, holding, through its wholly-owned subsidiary, approximately 26.16% of the issued shares of the Company as at the date of this report.
本公司主要股東透過其全資附屬公司於本報告日期持有本公司已發行股份之約26.16%。

江西省景興鋁模板製造有限公司
(in English for identification only, Jiangxi Province
Jingxing Aluminium Panel Manufacturing
Co., Ltd. "Jiangxi Jingxing")
江西省景興鋁模板製造有限公司(「江西景興」)

Owned as to 80% by the Company through its wholly-owned subsidiary, and a connected subsidiary of the Company during the period from 1 January 2021 to 11 March 2021. On 12 March 2021, the date on which completion of the Equity Transfer (as defined below) took place, the Group ceased to hold any interest in Jiangxi Jingxing and Jiangxi Jingxing ceased to be accounted for as an associate of the Group.
由本公司透過其全資附屬公司擁有80%權益，於二零二一年一月一日起至二零二一年三月十一日止期間為本公司之關連附屬公司。於二零二一年三月十二日，股權轉讓(定義見下文)完成落實日期，本集團不再於江西景興持有任何權益及江西景興不再作為本集團之聯營公司列賬。

Report of the Directors

董事會報告

| Name of the entity 實體名稱 | Relationship with the Company 與本公司之關係 |
|---|--|
| <p>廣東省廣新控股集團有限公司 (in English for identification only, Guangdong Guangxin Holding Group Co., Ltd. "Guangxin Holding") 廣東省廣新控股集團有限公司(「廣新控股」)</p> | <p>The controlling shareholder of the Company and is indirectly interested in approximately 31.56% of the total issued shares of the Company. 本公司控股股東，間接擁有本公司已發行股份總額約31.56%。</p> |
| <p>廣州景興建築科技有限公司 (in English for identification only, Guangzhou Jingxing Construction Technology Company Limited "Guangzhou Jingxing") 廣州景興建築科技有限公司(「廣州景興」)</p> | <p>A 20% shareholder of Jiangxi Jingxing and a non-wholly owned subsidiary of China Lesso. 江西景興之20%權益股東以及中國聯塑之非全資附屬公司。</p> |
| <p>河南省景興鋁模板製造有限公司 (in English for identification only, Henan Province Jingxing Aluminium Panel Manufacturing Co., Ltd. "Henan Jingxing") 河南省景興鋁模板製造有限公司(「河南景興」)</p> | <p>A non-wholly owned subsidiary of China Lesso, a substantial shareholder of the Company. 中國聯塑(本公司的一名主要股東)之非全資附屬公司。</p> |
| <p>江蘇永葆環保科技有限公司 (in English for identification only, Jiangsu Yongbao Environmental Technology Co., Ltd.) "Yongbao Environmental") 江蘇永葆環保科技有限公司(「永葆環保」)</p> | <p>Indirectly owned as to approximately 59.5% by China Lesso, a substantial shareholder of the Company 本公司主要股東，由中國聯塑間接擁有約59.5%權益。</p> |
| <p>B. During the year ended 31 December 2021, the following continuing connected transactions were non-exempt continuing connected transactions and are subject to the reporting, announcement and annual review requirements. The following is a brief description of the continuing connected transactions:</p> | <p>B. 於截至二零二一年十二月三十一日止年度，下列持續關連交易為非豁免持續關連交易，並須遵守報告、公佈及年度審閱規定，以下為持續關連交易之簡介：</p> |



Report of the Directors 董事會報告

1. Xingfa Curtain Wall Agreement

(i) Nature of transactions

Reference is made to the announcements of the Company dated 30 September 2020 and 19 October 2021. Guangdong Xingfa and Xingfa Curtain Wall entered into a master supply agreement ("Xingfa Curtain Wall Agreement") dated 30 September 2020 in relation to the supply of aluminium profiles to Xingfa Curtain Wall by Guangdong Xingfa and its subsidiaries ("Guangdong Xingfa Group"), for a term from 1 January 2021 to 31 December 2023 (both dates inclusive). The aluminium profiles purchased by Xingfa Curtain Wall were further processed into window and curtain wall and sold to its customers.

(ii) Annual Cap

The annual cap for the year ended 31 December 2021 of the continuing connected transactions set out above was RMB163 million, and the actual aggregate amount of sale transactions was approximately RMB132.9 million for the Year.

(iii) Internal control procedures

The Group has complied with the following internal control measures to monitor the pricing and terms of the transactions in relation to the sale of aluminium profiles by Guangdong Xingfa to Xingfa Curtain Wall and ensure that the prices and terms offered by Guangdong Xingfa to Xingfa Curtain Wall will be no more favourable than prices and terms offered to independent customers and that the annual cap is not exceeded:

- (a) monitoring the prevailing average price of aluminium ingots as quoted on the Guangdong Nanhai Nonferrous Metals Market and/or Shanghai Nonferrous Metals Market and the prevailing spot prices of aluminium as quoted on London Metal Exchange Limited on a daily basis;

1. 興發幕牆協議

(i) 交易性質

謹此提述本公司日期為二零二零年九月三十日及二零二一年十月十九日之公告。廣東興發與興發幕牆訂立一份日期為二零二零年九月三十日之主供應協議（「興發幕牆協議」），內容有關由廣東興發及其附屬公司（「廣東興發集團」）向興發幕牆供應鋁型材，協議期限自二零二一年一月一日起至二零二三年十二月三十一日止（包括首尾兩日）。興發幕牆將購入之鋁型材再加工為門窗及幕牆後向其客戶出售。

(ii) 年度上限

上文所載持續關連交易於截至二零二一年十二月三十一日止年度之年度上限為人民幣163,000,000元，及本年度之實際銷售交易總金額約為人民幣132,900,000元。

(iii) 內部監控程序

本集團已遵守以下內部監控措施以監察有關廣東興發向興發幕牆銷售鋁型材之交易之定價及條款，並確保廣東興發向興發幕牆提供之價格及條款將不優於向獨立客戶提供之價格及條款及並無超出年度上限：

- (a) 每日監察於廣東南海有色（靈通）及／或上海有色金屬市場所報之現行平均鋁錠價格及於倫敦金屬交易所有限公司所報之現行鋁現貨價格；

Report of the Directors

董事會報告

- (b) comparing the price and terms of the supply of aluminium profiles to Xingfa Curtain Wall with the prices and terms of aluminium profiles supplied by the Group in China as agreed with independent customers on a regular basis;
- (c) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the price and terms of supply of aluminium profiles offered by the Group to Xingfa Curtain Wall to ensure that they shall be no more favourable than those offered by the Group to independent customers; and
- (d) periodic financial report which contains information on all connected transactions carried out by the Group including the continuing connected transactions under the master supply agreement was submitted to the Board.

2. 2021 Master Supply Agreement A

(i) Nature of transactions

On 29 December 2020, Guangdong Xingfa and China Lesso entered into a master supply agreement ("2021 Master Supply Agreement A") pursuant to which Guangdong Xingfa Group, as suppliers, would supply and China Lesso and its subsidiaries ("China Lesso Group"), as purchasers, would purchase aluminium profiles and/or panels supplied by Guangdong Xingfa Group members on an on-going basis for a term from 1 January 2021 to 31 December 2021 (both dates inclusive).

- (b) 定期將向興發幕牆供應之鋁型材價格及條款與本集團經與獨立客戶協定於中國供應之鋁型材之價格及條款進行比較；
- (c) 秉承本集團有關關連交易之相關內部監控政策監察本集團向興發幕牆提供之供應鋁型材之價格及條款，確保其將不優於本集團向獨立客戶所提供者；及
- (d) 已向董事會提交載有關於本集團進行之所有關連交易(包括主供應協議項下之持續關連交易)之資料之定期財務報告。

2. 二零二一年總供應協議A

(i) 交易性質

於二零二零年十二月二十九日，廣東興發與中國聯塑訂立總供應協議(「二零二一年總供應協議A」)，據此，廣東興發集團(作為供應商)將供應及中國聯塑及其附屬公司(「中國聯塑集團」)(作為買方)將採購由廣東興發集團成員公司按持續基準供應之鋁型材及／或鋁製模板，期限自二零二一年一月一日起至二零二一年十二月三十一日(包括首尾兩日)。

Report of the Directors 董事會報告

(ii) Annual Cap

The annual cap in respect of the transactions contemplated under the 2021 Master Supply Agreement A for the Year was RMB125.0 million, and the actual aggregate amount of sale transactions was approximately RMB69.8 million for the Year.

(iii) Internal control procedures

During the Year, the Group has complied with the following internal control measures to monitor the pricing and terms of the transactions under the 2021 Master Supply Agreement A and ensure that the prices and terms offered by Guangdong Xingfa Group to China Lesso Group were no more favourable than prices and terms offered to independent customers and that the annual cap was not exceeded:

- (a) monitoring the prevailing average price of aluminium ingots as quoted on Guangdong Nanhai Nonferrous Metals Market on a daily basis;
- (b) comparing the prices and terms of the supply of aluminium profiles and/or panels to China Lesso Group with the prices and terms of aluminium profiles and/or panels supplied by the Group in the PRC as agreed with independent customers on a regular basis;
- (c) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the prices and terms of supply of aluminium profiles offered by Guangdong Xingfa Group to China Lesso Group to ensure that they would be no more favourable than those offered by the Group to independent customers; and

(ii) 年度上限

本年度有關二零二一年總供應協議A項下擬進行之交易之年度上限為人民幣125,000,000元，及本年度之實際銷售交易總金額約為人民幣69,800,000元。

(iii) 內部監控程序

於本年度，本集團已遵守以下內部監控措施以監察有關二零二一年總供應協議A項下之交易之定價及條款，並確保廣東興發集團向中國聯塑集團提供之價格及條款將不優於向獨立客戶提供之價格及條款及並無超出年度上限：

- (a) 每日監察於廣東南海有色（靈通）所報之現行平均鋁錠價格；
- (b) 定期將向中國聯塑集團供應之鋁型材及／或鋁製模板價格及條款與本集團經與獨立客戶協定於中國供應之鋁型材及／或鋁製模板之價格及條款進行比較；
- (c) 秉承本集團有關關連交易之相關內部監控政策監察廣東興發集團向中國聯塑集團提供之供應鋁型材之價格及條款，確保其將不優於本集團向獨立客戶所提供者；及

Report of the Directors

董事會報告

(d) periodic financial report containing information on all connected transactions carried out by the Group including the continuing connected transactions under the 2021 Master Supply Agreement A was submitted to the Board.

3. 2021 Master Supply Agreement B

(i) Nature of transactions

On 29 December 2020, Guangdong Xingfa and Jiangxi Jingxing entered into a master supply agreement ("2021 Master Supply Agreement B") pursuant to which Guangdong Xingfa Group members, as suppliers, would supply and Jiangxi Jiangxing, as purchaser, would purchase aluminium profiles supplied by Guangdong Xingfa Group members on an on-going basis for a term from 1 January 2021 to 31 December 2021 (both dates inclusive).

(ii) Annual Cap

The annual cap in respect of the transactions contemplated under the 2021 Master Supply Agreement B for the Year was RMB30 million, and the actual aggregate amount of sale transactions was approximately RMB9.1 million for the Year.

(d) 已向董事會提交載有關於本集團進行之所有關連交易(包括二零二一總供應協議A項下之持續關連交易)之資料之定期財務報告。

3. 二零二一年總供應協議B

(i) 交易性質

於二零二零年十二月二十九日，廣東興發與江西景興訂立總供應協議(「二零二一年總供應協議B」)，據此，廣東興發集團公司(作為供應商)將供應及江西景興(作為買方)將採購由廣東興發集團成員公司按持續基準供應之鋁型材，期限自二零二一年一月一日起至二零二一年十二月三十一日(包括首尾兩日)。

(ii) 年度上限

本年度有關二零二一總供應協議B項下擬進行之交易之年度上限為人民幣30,000,000元，及本年度之實際銷售交易總金額約為人民幣9,100,000元。

Report of the Directors 董事會報告

(iii) Internal control procedures

During the Year, the Group has complied with the following internal control measures to monitor the pricing and terms of the transactions under the 2021 Master Supply Agreement B and ensure that the prices and terms offered by Guangdong Xingfa Group to Jiangxi Jingxing were no more favourable than prices and terms offered to independent customers and that the annual cap was not exceeded:

- (a) monitoring the prevailing average price of aluminium ingots as quoted on Guangdong Nanhai Nonferrous Metals Market on a daily basis;
- (b) comparing the prices and terms of the supply of aluminium profiles to Jiangxi Jingxing with the prices and terms of aluminium profiles supplied by the Group in the PRC as agreed with independent customers on a regular basis;
- (c) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the prices and terms of supply of aluminium profiles offered by Guangdong Xingfa Group to Jiangxi Jingxing to ensure that they would be no more favourable than those offered by the Group to independent customers; and
- (d) periodic financial report containing information on all connected transactions carried out by the Group including the continuing connected transactions under the 2021 Master Supply Agreement B was submitted to the Board.

(iii) 內部監控程序

於本年度，本集團已遵守以下內部監控措施以監察有關二零二一總供應協議B項下之交易之定價及條款，並確保廣東興發集團向江西景興提供之價格及條款不優於向獨立客戶提供之價格及條款及並無超出年度上限：

- (a) 每日監察於廣東南海有色（靈通）所報之現行平均鋁錠價格；
- (b) 定期將向江西景興供應之鋁型材之價格及條款與本集團經與獨立客戶協定於中國供應之鋁型材之價格及條款進行比較；
- (c) 秉承本集團有關關連交易之相關內部監控政策監察廣東興發集團向江西景興提供之供應鋁型材之價格及條款，確保其將不優於本集團向獨立客戶所提供者；及
- (d) 已向董事會提交載有關於本集團進行之所有關連交易（包括二零二一總供應協議B項下之持續關連交易）之資料之定期財務報告。

Report of the Directors

董事會報告

4. Tenancy Agreement A

(i) Nature of transaction

On 29 December 2020, 廣東興發鋁業(河南)有限公司 (in English for identification only, Guangdong Xingfa Aluminium (Henan) Co., Ltd.) ("Xingfa Henan"), an indirect wholly-owned subsidiary of the Company, as landlord, and Henan Jingxing, as tenant, entered into a tenancy agreement ("Tenancy Agreement A") pursuant to which Xingfa Henan would lease the property located at 中國河南省沁陽市沁北工業集聚區 (in English for identification only, Qingbei Industrial District, Qinyang City, Henan Province, the PRC) to Henan Jingxing for the welding, assembling, recycling and maintenance of aluminium panels which were applied as construction materials and the sale of such aluminium panels for a fixed term of one year from 1 January 2021 to 31 December 2021 (both dates inclusive).

(ii) Annual Cap

The annual cap for the transactions contemplated under the Tenancy Agreement A for the period from 1 January 2021 to 31 December 2021 was RMB2,758,176, and the actual aggregate amount of rent was approximately RMB2,758,176.

(iii) Internal control procedures

During the Year, the Group has complied with the following internal control measures to monitor the rent and terms of the transactions under the Tenancy Agreement A and to ensure that the rent and terms offered by Xingfa Henan to Henan Jingxing would be no more favourable than the rent and terms offered to independent tenants and that the annual cap was not exceeded:

4. 租賃協議A

(i) 交易性質

於二零二零年十二月二十九日，本公司之間接全資附屬公司廣東興發鋁業(河南)有限公司(「興發河南」)(作為業主)與河南景興(作為租戶)訂立租賃協議(「租賃協議A」)，據此興發河南將向河南景興出租位於中國河南省沁陽市沁北工業集聚區之物業，用作焊接、組裝、回收及維護用作建築材料的鋁製模板及銷售有關鋁製模板，固定期限自二零二一年一月一日起至二零二一年十二月三十一日(包括首尾兩日)為期一年。

(ii) 年度上限

租賃協議A項下擬進行交易自二零二一年一月一日起至二零二一年十二月三十一日止期間之年度上限為人民幣2,758,176元，及實際總租金約為人民幣2,758,176元。

(iii) 內部監控程序

於年內，本集團已遵守以下內部監控措施以監察有關租賃協議A項下之租金及交易條款，並確保興發河南向河南景興提供之租金及條款將不優於向獨立租戶提供之租金及條款及並無超出年度上限：

Report of the Directors 董事會報告

- | | |
|--|--|
| (a) monitoring the prevailing market rent in the same district on a quarterly basis; | (a) 每季度監察同一區域當前市場租金； |
| (b) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the rent under Tenancy Agreement A to ensure that they were no more favourable than those offered by the Group to independent tenants; and | (b) 秉承本集團有關關連交易之相關內部監控政策監察租賃協議A項下之租金，確保其將不優於本集團向獨立租戶所提供者；及 |
| (c) periodic financial report containing information on all connected transactions carried out by the Group including the continuing connected transactions under Tenancy Agreement A was submitted to the Board. | (c) 已向董事會提交載有關於本集團進行之所有關連交易(包括租賃協議A項下之持續關連交易)之資料之定期財務報告。 |

5. Tenancy Agreement B

(i) Nature of transactions

On 29 December 2020, 廣東興發鋁業(江西)有限公司 (in English for identification only, Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd.) ("Xingfa Jiangxi"), an indirect wholly-owned subsidiary of the Company, as landlord, and Jiangxi Jingxing, as tenant, entered into a tenancy agreement ("Tenancy Agreement B") pursuant to which Xingfa Jiangxi would lease the property located at 中國江西省宜春經濟技術開發區經發大道21號 (in English for identification only, No. 21, Jingfa Road, Yichun Economic Development Zone, Jiangxi Province, the PRC) to Jiangxi Jingxing for the welding, assembling, recycling and maintenance of aluminium panels which were applied as construction materials and sale of such aluminium panels for a fixed term of one year from 1 January 2021 to 31 December 2021 (both dates inclusive).

5. 租賃協議B

(i) 交易性質

於二零二零年十二月二十九日，本公司之間接全資附屬公司廣東興發鋁業(江西)有限公司(「興發江西」)(作為業主)與江西景興(作為租戶)訂立租賃協議(「租賃協議B」)，據此興發江西將向江西景興出租位於中國江西省宜春經濟技術開發區經發大道21號之物業，用作焊接、組裝、回收及維護用作建築材料的鋁製模板及銷售有關鋁製模板，固定期限自二零二一年一月一日起至二零二一年十二月三十一日(包括首尾兩日)為期一年。

Report of the Directors

董事會報告

(ii) Annual Cap

The annual cap for the transactions contemplated under the Tenancy Agreement B for the period from 1 January 2021 to 31 December 2021 was RMB3,645,852, and the actual aggregate amount of rent was approximately RMB3,645,852.

(iii) Internal control procedures

During the Year, the Group has complied with the following internal control measures to monitor the rent and terms of the transactions under the Tenancy Agreement B and to ensure that the rent and terms offered by Xingfa Jiangxi to Jiangxi Jingxing would be no more favourable than the rent and terms offered to independent tenants and that the annual cap were not exceeded:

- (a) monitoring the prevailing market rent in the same district on a quarterly basis;
- (b) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the rent under Tenancy Agreement B to ensure that they were no more favourable than those offered by the Group to independent tenants; and
- (c) periodic financial report containing information on all connected transactions carried out by the Group including the continuing connected transactions under Tenancy Agreement B was submitted to the Board.

(ii) 年度上限

租賃協議B項下擬進行交易自二零二一年一月一日起至二零二一年十二月三十一日止期間之年度上限為人民幣3,645,852元，及實際總租金約為人民幣3,645,852元。

(iii) 內部監控程序

於年內，本集團已遵守以下內部監控措施以監察有關租賃協議B項下之租金及交易條款，並確保興發江西向江西景興提供之租金及條款將不優於向獨立租戶提供之租金及條款及並無超出年度上限：

- (a) 每季度監察同一區域當前市場租金；
- (b) 秉承本集團有關關連交易之相關內部監控政策監察租賃協議B項下之租金，確保其將不優於本集團向獨立租戶所提供者；及
- (c) 已向董事會提交載有關於本集團進行之所有關連交易（包括租賃協議B項下之持續關連交易）之資料之定期財務報告。

Report of the Directors 董事會報告

6. Engineering Service Agreement

(i) Nature of transactions

On 19 October 2021, Guangdong Xingfa, an indirect wholly-owned subsidiary of the Company, and Xingfa Curtain Wall entered into a service agreement ("Engineering Service Agreement") pursuant to which Xingfa Curtain Wall agreed to provide the certain engineering services, including but not limited to the installation of windows, doors and curtain walls ("Engineering Services"), to Guangdong Xingfa Group members for a fixed term from 1 July 2021 to 31 December 2021 (both dates inclusive).

(ii) Annual Cap

The annual cap for the transactions contemplated under the Engineering Service Agreement for the period from 1 July 2021 to 31 December 2021 was RMB15,000,000 and the actual aggregate amount of service fee was approximately RMB8.4 million for the period from 1 July 2021 to 31 December 2021.

(iii) Internal control procedures

During the period from 1 July 2021 to 31 December 2021, the Group has complied with the following internal control measures to monitor the pricing and terms of the transactions contemplated under the Engineering Service Agreement and ensure that the service fees and terms offered by Xingfa Curtain Wall to Guangdong Xingfa Group will be no less favourable than service fees and terms offered to Guangdong Xingfa Group by independent suppliers and that the proposed annual cap was not exceeded:

- (a) monitoring the prevailing average market service fee of the engineering service which is identical to or comparable to the Engineering Services;

6. 工程服務協議

(i) 交易性質

於二零二一年十月十九日，廣東興發（本公司之間接全資附屬公司）與興發幕牆訂立服務協議（「工程服務協議」），據此，興發幕牆同意向廣東興發集團成員公司提供若干工程服務，包括但不限於安裝窗戶、門及幕牆（「工程服務」），年期為自二零二一年七月一日起至二零二一年十二月三十一日止（包括首尾兩日）固定期限。

(ii) 年度上限

於二零二一年七月一日起至二零二一年十二月三十一日止期間，工程服務協議項下之持續關聯交易之年度上限為人民幣15,000,000元，而自二零二一年七月一日起至二零二一年十二月三十一日止期間之服務費實際總金額約為人民幣8,400,000元。

(iii) 內部監控程序

自二零二一年七月一日起至二零二一年十二月三十一日止期間，本集團已遵守以下內部監控程序，以監察工程服務協議項下擬進行交易之定價及條款，並確保興發幕牆向廣東興發集團提供之服務費及條款將不遜於獨立供應商向廣東興發集團提供之服務費及條款及並無超出建議年度上限：

- (a) 監察與工程服務相同或類似之工程服務的現行平均市場服務費；

Report of the Directors

董事會報告

- | | |
|--|--|
| <p>(b) comparing the service fees and terms of the provision of Engineering Services by Xingfa Curtain Wall with the service fees and terms of the provision of engineering services in the PRC as agreed with or quoted by independent suppliers on a regular basis;</p> | <p>(b) 定期將向興發幕牆提供之工程服務之服務費及條款與獨立供應商於中國提供工程服務協定或報價之服務費及條款進行比較；</p> |
| <p>(c) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the service fees and terms of provision of Engineering Services by Xingfa Curtain Wall to Guangdong Xingfa Group to ensure that they shall be no less favourable than those offered by independent suppliers;</p> | <p>(c) 就監察興發幕牆向廣東興發集團提供工程服務之服務費及條款，遵守本集團就關連交易之相關內部監控政策，以確保其不遜於獨立供應商所提供者；</p> |
| <p>(d) periodic financial report which contains information on all connected transactions carried out by the Group, including the continuing connected transactions under the Engineering Service Agreement, was submitted to the Board;</p> | <p>(d) 將向董事會提交載有關於本集團進行之所有關連交易（包括工程服務協議項下之持續關聯交易）之資料之定期財務報告；</p> |

7. Views of the independent non-executive Directors

The independent non-executive Directors have reviewed the continuing connected transactions carried out pursuant to Xingfa Curtain Wall Agreement, 2021 Master Supply Agreement A, 2021 Master Supply Agreement B, Tenancy Agreement A, Tenancy Agreement B and Engineering Service Agreement, and have considered the information on internal control procedures referred to in sections B.1(iii), B.2(iii), B.3(iii), B.4(iii), B.5(iii) and B.6(iii) above, and confirmed that the transactions have been entered into:

- (i) in the ordinary and usual course of business of the Company;
- (ii) on normal commercial terms or terms no less favourable to the Company than terms available to or from independent third parties; and

7. 獨立非執行董事之觀點

獨立非執行董事已審閱根據興發幕牆協議、二零二一年總供應協議A、二零二一年總供應協議B、租賃協議A、租賃協議B及工程服務協議進行之持續關連交易，及考慮上文B.1(iii)、B.2(iii)、B.3(iii)、B.4(iii)、B.5(iii)及B.6(iii)節所述之有關內部監控程序之資料，並確認該等交易乃：

- (i) 於本公司一般及日常業務過程中訂立；
- (ii) 按一般商業條款或不遜於本公司向獨立第三方提供或取得之條款訂立；及

Report of the Directors 董事會報告

- (iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.
8. The auditor of the Company was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its letter to the Board containing its findings and conclusions in respect of the continuing connected transactions as set out in this section "B" above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to The Stock Exchange of Hong Kong Limited which stated that:
- (i) nothing has come to the attention of the auditor that causes the auditor to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors;
- (ii) for transactions involving the provision of goods or services by the Group, nothing has come to the attention of the auditor that causes the auditor to believe that the disclosed continuing connected transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (iii) nothing has come to the attention of the auditor that causes the auditor to believe that the disclosed continuing connected transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions;
- (iii) 根據規管該等交易之相關協議並按公平合理之條款訂立，且符合股東之整體利益。
8. 根據香港核證委聘準則第3000號(經修訂)「歷史財務資料審核或審閱以外之核證委聘」並參考香港會計師公會發佈之實務說明第740號「香港上市規則規定之持續關連交易之核數師函件」，本公司核數師已受聘對本集團持續關連交易作出報告。根據上市規則第14A.56條，核數師已就上述本章節「B」所載之持續關連交易向董事會發出載有其調查結果及結論之函件。本公司已向香港聯合交易所有限公司提供核數師函件之副本，當中表明：
- (i) 核數師並無發現任何事項，令其相信所披露持續關連交易並未獲本公司董事會批准；
- (ii) 就涉及本集團提供貨物或服務之交易而言，核數師並無發現任何事項，令其相信該等所披露持續關連交易於所有重大方面並未根據本集團之定價政策進行；
- (iii) 核數師並無發現任何事項，令其相信該等所披露持續關連交易於所有方面並未根據規管該等交易之相關協議進行；

Report of the Directors

董事會報告

(iv) with respect to the aggregate amount of the continuing connected transactions, nothing has come to the attention of the auditor that causes the auditor to believe the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

9. The 2022 Lesso Master Supply Agreement, 2022 Tenancy Agreement A, 2022 Tenancy Agreement B and the 2022 Engineering Service Agreement (collectively as the "2022 CCT Agreements")

Given that the parties to each of the 2021 Master Supply Agreement A, Tenancy Agreement A, Tenancy Agreement B and the Engineering Service Agreement expected that the continuing connected transactions contemplated thereunder would continue on an on-going basis, on 31 December 2021:

- (i) Guangdong Xingfa and China Lesso entered into a new master supply agreement ("2022 Lesso Master Supply Agreement") for a term from 1 January 2022 to 31 December 2022 (both dates inclusive);
- (ii) Xingfa Henan and Henan Jingxing entered into a new tenancy agreement ("2022 Tenancy Agreement A") for a fixed term from 1 January 2022 to 31 December 2022 (both dates inclusive);
- (iii) Xingfa Jiangxi and Jiangxi Jingxing entered into a new tenancy agreement ("2022 Tenancy Agreement B") for a fixed term from 1 January 2022 to 31 December 2022 (both dates inclusive); and
- (iv) Guangdong Xingfa and Xingfa Curtain Wall entered into a new service agreement ("2022 Engineering Service Agreement") for a term from 1 January 2022 to 31 December 2022.

(iv) 就持續關連交易之總額而言，核數師並無發現任何事項，令其相信該等所披露持續關連交易已超出本公司所設定之年度上限。

9. 二零二二年聯塑總供應協議、二零二二年租賃協議A、二零二二年租賃協議B及二零二二年工程服務協議（統稱「二零二二年持續關連交易協議」）

鑑於二零二一年總供應協議A、租賃協議A、租賃協議B及工程服務協議各自訂約方預期該等協議項下擬進行之持續關連交易將按持續基準進行，於二零二一年十二月三十一日：

- (i) 廣東興發與中國聯塑訂立新總供應協議（「二零二二年聯塑總供應協議」），年期自二零二二年一月一日至二零二二年十二月三十一日（包括首尾兩日）；
- (ii) 興發河南與河南景興訂立新租賃協議（「二零二二年租賃協議A」），固定年期自二零二二年一月一日起至二零二二年十二月三十一日（包括首尾兩日）；
- (iii) 興發江西與江西景興訂立新租賃協議（「二零二二年租賃協議B」），固定年期自二零二二年一月一日起至二零二二年十二月三十一日（包括首尾兩日）；及
- (iv) 廣東興發及興發幕牆訂立新服務協議（「二零二二年工程服務協議」），年期自二零二二年一月一日起至二零二二年十二月三十一日。

Report of the Directors 董事會報告

The terms and conditions of each of the 2022 Lessor Master Supply Agreement, 2022 Tenancy Agreement A, 2022 Tenancy Agreement B and the 2022 Engineering Service Agreement (including the pricing policies) are substantially similar to those of the 2021 Master Supply Agreement A, 2021 Tenancy Agreement A, 2021 Tenancy Agreement B and the Engineering Service Agreement respectively. Further details of the 2022 CCT Agreements were disclosed in the announcement of the Company dated 31 December 2021.

二零二二年聯塑總供應協議、二零二二年租賃協議A、二零二二年租賃協議B及二零二二年工程服務協議各自的條款及條件(包括定價政策)大部分分別與二零二一年總供應協議A、二零二一年租賃協議A、二零二一年租賃協議B及工程服務協議的條款及條件相似。二零二二年持續關連交易協議的進一步詳情披露於本公司日期為二零二一年十二月三十一日之公佈。

C. During the year ended 31 December 2021, the following connected transactions were non-exempt connected transactions and were subject to the reporting and announcement requirements. The following is a brief description of the connected transactions.

C. 於截至二零二一年十二月三十一日止年度，以下關連交易為非豁免關連交易及須受申報及公告規定所規限，以下為關聯交易之簡介。

1. Disposal of Jiangxi Jingxing interest

On 4 February 2021, 廣東興發鋁業(江西)有限公司 (in English for identification only, Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd.) ("Jiangxi Xingfa") entered into an equity transfer agreement with Guangzhou Jingxing in relation to the disposal ("Disposal") of the 80% equity interest held by Jiangxi Xingfa in Jiangxi Jingxing through listing-for-sale ("Listing-for-Sale") carried out through Guangdong United Assets and Equity Exchange ("GUAEX"). The consideration of the Disposal was RMB10 million. Please refer to the announcements of the Company dated 18 December 2020 and 4 February 2021.

1. 出售江西景興權益

於二零二一年二月四日，廣東興發鋁業(江西)有限公司(「江西興發」)與廣州景興訂立股權轉讓協議，內容有關透過廣東聯合產權交易中心(「廣東聯合產權交易中心」)進行掛牌出售(「掛牌出售」)出售江西興發於江西景興持有之江西景興80%股權(「出售事項」)。出售事項的代價為人民幣1000萬元。請參閱本公司日期為二零二零年十二月十八日及二零二一年二月四日的公佈。

2. Capital injection of Xingfa Environmental

On 6 September 2021, Guangdong Xingfa, 廣東興發環境科技有限公司 (in English for identification only, Guangdong Xingfa Environmental Technology Co., Ltd.) ("Xingfa Environmental"), a wholly-owned subsidiary of Guangdong Xingfa, and Yongbao Environmental entered into a capital injection agreement pursuant to which Yongbao Environmental agreed to inject capital of RMB18 million to Xingfa Environmental for the subscription of 60% of the enlarged equity interest in Xingfa Environmental as additional registered capital of Xingfa Environmental. Please refer to the announcement of the Company dated 6 September 2021 for further details.

2. 興發環境注資

於二零二一年九月六日，廣東興發、廣東興發之全資附屬公司廣東興發環境科技有限公司(「興發環境」)與永葆環保訂立注資協議，據此，永葆環保同意向興發環境注資人民幣1800萬元，以認購興發環境60%經擴大股權，作為興發環境之額外註冊資本。有關進一步詳情，請參閱本公司日期為二零二一年九月六日的公佈。

Report of the Directors

董事會報告

3. Acquisition of equity interest in Guangxin Innovative

On 3 December 2021, Guangdong Xingfa, FSPG Hi-Tech Co., Ltd. (佛山佛塑科技集團股份有限公司) ("FSPG") and Star Lake Bioscience Co., Inc Zhaoqing Guangdong (廣東肇慶星湖生物科技股份有限公司) ("Star Lake") entered into a sale and purchase agreement with Guangxin Holding, pursuant to which Guangxin Holding agreed to sell an aggregate of 10% equity interest in 廣東省廣新創新研究院有限公司 (in English for identification only, Guangdong Guangxin Innovative Research Centre Co., Ltd.) ("Guangxin Innovative") and each of Guangdong Xingfa, FSPG and Star Lake agreed to purchase approximately 3.3333% equity interest in Guangxin Innovative. The aggregate consideration of the acquisition amounted to RMB33,549,000 and the consideration in respect of the acquisition of the approximately 3.3333% equity interest in Guangxin Innovative by Guangdong Xingfa amounted to RMB11,183,000. Please refer to the announcement of the Company dated 3 December 2021 for further details.

D. The Directors confirm that the material related party transactions as disclosed in note 33 to the consolidated financial statements fall under the definition of "connected transaction" or "continuing connected transaction" (as the case may be) in Chapter 14A of the Listing Rules. The Directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

CORPORATE GOVERNANCE

In the opinion of the Directors, save as set out in the Company's corporate governance report in this annual report, the Company had complied with all the code provisions of the then prevailing Corporate Governance Code as set out in Appendix 14 to the Listing Rules for year ended 31 December 2021.

3. 收購廣新創新的股權

於二零二一年十二月三日，廣東興發、佛山佛塑科技集團股份有限公司(「佛山佛塑」)及廣東肇慶星湖生物科技股份有限公司(「星湖」)與廣新控股訂立買賣協議，據此，廣新控股同意出售廣東省廣新創新研究院有限公司(「廣新創新」)合共10%股權，而廣東興發、佛山佛塑及星湖各自同意購買廣新創新約3.3333%股權。收購事項之總代價為人民幣33,549,000元，而廣東興發收購廣新創新約3.3333%股權之代價為人民幣11,183,000元。有關進一步詳情，請參閱本公司日期為二零二一年十二月三日的公佈。

D. 董事確認，綜合財務報表附註33所披露之重大關連方交易屬於上市規則第14A章定義下之「關連交易」或「持續關連交易」(視情況而定)。董事確認，本公司已遵守上市規則第14A章之披露規定。

企業管治

董事認為，除本年報內本公司之企業管治報告所載者外，本公司於截至二零二一年十二月三十一日止年度內一直遵守當時現行之上市規則附錄14所載之企業管治守則之全部守則條文。

Report of the Directors 董事會報告

MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct ("Code of Conduct") regarding Directors' securities transactions. After having made specific enquiry with all Directors, the Company has received confirmations from all Directors that they have complied with the required standards set out in the Model Code and the Code of Conduct for the Year.

The Company has also adopted procedures on terms no less exacting than the Model Code in respect of the securities transactions of the employees who are likely to be in possession of unpublished inside information of the Company.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in section 9 of the Companies (Directors' Report) Regulation (Chapter 622D of the Laws of Hong Kong)) for the benefit of the Directors is currently in force and was in force throughout the Year.

EVENTS AFTER THE END OF THE FINANCIAL YEAR

Exercise of share options

Subsequent to the end of the Year and up to the date of this report, an aggregate of 320,000 ordinary shares were issued upon exercise of share options granted under the share option scheme of the Company at an exercise price of HK\$5.46 per share. As at the date of this report, 419,816,334 ordinary shares of HK\$0.01 each in the share capital of the Company were in issue.

SUFFICIENCY OF PUBLIC FLOAT

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

標準守則

本公司已採納上市規則附錄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」)作為董事進行證券交易之操守守則(「操守守則」)。經向全體董事作出具體查詢後，本公司獲全體董事確認，彼等於本年度內一直遵守標準守則及操守守則所載規定標準。

本公司亦已採納就有關可能會擁有本公司未公佈內幕消息之僱員進行證券交易之程序，其條款並不較標準守則寬鬆。

獲准許的彌償條文

為董事訂立之獲准許的彌償條文(定義見香港法例第622D章《公司(董事報告)規例》第9條)現正有效並於本年度一直有效。

財政年度結束後事項

購股權行使

於本年度末後及直至本報告日期，合共320,000股普通股根據本公司購股權計劃授出之購股權按行使價每份5.46港元行使後獲發行。於本報告日期，本公司之已發行股本中有419,816,334股每股面值0.01港元之普通股。

足夠公眾持股量

根據本公司可獲提供之公開資料及就董事所知，於本報告日期，本公司一直維持足夠公眾持股量。

Report of the Directors

董事會報告

AUDITORS

The financial statements have been audited by KPMG who shall retire and, being eligible, will offer themselves for re-appointment at the forthcoming annual general meeting. A resolution will be proposed at the forthcoming annual general meeting to reappoint KPMG as auditors of the Company.

There has been no change of auditors of the Company in any of the preceding three financial years.

On behalf of the Board of Directors

LIU Libin
Chairman

Foshan China, 25 March 2022

核數師

財務報表已由畢馬威會計師事務所審計，而畢馬威會計師事務所將於即將舉行之股東週年大會上告退，並符合資格且願意膺選連任。於應屆股東週年大會上將提呈一項決議案以續聘畢馬威會計師事務所為本公司核數師。

本公司於過往三個財政年度並無變更核數師。

代表董事會

主席
劉立斌

中國佛山，二零二二年三月二十五日



Corporate Governance Report 企業管治報告

The Company has adopted the then prevailing Corporate Governance Code as set out in Appendix 14 to the Listing Rules (“Corporate Governance Code”) during the year ended 31 December 2021. In the opinion of the Directors, save as mentioned in this Corporate Governance Report, the Company had complied with all the code provisions of the then prevailing Corporate Governance Code as set out in Appendix 14 to the Listing Rules for the year ended 31 December 2021.

The Directors are committed to upholding the corporate governance of the Company to ensure that formal and transparent procedures are in place to protect and maximise the interests of the Shareholders.

Set out below is a detailed discussion of the corporate governance practices adopted and observed by the Company throughout the year ended 31 December 2021.

A. DIRECTORS’ SECURITIES TRANSACTIONS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (“Model Code”) as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standards set out in the Model Code and its code of conduct regarding directors’ securities transactions during the year ended 31 December 2021.

本公司已採納上市規則附錄14所載之截至二零二一年十二月三十一日止年度當時現行之企業管治守則(「企業管治守則」)。董事認為，除於本企業管治報告所述者外，本公司於截至二零二一年十二月三十一日止年度內一直遵守當時現行之上市規則附錄14所載之企業管治守則之全部守則條文。

董事致力維持本公司之企業管治，確保具有正式及具透明度程序保障及為股東謀求最大利益。

下文載列本公司於截至二零二一年十二月三十一日止整個年度內所採納及遵守之企業管治常規之詳細討論。

A. 董事進行之證券交易

本公司已採納上市規則附錄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」)作為董事進行證券交易之操守守則。經向全體董事作出具體查詢後，全體董事確認彼等於截至二零二一年十二月三十一日止年度內已遵守標準守則所載之規定標準及董事進行證券交易之操守守則。

Corporate Governance Report 企業管治報告

B. BOARD OF DIRECTORS

(i) Board composition

The Board currently comprises a combination of executive Directors and non-executive Directors. As at the date of this report, the Board consisted of the following Directors:

Executive Directors:

Mr. LIU Libin (*Chairman*)
Mr. LIAO Yuqing (*Chief Executive Officer*)
Mr. WANG Lei
(appointed on 4 August 2021)
Ms. ZHANG Li (*Chief Financial Officer*)
(resigned from the position of executive Director on 4 August 2021)
Mr. LAW Yung Koon
Mr. WANG Zhihua
Mr. LUO Jianfeng

Non-executive Directors:

Mr. ZUO Manlun
Ms. XIE Jingyun

Independent non-executive Directors:

Mr. CHEN Mo
Mr. HO Kwan Yiu
Mr. LAM Ying Hung Andy
Mr. WEN Xianjun
(appointed on 4 August 2021)
Mr. LIANG Shibin
(resigned on 4 August 2021)

The executive Directors, with the assistance from the senior management, form the core management team of the Company. The executive Directors have the overall responsibility for formulating the business strategies and development plan of the Group and the senior management are responsible for supervising and executing such plans of the Group.

B. 董事會

(i) 董事會之組成

董事會現時由執行董事及非執行董事組成。於本報告日期，董事會包括以下董事：

執行董事：

劉立斌先生(主席)
廖玉慶先生(行政總裁)
王磊先生
(於二零二一年八月四日獲委任)
張莉女士(財務總監)
(於二零二一年八月四日辭任)
執行董事)
羅用冠先生
王志華先生
羅建峰先生

非執行董事：

左滿倫先生
謝景雲女士

獨立非執行董事：

陳默先生
何君堯先生
林英鴻先生
文獻軍先生
(於二零二一年八月四日獲委任)
梁世斌先生
(於二零二一年八月四日辭任)

在高級管理層之協助下，執行董事組成本公司之核心管理隊伍。執行董事肩負為本集團制訂業務策略及發展計劃之整體責任，高級管理層則負責監察及執行本集團之相關計劃。

Corporate Governance Report 企業管治報告

(ii) Board meetings

During the Year, four full board meetings were held, at which, among other matters:

- the Directors approved the annual results of the Group for the year ended 31 December 2020 and reviewed the related results announcement, annual report and the circular to the Shareholders in relation, amongst others, to the general mandate proposal and re-election of the Directors retiring by rotation;
- the Directors approved the interim results of the Group for the six months ended 30 June 2021 and reviewed the related results announcement; and
- the Directors approved the annual caps of continued connected transactions for the year ending 31 December 2022.

During the Year, the Board also discussed and approved the Group's affairs by way of circulation of written resolutions.

Prior notices convening the Board meetings were despatched to the Directors setting out the matters to be discussed. At the Board meetings, the Directors were provided with the relevant documents to be discussed and approved. The company secretary of the Company is responsible for keeping minutes of the Board meetings.

(ii) 董事會會議

於本年度，曾舉行四次董事會全體會議，會上(其中包括)：

- 董事批准本集團截至二零二零年十二月三十一日止年度之全年業績，並審閱相關業績公佈、年報、有關(其中包括)一般授權建議及重選輪席退任之董事而致股東之通函；
- 董事批准本集團截至二零二一年六月三十日止六個月之中期業績，並審閱相關業績公佈；及
- 董事批准截至二零二二年十二月三十一日止年度之持續關連交易年度上限。

於本年度，董事會亦通過提呈書面決議案的形式討論及批准本集團事宜。

載有將於董事會會議上商討事項之通告已在會議召開前寄發予董事。董事會會議上，董事獲提供將予考慮及批准之有關文件。本公司之公司秘書負責將董事會會議記錄存檔。

Corporate Governance Report

企業管治報告

(iii) Attendance record

The following is the attendance record of the board meetings held by the Board and general meeting held during the year ended 31 December 2021:

(iii) 出席紀錄

以下為董事會於截至二零二一年十二月三十一日止年度所舉行之董事會會議及股東大會出席紀錄：

| | | Attendance at meeting 會議出席率 | |
|--|--------------------------------------|--------------------------------|----------------------------|
| | | Board Meetings 董事會會議 | General Meeting 股東大會 |
| Executive Directors: | 執行董事： | | |
| Mr. LIU Libin (Chairman) | 劉立斌先生(主席) | 3/4 | 1/1 |
| Mr. LIAO Yuqing (Chief Executive Officer) | 廖玉慶先生(行政總裁) | 3/4 | 1/1 |
| Mr. WANG Lei (appointed on 4 August 2021) | 王磊先生 (於二零二一年八月四日獲委任) | 2/4 | 0/1 |
| Ms. ZHANG Li (Chief Financial Officer) (resigned from the position of executive Director on 4 August 2021) | 張莉女士(財務總監) (於二零二一年八月四日 辭任執行董事) | 1/4 | 1/1 |
| Mr. LAW Yung Koon | 羅用冠先生 | 4/4 | 1/1 |
| Mr. WANG Zhihua | 王志華先生 | 4/4 | 1/1 |
| Mr. LUO Jianfeng | 羅建峰先生 | 4/4 | 1/1 |
| Non-executive Directors: | 非執行董事： | | |
| Mr. ZUO Manlun | 左滿倫先生 | 4/4 | 1/1 |
| Ms. XIE Jingyun | 謝景雲女士 | 1/4 | 1/1 |
| Independent non-executive Directors: | 獨立非執行董事： | | |
| Mr. CHEN Mo | 陳默先生 | 4/4 | 1/1 |
| Mr. HO Kwan Yiu | 何君堯先生 | 4/4 | 1/1 |
| Mr. LAM Ying Hung Andy | 林英鴻先生 | 4/4 | 1/1 |
| Mr. WEN Xianjun (appointed on 4 August 2021) | 文獻軍先生 (於二零二一年八月四日獲委任) | 3/4 | 0/1 |
| Mr. LIANG Shibin (resigned on 4 August 2021) | 梁世斌先生 (於二零二一年八月四日辭任) | 1/4 | 1/1 |

Corporate Governance Report 企業管治報告

(iv) Independent non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, the Company has appointed four independent non-executive Directors. The Board considers that all independent non-executive Directors have the appropriate and sufficient industry or finance experience and qualifications to carry out their duties so as to protect the interests of shareholders of the Company. One of the independent non-executive Directors, Mr. LAM Ying Hung, Andy, has over 27 years of experience in the accounting, banking and finance sectors and is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

The Company has received the annual written confirmations from all independent non-executive Directors in respect of their independence. The Board considers that all independent non-executive Directors are independent. Particular consideration is paid in assessing the independence of those independent non-executive Directors who have been serving on the Board for more than 9 years and seeking re-election in the forthcoming annual general meeting. When appropriate, reasons will be given in the annual general meeting circular to explain why the Board believes those independent non-executive Directors are still independent and should be re-elected.

(v) Relationship among members of the Board

Mr. LIAO Yuqing, an executive Director and the chief executive officer of the Company, is the son-in-law of Mr. LUO Su, the Honourable Adviser of the Group. Save as aforesaid, there is no other family relationship between any of the Directors and chief executive officer of the Company. All of them are free to exercise their independent judgement.

(iv) 獨立非執行董事

為符合上市規則第3.10(1)條，本公司委任四名獨立非執行董事。董事會認為，全體獨立非執行董事均具有合適及充足之業界或財務經驗及資格，以履行彼等之職責，以保障本公司股東之權益。其中一名獨立非執行董事林英鴻先生，在會計、銀行及金融業擁有逾27年經驗，並為英國特許公認會計師公會及香港會計師公會資深會員。

本公司已接獲全體獨立非執行董事就其獨立性而發出之年度書面確認。董事會認為全體獨立非執行董事均屬獨立人士。於評估該等在董事會任職超過九年及擬於應屆股東週年大會上尋求重選之獨立非執行董事的獨立性時應給予特別考慮。股東週年大會通函內將列出理由闡述董事會為何仍認為該等獨立非執行董事具獨立性及應予以重選（如適用）。

(v) 董事會成員間之關係

本公司執行董事兼行政總裁廖玉慶先生為本集團榮譽顧問羅蘇先生之女婿。除上述者外，任何本公司董事或主要行政人員之間概無任何其他家族關係。彼等全體均可作出獨立判斷。

Corporate Governance Report 企業管治報告

(vi) Continuous professional development

During the year ended 31 December 2021, the Company has provided regular updates to Directors on material changes to regulatory requirements applicable to the Directors and the Company and on the latest business development of the Company. The Directors confirmed that they have complied with code provision A.6.5 of the Corporate Governance Code on directors' training. During the year ended 31 December 2021, all Directors, namely Mr. LIU Libin, Mr. LIAO Yuqing, Mr. WANG Lei, Ms. ZHANG Li, Mr. LAW Yung Koon, Mr. WANG Zhihua, Mr. LUO Jianfeng, Mr. ZUO Manlun, Ms. XIE Jingyun, Mr. CHEN Mo, Mr. HO Kwan Yiu, Mr. LAM Ying Hung, Andy, Mr. LIANG Shibin and Mr. WEN Xianjun, have participated in continuous professional development by reading materials to develop and refresh their knowledge and skills in areas related to their roles, functions and duties of Directors such as corporate governance, regulatory updates and topics related to aluminium industry, and provided their respective record of training to the Company.

C. CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and the chief executive officer are segregated. Mr. LIU Libin is the chairman of the Board. The Chairman is chiefly responsible for managing the Board. Mr. LIAO Yuqing is the chief executive officer of the Company who takes charge of the supervision of the execution of the policies determined by the Board. The Chairman also chairs the Board meetings and briefs the Board members on the issues discussed at the Board meetings.

Code provision A.2.7 of the Corporate Governance Code requires the Chairman to hold meetings at least annually with the independent non-executive Directors without the presence of other Directors. During the Year, Mr. LIU Libin, the Chairman, did not hold any meeting with the independent non-executive Directors without the presence of other Directors. However, the Chairman held meetings with the independent non-executive Directors with the presence of other Directors periodically during the Year to understand their concerns, to discuss pertinent issues and to ensure that there was access to adequate and complete information. The independent non-executive Directors could have direct contacts with the Chairman after meetings if necessary.

(vi) 持續專業發展

於截至二零二一年十二月三十一日止年度，本公司已就董事及本公司適用之規管規定之重大變動以及有關本公司最新業務發展向董事提供定期更新資料。董事確認，彼等已遵守企業管治守則之守則條文第A.6.5條有關董事培訓之規定。於截至二零二一年十二月三十一日止年度，全體董事（即劉立斌先生、廖玉慶先生、王磊先生、張莉女士、羅用冠先生、王志華先生、羅建峰先生、左滿倫先生、謝景雲女士、陳默先生、何君堯先生、林英鴻先生、梁世斌先生及文獻軍先生）已透過閱讀各種資料之方式參與持續專業發展，以發展及更新有關其作為董事之角色、職能及職責之知識及技能，如企業管治、最新規管資料及鋁材行業相關資料等，並已向本公司提供彼等各自培訓記錄。

C. 主席及行政總裁

主席及行政總裁兩者角色分立。劉立斌先生為董事會主席。主席主要負責管理董事會。廖玉慶先生則為本公司行政總裁，負責監察及落實董事會釐定之政策。主席亦主持董事會會議，並向董事會成員簡介於董事會會議上商討之事項。

企業管治守則之守則條文第A.2.7條規定，主席須至少每年在其他董事並無出席情況下與獨立非執行董事舉行會議。於本年度，主席劉立斌先生概無與獨立非執行董事在無其他董事出席情況下舉行會議。然而，於本年度，主席已定期與獨立非執行董事在其他董事出席情況下舉行會議，以了解其關注、討論相關事務及確保可獲得足夠及完備的資料。如有必要，獨立非執行董事於會議結束後可直接與主席聯繫。

Corporate Governance Report 企業管治報告

D. INDEPENDENT NON-EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTORS

Each of Mr. CHEN Mo, Mr. HO Kwan Yiu, Mr. LAM Ying Hung Andy and Mr. LIANG Shibin (resigned on 4 August 2021) has been appointed for a fixed term of three years commencing from 1 April 2020 and Mr. WEN Xianjun has been appointed for a fixed term of three years commencing from 4 August 2021.

Each of Mr. ZUO Manlun and Ms. XIE Jingyun has been appointed for a fixed term of three years commencing from 1 April 2020.

The independent non-executive Directors have attended the Board meetings and provided independent judgement on the issues discussed thereat.

E. REMUNERATION OF DIRECTORS

The Company established a remuneration committee with written terms of reference in compliance with the Corporate Governance Code. During the year ended 31 December 2021, the remuneration committee comprised Mr. HO Kwan Yiu (Chairman), Mr. CHEN Mo, Mr. LAM Ying Hung, Andy, Mr. LIU Libin and Mr. LIAO Yuqing. The primary duties of the remuneration committee are to review and make recommendations to the Board on the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management.

It is the Company's policy that the remuneration package of each Director and senior management shall be determined by reference to the duties, responsibilities, experience and qualifications of each candidate.

During the year ended 31 December 2021, the remuneration committee has held one meeting, at which the remuneration committee members have reviewed and made recommendations to Board on the appointment of an executive Director and an independent non-executive Director.

D. 獨立非執行董事及非執行董事

陳默先生、何君堯先生、林英鴻先生及梁世斌先生(於二零二一年八月四日辭任)各自之固定委任年期由二零二零年四月一日開始，為期三年，而文獻軍先生之固定委任年期則由二零二一年八月四日開始，為期三年。

左滿倫先生及謝景雲女士各自之固定委任年期由二零二零年四月一日開始，為期三年。

獨立非執行董事已出席董事會會議，並就當時所商討之事項提供獨立判斷。

E. 董事薪酬

本公司已遵守企業管治守則，成立薪酬委員會，並以書面界定其職權範圍。於截至二零二一年十二月三十一日止年度，薪酬委員會由何君堯先生(主席)、陳默先生、林英鴻先生、劉立斌先生及廖玉慶先生組成。薪酬委員會之主要職責為檢討及就薪酬組合、花紅及其他應付董事及高級管理層之酬金之條款向董事會提供建議。

根據本公司政策，每名董事及高級管理層之薪酬組合須參考各候選人之職責、責任、經驗及資格而釐定。

截至二零二一年十二月三十一日止年度，薪酬委員會已舉行一次會議，薪酬委員會成員在會上審閱並就委任執行董事及獨立非執行董事向董事會提供意見。

Corporate Governance Report 企業管治報告

F. NOMINATION OF DIRECTORS

The Company established a nomination committee with written terms of reference in compliance with the Corporate Governance Code. During the year ended 31 December 2021, the nomination committee comprised Mr. LIU Libin (Chairman), Mr. HO Kwan Yiu, Mr. CHEN Mo, Mr. LAM Ying Hung, Andy and Mr. ZUO Manlun. The primary duties of the nomination committee are to make recommendations to the Board on the nominees for appointment as Directors and senior management of the Group.

During the year ended 31 December 2021, the nomination committee has held one meeting, at which the nomination committee members have reviewed and made recommendations to Board on the appointment of an executive Director and an independent non-executive Director.

According to the articles of association of the Company, one-third of the Directors are subject to retirement by rotation or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from the office and offer themselves for re-election. The Directors to be retired by rotation shall be those who have been longest in office since their last appointment. At a full Board meeting held on 26 March 2021, the Directors have reviewed the performance of the Directors who would retire at the annual general meeting of the Company held on 27 May 2021 and approved to recommend the re-election of such Directors at the aforesaid annual general meeting of the Company.

F. 提名董事

本公司已遵守企業管治守則，成立提名委員會，並以書面界定其職權範圍。於截至二零二一年十二月三十一日止年度，提名委員會由劉立斌先生（主席）、何君堯先生、陳默先生、林英鴻先生及左滿倫先生組成。提名委員會之主要職責為就提名委任為本集團董事及高級管理層之人士向董事會作出推薦意見。

於截至二零二一年十二月三十一日止年度，提名委員會成員在會上審閱並就委任執行董事及獨立非執行董事向董事會提供意見。

根據本公司之組織章程細則，三分之一董事須輪席退任，如數目並非三或三之倍數，則為最接近但不少於三分之一之整數須退任並可重選連任。將予輪席退任之董事須為自彼等上一次獲委任起計任期為最長者。在二零二一年三月二十六日舉行之董事會全體會議上，董事已檢討會於本公司在二零二一年五月二十七日舉行之股東週年大會上退任董事之表現，並批准推薦該等董事於本公司前述之股東週年大會上重選連任。



Corporate Governance Report 企業管治報告

The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognizes and embraces the benefits of diversity in the Board. The Board has adopted a Board Diversity Policy ("Board Diversity Policy") to comply with the code provisions of the Corporate Governance Code which was effective from 1 September 2013. The Company believes that a diversity of perspectives can be achieved through consideration of a number of factors including, but not limited to, skills, regional and industry experience, cultural and educational background, race, gender and other qualities. In informing its perspective on diversity, the Company will also take into account factors based on its own business model and specific needs from time to time. The composition, experience and balance of skills on the Board retains core members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring fresh perspectives and diverse experiences to the Board. The process for the nomination of Directors is led by the nomination committee, which has been made on a merit basis. A nomination policy ("Nomination Policy") was adopted on 31 December 2018 and became effective on 1 January 2019, which serves to improve the transparency of the process and criteria in selecting and recommending candidates as directors of the Company for the Board's approval from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. The Directors and the nomination committee will consider and nominate candidates according to the Nomination Policy based on objective criteria with due regard to the benefits of diversity as set out in the Board Diversity Policy, to the Board for approval. In identifying individuals and making recommendations for nominations, the nomination committee considers whether such individuals have the appropriate qualifications, ability and perspectives that would enable them to effectively fulfill their roles and responsibilities as directors of the Company. The Board will review the Board Diversity Policy and the Nomination Policy on a regular basis to ensure their continued effectiveness. During the year ended 31 December 2021, the nomination committee was satisfied with the diversity of the existing Board composition and did not, for the time being, set up any measurable objective regarding board diversity.

本公司不斷尋求提升董事會之效率及維持最高水平之企業管治，且了解及認同董事會多元化之裨益。董事會採納董事會多元化政策（「董事會多元化政策」）以符合於二零一三年九月一日生效之企業管治報告之守則條文。本公司認為多元化觀點可透過考慮若干因素而達致，包括但不限於技能、區域及行業經驗、文化及教育背景、種族、性別及其他質素。於達致於多元化觀點時，本公司亦將根據本身不時之業務模式及特別需要事宜作考慮。董事會組成、經驗及技能平衡將維持對本集團具有長期認識之核心成員以及為董事會帶來嶄新觀點及不同經驗之不時獲委任之新董事。提名委員會主導以優點為基準作出之提名董事程序。本公司於二零一八年十二月三十一日採納一項提名政策（「提名政策」），及該政策於二零一九年一月一日起生效，該政策旨在提高於甄選及推薦本公司董事候選人以供董事會不時批准以及隨時委任任何人士為董事以填補董事會臨時空缺或作為新董事方面的程序透明度及標準。董事及提名委員會將根據提名政策基於客觀標準，並經妥為計及董事會多元化政策所載之多元化之裨益後，審議及提名候選人以供董事會批准。於物色個人及就提名作出推薦意見，提名委會考慮有關個人是否擁有合適資格、能力及觀點使其能有效履行其作為本公司董事之職責及責任。董事會將定期檢討董事會多元化政策及提名政策，以確保其持續有效。於截至二零二一年十二月三十一日止年度，提名委員會信納現有董事會構成之多元，及暫時並無就董事會之多元化設立任何可衡量之目標。

Corporate Governance Report

企業管治報告

G. AUDITORS' REMUNERATION

For the year ended 31 December 2021, KPMG, the Group's external auditors, provided annual audit services and other non-audit services to the Company. A breakdown of the remuneration of the Group's external auditors is as follows:

G. 核數師酬金

於截至二零二一年十二月三十一日止年度，本集團外部核數師畢馬威會計師事務所向本公司提供年度審核服務及其他非審核服務。本集團外部核數師之酬金明細如下：

**For the year ended
31 December 2021**
截至二零二一年
十二月三十一
止年度
(RMB'000)
(人民幣千元)

Audit service

Annual audit services

Other non-audit services

(among others, for reviewing the interim
financial information of the Group)

審核服務

年度審核服務

其他非審核服務

(包括審閱本集團中期財務資料)

1,395

784

H. AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference based upon the code provisions and recommended practices of the Corporate Governance Code. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Group. During the year ended 31 December 2021, members of the audit committee comprised Mr. LAM Ying Hung, Andy (Chairman), Mr. CHEN Mo and Mr. HO Kwan Yiu, being the independent non-executive Directors, and Ms. XIE Jingyun being the non-executive Director.

H. 審核委員會

本公司已根據企業管治守則之條文及建議常規成立審核委員會，並以書面界定其職權範圍。審核委員會之主要職責為審閱及監察本集團之財務申報程序及內部監控系統。於截至二零二一年十二月三十一日止年度，審核委員會由獨立非執行董事林英鴻先生(主席)、陳默先生及何君堯先生以及一名非執行董事謝景雲女士組成。

Corporate Governance Report 企業管治報告

During the year ended 31 December 2021, the audit committee has held two meetings, at which:

- the audit committee members have reviewed and discussed with the external auditors of the Company the Group's consolidated financial statements for the year ended 31 December 2020, who is of the opinion that such statements complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures have been made;
- the audit committee have reviewed the reasonableness and fairness of the continuing connected transactions of the Company for the year ended 31 December 2020; and
- the audit committee members have reviewed and discussed with the external auditors of the Company the Group's unaudited consolidated financial statements for the six months ended 30 June 2021.

The following is the attendance record of the committee meetings held by the audit committee during the year ended 31 December 2021:

於截至二零二一年十二月三十一日止年度，審核委員會已舉行兩次會議，會上：

- 審核委員會成員已對本集團截至二零二一年十二月三十一日止年度之綜合財務報表作出審閱，並與本公司外聘核數師進行商討，其認為該報表符合適用會計準則、上市規則及法例規定，亦已作出足夠披露；
- 審核委員會亦已檢討本公司截至二零二一年十二月三十一日止年度之持續關連交易之合理性及公平性；及
- 審核委員會成員已與本公司外部核數師審閱及討論本集團截至二零二一年六月三十日止六個月之未經審核綜合財務報表。

以下為審核委員會於截至二零二一年十二月三十一日止年度舉行委員會會議之出席記錄：

| | | Attendance at meeting 會議出席率 |
|------------------------|-------|-----------------------------------|
| Mr. LAM Ying Hung Andy | 林英鴻先生 | 2/2 |
| Mr. CHEN Mo | 陳默先生 | 2/2 |
| Mr. HO Kwan Yiu | 何君堯先生 | 2/2 |
| Ms. XIE Jingyun | 謝景雲女士 | 2/2 |

I. DIRECTORS' ACKNOWLEDGEMENT

All Directors acknowledge their responsibility for preparing the accounts for the year ended 31 December 2021.

I. 董事確認

所有董事均已確認彼等編製截至二零二一年十二月三十一日止年度賬目之責任。

Corporate Governance Report 企業管治報告

J. RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibilities for maintaining a sound and effective risk management and internal control system of the Group. The Board has not established a risk management committee. Instead, the full Board is responsible for performing the risk management function, including establishing and approving the overall risk management strategies of the Group from time to time, overseeing senior management's implementation of those strategies to align with the Company's risk profile, overseeing risk management framework structure, reviewing key risks and mitigation strategies and ensuring risk management effectiveness.

A bottom-up and top-down approach is utilised to ensure a holistic risk management process. The bottom-up approach is supported by key business units to identify and prioritise risks while the top-down approach reviews and assesses if risks are comprehensively identified, prioritised, and properly addressed by key business units to accomplish the Group's objectives. The management team is regularly monitoring emerging risks for continuous risk assessment purpose and for building the risk-management based internal audit plan and periodically assesses the adequacy and effectiveness of risk management and internal controls for ongoing risk assurance purposes. This enhances the effectiveness of the Group's risk and control framework.

J. 風險管理及內部監控

董事會整體負責維持本集團穩健而有效之風險管理及內部監控系統。董事會未成立風險管理委員會。董事會整體負責行使風險管理功能，包括不時建立及通過本集團整體的風險管理戰略，監督高級管理層對該等戰略的實施以符合本公司整體的業務目標，監督風險管理框架結構，審核主要風險及緩解戰略及保障風險管理的有效性。

本集團利用自下而上及自上而下的方式，確保擁有一套完善的風險管理程序。自下而上的方式由核心業務單位支持以識別風險及確定風險評級；而自上而下的方式則檢討及評估核心業務單位於實現本集團的目標時是否已全面識別風險、為風險劃分級別及予以妥善處理。管理層團隊為持續評估風險定期監測新出現的風險，建立以風險管理為基礎的內部審核計劃，並以現時的風險擔保為目的週期性評估風險管理及內部控制的適當性及有效性。此舉提高了本集團風險及控制框架的有效性。



Corporate Governance Report 企業管治報告

The Group's risk management and internal control system is designed to reduce risks, safeguard the Group's assets, prevent and detect fraud and protect shareholders' investment as well as to ensure that proper accounting records are maintained and applicable legislation and regulations are complied with. During the year under review, through discussions with the management, the internal audit team and external auditors and with reference to a report submitted by the internal audit team and a risk assessment report prepared by a professional audit firm, the Board has conducted assessments and reviews of the effectiveness of the Group's risk management and internal control system in various perspectives, including, among others, financial control, operational and compliance controls and risk management. The risk management and internal control systems are reviewed by the Board annually and each review covers a whole financial year.

The internal audit unit of the Company, which is subordinated to the Board, formulates the internal audit plan of the Group based on the strategic objectives analysis, business flow analysis, risk assessment and performance evaluation and the self-inspection mechanism with comprehensive risk management functions under the authority of the Board and the guidance of the audit committee. It regularly reports to the audit committee and the Board for its audit findings and recommendations on internal control. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

本集團設立風險管理及內部監控系統，旨在減低風險、保障本集團資產、防止及偵查欺詐及保障股東權益，確保維持適當會計記錄，遵守合適法規及規例。於回顧年度，董事會透過與管理層、內部審計團隊及外聘核數師進行討論，及參考內部審計團隊所呈交報告及由專業審計公司編製的風險評估報告，來評估與在各不同角度檢討本集團風險管理及內部監控系統之有效性，其中包括財務監控、營運與合規監控以及風險管理。風險管理及內部控制系統每年由董事會審核且每次審核覆蓋整個財政年度。

本公司內部審計單位——稽核室隸屬董事會，在董事會之授權範圍內及審核委員會指導下，透過戰略目標分析、業務流程分析、風險評估、績效衡量，結合全面風險管理的內部控制自查機制，擬定本集團內部稽核工作計劃，並定期就查核結果與內控建議向審核委員會及董事會匯報。該系統旨在就重大錯誤陳述或損失提供合理而非絕對之保障，並管理而非完全消除本集團營運系統失效之風險，以達致本集團之業務目標。

Corporate Governance Report 企業管治報告

During the year under review, the internal audit unit of the Company continuously optimized job responsibilities and functions of different departments according to the annual audit plan approved by the Board. Such audit work covered financial, operation, statutory compliance and connected transactions, etc., of the Group. During the year under review, the Board has reviewed the effectiveness of the Group's risk management and material internal controls system. Based on information furnished to it and on its own observations, the Board is satisfied with the present risk management and internal control systems of the Group and considers them effective and adequate. During the year under review and up to the date of this annual report, nothing has been found which requires substantial improvement.

The Company has formulated policies on information disclosure and regularly reminded Directors and employees to properly comply with relevant policies on inside information while notifying the Directors (who are also the senior management of the Group) and employees the latest guidance announced by the regulatory body on such information disclosure from time to time to keep all of them abreast of the latest information.

於回顧年度，本公司稽核室在不斷完善部門崗位職責之前提下，遵循董事會通過之年度稽核計劃，對本集團進行項目審計，審計範圍涵蓋財務、營運、法規遵循以及關連交易等。於回顧年度，董事會已檢閱本集團的風險管理及重大內部監控系統。根據董事會所獲得資料及其本身觀察，董事會滿意本集團現行之風險管理及內部監控系統及認為該系統是有效及充分。於回顧年度及截至本年報日期，並無發現有重大事項需要改進。

本公司已制定信息披露政策，並定期提醒董事及員工適當遵守內幕消息的相關政策，並會不時知會董事（彼等亦為本集團的高級管理層）及員工有關監管機構公佈的上述信息披露最新指引，以令彼等全體獲得最新的資訊。

K. CORPORATE GOVERNANCE FUNCTIONS

The Board has taken up the corporate governance functions in accordance with code provision D.3.1 of the Corporate Governance Code and has reviewed the Company's policies and practices on corporate governance and compliance; has reviewed and monitored the training and continuous professional development of the Directors and senior management of the Company; has reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements; and has reviewed the Company's compliance with the Corporate Governance Code during the Year as well as the disclosures in this Corporate Governance Report.

K. 企業管治職能

董事會根據企業管治守則之守則條文第D.3.1條負責企業管治職能，並已審閱本公司企業管治及遵例方面之政策及常規；審閱及監察董事及本公司高級管理層之培訓及持續專業發展；審閱及監察本公司遵守法定及規管規定之政策及常規；以及審閱本公司於本年度遵守企業管治守則之情況及於企業管治報告中之披露。

Corporate Governance Report 企業管治報告

L. COMPANY SECRETARY

Since 2 February 2021, Mr. Pang Wai Ching was the company secretary of the Company ("Company Secretary"). In delivering his service as Company Secretary, Mr. Pang directly reported to the Chairman. Mr. Pang has confirmed that for the year under review, he has taken no less than 15 hours of relevant professional training.

M. SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

Pursuant to article 64 of the Company's articles of association, any one or more shareholder(s) holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself(theyselfs) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company. The written requisition must state the objects of the meeting, and must be signed by the relevant shareholder(s) and deposited to the Company Secretary at the Company's principal place of business, which is presently situated at Unit 605, 6/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong. Any shareholder enquiry may be directed to the Board through the Company Secretary by sending to the Company's principal place of business in Hong Kong.

L. 公司秘書

自二零二一年二月二日起，彭偉正先生為本公司公司秘書（「公司秘書」）。於作為本公司之公司秘書提供其服務時，彭先生直接向主席報告。彭先生確認彼已於回顧年度接受不少於15小時之相關專業培訓。

M. 股東權利及投資者關係

根據本公司之組織章程細則第64條，任何一名或以上之股東，倘於提交要求日期，持有本公司繳足股本（附有股東於本公司股東大會上之投票權）不少於十分之一，則有權隨時向董事會或本公司秘書提交書面要求，要求董事會召開股東特別大會，以處理該要求書中指明之任何事宜，而該大會應於提交該要求書後兩個月內舉行。倘於提交書面要求後21日內，董事會未能落實召開該大會，則提出要求之人士可以相同方式自行召開大會，而因董事會未能應要求行事而導致提出要求之人士產生之所有合理費用，應由本公司向其歸還。書面要求須載明大會目的，且須由有關股東簽署及送交公司秘書，地址為本公司之主要營業地點，其現時位於香港九龍尖沙咀東部麼地道62號永安廣場6樓605室。任何股東可透過公司秘書以寄往本公司之香港主要營業地點之方式直接向董事會查詢。

Corporate Governance Report

企業管治報告

There is no provision allowing shareholders to put forward proposals at the general meeting under the Company's articles of association or under the Companies Act, Chapter 22 of the Laws of the Cayman Islands (Act 3 of 1961, as consolidated and revised). Shareholders may follow the procedures set out above to convene an extraordinary general meeting for any business specified in such written requisition.

During the year ended 31 December 2021, there was no change in the Company's constitutional documents.

本公司之組織章程細則或根據開曼群島法例第22章公司法(一九六一年第3號法例，經綜合及修訂)並無准許股東於股東大會提呈建議之條文。股東可按上文所載程序召開股東特別大會，以處理有關書面要求中指明之任何事項。

截至二零二一年十二月三十一日止年度，本公司之公司組織章程文件並無變動。

On behalf of the Board of Directors

LIU Libin
Chairman

Foshan China, 25 March 2022

代表董事會

主席
劉立斌

中國佛山，二零二二年三月二十五日



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

1 ABOUT THIS REPORT

1.1 Basis of Preparation

This 2021 Environmental, Social and Governance (“ESG”) Report of Xingfa Aluminium is prepared in accordance with the requirements of the “Environmental, Social and Governance Reporting Guide” of The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”), covering the reporting period from 1 January 2021 to 31 December 2021 (the “Year” or “Reporting Period”). This report is prepared in Chinese and the English version is the translation version. If there is any discrepancy between Chinese and English, the Chinese version shall prevail. Unless otherwise stated, the denominated currency in the report is in Renminbi. For the content of corporate governance, please refer to the Corporate Governance Report in the 2021 annual report of the Group.

1.2 Reporting Principle

This report is prepared in compliance with the Environmental, Social and Governance Reporting Guide (hereinafter referred to as the “Guide”) set out in Appendix 27 to the Rules Governing the Listing of Securities of the Hong Kong Stock Exchange. It complies with the reporting principles regarding “materiality”, “quantitative”, “consistency” and “balance”, and discloses in detail the concept, practice and performance of Xingfa Aluminum in terms of ESG. In order to enhance the completeness and comparability of the report, some previous or recent related activity reports are also included.

1 關於本報告

1.1 編製基礎

本報告是興發鋁業2021年度環境、社會及管治(ESG)報告，依據香港聯合交易所有限公司(「香港聯交所」)《環境、社會及管治報告指引》的要求編製，報告期間為2021年1月1日至2021年12月31日(「本年度」或「報告期」)。本報告以中文編製，英文版為譯本，如中、英文有任何不符之處，概以中文為準。報告涉及金額如無特別說明，均以人民幣為計量單位。有關企業管治的內容，請參閱本集團2021年年報中的《企業管治報告》。

1.2 報告準則

本報告按照香港聯交所證券上市規則附錄二十七《環境、社會及管治報告指引》(下稱《指引》)編製而成。本報告秉承重要性、可量化、平衡性及一致性的原則，詳細披露了興發鋁業在ESG方面的理念、實踐和績效。為提高報告完整性及可比性，也包含一部分之前或最近的一些相關活動報告。

Environmental, Social and Governance Report

環境、社會及管治報告

1.3 Scope of the Report

The subject of this report covers the core business of Xingfa Aluminium Holdings Limited and its subsidiaries, including the manufacture and sale of construction aluminium profiles and industrial aluminium profiles. This report focuses on reporting the environment and social policies relating to the Group's core business during the Reporting Period. The board of directors of Xingfa Aluminium is fully responsible for the Group's sustainable development strategy, its reporting and risk management. During the Reporting Period, we addressed our important environmental and social issues using the same key performance indicators (KPIs) as in 2020, and the disclosures regarding the KPIs of environmental and social issues only cover four subsidiaries located in Sanshui, Chengdu, Jiangxi and Henan, and Precision Manufacturing Company.

1.4 Information and Feedback

We value your suggestions or opinions in seeking constant improvement. If you have any comments about this report, please contact us in the following ways:

Address : No. 5, Zone D, Central Science and Technology Industrial Park, Sanshui District, Foshan City, Guangdong Province

Telephone : 0757-85332727

E-mail : xingfazhb@126.com

1.3 報告範圍

本報告的主體範圍為興發鋁業控股有限公司及下屬子公司的核心業務，包括建築鋁型材和工業鋁型材的製造及銷售。本報告著重於匯報報告期內與本集團核心業務相關的環境和社會政策。興發鋁業董事會對本集團的可持續發展戰略和報告及風險管理負全面責任。報告期內，我們披露了有關重要環境和社會議題的關鍵績效指標，當中環境議題的關鍵績效指標涵蓋了位於三水、成都、江西、河南的四間附屬公司以及精密製造公司。

1.4 信息及反饋

我們重視閣下提出的建議或意見，以不斷求進。若閣下對本報告有任何意見，歡迎通過以下方式與我們聯繫：

地址：廣東省佛山市三水區中心科技工業園D區5號

電話：0757-85332727

電郵：xingfazhb@126.com



Environmental, Social and Governance Report

環境、社會及管治報告

2 SUSTAINABLE DEVELOPMENT MANAGEMENT

2.1 Sustainable Development Strategy

The United Nations Sustainable Development Goals (UN SDGs), as the only current UN guidance on sustainable development issues, provide guidance for businesses: to achieve their own sustainable development while promoting the sustainable development of society. The UN SDGs include 17 main goals and 169 targets covering the global challenges facing society today, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice. The Group puts relentless efforts to practice corporate social responsibility to facilitate sustainable development. During the Year, the Group was committed to creating value in four major aspects, including "Striving for Perfection and Pursuit of Excellence", "Protecting the Environment, Co-existing and Co-prosperity", "Human-oriented, Sincerity and Trustworthy" and "Community Participation and Sharing", endeavour to respond to the UN SDGs. While adhering to the corporate mission of "let aluminium industry bring excellence for better human life", we formulated the sustainable development strategy, which covered the followings:

2 可持續發展管理

2.1 可持續發展策略

聯合國可持續發展目標(UN SDGs)作為聯合國目前在可持續發展問題上的唯一指導性意見，為企業提供了指引：在實現自身可持續發展的同時，促進社會的可持續發展。UN SDGs包括17項主要目標和169項具體目標，涵蓋了當今社會面臨的全球挑戰，包括與貧困、不平等、氣候、環境退化、繁榮以及和平與正義有關的挑戰。本集團不懈努力踐行企業社會責任，以推動可持續發展。本年度，本集團矢志在四大範疇創造價值，致力響應UN SDGs，包括「精益求精 追求卓越」、「保護環境 共生共榮」、「以人為本 以誠取信」及「社區參與 共同分享」。我們在秉持「讓鋁業為人類美好生活添精彩」企業使命的同時，也制定了可持續發展策略，涵蓋以下內容。

Sustainable Development Strategy

可持續發展策略

Strategic Objectives 戰略目標

UN SDGs

所響應的 UN SDGs 目標

Striving for Perfection and Pursuit of Excellence

精益求精 追求卓越

Adhering to the vision of "creating excellence in Xingfa as a century-old brand", strengthening technological innovation, developing high-tech products, and accelerating the industrialization of patented products
秉承「創卓越興發、建百年品牌」興發願景，強化技術創新，開發高科技產品，加快專利產品產業化

Goal 3: Good Health and Wellbeing
Goal 12: Responsible Consumption and Production

目標3：良好健康與福祉
目標12：負責任消費和生產



Environmental, Social and Governance Report

環境、社會及管治報告

Sustainable Development Strategy

可持續發展策略

Strategic Objectives

戰略目標

UN SDGs

所響應的 UN SDGs 目標

Protecting the Environment, Co-existing and Co-prosperity

保護環境
共生共榮

While consolidating Xingfa products, we are committed to protecting the environment and leading the green production in the industry
在鞏固興發產品的同時，致力打造保護環境，引領行業綠色發展

Goal 7: Affordable and Clean Energy
Goal 13: Climate Action
目標 7：經濟適用的清潔能源
目標 13：氣候行動



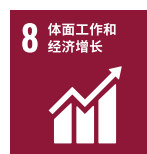
Human-oriented, Sincerity and Trustworthy

以人為本
以誠取信

Adhering to the talent concept of "Human-oriented, Sincerity and Trustworthy", constantly optimizing the talent management model, and building an excellent management team

秉承「以人為本以誠取信」的人才觀，不斷優化人才管理模式，打造優秀的管理團隊

Goal 1: No Poverty
Goal 8: Decent Work and Economic Growth,
Goal 10: Reduced Inequalities
目標 1：無貧窮
目標 8：體面工作和經濟增長
目標 10：減少不平等



Environmental, Social and Governance Report

環境、社會及管治報告

Sustainable Development Strategy

可持續發展策略

Strategic Objectives

戰略目標

UN SDGs

所響應的 UN SDGs 目標

Community

Participation and Sharing

社區參與

共同分享

In the critical period of fighting against COVID-19, we are actively ensuring the safety of staffs, giving back to community, and working with all parties to achieve growth and win-win situation

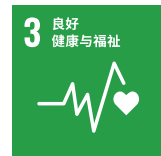
在抗疫的關鍵時期在積極保障員工的安全，回饋社區，攜手各方實現成長共贏

Goal 3: Good Health and Wellbeing

Goal 11: Sustainable Cities and Communities

目標 3：良好健康與福祉

目標 11：可持續城市和社區



Environmental, Social and Governance Report

環境、社會及管治報告

2.2 Stakeholder Engagement

The Group attaches great importance to the communication with stakeholders. By actively identifying stakeholders, the Group constantly improves various communication mechanisms. Through active and effective communication, the Group interacts with internal and external stakeholders such as customers, governments, partners, staffs, and regulatory agencies to improve the relationships. Based on an in-depth understanding of the expectations and requirements of stakeholders, the Group incorporates their concerns and requirements into the Company's sustainable development issues, and actively responds with practical actions to strive for the common growth with stakeholders. During the Year, we continued to engage regularly with key stakeholder groups in a variety of formats to ensure we communicate effectively on topics of stakeholder concern.

2.2 利益相關方溝通

本公司充分尊重和維護利益相關者的合法權益，主動識別各利益相關方，不斷完善各項溝通機制，通過積極有效的溝通方式，努力實現股東、員工、社會等各方利益的協調平衡，共同推動公司持續、健康、穩定的發展。在深入了解利益相關方期望與訴求的基礎上，本公司將利益相關方的關切與訴求納入公司可持續發展議題，並以實際行動積極回應，治理與利益相關方共同成長。本年度，我們繼續以各種形式定期與主要利益相關群體接觸，以確保我們在利益相關方關注議題上的有效溝通。

| Stakeholder category 利益相關方類別 | Main expectations 主要期望 | Main communication methods 主要溝通方式 |
|---|---|---|
| Staffs 員工 | Equal opportunities 平等機會 Salary and benefits 薪酬福利 Occupational health and safety 職業健康與安全 Employee Development 員工發展 | Intranet 公司內聯網 Training and employee activities 培訓及員工活動 Trade union and workers' congress 工會及職工代表大會 Various seminars 各類座談會 |
| Governments and regulatory institutions 政府和監管機構 | Compliance operation 合規運營 Tax compliance 依法納稅 Job creation 創造就業 Promote local economic development 促進地方經濟發展 | Regular reporting 定期匯報 Supervision and inspection 監督檢查 |

Environmental, Social and Governance Report

環境、社會及管治報告

| Stakeholder category 利益相關方類別 | Main expectations 主要期望 | Main communication methods 主要溝通方式 |
|---|---|---|
| Investment institutions/shareholders 投資機構／股東 | Corporate governance 公司治理 Shareholders' equity 股東權益 Information disclosure 信息披露 Risk management and control 風險管控 | Company announcements 公司公告 General meetings 股東大會 Roadshow and reverse roadshow 路演及反向路演 Strategy meeting 策略會 Email, telephone, WeChat and corporate website 電郵、電話、微信及公司網站 |
| Suppliers/outsourced producers 供應商／外包生產商 | Integrity 誠信履約 Mutual benefit for win-win results 互利共贏 | Bidding and tender 招投標 Review and evaluation meeting 審查與評估會 Regular communication 定期交流溝通 Email, telephone, WeChat and corporate website 電郵、電話、微信及公司網站 |
| Customers 客戶 | Brand influence 品牌影響力 Product quality 產品質量 Service standard 服務水平 Customer opinion 客戶意見 | Customer opinion survey 客戶意見調查 Customer centre and hotline 客服中心和熱線 Customer visit 客戶拜訪 Exhibition fairs 展覽會 |

Environmental, Social and Governance Report

環境、社會及管治報告

| Stakeholder category 利益相關方類別 | Main expectations 主要期望 | Main communication methods 主要溝通方式 |
|---------------------------------|---|--|
| Industry 行業 | Comply with industry regulations 遵守行業規範 Promote industry development 促進行業發展 Industrial innovation 產業創新 | Industry forums and exchanges 行業論壇和交流會 Site visit 實地到訪參觀 Research 調研 |
| Media 媒體 | Information disclosure 信息公開 Social contributions 社會貢獻 | Result announcement conference 業績發佈會 Media open day 媒體開放日 Special report 專題報道 |
| Local community 當地社區 | Support public welfare 支持公益事業 Create a harmonious community 營造和諧社區 | Community activities 社區活動 |



Environmental, Social and Governance Report

環境、社會及管治報告

2.3 Materiality Assessment

In 2020, we conducted online questionnaire surveys through an independent third-party institution to identify the important ESG issues of concern to us and our stakeholders. This year, we have updated the important issues based on the 2020 results, the latest industry trends, peer company practices, Sustainability Accounting Standards Board (SASB) industry topics and the focus of ESG-related rating criteria. The following sets out the degree of importance of various issues identified from the Group's materiality assessment during the Year:

2.3 重要性議題評估

在2020年度，我們在獨立第三方機構的協助下開展了ESG重要議題在線問卷調查，識別出對企業和利益相關方均有較大影響的重要性議題。本年度，我們以2020年的結果為基礎，依據最新的行業趨勢、同業公司實踐、可持續會計準則委員會(SASB)行業議題及ESG相關評級標準的重點關注內容，更新了重要性議題。本年度，本集團重要性評估得到的議題重要性結果如下：

| Important ESG issues 重要性議題 | Overview 議題概述 |
|--|---|
| Greenhouse Gas Emissions 溫室氣體排放 | Management measures to reduce greenhouse gas emissions (e.g., carbon dioxide, methane, etc.) and mitigate global warming during the operation 興發在營運過程中為減少溫室氣體(例如：二氧化碳、甲烷等)排放、緩解全球變暖而採取的管理措施 |
| Exhaust Emissions and Management 廢氣排放及管理 | The impact of air pollutants (e.g., nitrogen oxides, sulphur oxides, particulates, volatile organic compounds, etc.) emitted during the operation on the ecological environment and human health, and the mitigation measures taken to reduce their impact 興發在營運過程中所排放的空氣污染物(例如：氮氧化物、硫氧化物、顆粒物、揮發性有機物等)對生態環境及人類健康的影響，以及為減低其影響而採取的減排措施 |
| Waste Management 廢棄物管理 | The methods of handling hazardous and non-hazardous waste during the operation and the waste reduction measures taken to minimise the impact on the ecology and human health 興發在營運過程中處理有害及無害廢棄物的方法，以及為減低對生態環境及人類健康造成影響而採取的減廢措施 |
| Use of Energy 能源使用 | Energy management measures taken to reduce energy consumption and enhance energy efficiency in its operations (e.g., reducing the use of dyes, electricity, heating, steam, etc.) 興發在營運過程中為減少能源消耗、提升能源使用效益而採取的能源管理措施(例如：減少使用染料、電力、暖氣、蒸汽等) |

Environmental, Social and Governance Report

環境、社會及管治報告

| Important ESG issues 重要性議題 | Overview 議題概述 |
|---|--|
| Wastewater Discharge and Management 廢水排放與管理 | <p>The impact of water pollutants (e.g. heavy metals, ammonia, nitrogen, organic matter, etc.) discharged during the operation on the surrounding water bodies and ecology, and the mitigation measures taken to reduce the impact</p> <p>興發在營運過程中所排放的水污染物(例如：重金屬、氨氮、有機物等)對周遭水體及生態的影響，以及為減低其影響而採取的減排措施</p> |
| Use of Water Resources 水資源使用 | <p>Water conservation measures taken to consume water reasonably and enhance water efficiency in the course of its operation</p> <p>興發在營運過程中為合理消耗水資源、提升用水效益而採取的節水措施</p> |
| Land Resources and Their Impact on Biodiversity 土地資源及其對生物多樣性的影響 | <p>The impact of the operation on land resources and its impact on biodiversity (e.g., diversity of micro-organisms, flora and fauna) and the measures taken to mitigate its impact</p> <p>興發在營運過程中對土地資源及其對生物多樣性(例如：微生物、植物群和動物種類的多樣性)的影響，以及為減低其影響而採取的措施</p> |
| Environmental Compliance 環境合規 | <p>Environmental compliance in the operation and identification of areas for improvement (e.g. whether all environmental permits required by laws and regulations are in place and in compliance with the relevant legal and regulatory requirements)</p> <p>興發在營運過程中在環境方面的合規情況，並且識別出可以改進的空間(例如：是否持有所有法律法規所規定的環境許可證並符合相關的法律、法規要求等)</p> |



Environmental, Social and Governance Report

環境、社會及管治報告

| Important ESG issues 重要性議題 | Overview 議題概述 |
|--|---|
| Human and Labour Rights 人權及勞動權益 | Xingfa Aluminium's role in upholding basic human rights protections (e.g., religion, basic human rights protections such as prevention of child labour and forced labour, trade union organisation and a living wage (a wage level sufficient to cover the basic living expenses) 興發在維護基本人權保護(例如：宗教、基本人權保護如防止童工及強制勞工、以至工會組織及生活工資(足以應付生活所需的基本開支的工資水平)等勞工權益) |
| Occupational Health and Safety 職業健康與安全 | To protect the occupational safety of our employees, provide a suitable working environment, and promote their physical and mental health 興發為保障員工的職業安全，提供合適的工作環境，以及促進其身心健康 |
| Anti-corruption 反貪污 | Policies and controls in place to prevent bribery, extortion, fraud and money laundering (e.g. anti-corruption training, effective awareness and reporting mechanisms, etc.) in our daily operations and procurement processes 興發於日常營運及採購等過程總所推行的防止賄賂、勒索、欺詐及洗黑錢等方面的政策及拘束(例如：舉行反貪腐培訓，有效的防範意識及舉報機制等) |

Environmental, Social and Governance Report

環境、社會及管治報告

3 STRIVING FOR PERFECTION AND PURSUIT OF EXCELLENCE

3.1 Smart Manufacturing with Craftsman's Spirit

The Group takes full implementation of the State Council's "Quality Development Outline (2011–2020)" and "National 13th Five-Year Plan for Safe Production" as its primary mission. The Group abides by the ISO 9001 quality management system, government recognized laboratory management system, measurement and certification management system, military certification system and other systems. Our requirements for product quality are higher than industry average. We introduced world-advanced production equipment to optimize the physical and chemical properties of our products. The introduction of lean manufacturing has not only improved productivity, but has also reduced the number of workers, reduced staff workload and reduced costs.

The followings are the progress made by the companies in performing lean works during the Year:

- Lean specialists in each workshop of the Jiangxi Company conducted at least one lean work education session and summary of unsafe behaviours once a week;
- The workshops of the Jiangxi Company redrew and repositioned the site, added various types of alarms and other safety equipment, used site equipment markings, position warning signs and responsibility area signs, etc.;
- The Equipment Department of Jiangxi Company solved more than 200 problems of "evaporating, emitting, dripping or leaking of liquid or gas" and more than 600 problems of "electric cabinet lines", and carried out 19 TPM training sessions;
- The Henan Company's aluminium ash separator was updated to improve the recovery rate of aluminium in the melting slag, reduce electricity consumption, etc.;

3 精益求精 追求卓越

3.1 匠心製造

本集團以全面貫徹國務院《質量發展綱要(2011–2020)》和《安全生產「十三五」規劃》為首要目標任務，嚴格遵守ISO 9001質量管理體系、國家認可實驗室管理體系、計量認證管理體系、軍工認證體系等體系，對產品質量的要求高於行業平均標準。我們通過引進世界先進生產設備，優化產品的物理性能及化學性能優越。精益生產的推行不僅提高了生產效率，而且減少了用工人數、降低了員工勞動強度，縮減了成本支出。

本年度，以下為各公司在精益工作上的部分進展：

- 江西公司的各車間精益專員每周至少要進行一次精益宣導、一次不安全行為的總結，以案示警；
- 江西公司的各車間對現場重新劃線定位，加裝各類報警器等安全設備，補充使用現場設備標識各崗位警示牌和責任區域牌等；
- 江西公司的設備部解決「跑冒滴漏」問題200餘項，「電櫃線路」問題600餘項，開展TPM學習19場次；
- 對河南公司的鋁灰分離機進行了更新換代，提高熔煉渣中鋁的回收率、降低電耗等；

Environmental, Social and Governance Report

環境、社會及管治報告

- The Precision Manufacturing Company set quality control plans for each model of high precision products and arranged training to implement them, established a one-person-one-file system for customer complaints, rework and repainting, quality process violations, etc., and initially built a quality file system for employees;
- The Precision Manufacturing Company streamlined operation of the wrapping process to improve productivity; and
- The subsidiaries upgraded automated and semi-automated equipment.

In order to regulate the quality inspection and evaluation of engineering projects, improve the engineering management standard, and reduce quality and safety risks, we strictly control the process quality. We had quality control points in every segment from casting, extrusion, molds, surface treatment to ex-warehouse delivery, and continue to improve while preventing defective products from flowing into the next process. We also strictly controlled every detail of the operation process, carefully checked whether there were quality problems such as grooves, rough lines, and scratches on profile surface, and check the profile angle and flatness through square ruler.

We fully implement the "Product Quality Management Manual", "Quality Department Management Plan", "QUASCAP Pearlescent Electrophoresis Profile Inspection Regulations" and "Internal Control Standards", emphasize product quality management, and strive to provide customers with satisfactory products, protect the ecological environment and maintain staff safety and health. The general manager of the Company holds a dealer meeting every year and visits key customers on an ad hoc basis every month to solicit opinions from customers on product quality and improvement.

In order to manage the recycling and processing of faulty products, we implement the "Control Procedure on Faulty Products" and the "Bad Quality Behaviour, Process Specification Supervision and Deduction Treatment System". During the Reporting Period, the Group did not violate any laws and regulations related to product liability.

- 精密製造公司要求對高精產品每個型號的質量控制必須定出質量控制計劃，並加以培訓實施，對客戶投訴、返工返噴、質量工藝違規等建立質量一人一檔制度，初步構建員工質量檔案制度；
- 精密製造公司精簡了包料工序的操作，提高生產效率；及
- 各分公司更新自動化及半自動化設備。

為規範工程項目的質量檢查和評估，提高工程管理水平，減低質量和安全風險，我們嚴格控制過程質量，從熔鑄、擠壓、模具、表面處理到出倉發貨的各個環節均設有質量控制點，杜絕不良品流入下個工序的同時持續改進。此外，我們亦嚴控作業過程的每個細節，細致檢查型材表面是否存在拉溝、粗紋、拉傷等質量問題，並通過角尺對型材角度對平面度進行檢查。

我們全面實施《產品質量管理手冊》、《質量部管理方案》、《QUASCAP珠光電泳型材檢驗規程》及《內控標準》，強調產品質量管理，致力為顧客提供滿意的產品、保護生態環境以及維護員工安全與健康。公司總經理每年召開一次經銷商會議，每月不定期走訪重點客戶，廣泛征求客戶對產品質量以及改進方面的意見。

為管理不合格產品的回收處理，我們實施《不合格品控制程序》及《不良質量行為、工藝規範監督和扣罰處理制度》。報告期內，本集團未發生任何違反有關產品責任的法律及規例的行為。

Environmental, Social and Governance Report

環境、社會及管治報告

3.2 Research and Development and Innovation

The Group has all along been committed to building core enterprise competitiveness by enhancing its technological innovation capabilities. Since its inception, the Group has obtained more than 1,700 domestic and foreign patents, providing over 200,000 product specifications and models covering all major areas of aluminum alloys, provides aluminum products and engineering solutions relating to door, window and curtain wall systems in construction, electronic equipment, mechanical equipment, rail transportation, aerospace, and ships etc. With our strong research and development capabilities and persistent pursuit of excellent quality, a wide and stable sales network has been established in China and globally in the past over 30 years, so as to meet the needs of global customers for high-quality products. During the Year, Xingfa Aluminum obtained 9 invention patent, 66 utility new models, and 145 appearance patents.

Furthermore, the Company conducts Industry-University-Research collaboration with universities and research institutes. Xingfa Aluminum, Guangdong Institute of Intelligent Manufacturing, Guangdong Institute of Materials and Processing under Guangdong Academy of Sciences, Central South University and Guangdong University of Technology jointly carried out the major special project of “Chip, Software and Computing” (software and computing category) of Guangdong Provincial Key Area R&D Program, “R&D and Application Demonstration of Series Industrial Software for Aluminum Extrusion Process Control”. The Jiangxi Company jointly developed a key research and development project, “Key technology development and industrialization of high-strength and corrosion-resistant rare earth aluminum alloys for automobiles”, with South China University of Technology and Foshan University. In addition, the Jiangxi Company co-operated with South China University of Technology to carry out the Jiangxi Provincial Technology Innovation Guidance Science and Technology Project “Microalloying of High-Strength Weldable 7xxx Aluminum Alloys and Research on Key Technologies of Friction Stir Joining” and other projects to promote the transformation and industrialization of scientific and technological achievements.

3.2 研發與創新

本集團一直致力通過提升技術創新能力來打造企業的核心競爭力。自成立而來，本集團獲得超過1,700項國內外專利的授權，提供覆蓋鋁合金各大領域的20多萬種產品規格型號，涉及建築門窗幕牆系統、電子設備、機械裝備、軌道交通、航天航空、船舶等領域的鋁型材產品和工程解決方案，憑藉強大的研發能力及對卓越品質的執著追求，在過去30多年裡在中國及世界各地建立了廣泛而穩定的銷售網絡，滿足全球市場客戶對高品質的需求。本年度，興發鋁業獲得發明專利9項、實用新型專利66項、外觀設計專利145項。

再者，公司與各大高校、科研院所開展產學研合作實踐。興發鋁業與廣東省智能製造研究所、廣東省科學院材料與加工研究所、中南大學、廣東工業大學等聯合開展了廣東省重點領域研發計劃「芯片、軟件與計算」（軟件與計算類）重大專項《鋁型材擠壓工藝過程管控系列工業軟件研發及應用示範》；江西公司與華南理工大學及佛山科學技術學院聯合開展了江西省重點研發計劃重點項目《新能源汽車車身用高強耐蝕可焊鋁合金新材料及其關鍵制備技術研究》；江西公司與華南理工大學聯合開展了江西省技術創新引導類科技項目《高強可焊7xxx系鋁合金的微合金化及其攪拌摩擦連接關鍵技術研究》等項目合作，推進科技成果轉化和產業化。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group highly values intellectual property rights management, and in accordance with the requirements of the "Enterprise Intellectual Property Management" (GB/T 29490-2013) issued by National Intellectual Property Administration (CNIPA), we passed the "Enterprise Intellectual Property Management" system certification in the year. We formulate rules and regulations, including the "Company Intellectual Property Rights Management System", "Patent Management System", "Trademark Management System", "Intellectual Property Rights Training Measures", "Scientific Research Project Management System" and "Intellectual Property Rights Strategic Planning Programme", so as to strengthen the promotion of patent laws and regulations, the popularization of patent knowledge, patent training, patent application and protection.

3.3 Products and Services

The Group always values the rights and satisfaction of customers. Apart from satisfying customers' demands for high-quality products, the Group also focuses on providing timely and effective services to customers to solve their problems. The Group's sales network covers China nationwide, and we are committed to building a customer service management mechanism through various customer service channels, including customer opinion surveys, customer service centers and hotlines, customer visits, exhibitions and large-scale reception activities such as super factories. At the same time, we have established an enquiry method enabling a quick search on sales outlets locations on the Company's website, and provide online messages, dealer portal website, anti-counterfeiting enquiry and other options.

與此同時，本集團亦十分重視知識產權管理，按照國家知識產權局頒佈的《企業知識產權管理規範》(GB/T 29490-2013)要求，通過了《企業知識產權管理規範》體系認證。我們制定《公司知識產權管理制度》、《專利管理制度》、《商標管理制度》、《知識產權培訓辦法》、《科研項目管理制度》及《知識產權戰略規劃方案》等規章制度，旨在強化專利法規宣傳、專利知識普及、專利培訓、專利申請與保護等工作。

3.3 產品與服務

本集團始終重視客戶的權益及滿意度。除了滿足客戶對高質量產品需求，本集團亦注重通過為客戶提供及時有效的服務，解決客戶問題。本集團的銷售網絡遍佈全國，我們致力於透過各客戶服務渠道包括客戶意見調查、客服中心及熱線、客戶拜訪、展覽會及超級工廠類的大型接待活動等來構建客戶服務管理機制。同時，我們於公司網站建立了快速搜索各地銷售網點的查詢方式，並提供在線留言、經銷商門戶網站、防偽查詢等選項。

Environmental, Social and Governance Report

環境、社會及管治報告

In order to standardize customer service management and improve customer service quality, we provide the following after-sales service undertakings in our tender contracts:

- After receiving the customer's quality feedback, Xingfa Aluminium will respond within 24 hours or dispatch service staff to the site as soon as possible for after-sales service until the customer is satisfied;
- Xingfa Aluminium will send technicians to the site to provide technical guidance services when needed;
- If there is any damage caused by the quality of the materials provided by Xingfa Aluminium, such materials will be replaced free of charge;
- Actively participate in engineering co-ordination meetings organised by customers, strictly implement meeting minutes or signed agreements between the parties, and pay return visits regularly to understand the use of materials by users;
- After the contract is fulfilled, Xingfa Aluminium undertakes to continue provide users with the relevant technical services and answer users' inquiries at any time;
- Xingfa Aluminium will further improve its services, and implement timely service, advanced service, full-process service, and high-quality service throughout the entire product manufacturing and installation process.

為規範客戶服務管理，提高客戶服務質量，我們於中標合同材料中的售後服務做出如下承諾：

- 接到客戶的質量問題反映後，興發會在24小時內做出答覆或派出服務人員，以最快的速度到達現場進行售後服務，直至客戶滿意；
- 確實有需要時興發將派出技術人員到現場進行技術指導服務；
- 如有因興發所供材料質量因素造成的損壞，將免費給予更換；
- 積極參加客戶組織的工程協調會，嚴格執行雙方達成的會議紀要或簽訂的協議，定期回訪，了解用戶對材料的使用情況；
- 合同履行完結後，興發承諾仍將向用戶提供相關技術服務，隨時解答用戶的詢問；
- 興發將進一步做好服務工作，把及時服務、超前服務、全過程服務、優質服務貫徹在產品製造、安裝的全過程。



Environmental, Social and Governance Report

環境、社會及管治報告

3.4 Information Security and Privacy Protection

The Group attaches great importance to information security and customer privacy protection, strict compliance with relevant national and local laws and regulations. The Group is the first enterprise in the industry to apply the “ERP modern management information network project”, and passed the “Integration of Informatization and Industrialization Management System Assessment” in 2017.

The Group also regulates the collection and preservation of customer information. For software that may contain customer information, customer's private information will be encrypted, and relevant records will be kept for customer information operation purpose only.

We combined Xingfa Aluminium's informatization and digitalization standard, utilize multiple information systems, adopt new cloud computing, big data, Internet of Things, mobile 5G and other new technologies, integrate smart profile WMS, automated material three-dimensional warehouse, automated mold three-dimensional warehouse, energy information integrated management platform, production equipment data acquisition and the comprehensive performance analysis platform and strive to promote the construction of big data to ensure the continuous improvement of the Group's operational efficiency and overall management standard.

We are committed to protecting customer personal privacy and attaching great importance to information security and customer privacy. The Group is in strict compliance with the relevant national and local laws and regulations, and ensures that customer information is used properly, and prevents customer privacy leakage in accordance with the laws.

3.4 信息安全與隱私保護

本集團高度重視信息安全及客戶隱私保護，嚴格遵守國家和地方的相關法律法規。我們作為行業內首個應用「ERP現代管理信息化網絡工程」的企業，早在2017年建立「信息化和工業化融合管理體系評定」。

本集團亦規範關於客戶數據的收集及保存客戶資料的方法。對於可能涉及到客戶信息的軟件，當中的客戶隱私信息將被加密處理，對客戶信息操作留存有相關記錄。

我們結合興發的信息化和數字化水平，利用多個信息化系統，採用新型雲計算、大數據、物聯網、移動5G等新技術，結合生產自動化，推進興發數字化建設，構建信息化系統，如智能型材WMS、自動化材料立體倉、自動化模具立體倉、能源信息綜合管理平台、生產設備數據採集及效能綜合分析平台；當前也正在加快推動工業互聯網平台建設，確保企業運營效率和整體經營管理水平不斷提升。

我們矢志保護客戶的個人私隱並高度重視信息安全及客戶隱私。我們嚴格遵守國家和地方的相關法律法規，適當使用客戶信息，依法保障客戶隱私不被洩露。

Environmental, Social and Governance Report

環境、社會及管治報告

We strengthen the “digital centre” information level protection security construction, strengthen the network centre, industrial control security construction content, we believe that information security system construction is a comprehensive, three-dimensional construction, in addition to strengthening the introduction of security equipment on the one hand, on the other hand, we also need to carry out information security knowledge training for all staff, to reduce the security risks caused by unnecessary user operation behavior. We will complete the security equivalence assessment of two digital centres and one network centre, and harden the security of user terminals, while accelerating the process of building the security of industrial control networks to ensure that security risks are reduced to a minimum.

3.5 Sustainable Supply Chain

3.5.1 Supply Chain Environmental Risk Management

While developing, we never forget to join hands with upstream and downstream partners in the industry chain to promote a responsible supply chain, constantly improve service quality, and facilitate the healthy and sustainable development of the industry. We conduct a qualification review when bidding, and stipulate that the bidder must be a registered enterprise in the People's Republic of China, and meet the relevant requirements as a legal person, and must possess a business licence and tax registration certificate. Moreover, materials such as product manuals, quality certificates, various quality system certification certificates (including environmental management systems), and reputation certificates must be provided. At the same time, we also require suppliers to meet the three different dimensions of corporate social responsibility, including economic sustainability, environmental sustainability and social sustainability.

我們強化「數字中心」信息等級保護安全建設，強化網絡中心、工業控制安全的建設內容，我們認為，信息安全體系建設是全方面、立體化的建設，除了一方面強化安全設備導入，另外一方面也需要對全員進行信息安全知識的培訓，減少不必要的用戶操作行為導致安全風險。我們將完成兩個數字中心，一個網絡中心的安全等保評定工作，並對用戶終端安全進行加固，同時加快工業控制網絡安全建設進程，確保安全風險降低到最低。

3.5 可持續供應鏈

3.5.1 供應鏈環境風險管理

在發展的同時，我們不忘攜手產業鏈上下游合作夥伴，推進負責任供應鏈、不斷提升服務質量，推動產業健康持續發展。我們在投標時會進行資格審查，規定投標者必須是中華人民共和國註冊單位，並符合招標單位有關要求的法人資格，必須具有企業營業執照和稅務登記證。而且，必須提供產品說明書、質量證明書、各質量體系認證證書（含環境管理體系）、信譽證書等材料。同時，我們亦要求供貨商應滿足三個不同的企業社會責任維度，包括經濟可持續性、環境可持續性以及社會可持續性。

Environmental, Social and Governance Report

環境、社會及管治報告

The raw materials used in products production of the Group are mainly aluminium ingots and aluminium rods. Most of its upstream suppliers are highly- polluted and high energy-consumption enterprises. We are committed to reducing the environmental impact of upstream suppliers. We require our supply chain partners to strictly comply with the specific requirements of the Environmental Protection Law of the People's Republic of China, the Environmental Impact Assessment Law of the People's Republic of China and other relevant laws and regulations. Our environmental and social risk management policy for supply chain include the followings:

- The policy requires suppliers to satisfy the requirements of regulatory, reporting and operational measures. For chemical materials purchases, general safety will be enhanced through strengthening environmental management, preventing environmental pollution incident, and integrating supplier environmental risk management and supply chain management to achieve "overall safety";
- Supplier assessment covers the assessment of risks associated with the supplier, in which aspects relating to product quality and hazardous material control, supplier environment and safety control accounted for 40% of the overall risk assessments;
- Letters of guarantee are to be entered into with suppliers on exclusion of environmentally hazardous substances so as to ensure all materials and components provided by suppliers are free from hazardous substances. All of those materials and components are required to pass the tests conducted by professional testing organization, and testing report with official seal shall be provided.

本集團產品生產所用原材料主要是鋁錠、鋁棒，其上游供貨商大多為高污染、高耗能企業，我們致力減少上游供貨商對環境帶來的影響。我們要求供應鏈合作夥伴嚴格遵守《中華人民共和國環境保護法》及《中華人民共和國環境影響評價法》等相關法律法規的具體要求。我們的供應鏈環境風險管理政策涵蓋以下內容：

- 要求供貨商滿足監管、報告和運營措施的規定，並對採購的化工類物資加強環境管理，預防環境污染事故，將供貨商環境風險管理與供應鏈管理相結合，實現「整體安全」；
- 供貨商評估涵蓋對供貨商的風險評估，其中對供貨商產品質量及有害物管控、供貨商環境及安全管控方面的評估分值佔到了供貨商整體風險評估分值的40%；
- 與供貨商簽訂環境有害物質不適用保證書，要求供貨商提供的所有材料、零部件必須通過專業檢測機構檢測，並提交加蓋公章的檢測報告。

Environmental, Social and Governance Report

環境、社會及管治報告

Based on such policy, companies formulate and implement supply chain environmental risk management measures based on actual production and operation conditions. For example, when Chengdu Company organizes its supplier files every year, it requires suppliers to confirm that they are not accountable for any safety and environmental incidents in previous year. Whether the suppliers passed the environmental impact and safety evaluation is the key inspection item of the Company in evaluating suppliers. If any supplier fails to pass the evaluation, no procurement contract will be signed with the supplier by the Company. The Sanshui Company updated the supplier selection criteria, qualification check and trial process during the year.

During the Reporting Period, there was no breach of any laws and regulations relating to environmental emissions by the Group nor has the Group received any notice of violation from the government environmental protection department.

3.5.2 Supply Chain Social Risk Management

The Group has established supplier evaluation control procedures, major raw and auxiliary materials inspection procedures, major raw and auxiliary materials procurement procedures, quality objectives management and statistical regulations for the specification and control of supplier evaluation processes and procurement. The Group's tender purchasing team is led by senior management, comprising of the sourcing director and head of each branch companies and department. The main method of purchasing raw materials is by tender invitation.

各公司在此政策的基礎上，根據實際生產運營狀況制定並實施供應鏈的環境風險管理措施。例如，成都公司每年在整理供應商檔案時，都要求供應商確認在上一年中無安全環保事故責任。供應商是否通過環評和安全評價是公司在審核供應商時重點檢查的項目；如果沒有，則不會與其簽訂採購合同。本年度，三水公司更新了供應商的准入板塊、資質審查內容及試用流程內容。

報告期內，本集團未發生任何違反環境排放相關的法律法規的行為，未收到政府環保部門的違法公告。

3.5.2 供應鏈社會風險管理

本集團已制定供貨商評價控制程序、主要原輔料檢驗規程、主要原輔料採購規程、質量目標管理及統計規定，以用於規範和控制供貨商評估流程和採購工作的執行。本集團的招標採購小組由高級管理層領導，由採購總監及各分公司與部門主管組成，原材料採購以招標為主要方式。

Environmental, Social and Governance Report

環境、社會及管治報告

In order to reduce the social risk in supply chain, our social risk management policies for supply chain include the followings:

- Investigation on bidder's qualifications: The policy states that bidder must be an entity incorporated in the People's Republic of China, and meets the legal person capacity required by bidding units and possesses an enterprise business license and tax registration certificate. Bidder must provide product specifications, quality certificate, quality system certification (including environmental management system), credit certificate, etc.;
- Corporate Social Responsibility Management: The policy requires the suppliers of the Group to satisfy social sustainability.

為減少供應鏈的社會風險，我們的供應鏈社會風險管理政策涵蓋以下內容：

- 投標方資格審查：政策規定投標者必須是中華人民共和國註冊單位，並符合招標單位有關要求的法人資格，具有企業營業執照和稅務登記證。必須提供產品說明書、質量證明書、各質量體系認證證書（含環境管理體系）、信譽證書等材料；
- 企業社會責任管理：政策要求本集團供貨商滿足社會可持續性。



Environmental, Social and Governance Report

環境、社會及管治報告

4 PROTECTING THE ENVIRONMENT, CO-EXISTING AND CO-PROSPERITY

4.1 Environmental Compliance

Through integrating with the national green manufacturing development plan, the Company has formulated a comprehensive environmental protection system, constantly improves the environmental management standard, and successfully obtained the ISO 14000 environmental management system certification and the ISO 50001 energy management system certification. All subsidiaries strictly abide by the Environmental Protection Law of the People's Republic of China, the Environmental Impact Assessment Law of the People's Republic of China, the Water Pollution Prevention and Control Law of the People's Republic of China, the Atmospheric Pollution Prevention and Control Law of the People's Republic of China, the Prevention and Control of Environmental Pollution Caused by Solid Waste Law of the People's Republic of China, the Environmental Noise Pollution Prevention and Control Law of the People's Republic of China and other relevant national laws and regulations, persist in conducting environmental emergency drills, and improve staffs' awareness of energy conservation and environmental protection and work capabilities. The Company has set up a safety and environment office to lead and be accountable for the Group's environmental protection work. We implemented the reward and penalty system for environmental protection to reward environmental protection staffs with outstanding performance or penalise those who have violated the regulations in respect of environmental protection.

4 保護環境 共生共榮

4.1 環保合規

公司通過結合國家綠色製造發展規劃，制定全面的環境保護制度，不斷提升環境管理水平，並成功取得ISO 14000環境管理體系和ISO 50001能源管理體系認證。各子公司嚴格遵守《中華人民共和國環境保護法》、《中華人民共和國環境影響評價法》、《中華人民共和國水污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國環境噪聲污染防治法》等相關國家法律法規，堅持開展環境應急演練，提高員工節能環保意識和工作能力。公司設置了設立安全環境辦公室領導並負責集團的環保工作，並實行環境保護目標責任制，對在環保方面表現突出或違反規定的員工，給予獎勵或處罰。



Environmental, Social and Governance Report

環境、社會及管治報告

During the Year, the Group invested a total of RMB45.218 million in environmental protection, which was mainly used for the preparation of corporate environmental emergency plan, environmental facilities renovation, replacement of environmental protection equipment parts, and environmental protection facilities renovation and hazardous waste disposal. The Jiangxi Company updated the Hazardous Waste Management System, Self-Monitoring Programme and other systems. The Sanshui Company carried out management training on industrial hazardous waste and emergency drills such as liquid ammonia leakage emergency drills. The Henan Company carried out the environmental protection credit evaluation, and the final score received after the assessment by the Qinyang Branch of Jiaozuo Ecological Environment Bureau was 98 points, and the credit rating is "Integrity". The Henan Company has completed the new version of the sewage discharge permit and was rated as a grade B enterprise in 2021. The Precision Manufacturing Company has established the Environmental Protection Management System, the Sulphuric Acid Safety Operation Procedures, the Sewage Treatment Operation Procedures, the Environmental Protection Work Responsibility System, the Environmental Pollutant Prevention and Control System, and the Energy Conservation and Consumption Reduction Management Regulations.

本年度，本集團於環保方面總投入超過人民幣4,521.8萬元，主要用於企業環境應急預案編寫、環境設施改造、環保設備配件更換環保設施改造、危險廢物處理等方面。江西公司在更新了《危險廢物管理制度》《自行監測方案》等制度。三水公司進行了危險廢物知識培訓及硫酸、液氨洩漏等突發環境事件應急演練。河南公司開展企業環保信用評價工作，經焦作市生態環境局沁陽分局評定，最終得分98分，信用級別為「誠信」。此外，河南公司開展重點行業績效評級，並在2021年被評為B級企業。精密公司則建立了《環境保護管理制度》、《硫酸安全操作規程》、《污水處理操作規程》、《環境保護工作責任制度》、《環境污染防治制度》、《節能降耗管理規定》等制度。



Environmental, Social and Governance Report

環境、社會及管治報告

In terms of implementing various environmental management tasks, the Group companies were able to achieve all set goals for the Year as follows:

在努力落實各項環境管理工作，本年度集團公司能全部達成以下設定的目標：

Sanshui Company 三水公司

- No environmental pollution accidents throughout the Year
全年無環境污染事故

Jiangxi Company 江西公司

- No penalty for non-compliance of environmental protection throughout the Year
全年無環保違規罰款
- Environmental management of the plant site
廠區環境治理
- Regulated management and transfer of industrial hazardous waste throughout the Year
全年工業危險廢物規範管理和處置，無違規處罰

Chengdu Company 成都公司

- No environmental pollution accidents throughout the Year
全年無環境污染事故
- wastewater discharge, exhaust gas and noise emissions were in compliance with the national and local emission standards
廢水、廢氣、噪聲排放符合國家及地方排放標準
- Compliance disposal of solid waste
固廢合規處置

Henan Company 河南公司

- No environmental pollution accidents and environmental impact incidents
不發生環境污染事故及環境影響事件
- Wastewater discharge, exhaust gas and noise emissions meet the national and local emission standards
廢水、廢氣、噪聲排放符合國家及地方排放標準
- Compliance disposal of solid waste
固廢合規處置

Precision Manufacturing Company 精密製造

- wastewater discharge and noise emissions were in compliance with the national and local emission standards
廢水及噪聲排放符合國家及地方排放標準
- All hazardous waste handed over to qualified entities for disposal
全部危險廢物交資質單位處理

During the Reporting Period, there was no breach of any laws and regulations relating to environmental emissions by the Group nor received any notice of violation from the government environmental protection department.

報告期內，本集團未發生任何違反環境排放相關的法律法規的行為，未收到政府環保部門的違法公告。

Environmental, Social and Governance Report

環境、社會及管治報告

4.2 Emissions Management

4.2.1 Exhaust Gas Emissions

Exhaust gas emissions generated during the production and operation of the Group include nitrogen oxide, particulates, sulphur dioxide and organic waste gas. We strictly complied with the relevant laws and regulations, such as the Atmospheric Pollution Prevention and Control Law of the People's Republic of China. In our environmental policies, the Group requires stringent restriction of exhaust gas and particulates emission into the atmosphere. Prior to emissions, exhaust gas must undergo purification treatment and shall not exceed the specified standard prescribed by the national or local environmental protection bureau.

Nitrogen oxide and particulates are mainly generated from casting workshop. The Group has purchased natural gas energy transforming equipment and used natural gas as production energy to effectively reduce exhaust gas emission in workshops. During the Year, our companies had strengthened the exhaust gas purification management:

- Sanshui Company added activated carbon adsorption technology and is installing equipment to monitor the treatment of exhaust gas;
- Jiangxi Company introduced auxiliary fume and dust collection facilities for smelting furnaces to improve fume and dust collection;
- Henan Company introduced new dust removal system in aluminium rod shop to enhance the removal of particulate matter;
- Precision Manufacturing Company introduced in a new exhaust gas treatment system as well as a dust removal system.

4.2 排放物管理

4.2.1 廢氣排放

本集團生產運營中產生的廢氣包括氮氧化物、粉塵、二氧化硫及有機廢氣等。我們嚴格遵守《中華人民共和國大氣污染防治法》等相關法律法規，於環境政策中要求嚴格限制向大氣排放有毒有害的廢氣，需排放的廢氣必須經過淨化處理，不得超過國家或當地環保局規定的排放標準。

氮氧化物和粉塵主要來源於熔鑄車間。本集團已通過採購天然氣能源改造設備，使用天然氣作為生產能源以有效減少車間廢氣排放。本年度，各公司加強了廢氣淨化管理：

- 三水公司新增活性炭吸附技術，並正在安裝設備監測廢氣治理情況；
- 江西公司熔煉爐增加煙塵輔助收集設施，提高煙塵收集效果；
- 河南公司的鋁棒車間新增除塵系統，提升去除顆粒物的效果；
- 精密製造公司新投入廢氣治理系統以及除塵系統。

Environmental, Social and Governance Report

環境、社會及管治報告

Precision Manufacturing Company has taken the following measures to reduce the environmental impact of the site when building new wastewater stations and plant expansions:

- Adopting energy efficient products to replace traditional high energy consumption production equipment, e.g., adopting double stage compression air compressors, direct cooling ice machines, variable frequency motors, servo motors, switching power supplies, double stage energy efficient heating ovens, and making energy efficiency a standard for selecting new equipment;
- formulating a scientific construction plan during construction of the workshop, which included: enhancing construction management, advocating civilized construction; strengthening transportation management, and prevention of material loss and leakage measures on material transportation and usage;
- materials were not jammed together during transportation or overflow and transport vehicles were travelling at medium speed to prevent loss and dust floating during transportation, and the speed limit of entering and leaving the construction site was limited to 5 kilometres per hour;
- a simple work shed was set up to store powder, and outdoor storage was strictly prohibited;
- the construction waste should be reasonably piled up and cleaned in time, and dry construction waste should be sprinkled to reduce dust pollution during loading, unloading and transportation;
- watering the ground and roads in operation area, or regularly clearing road soil to reduce the impact of floating dust pollution on the environment and minimize the impact on ambient air.

本年度，精密製造公司在新建廢水站及廠房擴建時，採取以下措施減少工地對環境的影響：

- 採用節能產品取代傳統高能耗生產設備，如採用雙級壓縮空壓機、直冷冰機、變頻電機、伺服電機、開關電源、雙級能效加熱爐，將節能高效作為新增設備的標配標準；
- 項目施工過程中應制定科學的施工計劃，從加強施工管理著手，提倡文明施工。加強運輸管理，做好材料運輸和使用過程中的防散失、防洩漏措施；
- 物料運輸不堆尖、不滿出車廂，中速行駛，防止沿途散失和塵土飛揚，進出場地時車速小於5km/h；
- 粉料應設置簡易工棚儲存，嚴禁露天堆放；
- 合理堆放建築垃圾，及時清運，對干燥建築垃圾進行灑水，減輕裝卸和運輸過程產生的揚塵污染；
- 在施工區土地及道路灑水，或定期清理道路積土，以減少施工揚塵對周圍環境空氣的影響，使施工期環境空氣影響降至最小。

Environmental, Social and Governance Report

環境、社會及管治報告

4.2.2 Wastewater Discharge

Industrial wastewater generated by each of the Group's production lines mainly consist of acidic and alkaline wastewater, chromium wastewater and nickel wastewater. We strictly abide by the Emission Standards of Pollutants for Inorganic Chemical Industry, the Water Pollution Prevention and Control Law of the People's Republic of China and other relevant laws and regulations and the takeover standard for sewage treatment plant. The annual qualification rate of wastewater discharge is 100%.

In addition, our environmental policy requires strengthening the wastewater treatment to reduce its discharge volume. The policy also requires good maintenance of the closed-circuit circulation and integrated treatment of production wastewater, including:

- Operating and upgrading wastewater treatment and purification facilities;
- Oily, acidic, alkaline and highly toxic wastewater is prohibited from discharging into the water body. Discharging pollutants into the water system is strictly restricted to prevent pollution;
- Cleaning of vehicles and containers that contained greasy or poisonous substances with water body is prohibited;
- Adding a new defluorination process to the wastewater treatment station, added a dosing tank and maintained the wastewater sedimentation tank;
- Testing centre is responsible for conducting daily sewage inspection, newly added online wastewater monitoring facility, strictly controlling wastewater discharge within standards, as well as preparing inspection reports;

4.2.2 廢水排放

本集團各生產車間產生的工業廢水主要包括酸鹼污水、鉻廢水、鎳廢水三類。我們嚴格依照《無機化學工業污染物排放標準》、《中華人民共和國水污染防治法》等相關法律法規及污水處理廠接管標準，全年廢水排放合格率為100%。

此外，我們於環境政策中要求加強廢水治理，減少廢水排放，並要求堅持做好生產廢水閉路循環和生產廢水綜合處理工作，包括：

- 運行和升級改造廢水處理和淨化設施；
- 禁止向水體排放油類、酸類、鹼液、劇毒廢液，嚴格限制向水體排放、傾倒污染物，防止水體污染；
- 禁止在水體清洗裝貯污染物的過油類或者有毒車輛和容器；
- 於廢水處理站新增除氟工藝，增加加藥池並對廢水沉澱池進行維護；
- 檢測中心負責實行每天的污水檢測工作，並新增廢水在線監測設施，嚴格控制水體的達標排放，做好記錄並上報檢查報告；

Environmental, Social and Governance Report

環境、社會及管治報告

- The safety and environment office of the Group as well as the environmental protection management personnel of production workshop shall cooperate and accept inspection by the environmental protection agency on waste gas emission, and wastewater discharge from time to time;
- Adding a new process for online recovery of water resources from nickel wastewater and extraction of nickel metal resources, realising efficient recycling of resources and a water reuse rate of over 95%;
- Introducing the pot mould lye resource utilisation system to realise the recycling of lye.
- 由安全環境辦公室及生產車間環保管理人員配合接受環保局不定期的水體排放檢測工作；
- 新建含鎳廢水在線回收水資源及提取金屬鎳資源新工藝，實現資源高效率回收利用，水回用率超95%；
- 增加煲模鹼液資源化利用系統，實現鹼液循環再利用。

Moreover, to reduce the environmental impact from construction site, Jiangxi Company took the following measures during the construction of new finished goods workshop: during the construction process, avoid any leakage in manual transportation of cement mortar and clean up leaking cement mortar in time, place containers and other appliances in one place and clean up in time, and rinse water into grit pool and set up intercepting trenches around the construction yard to reduce construction materials loss. The Precision Manufacturing Company has put in a new wastewater treatment station for the comprehensive treatment of wastewater.

此外，為減少工地廢水對環境的影響，江西公司於新建危險廢物貯存倉庫期間採取了以下措施：在施工過程中，人工運輸水泥砂漿時，應避免洩漏，洩漏水泥砂漿應及時清理，運漿容器等用具儘量集中放置，及時清洗，沖洗水引入沉砂池；在施工堆場四周設截流溝，減少施工物質的流失。精密製造公司新投入廢水處理站對廢水進行綜合處理。



Environmental, Social and Governance Report

環境、社會及管治報告

4.2.3 Hazardous Waste Management

The Group strictly abides by relevant laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste and the Measures on the Management of Hazardous Waste Manifests, and specify the management requirements for hazardous wastes in the environmental policy. The hazardous waste generated by our production and operation mainly includes waste corrosive liquid, waste washing liquid, waste tank liquid, tank slag, wastewater treatment sludge, waste engine oil, etc. Henan Company included aluminium ash and fly ash in the 2021 Hazardous Waste Management List and standardised their management as hazardous waste.

We strictly follow the National Directory of Hazardous Wastes and other relevant regulations, and all hazardous waste are entrusted to qualified third-party bodies for proper recycling and treatment. When pollution incidents may occur or have occurred, emergency measures must be taken immediately to prevent pollution from spreading out, alleviate and even eliminate the impact of incidents. Major incidents or emergent events should be reported to the safety and environment office of the Company for investigation within two hours after occurrence.

During the Year, the Group continued to propel the process of hazardous waste recycling, reduction and non-hazardous treatment. The companies introduced the pot mould lye resource utilisation system to realise the recycling of lye. Sanshui Company added a new process for online recovery of water resources from nickel wastewater and extraction of nickel metal resources, realising efficient recycling of resources and a water reuse rate of over 95%, which significantly reduced the production of nickel-containing sludge; At the same time, the companies conducted training on hazardous waste knowledge and emergency drills for emergency environmental incidents such as sulphuric acid and liquid ammonia leaks.

4.2.3 有害廢棄物管理

本集團嚴格遵守《中華人民共和國固體廢物污染環境防治法》、《危險廢物轉移聯單管理辦法》等相關法律法規，並於環境政策中詳細規定了對有害廢棄物的管理要求。我們生產運營中產生的有害廢棄物主要包括廢腐蝕液、廢洗滌液、廢槽液、槽渣、廢水處理污泥、廢機油等。河南公司把鋁灰、除塵灰納入2021版危廢管理名錄，按照危險廢物進行規範化管理。

我們嚴格依照《國家危險廢物名錄》等相關規定，有害廢棄物產均委託有資質的第三方機構進行妥善回收處理。在可能或者已經發生污染事故時，應當立即採取應急措施，控制污染蔓延，減輕、消除事故影響。在重大事故或者突發性事件發生後2小時內，應向公司安全環境辦公室報告，接受調查。

本年度，本集團繼續推進有害廢棄物資源化、減量化和無害化處理的進程。各公司增加煲模鹼液資源化利用系統，實現鹼液循環再利用。三水公司新建含鎳廢水在線回收水資源及提取金屬鎳資源新工藝，實現鎳資源高效率回收利用，鎳離子回收率超95%，大大較少了含鎳污泥的產生。同時，各公司進行危險廢物知識培訓，對硫酸、液氨洩漏等突發環境事件進行了應急演練。

Environmental, Social and Governance Report

環境、社會及管治報告

4.2.4 Non-hazardous Waste Management

The non-hazardous waste generated by the Group's production and operation mainly includes aluminium slag, scrap steel, construction waste, office and domestic waste, etc. The Group also attaches great importance to non-hazardous waste treatment, especially the recycling of waste materials and non-hazardous waste residue. Some of the waste materials can be directly used for production after being processed, for example, the product scraps can be used as raw materials after recycling to the furnace. Other waste materials such as mold steel can be handed over to the steel plant for recycling and reuse after recycling. The main components of non-hazardous waste slag such as aluminium slag in casting workshop are alumina powder, aluminium powder and refractory particles, which can be used as raw materials for high-aluminium cement production after being handed over to the cement plant for treatment.

4.2.4 無害廢棄物管理

本集團生產運營中產生的無害廢棄物主要包括鋁渣、廢鋼、建築施工垃圾、辦公及生活垃圾等。本集團同樣重視無害廢棄物的處理，特別是廢舊材料和無害廢渣的回收處理。部分廢舊材料被處理後可直接用於生產，例如產品邊角料回爐後可重新作為原材料；其他廢舊材料如模具鋼，可在回收後交由鋼鐵廠進行處理並重新利用。無害廢渣例如熔鑄車間鋁渣的主要成分為氧化鋁粉、鋁粉和耐火材料顆粒，交由水泥廠處理後可作為高鋁水泥的生產原料使用。



Environmental, Social and Governance Report

環境、社會及管治報告

During the plant construction process, we strictly abide by national and local environmental protection laws and regulations and control construction waste through a series of environmental protection measures. During the Year, when building a new finished goods workshop, Jiangxi Company collected construction waste and domestic waste, and strictly prohibited mixing them for transportation. A small part of the generated construction waste was collected in time for the relevant departments to handle, and disposal at will was strictly forbidden to reduce the environmental impact from construction waste. During the Year, when building a new hazardous waste storage, Jiangxi Company collected construction waste and domestic waste, and strictly prohibited mixing them for transportation. Domestic waste is promptly handed over to the sanitation department for removal and disposal, and disposal at will was strictly forbidden to reduce the environmental impact. A small part of the generated construction waste was collected in time for the relevant departments to handle, and disposal at will was strictly forbidden to reduce the environmental impact from construction waste. When the Precision Manufacturing Company builds new wastewater stations, boiler rooms and plants, the construction unit is unified for reusable construction waste to be used on site, and for non-reusable construction waste, the construction unit is unified to contact a third party to clean up.

在廠房建設過程中，我們嚴格遵守國家及當地環保法規，通過一系列環保措施對建築垃圾加以管控。本年度，江西公司在新建新成品車間的過程中，妥善收集建築垃圾和生活垃圾，嚴禁混裝混運，產生的少部分建築垃圾及時收集交由相關部門處理，嚴禁隨意丟棄，以減少建築垃圾對環境的影響。本年度，江西公司在新建危險廢物倉庫時，將建設期間建築垃圾與生活垃圾分開妥善收集，嚴禁混運。生活垃圾及時交由環衛部門清運，嚴禁隨意丟棄影響環境。產生的少部分建築垃圾及時收集交由相關部門處理，嚴禁隨意堆積丟棄。精密製造公司新建廢水站、煲模房以及廠房時，對於可回用建築垃圾統一現場工地使用，對於不可回用建築垃圾施工單位統一聯繫第三方清理。

Environmental, Social and Governance Report

環境、社會及管治報告

4.3 Use of Resources

4.3.1 Use of Energy

The Group has energy management center system to collect statistics and analyse the consumption amount and trend of water, electricity, gas and other resources, enabling each production base to monitor resource consumption in real time, and timely debug and repair controlling equipment to improve efficiency.

In order to increase the utilization efficiency of electricity resources, we took effective measures including using LED lamps, energy-efficient equipment, replacing electrical machine with new and highly efficient motors, reclaiming waste heat of boiler, installing solar PV power generation equipment on plant roof top. In addition, the Group also made full use of the energy generated during the production process, such as applying the heat generated from the operation of the air compressor in the workshop in heating the technology groove in the oxidation workshop, and also hot water supply for staffs for daily use, in order to effectively reduce the use of electricity resources and natural gas and reduce safety problems caused by the use of liquefied gas facilities. During the Year, different companies continued to strengthen staffs' energy conservation awareness training and supervision and use pragmatic production activities to reduce process waste and improved operating efficiency, thereby reducing energy consumption per unit of product.

4.3 資源使用

4.3.1 能源使用

本集團設有能源管理中心系統，統計及分析水、電、氣等資源的用量和趨勢，使各生產基地得以實時監測能源及資源消耗情況，及時調試修理控制設備，從而提升效率。

為提高能源使用效率，我們採用LED燈、節能設備、將電機更換為新的高效電機、鍋爐餘熱回收供水並於廠房屋頂安裝太陽能光伏發電設備等。同時，本集團還充分利用生產過程中產生的能源，例如將車間空壓機運行產生的熱量用於加熱氧化車間工藝槽以及日常生活中員工的熱水供應，以有效減少用電和天然氣的使用，並降低使用液化氣設施所引發的安全問題。本年度，各公司繼續通過加強員工節能意識培訓及監督，精益生產活動，減少過程浪費，提高運行效率，從而減少單位產品的能源消耗。



Environmental, Social and Governance Report

環境、社會及管治報告

During the Year, Sanshui Company took the following energy management and saving measures:

- The use of permanent magnet variable frequency air compressors to replace the company's original industrial frequency air compressors;
- Replacement of the high frequency oxidation power supply to ensure a power saving of 15% on the equipment;
- Renewal of old rod and ageing furnaces to reduce the natural gas consumption of the section bars.

本年度，以下為三水公司在能源管理與節約方面上的部分措施：

- 使用永磁變頻空壓機來代替公司原有的工頻空壓機；
- 更換高頻氧化電源，確保設備節電效果達到15%；
- 更新公司舊的棒爐、時效爐，減小型材天然氣噸耗。

4.3.2 Use of Water Resources

Water resources are of vital importance to our production process as it is indispensable in every process such as squeezing and casting. The Group uses both municipal water and water from its own well, so as to ensure there is no suspension in production due to water supply shortage. The ratio of the municipal water use to well water use is approximately 8:2. In order to enhance water resources management capabilities and improve usage efficiency, the Group continued to implement the water reclaim system, and reuse reclaimed water for daily life activities such as watering, toileting, and cooling water production in facilities through water towers and water tanks. During the Year, the electrophoresis workshop of Jiangxi Company has the reclaimed water reuse equipment in place and its reclaimed water reuse rate was 100%.

4.3.2 水資源使用

水資源對本集團的生產過程十分重要，每一個前工序如擠壓、熔鑄等都要用水。本集團使用市水的同時自備水井，兩種用水比例大約為8：2，確保不會因停水而停產。為增強水資源管理能力，提升使用效益，本集團繼續實施中水回用制度，通過循環水塔、回水池等設施將中水回用於澆灌、如廁等日常生活，以及設備冷卻水等生產工序。本年度，江西公司電泳車間有中水回用設備，中水回用率為100%。

Environmental, Social and Governance Report

環境、社會及管治報告

4.3.3 Use of Packaging Materials

The packaging materials of the Group are mainly packaging tapes, labels, stick band, lumps of wood and sealing glue. We source from packaging materials suppliers that meet the requirements of relevant national laws and regulations. For sourcing products packaging materials, the Group formulated the group-level sourcing management plan as its principal policy. Packaging materials suppliers are selected by tender, which the Group has already established long-term cooperative partnership with them.

4.3.3 包裝材料使用

本集團的包裝材料主要為包裝帶、標籤、透明膠、木方及封口膠等。我們採用符合國家相關法律法規要求的包裝材料供貨商。針對產品包裝材料的採購，本集團制定了集團層面的採購管理方案作為主要的政策，包裝材料供貨商通過招標方式採用，並建立長期合作夥伴關係。

4.3.4 Greenhouse Gas Emissions and Management

Climate change is a severe challenge facing humanity in the global community. As a manufacturing enterprise, Xingfa Aluminium actively responded to the call by Ministry of Industry and Information Technology to construct a green manufacturing system. In 2017, it was selected as the first batch of green manufacturing demonstration lists by Ministry of Industry and Information Technology in 2017 and ranked among the first 201 “green factories” in the PRC. Our project of “Aluminium Profile Production Line Air Pollutant Emission Reduction Technology Reform” won “the National Industrial Clean Production Demonstration Project” of Ministry of Industry and Information Technology, and Xingfa Aluminium was the only company in Guangdong Province that won the project. It has also won the “Guangdong Province Clean Production Enterprise” and the “First batch of resource saving and environmental-friendly enterprise piloting” in Guangdong Province and other honorary titles.

4.3.4 溫室氣體排放管理

氣候變化是全球國際社會人類面臨的嚴峻挑戰，興發作為鋁行業領軍者，積極響應工信部提出的綠色製造體系建設號召，2017年已入選工信部2017年第一批綠色製造示範名單，躋身國家首批201家「綠色工廠」之列。我們的「鋁型材生產線大氣污染物減排技術改造」項目獲得工信部的「國家工業清潔生產示範項目」，成為廣東省唯一一家獲得該項目的企業；也先後榮獲「廣東省清潔生產企業」和「第一批廣東省資源節約型和環境友好型企業試點」等榮譽稱號。

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

In order to reduce direct and indirect greenhouse gas emissions in production operations, not only did the Company implement green production, it also promoted green office practices. The Group continued to use natural gas as one of the energy supplies for production operations during the year because the carbon emissions of natural gas is lower than coal and reduce greenhouse gas emissions correspondingly. In addition, while different companies adopt the OA network office system, promote video conferencing system and paperless office and standardize the use of official vehicles and travel management to reduce energy consumption, use of papers and travel carbon emissions while ensuring office efficiency. The recycling of domestic and office water was also encouraged. The companies plan to:

- Retrofit or install photovoltaic power generation at all bases where possible (including new infrastructure projects);
- Gradually promote intelligent and digital transformation in existing bases and gradually replace motorised logistics with rail logistics; and
- Scientifically lay out production lines for all new and renovated projects based on the lean manufacturing concept, further reducing duplication of processes and achieving high energy efficiency.

In the future, we will further optimize the management system related to green factories, continuously improve the environment and energy management system, and leverage fully our corporate technology, resources, and external collaboration conditions to make Xingfa Aluminium the advanced and smart green factories with high energy efficiency, low pollution and low emission, contributing to the nation's green and low-carbon transformation and development.

為減少生產運營中的直接和間接溫室氣體排放，公司不僅實行綠色生產，同時推行綠色辦公方式。本年度，本集團繼續使用天然氣作為生產運營的能源供應之一，其碳排放較煤低，變相減少溫室氣體排放。此外，各公司採用OA網路辦公系統，推行視訊會議系統和無紙化辦公，規範公務車輛使用和差旅管理，保證辦公高效的同時，減少能源消耗及紙資源的使用，減少出行碳排放，並鼓勵生活和辦公用水循環利用。公司將計劃：

- 有條件的基地(包括新基建項目)全部加裝或安裝光伏發電；
- 現有基地逐步推動智能化、數字化改造，逐步用軌道物流取代機動車物流；及
- 新建及改建項目全部用精益理念科學佈局產線，進一步減少重複流程，實現高效節能。

未來，我們將進一步優化綠色工廠相關的管理制度，持續改進環境、能源管理體系，並充分利用公司技術、資源和外部協作條件，把興發鋁業打造成一個高能效、低污染、低排放的先進智慧化綠色工廠，助力國家綠色低碳轉型發展。

Environmental, Social and Governance Report

環境、社會及管治報告

5 HUMAN-ORIENTED, SINCERITY AND TRUSTWORTHY

5.1 Employment Practice

The Group strives to provide staffs with a working environment providing diversified and equal opportunity, and to form a highly qualified team. Meanwhile, we aim to create comfortable and safe working conditions to ensure social and cultural diversity and the dynamic development of the Company.

We strictly comply with national and local labour regulations such as the Labour Law, the Labour Contract Law, the Law on the Protection of Minors and Provisions on Prohibition of Child Labour of the PRC and protects the legitimate rights and interests of staffs.

We follow the principle of equal employment, namely "fairness, openness and impartiality", and focus on the job applicants' business abilities, personal qualities, and development potential during the recruitment process, and none of them will be treated differently for reasons such as age, gender, ethnicity, nationality, marriage and family status, health condition and religion.

We emphasize communication and participation among staffs, disseminated policy and information through posting announcements on bulletin boards, e-mails, employee manual or training. Staff can put forward their opinions and questions to management through interview, functional e-mails or group discussion. We encourage staffs to offer suggestions for corporate operation and development purposes.

At the same time, the Company's internal trade union organization strictly abides by the relevant requirements of the Trade Union Law of the PRC, protects the rights and interests of staffs in accordance with the law, performs democratic procedures, and gives full play to the role of staffs in enterprise democratic management. In order to enhance their sense of belongings and enthusiasm for work, we have enriched staffs in their spare time by arranging outstanding employee activities, employee birthday parties, daily fruit distribution, a series of festival activities, and various cultural and recreational activities, and helping staffs in need through union organizations.

5 以人為本 以誠取信

5.1 僱傭常規

本集團力求為員工提供多元化及擁有平等機會的工作環境，並組建一支高資歷的團隊。同時，我們旨在營造舒適安全的工作條件，以確保社會和文化多樣化以及公司的動態發展。

我們嚴格遵照中華人民共和國《勞動法》、《勞動合同法》、《未成年人保護法》、《禁止使用童工規定》等國家和地方的勞工法規，保障員工合法權益。

我們遵照「公平、公開、公正」的平等僱傭原則，在招聘過程中重點關注求職者的業務能力、個人品質、發展潛力，絕不因年齡、性別、民族、國籍、婚姻及家庭狀況、健康狀況和宗教等原因給與差別對待。

我們注重員工溝通及參與，通過公告欄張貼公告、電子郵件、員工手冊、課堂培訓等方式向員工傳達政策和信息，員工可通過面談、職能郵件、小組座談等方式向管理層提出意見和問題，鼓勵員工為公司經營和發展獻計獻策。

同時，公司內部的工會組織嚴格遵守《中華人民共和國工會法》中的相關要求，依法維護員工權益，履行民主程序，充分發揮員工在企業民主管理中的作用。為提升其歸屬感與工作熱情，我們通過開展優秀員工活動、員工生日會、日常水果派發、節日系列活動、各類文娛活動豐富員工業餘生活，並通過工會組織幫扶困難員工。

Environmental, Social and Governance Report

環境、社會及管治報告



Employee birthday parties organised by the Precision Manufacturing Company

精密製造公司組織員工生日會

During the Reporting Period, the Group complied with the laws and regulations in relation to employment and labour in all material respects, including the laws and regulations relating to equal opportunity, diversity, anti-discrimination and welfare.

5.2 Labour Standard

The Group offered competitive remuneration packages in the same industry for staffs to ensure staff with excellent performance would obtain corresponding returns. We issue policies relating to employee compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination and other benefits and welfare in the employee handbook.



Henan Company distributed green bean porridge, chrysanthemum tea, honeysuckle tea and other herbal teas to production workshop staff to prevent summer heat

河南公司給生產車間員工配送綠豆粥、菊花茶、金銀花茶等防暑涼茶

報告期內，本集團在所有重大方面遵守了與就業和勞工有關的法律和條例，包括與機會平等、多樣性、反歧視、福利有關的法律和條例。

5.2 勞工準則

本集團為員工提供同行業中具有競爭力的薪酬福利待遇，保證表現優秀的員工得到相應的回報。我們在員工手冊中發佈了員工薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利方面的政策。

Environmental, Social and Governance Report

環境、社會及管治報告

We reviewed regularly the remuneration packages at all levels internally, collected industry information on remuneration from the labour market, and adjusted the remuneration and benefits standards with reference to position, work capability, work performance, staff skills and benefits to the Group. The personnel management principle that we adopted is performance-based incentives and assurance of internal fairness. For example, the monthly salary of production line staff is calculated according to the comprehensive piecework on a team or group basis, so as to ensure that staff who works more will be paid more. At the same time, for employee performance appraisal process, they are being implemented across different positions according to the performance appraisal method of the respective department in which they work. We adopted a policy whereby management personnel shall abstain from any human resource matter relating to their family members and relatives, with an aim to ensure internal fairness, and require such family members and relatives of management personnel are not allowed to work in the same respective departments.

The Group strictly abides by the minimum age of employment requirements stipulated by the PRC and the location where it operates. Our corporate social responsibility has expressly stipulated the prohibition of recruiting child labour under 16 years old. For minors between 16 to 18 years old, we carried out special protection in accordance with the laws of the PRC. Moreover, the Group illustrated the policy of preventing forced labour in the employee handbook and adopted an order-oriented production model. Pursuant to the approval from local labour department, we implemented a work system with integrated computation of working hours to ensure staffs' right to rest and leave are protected, and production and work tasks can be completed through collective working, collective rest, on shift and adjustment leave and flexible working hours, etc.

Apart from prohibiting employment discrimination and forced labour exploitation and ensuring that child labour is eradicated, we also adopt a zero-tolerance approach to any form of discrimination or harassment. During the Reporting Period, there was no misconduct nor regulatory non-compliance related to employment of child labour or forced labour in the Group.

我們定期對內考察員工各級薪酬水平，對外收集本行業勞動力市場薪酬狀況，根據員工的職務、工作能力、工作業績、技術程度和集團效益等因素調整薪酬福利水平。我們採用的人員管理原則為績效獎勵與保證內部公平性，例如生產線員工以班組綜合計件的方式核算每月的工資，以保證多勞多得。同時對於員工的績效考核過程，不同崗位根據所在部門的績效考核辦法實施。為保證內部公平，我們實行管理人員親屬回避制度，要求管理人員的親屬不允許在其所在的部門工作。

本集團嚴格遵守國家及營運所在地規定之最低受僱年齡的要求，並於企業社會責任政策中明文規定禁止僱傭未滿16周歲的童工。對於16至18周歲的未成年工，我們依法實行特殊保護。再者，我們在員工手冊中闡述了防止強制勞工的政策，並實施以訂單為主導的生產模式。根據當地勞動部門的批准，實行綜合計時工作制，通過採用集中工作、集中休息、輪休調休、彈性工作時間等制度，來確保職工的休息休假權利和生產、工作任務的正常完成。

除了禁止就業歧視和強迫剝削勞動，確保杜絕僱傭童工外，我們更對任何形式的歧視或騷擾行為採取零容忍的態度。於報告期內，本集團並沒有發生任何聘用童工或強制勞工的違規個案。

Environmental, Social and Governance Report

環境、社會及管治報告

5.3 Occupational Health and Safety

The Group regards protecting the life safety and occupational health of its staffs as its paramount mission. We adhere to the policy of "Safety First, Focus on Prevention and Comprehensive Treatment" and the principle of "Production Management must Encompass Safety Management and Person-in-charge is the Responsible Person". We prepared the safety production management system, which emphasised that "all activities are based on the life and health of staff" and established the safe production committee which is responsible for our overall safety production management works of the Group. For implementation, every production department has established its own safe production leading group respectively and is responsible for staff's production safety work in respective departments.

We strictly follow the relevant regulations of the Group's safety and quality control, actively carry out promotion on safe production, and regularly organized safety experts to conduct safety evaluations on every segment of production process and all equipment and facilities, including the evaluation of performance and risk factors. At the same time, we replace the filter element of the dust removal tower in melting furnace to improve its dust treatment effect. In the hot summer season, each machine in the extrusion workshop is equipped with air coolers to prevent staffs from heat stroke.

We attach great importance to staff occupational health, and resolutely comply with the Law on the Prevention and Control of Occupational Diseases of the PRC to ensure staffs' occupational health. We set up safety facilities on construction sites to improve the working environment and ensure timely provision of safety helmets, gloves and other labour protection supplies.

The environmental measures adopted during production could reduce hazardous exhaust gas, waste and wastewater discharge, which are crucial to the health of staff that work in workshops constantly. We are committed to indoctrinating environmental protection concept to staff and successfully achieved the following safety goals during the year:

5.3 職業健康與安全

本集團視保障員工的生命安全及職業健康為首要任務。我們堅持貫徹「安全第一、預防為主、綜合治理」的方針，堅持「管生產必須管安全，誰主管，誰負責」的原則。制定了安全生產管理制度。在制度中強調「所有活動要圍繞員工生命健康」，並設立了由董事長擔任組長的安全生產委員會，全面負責所有生產基地的安全生產管理工作。在執行層面，由各生產部門分別成立安全生產領導小組，負責本部門的員工生產安全工作。

我們嚴格按照本集團安全質量管理的相關規定，積極開展安全生產宣貫，定期組織安全專家對各個生產環節、所有設備設施進行安全評價，包括性能和危險因素評估。同時，我們更換了熔煉爐除塵塔濾芯，提高粉塵處理效果。在夏季高溫季節擠壓車間每個機台配備冷風機，防止員工中暑。

我們高度重視員工職業健康，堅決貫徹《中華人民共和國職業病防治法》，落實員工職業健康保障。我們在施工工地配備安全設施以改善工作環境，保證安全帽、手套等勞動保護用品的及時配備。

生產過程中的環保措施可以減少有害廢氣、廢物和廢水的排放，對長期在生產車間工作的員工健康十分重要。我們致力向員工灌輸環保理念，本年度成功達成以下安全目標：

Environmental, Social and Governance Report

環境、社會及管治報告

| Safety incidents 安全事故 | Occupational health 職業健康 | Rectification rate of hidden danger 隱患整改率 |
|--|---|--|
| <ul style="list-style-type: none"> Major safety incidents: Nil 重大安全事故：零 General safety incidents: 1 一般安全事故：一 Class C/minor incidents $\leq 8\%$ C級/輕微事故$\leq 8\%$ Class B and above incidents: Nil B級及以上事故：零 Fire safety incidents: Nil 消防安全事故：零 Environmental pollution incidents: Nil 環境污染事故：零 Major chemical leakage incidents: Nil 重大化學品洩漏事故：零 Major equipment/facility incidents: Nil 重大設備/設施事故：零 Major production and business-related traffic incidents in which we take up the main responsibility or material damage incidents: Nil 重大生產經營性主責交通事故或物損事故：零 | <ul style="list-style-type: none"> Incidence of occupational diseases: Nil 職業病發生率：零 Detection rate of occupational hazard factors: 100% 職業危害因素檢測率：100% Occupational health check rate before employment: 100% 崗前職業健康體檢率：100% Occupational health check rate when in employment: 100% 在崗職業健康體檢率：100% | <ul style="list-style-type: none"> Rectification rate of due hidden dangers causing incidents $\geq 95\%$ 事故隱患到期整改率：$\geq 95\%$ Rectification rate of hidden dangers causing major incidents: 100% 重大事故隱患整改率：100% Inspection rate of special equipment and accessories: 100% 特種設備及附件定期檢驗率：100% Signing rate of safe production commitment letter: 100% 安全生產目標責任書籤訂率：100% Administrative penalties for safety and environmental protection violations from competent government authority: Nil 來自政府職能部門的安全環保違規行政處罰：零 |

Apart from this, we offered a comprehensive safety consciousness and skills training for staff and at the beginning of each year, an annual training programme is prepared according to the training requirements of each production workshop and the entire process is tracked and implemented as scheduled. The General Department organized and launched specific training and drills on fire safety, driving safety knowledge, specific training on practical operations and first-aid training, etc.

除此之外，我們為員工提供全面的安全意識和技能培訓，每年年初按各生產車間的培訓需求制定年度培訓工作計劃，並按時間節點全程跟蹤實施。綜合部組織展開消防安全專項培訓及演練、行車安全知識及實操專項培訓等，培訓內容涉及崗位操作規程、特種設備再培訓以及急救培訓等。

Environmental, Social and Governance Report

環境、社會及管治報告

Monthly safety production activity

June 2021 is the “20th National Safety Production Month”. Henan Company and Jiangxi Company launched a series of activities for the Safety Production Month. Relevant activities and trainings mainly include fire safety training, mechanical injury safety training, heat stroke safety training, limited space safety training, traffic safety training, electricity safety training, safety training for outsourced construction units, safety training for new employees, safety production hazard inspection, workshop emergency drills, safety knowledge competition, etc. The main person in charge, departmental managers, team leaders and employees signed the “Safety Responsibility Letter” to clarify their responsibilities and obligations for safety production, inaugurating a better implementation of safety production responsibilities.

安全生產月

2021年6月是第20個全國「安全生產月」。河南及江西公司開展安全生產月系列活動。相關活動及培訓主要有：消防安全培訓、機械傷害安全培訓、高溫中暑安全培訓、有限空間安全培訓、交通安全培訓、用電安全培訓、外協施工單位安全培訓、新入職員工安全培訓、安全生產隱患大排查、車間應急演練、安全知識競賽等等。主要負責人、部門管理人員、班組長和員工分別簽訂《安全責任書》，明確自身安全生產職責和義務，為更好地落實安全生產責任揭開序幕。



Environmental, Social and Governance Report

環境、社會及管治報告

Crane Skill Competition

In order to extensively carry out job training through competition and comprehensively improve the crane operation skills of crane operators, the Company carried out a crane skills competition on the morning of 11 June, with a total of 18 employees participating.



吊機技能比賽

為促進吊機操作人員在競賽中廣泛開展崗位練兵，全面提高員工吊機操作技能水平，6月11日上午，公司開展吊機技能比賽，共18位員工參賽。



Skill Relay

In order to build a culture of production safety, to achieve the purpose of "promoting learning through competition", and to test the firefighting skills and the ability to identify hidden dangers of the front-line staff in the workshop, a skill relay competition was held, in which a total of 40 staff participated.



技能接力賽

為建設安全生產文化，達到「以賽促學」的目的，檢驗車間一線員工消防技能和隱患識別能力，特開展技能接力賽，共40位員工參賽。



Environmental, Social and Governance Report

環境、社會及管治報告

Safety Speech Contest



We organise regular safety and fire drills, staff training on fire prevention and on the use of fire-fighting equipment in our workshops and office buildings. We require staff, whether working frontline in workshop production line or in administrative office, must possess firefighting knowledge and are able to use firefighting equipment properly, to improve staff capability in responding incidents.

In-depth launch and full participation in Fire Safety Awareness Month

Broadcasting fire prevention videos at workshops to staff.



安全演講比賽



我們定期組織安全消防演練，員工培訓消防知識，在車間及辦公大樓配置消防設備。我們要求無論是車間生產線一線員工，還是辦公大樓內的員工都必須了解消防知識，會正確使用消防設備，提升員工的事故應變能力。

深入發動，全員參與消防安全宣傳月活動

利用車間電視播放消防宣傳視頻，組織員工觀看：



Environmental, Social and Governance Report

環境、社會及管治報告

Jiangxi Company invited the Economic Development Zone Fire Brigade to the company to conduct fire safety training.



江西公司邀請經濟開發區消防大隊到公司開展消防安全培訓：



We allocate different labour protection gear to staff according to the national regulations on the prevention and treatment of occupational diseases, and conduct propaganda training for staff in respect of occupational hazards factors that exist in production environment. The safety production leading group in each department conducts inspection on the actual compliance of staff safety management, and for any staff who does not wear safety equipment properly, warning will be given for the first time of non-compliance discovery, and a fine will be imposed on the responsible leader and respective staff for the second time of non-compliance discovery, i.e. strictly adheres to the principle of "Person-in-charge is the Responsible Person". At the same time, the companies invites the local Occupational Disease Prevention and Control Centre to conduct occupational health examination for front-line workers.

我們按照國家職業病防治的相關規定給員工配置勞動防護用品，並針對生產環境中存在的職業危害因素對員工進行宣傳培訓。各部門安全生產領導小組對員工遵守安全管理的實際情況進行檢查，對於員工不恰當佩戴安全裝備的行為，第一次對員工予以警告，第二次則依照「誰主管誰負責」的處罰原則對負責的幹部和員工進行罰款。同時，每年均要求當地職業病防治所到企業內給生產一線員工進行職業健康的體檢工作。

Environmental, Social and Governance Report

環境、社會及管治報告

To improve, reconstruct, install and maintain safety protection equipment continuously, the Jiangxi Company has invested a total of RMB7.95 million in safety works, which are mainly used for the inspection and maintenance of special equipment and facilities, fire-fighting facilities and firefighting equipment, purchase, update, and improve on-site work safety and production conditions, as well as purchasing necessary emergency rescue facilities, equipment and safety protection gear for on-site workers. The Jiangxi Company has also strengthened the inspection and evaluation of safety production at construction sites, rectified hidden accidents, conducted safety skill training and emergency rescue drills. In addition, the Sanshui Company has invested a total of RMB6.24 million in safety works, which are mainly used for safety education and training, purchase of labour protection supplies, fire-fighting facilities and equipment, safety and accident prevention facilities, emergency rescue equipment, accident prevention facilities fees, etc. The Precision Manufacturing Company invested approximately RMB6.66 million, mainly for safety education and training, purchase of fire-fighting facilities and equipment, safety and accident prevention facilities, emergency rescue equipment and drills, occupational hazard protection costs, safety control staff salary, intelligent traveling crane costs, and gas leak prevention facility installation. The Chengdu Company has invested a total of RMB2.58 million in safety works, which are mainly used for safety education and training, safety testing and evaluation, purchase of labour protection supplies, fire-fighting facilities and equipment, safety and accident prevention facilities, emergency rescue equipment, occupational hazard protection, etc.

為持續完善、改造、加裝及維護安全防護設備，江西公司的安全投入總計人民幣795萬，主要用於在安全及預防事故設施、應急設施、職業危害防護、消防設施購置及維護等。江西公司亦加強了在施工場地進行安全生產檢查與評價，對事故隱患作出整改，進行安全技能培訓及應急救援演練等。此外，三水公司的安全投入總計人民幣624萬元，主要用於安全教育培訓費用、勞保用品穿戴，消防設施設備購置、職業健康監測、應急裝備、預防事故設施費等。精密製造公司投入費用約人民幣666萬元，主要用於安全教育培訓費用、消防設施設備購置費用、安全及預防事故設施費、應急救援器材及演練費、職業危害防護費用、安管人員工資費用、智能行吊投入費用、燃氣洩漏安裝費用。成都公司投入費用總計人民幣258萬元，主要用於安全教育培訓費用、勞保用品購置費用、消防設施設備購置費用、安全檢測與評價費、安全及預防事故設施費、應急救援器材及演練費、職業危害防護費用等。

| | | Sanshui Company 三水 | Chengdu Company 成都 | Jiangxi Company 江西 | Henan Company 河南 | Precision Manufacturing Company 精密製造 |
|--------------------------------------|-----------|--------------------------|--------------------------|--------------------------|------------------------|---|
| Safety inspections (times) | 安全檢查(次) | 126 | 367 | 75 | 98 | 47 |
| Accident emergency drills (times) | 事故應急演練(次) | 95 | 34 | 36 | 14 | 14 |

Environmental, Social and Governance Report

環境、社會及管治報告

During the Reporting Period, the Group did not violate any law and regulation on health and safety. In response to employee injury accidents that occurred during the Year, we promptly and properly treated injured staffs, reviewed and investigated the causes of accidents, and adopted measures to strengthen staffs' safety production education and improve workplace protection conditions to prevent accidents from happening again.

5.4 Development and Training

The Group firmly believes that the development and training of staffs is conducive to reach our business objectives, improve performance and achieve sustainable development. We are committed to attracting and retaining high-quality talents and enhance their sense of belonging by rendering sustainable development and training opportunities. The staff development and training policies are set out in the employee handbook, and staff training is guided in accordance with the "Staff Training Management System" and "Administration Methods for Staff Career Development". We carry out diversified training programs, which are conducted through classroom training and online learning, to continuously help staffs' rapid growth and self-improvement.

During the Year, the companies were active in providing safety and environmental protection and occupational health training.

報告期內，本集團未發生任何違反有關健康與安全的法律及規例的行為。針對年內出現的員工工傷事故，我們已於第一時間妥善安置受傷員工，檢討和調查事故發生原因，並採取加強員工安全生產教育、改善工作場所防護條件等措施，防範事故再次發生。

5.4 發展及培訓

本集團堅信員工的發展及培訓可幫忙公司完成經營目標、提高績效、實現持續發展。我們致力透過提供可持續發展和培訓的機會，吸引和保留高素質人才並增強其歸屬感。我們在員工手冊中發佈了員工發展及培訓的政策，同時依照《員工培訓管理制度》以及《員工職業發展管理辦法》指導員工培訓及發展具體工作的執行。我們開展多元化的培訓項目，通過課堂培訓和在線學習兩種方式進行，不斷助力員工的快速成長和自我提升。

本年度，各公司積極開辦超過安全環保及職業衛生培訓：

| | | Sanshui Company 三水 | Chengdu Company 成都 | Jiangxi Company 江西 | Henan Company 河南 | Precision Manufacturing Company 精密製造 |
|--------------------------|---------|--------------------------|--------------------------|--------------------------|------------------------|---|
| Safety trainings (times) | 安全培訓(次) | 460 | 340 | 214 | 221 | 84 |
| No. of participants | 參與人次 | 23,278 | 9,449 | 8,510 | 11,265 | 1,730 |

Environmental, Social and Governance Report

環境、社會及管治報告

We made the following achievements during the Year in respect of safety training:

- examination rate of occupational health after employment of 100%;
- safety education and training rate of newly recruited/transferred/reinstated staffs of 100%;
- percentage of staffs holding necessary certificates for special jobs (100%);
- percentage of the Company's principal responsible person and safety management personnel that have received training (100%).

We develop an annual training implementation plan based on the results of the survey on employee training needs and integrated with the training resources and the Company's human resources activity plan. Our training works adhered to the principle of comprehensive coverage and key development, mainly covering the following aspects:

New Staff Training

Through various forms of training, new staffs are able to fully understand the Company's development status, organizational structure, rules and regulations, process flow, etc., enhance their recognition and confidence in corporate culture, and give full play to their initiative and enthusiasm.

在安全培訓方面，本年度我們取得以下成就：

- 100% 在崗職業健康體檢率；
- 100% 新入職／轉／復崗員工安全教育培訓率；
- 100% 特殊工種持證上崗率；
- 100% 公司主要負責人、安全管理人員培訓。

我們每年根據員工培訓需求調查結果，並結合培訓資源及公司人力資源活動計劃，制定年度培訓實施計劃。我們的培訓工作堅持全面覆蓋、重點開展的原則，內容主要覆蓋：

新晉培訓

通過多種形式的培訓，讓新晉員工全面了解公司的發展現狀、組織架構、規章制度、工藝流程等內容，增強其對公司文化的認同和自信，充分發揮工作主動性和積極性。

Environmental, Social and Governance Report

環境、社會及管治報告

“The Power of Role Models, Let Your Dream Set Sail” — Thematic Sharing Session for Newly Recruited Young Staff in 2021

As the Company's production scale continues to expand, the introduction of talent is one of the long-term plans. Since the start of the year, there have been a number of new faces in the Company. In order to guide the staff and unite the youth, help them deeply understand the development strategy and corporate culture and integrate into the company environment as soon as possible, on 20 March 2021, the Youth League Branch of Guangdong Xingfa Aluminum (Jiangxi) Co., Ltd. organized a learning and sharing activity with the theme of “The Power of Role Models, Let Your Dream Set Sail” for the new young staff.



Management Training

To conduct general management training to all staffs, such as management skills improvement, business etiquette, emotional management, safety training, communication skills improvement, office automation, laws and regulations, and policy presentations to improve staff quality and comprehensive skills.

「榜樣力量，助夢起航」— 2021年新入職青年員工主題分享會

隨著公司生產規模不斷擴大，人才引進是公司長遠規劃之一。開工至今，隨著新補充人員增多，公司內也多了一批新生面孔。為引導員工、凝聚青年，讓青年員工更加深入的了解公司發展戰略和企業文化，儘快融入公司環境，2021年3月20日，廣東興發鋁業（江西）有限公司團支部組織新入職青年員工開展了以「榜樣力量，助夢起航」為主題的學習分享活動。

管理類培訓

面向全體員工開展通用管理類培訓，如管理技能提升、商務禮儀、情緒管理、安全培訓、溝通技巧、辦公自動化、法律法規和政策宣講等課程，提高員工素質和綜合技能。

Environmental, Social and Governance Report

環境、社會及管治報告

Professional Training

To offer a wide range of professional training for staffs, such as trainings on sales skills, financial operations skills, human resources management, and training for specific projects. The purpose of such trainings is to improve the know-how and skills of professional staff, thereby improving work efficiency. At the same time, we hire highly skilled staffs as internal lecturers to share work experience and professional skills with other staffs and use this as an opportunity to explore outstanding talents, to form an efficient internal training instructor team, and to inherit the company's culture and skills knowledge.

On-line Training

We integrate with current intelligentized and Internet-based platform learning methods and collaborate with third-party training institutes to develop an on-line training platform. The platform will match different training programme for staffs at each stage and incorporate the training assessment into the annual assessment to ensure training effectiveness and timeliness and improve the pro-activeness of staffs in learning.

5.5 Anti-corruption

The Group attaches great importance to the integrity of its team and requires managers at all levels to set an example of integrity and to maintain a high level of "zero tolerance" for fraud. The Group has always been committed to operating with integrity and prohibiting any form of corruption and fraudulent acts, including bribery, extortion and money laundering. We have been continuously improving the internal control mechanism and whistle-blowing mechanism to eradicate corruptive behaviour. Adhering to the attitude of zero tolerance for corruption, we reinforced supervision among key segments and staff in key positions that are vulnerable to corruption. We have also strengthened the awareness of the integrity of party members and cadres by conducting conferences on discipline education.

專業培訓

為員工提供各類專業培訓，例如銷售技巧、財務操作技能、人力資源管理、以及針對特定項目進行的培訓，以提升專業人員的知識和技能，提高工作效率。同時，聘任高技能員工為公司內部講師，分享工作經驗和專業技術，並以此為契機挖掘公司優秀人才，組建一支高效的內部培訓講師隊伍，傳承公司文化、技能知識。

線上培訓

結合目前智能化、互聯網化的平台學習方式與第三方培訓機構合作開發線上平台，平台將為各階段員工搭配不同的套餐，並將培訓考核納入到年度考核中，從而保證培訓的有效性和及時性，提高員工學習的積極性。

5.5 反腐敗

本集團高度重視團隊的廉潔自律，要求各級管理人員要以身作則、廉潔自律，對舞弊問題保持「零容忍」的高壓態勢。本集團禁止任何形式的腐敗和欺詐行為，包括賄賂、敲詐勒索和洗黑錢。我們不斷健全內控機制和檢舉處罰機制，杜絕貪腐行為。我們秉承「對腐敗事件零容忍」的態度，加強對易發生腐敗的重點環節以及重點崗位人員的監督。我們亦通過開展黨風廉政建設會議工作暨紀律教育專題學習會議，加強黨員幹部的廉潔意識。

Environmental, Social and Governance Report

環境、社會及管治報告

We strictly implement the code of conduct for anti-corruption and anti-bribery in accordance with the relevant national policies, laws, rules and regulations. It is applicable to material procurement, outsourced processing, facility projects, business sales, equipment procurement and maintenance, quality supervision, other economic activities, and the process of management of individuals, properties and belongings. At the same time, all customers, suppliers, service providers and underwriters who had business relationships with the Group are also covered by the code, which contained the following aspects:

- Requirements of anti-corruption and anti-bribery conduct for purchasing and sales staff;
- Requirements of capital management involving anti-corruption and anti-bribery conduct during the purchasing and selling processes;
- Requirements of anti-corruption and anti-bribery conduct for accounting cashiers;
- Regular check on evaluation system;
- Whistle-blowing registration system.

During the Reporting Period, there was no misconduct or regulatory non-compliance related to bribery, extortion, fraud and money laundering in the Group.

我們依據國家有關政策、法律法規和規章制度，嚴格執行《反腐敗、反賄賂行為守則》，的適用範圍包括在集團範圍內的物料採購、委外加工、設施工程、業務銷售、設備採購和維護、質量監督等經濟活動，以及人、財、物管理的過程。同時，所有與本集團有業務來往的客戶、供貨商、服務商、承包商也在本守則管理範圍內，守則涵蓋以下內容：

- 對採購及銷售人員的反腐敗、反賄賂行為要求；
- 對購進、銷售過程的資金管理中涉及的反腐敗、反賄賂行為要求；
- 對會計出納人員的反腐敗、反賄賂行為要求；
- 定期檢查考評制度；
- 舉報登記制度。

報告期內，本集團未發生任何違反有關防止賄賂、勒索、欺詐及洗黑錢的法律及規例的行為。



Environmental, Social and Governance Report

環境、社會及管治報告

The Henan Company held a conference on integrity building and anti-corruption work in 2021

On the morning of September 20, the party committee of the Company held a training session on the topic of party rules and regulations and party discipline in 2021 education and the construction of party style and clean government and anti-corruption work. Mr. Liu Libin, Secretary of the Party Committee and Chairman of the Board of Directors of the Company, gave a special party lecture on the topic of "Discipline" throughout the operation and management. The meeting was chaired by Lin Yan, Deputy Secretary of the Party Committee and Secretary of the Discipline Inspection Committee of the Company, and the Party branch of Henan Company participated in the meeting by video conference.

河南公司舉行2021年廉政建設和反腐敗工作會議

9月20日上午，公司黨委召開2021年紀教月黨章黨規黨紀專題培訓會暨黨風廉政建設和反腐敗工作會。公司黨委書記、董事長劉立斌在會上作了題為「把「守紀律、講規矩」貫穿經營管理始終」的專題黨課輔導。會議由公司黨委副書記、紀委書記林嚴主持，河南公司黨支部以視頻會議形式參會。



Environmental, Social and Governance Report

環境、社會及管治報告

6 COMMUNITY PARTICIPATION AND SHARING

Over the years, Xingfa Aluminum has been actively assuming social responsibilities all the times. By adhering to the "reciprocate of where you get" spirit, the Company has carried out various community construction and social assistance projects. Through a variety of ways and initiatives to care for vulnerable groups, participating in environmental public welfare activities, charitable donations, and poverty alleviation, and conduct practical actions to unify corporate development goals and social responsibility.

While constantly pursuing our development, we always bear in mind that we shall contribute to the society and devote with heart. We have set up a dedicated charitable fund and have actively participated in social charitable donations in the name of companies and individuals, and donated funds to socially disadvantaged groups or charitable associations, and proactively assuming social responsibilities. During the Year, the Group donated a total of RMB554,000 for charities, including lighting projects to help communities, road maintenance, visited poor households, and solved the crisis of shortage of supplies in pandemic prevention and control.

6 社區參與 共同分享

多年來，興發鋁業一直積極承擔社會責任，秉承飲水思源的精神，開展多項社區建設與社會援助項目。我們通過關愛弱勢群體、參與環保公益活動、慈善捐贈、扶貧助學等多種方式和舉措，用實際行動將企業發展目標和社會責任高度統一起來。

在不斷發展的同時，我們亦不忘回饋社會奉獻愛心，設立專項慈善基金，長期以公司和個人名義積極參加社會慈善捐款活動，向社會困難群體或慈善會定向捐款，主動承擔社會責任。本年度，本集團對外捐贈善款共計55.4萬元，當中包括用於幫扶貧困戶、資助對口幫扶村產業擴產項目及解決疫情防控工作中的物資緊缺的危機。



Environmental, Social and Governance Report

環境、社會及管治報告

The Jiangxi Company offered help to the community

Our staff from the Jiangxi Company visited Fenglin Community in Yichun Economic Development Zone and delivered rice, oil and other living materials to Fenglin Community Happy Canteen, sending warmth, greetings and love to the people in the community and making them feel the warmth of the community family deeply.



江西公司為社區送溫暖

江西公司深入宜春經開區楓林社區，為楓林社區幸福食堂準備了米油等生活物資，為社區群眾送去了溫暖，帶去了問候，也傳遞了愛心，讓他們深切地感受到社區大家庭的溫暖。



Donation from Henan Company

The Party Branch and the Trade Union of Henan Company issued a donation initiative for a seriously ill colleague, and a huge donation drive was quickly launched in the company. Company leaders took the lead in making donations. Colleagues all lent a helping hand and actively participated in the donation to help the family of a colleague who was seriously ill to tide over their difficulties. A total of RMB102,059.76 was donated, of which RMB30,000 was allocated by the labor union of the Group to provide subsidies for employees in difficulty.

河南公司愛心捐款

河南公司公司黨支部和工會一起發出為病重同事的愛心捐款倡議，一場聲勢浩大的愛心捐款行動在公司內迅速開展起來。公司領導率先垂范，帶頭捐款。同事們都伸出了援助之手，積極參與到這次愛心捐款中來，幫助遭病重同事一家共渡難關，本次募捐到善款共計102,059.76元，其中30,000元由集團工會撥付的困難職工補助。

Environmental, Social and Governance Report

環境、社會及管治報告

APPENDIX I: MAJOR AWARDS AND HONOURS DURING THE YEAR

附錄一：年內主要獎項和榮譽

Since its establishment, Xingfa Aluminum has always been firmly being the leader of construction aluminum profiles in China. The Group was awarded the following major national awards and honours during the year:

自成立以來，興發鋁業始終邁著中國建築鋁型材領軍者的堅定步伐。本年度，本集團獲得的主要獎項及榮譽如下：

| Awards Sponsor 頒發單位 | Awardees 獲獎主體 | Honours 榮譽名稱 |
|--|--|--|
| Ministry of Industry and Information Technology of the People's Republic of China 工信部 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | National Technology Innovation Demonstration Enterprise 國家技術創新示範企業 |
| Ministry of Industry and Information Technology of the People's Republic of China 工信部 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | National Manufacturing Single-Sector Champion Enterprise 國家製造業單項冠軍示範企業 |
| General Office of SASAC 國資委辦公廳 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | Benchmark Enterprise under SASAC's Developing Key SOE Management Benchmarking Initiative 國務院國資委國有重點企業管理標桿創建行動標桿企業 |
| China Non-ferrous Metals Industry Science and Technology Award Office 中國有色金屬工業科學技術獎勵工作辦公室 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | China Non-ferrous Metals Industry Science and Technology Award 中國有色金屬工業科學技術獎 |
| China Enterprise Confederation, China Enterprise Directors Association 中國企業聯合會、中國企業家協會 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | China's Top 500 Manufacturing Enterprises (485th) 中國製造業500強第485位 |
| The People's Government of Guangdong Province 廣東省人民政府 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | The 21st China Patent Award 第21屆中國專利優秀獎 |

Environmental, Social and Governance Report

環境、社會及管治報告

| Awards Sponsor 頒發單位 | Awardees 獲獎主體 | Honours 榮譽名稱 |
|---|--|---|
| Institute of Industrial Economics, Jinan University, Guangdong Manufacturers Association, Guangdong Provincial Development and Reform Institute 暨南大學產業經濟研究院、 廣東省製造業協會、 廣東省發展和改革研究院 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | Guangdong Top 500 Manufacturing Enterprise (60th) 廣東省製造業 500 強第 60 位 |
| Department of Industry and Information Technology of Guangdong Province, Environment Bureau, Hong Kong Special Administrative Region 廣東省工業和信息化廳、 香港特別行政區環境局 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | Hong Kong-Guangdong Cleaner Production Partner 粵港清潔生產優秀夥伴 |
| Bureau of Industry and Information Technology of Foshan City 佛山市工業和信息化局 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | Foshan Industrial Internet Demonstration Benchmark Project 佛山市工業互聯網示範標桿項目 |
| Foshan Enterprise Confederation, Foshan Entrepreneurs Association 佛山市企業家協會、佛山市企業聯合會 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | Foshan Top 100 Enterprise (25th) 佛山企業 100 強第 25 名 |
| Foshan Science and Technology Talent Association 佛山市科技人才協會 | Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司 | Technology Pioneer Award 科技先鋒獎 |
| The People's Government of Henan Province 河南省政府 | Guangdong Xingfa Aluminium (Henan) Co., Ltd. 廣東興發鋁業(河南)有限公司 | The 12th List of Exemplary Unit for Innovation on Energy-saving & Emission Reducing Technology in Henan Province 第十二批河南省節能減排科技創新示範企業名單 |
| Intellectual Property Office of Henan Province 河南省知識產權局 | Guangdong Xingfa Aluminium (Henan) Co., Ltd. 廣東興發鋁業(河南)有限公司 | Henan Province Intellectual Property Strong Enterprise Cultivation Record List 河南省知識產權強企培育備案名單 |

Environmental, Social and Governance Report

環境、社會及管治報告

| Awards Sponsor 頒發單位 | Awardees 獲獎主體 | Honours 榮譽名稱 |
|---|--|---|
| Foshan Municipal Committee of the Communist Party of China and Foshan Municipal People's Government 中共佛山市委、佛山市人民政府 | Guangdong Xingfa Aluminium (Sanshui) Co., Ltd. 廣東興發鋁業(三水)有限公司 | 2021 Foshan Model Entity 2021年佛山市先進集體 |
| People's Government of Yichun City 宜春市政府 | Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd. 廣東興發鋁業(江西)有限公司 | 2020 Top 50 Manufacturing Enterprise 2020年度全市製造業50強企業 |
| People's Government of Yichun City 宜春市政府 | Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd. 廣東興發鋁業(江西)有限公司 | 2020 Technology Innovation Demonstration Enterprise 2020年度科技創新示範企業 |
| People's Government of Yichun City 宜春市政府 | Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd. 廣東興發鋁業(江西)有限公司 | Yichun City Model Labour Relations Harmonious Enterprise 宜春市模範勞動關係和諧企業 |
| The People's Government of Jiangxi Province 江西省政府 | Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd. 廣東興發鋁業(江西)有限公司 | Advanced Public Enterprises in the Province 全省先進公有制企業 |



Environmental, Social and Governance Report

環境、社會及管治報告

APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS

附錄二：環境及社會關鍵績效指標

| Key performance indicators 關鍵績效指標 | Unit 單位 | 2021 2021 年 | 2020 2020 年 |
|---|------------------------------------|-----------------|----------------|
| Total Aluminum output¹ 鋁產品總產量 ¹ | ten thousand tonnes 萬噸 | 62.8 | 63.3 |
| Environment Aspect 環境範疇 | | | |
| Emissions 排放物 | | | |
| Total non-hazardous wastes disposed of 無害廢棄物總量 | Tonnes 噸 | 1,012.2 | 997.8 |
| Density of non-hazardous waste 無害廢棄物密度 | Tonnes/ten thousand tonnes 噸／萬噸 | 16.1 | 15.8 |
| Total hazardous waste ² 有害廢棄物總量 ² | Tonnes 噸 | 3,554.1 | 1,029.7 |
| Density of hazardous waste 有害廢棄物密度 | Tonnes/ten thousand tonnes 噸／萬噸 | 56.6 | 16.3 |
| Air pollution emission 大氣污染物排放 | | | |
| Total nitrogen oxide 氮氧化物總量 | Kg 千克 | 22,993.0 | 21,681.8 |
| Total sulphur dioxide 二氧化硫總量 | Kg 千克 | 12,369.3 | 10,407.0 |
| Total VOCs 總 VOCs 量 | Kg 千克 | 15,503.6 | 29,282.4 |
| Total fluoride 氟化物總量 | Kg 千克 | 1,145.7 | 2,596.6 |
| Total general dust 一般性粉塵總量 | Kg 千克 | 2,513.2 | 2,218.2 |

¹ Total output of the self-made products of four companies located in Sanshui, Chengdu, Jiangxi, Henan and Precision Manufacturing.

² Aluminium ash and fly ash were included in the 2021 Hazardous Waste Management List.

¹ 為三水、成都、江西、河南及精密製造五間公司自制產品的總產量。

² 2021 年將鋁灰及除塵灰納入危廢名錄。

Environmental, Social and Governance Report

環境、社會及管治報告

| Key performance indicators 關鍵績效指標 | Unit 單位 | 2021 2021 年 | 2020 2020 年 |
|--|---|----------------|----------------|
| Wastewater discharge 廢水排放 | | | |
| Total chemical oxygen demand 化學需氧量總量 | Kg 千克 | 44,461.1 | 29,965.1 |
| Total ammonia 氨氮總量 | Kg 千克 | 3,703.38 | 779.34 |
| Exceedance or other non-compliance situations 超出限制或其他不合規情況 | times 次數 | 0 | 0 |
| Fines and prosecutions due to inconformity with environmental laws and regulations 因不符合環保法律法規而被罰款或起訴 | times 次數 | 0 | 0 |
| Use of Resources 資源使用 | | | |
| Total energy consumption ³ 能源消耗總量 ³ | kWh 千瓦時 | 958,082,655.2 | 919,713,949.4 |
| Energy consumption density 能源消耗密度 | kWh/ten thousand tonnes 千瓦時／萬噸 | 15,267,395.5 | 14,540,012.5 |
| Total purchase of electricity 購買電力總量 | kWh 千瓦時 | 318,939,504.8 | 300,137,093.9 |
| Consumption density 用電密度 | kWh/ten thousand tonnes 千瓦時／萬噸 | 5,082,417.0 | 4,744,950.4 |
| Total natural gas usage volume 天然氣總用量 | m ³ 立方米 | 59,102,212.9 | 57,293,074.4 |
| Density of natural gas usage 天然氣用量密度 | m ³ /ten thousand tonnes 立方米／萬噸 | 941,815.3 | 905,762.1 |
| Total water consumption 用水總量 | Tonnes 噸 | 3,116,614.0 | 3,036,877.6 |
| Water density 用水密度 | Tonnes/ten thousand tonnes 噸／萬噸 | 49,664.4 | 48,010.8 |
| Usage of packaging materials (carton and kraft paper etc.) 包裝材料用量(紙箱、牛皮紙等) | Tonnes 噸 | 21,311.0 | 16,177.1 |
| Density of packaging materials (carton and kraft paper etc.) 包裝材料密度(紙箱、牛皮紙等) | Tonnes/ten thousand tonnes 噸／萬噸 | 339.6 | 255.7 |
| Usage of packaging materials 包裝材料用量 | Tonnes 噸 | 6,550.6 | 7,970.6 |
| Density of packaging materials (carton and kraft paper etc.) 包裝材料密度(紙箱、牛皮紙等) | Tonnes/ten thousand tonnes 噸／萬噸 | 104.4 | 126.00 |

³ Energy includes electricity and natural gas, among which, the calculation of natural gas is made by reference to the conversion factor in the "Guidelines on the Calculation Method and Reporting of Greenhouse Gas Emission by Other Industries".

³ 能源包括電力和天然氣，其中，天然氣的計算參考了《工業其他行業企業溫室氣體排放核算方法與報告指南》中的換算系數。

Environmental, Social and Governance Report

環境、社會及管治報告

| Key performance indicators 關鍵績效指標 | Unit 單位 | 2021 2021 年 |
|---|--------------|----------------|
| Social Aspect⁴ | | |
| 社會範疇⁴ | | |
| Employment | | |
| 僱傭 | | |
| Total number of staffs 總僱員人數 | number 人數 | 7,944 |
| By gender 按性別劃分 | | |
| Male 男性 | number 人數 | 6,252 |
| Female 女性 | number 人數 | 1,692 |
| By age 按年齡劃分 | | |
| 16-30 16-30 歲 | number 人數 | 1,504 |
| 31-50 31-50 歲 | number 人數 | 5,757 |
| >50 >50 歲 | number 人數 | 683 |
| By employment type 按僱傭類型劃分 | | |
| Full-time staffs 正式僱員 | number 人數 | 7,944 |
| Contract labour or part-time staffs 契約或非正式僱員 | number 人數 | 0 |

⁴ Employees for the five companies: Sanshui, Chengdu, Jiangxi, Henan and Precision Manufacturing. The employees are all from Mainland China.

⁴ 為三水、成都、江西、河南及精密製造五間公司的僱員情況。僱員均來自中國內地。

Environmental, Social and Governance Report

環境、社會及管治報告

| Key performance indicators 關鍵績效指標 | Unit 單位 | 2021 2021 年 |
|---|--------------|----------------|
| Turnover rate | | |
| 僱員流失率 | | |
| Overall turnover rate 總體流失率 | % | 46.2 |
| By gender 按性別劃分 | | |
| Male 男性 | % | 48.5 |
| Female 女性 | % | 37.9 |
| By age 按年齡劃分 | | |
| 16-30 | % | 86.0 |
| 16-30 歲 | | |
| 31-50 | % | 39.8 |
| 31-50 歲 | | |
| >50 | % | 12.9 |
| >50 歲 | | |
| Health and Safety | | |
| 健康與安全 | | |
| Number of work-related fatality 因工作死亡人數 | number 人數 | 3 |
| Number of work-related injuries 因工作受傷人數 | number 人數 | 25 |
| Number of working days lost due to work related injuries 因工傷損失共工作日數 | days 日 | 2,103 |
| Fines and prosecutions due to inconformity with laws and regulations related to health and safety 因不符合健康與安全相關法律而被罰款或起訴 | times 次數 | 0 |

Environmental, Social and Governance Report

環境、社會及管治報告

| Key performance indicators 關鍵績效指標 | Unit 單位 | 2021 2021 年 |
|--|-------------|----------------|
| Development and Training | | |
| 發展及培訓 | | |
| Average training hours 平均培訓時數 | | |
| By employment type 按僱傭類型劃分 | | |
| Senior management 高級管理層 | hours 小時 | 25.4 |
| General management 一般管理層 | hours 小時 | 33.1 |
| Non-management 非管理層 | hours 小時 | 20.2 |
| By gender 按性別劃分 | | |
| Male 男性 | hours 小時 | 20.6 |
| Female 女性 | hours 小時 | 20.4 |
| The percentage of employees trained 受訓僱員百分比 | | |
| By employment type 按僱傭類型劃分 | | |
| Senior management 高級管理層 | % | 96.6 |
| General management 一般管理層 | % | 100 |
| Non-management 非管理層 | % | 100 |
| By gender 按性別劃分 | | |
| Male 男性 | % | 100 |
| Female 女性 | % | 94.4 |

Environmental, Social and Governance Report

環境、社會及管治報告

| Key performance indicators 關鍵績效指標 | Unit 單位 | 2021 2021 年 |
|---|--------------------------|----------------|
| Suppliers | | |
| 供應商 | | |
| Number of suppliers by region 按地區劃分的供應商數目 | | |
| Mainland China 中國內地 | number 數目 | 1,007 |
| Hong Kong 香港 | number 數目 | 1 |
| Overseas 海外 | number 數目 | 1 |
| Labour Standard | | |
| 勞工準則 | | |
| Fines and prosecutions due to inconformity with laws and regulations related to health and safety 因不符合相關勞工法律而被罰款或起訴 | cases 次數 | 5 |
| Product Responsibility | | |
| 產品責任 | | |
| Fines and prosecutions due to inconformity with laws and regulations related to product responsibility 因不符合產品相關法律法規而被罰款或起訴 | cases 次數 | 0 |
| New products and technical patents acquired during the year 年內獲得的新產品及技術專利 | number 個 | 174 |
| Anti-corruption | | |
| 反貪污 | | |
| Legal cases regarding corrupt practices brought against the issuer or staffs 對發行人或其僱員提出並已審結的貪污訴訟案件 | cases 宗 | 0 |
| Community Investment | | |
| 社區投資 | | |
| Total Group's community investment 社區投資的總資金 | ten thousand RMB 萬人民幣 | 55.4 |

Environmental, Social and Governance Report

環境、社會及管治報告

APPENDIX III: INDEX OF HKEX ESG REPORTING GUIDE

附錄三：香港聯交所《環境、社會及管治報告指引》索引

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|-----------------------------|--|---|--|
| A Environment Aspect | | | |
| A 環境範疇 | | | |
| Aspect A1: | Emissions | 4 | |
| 層面 A1： | 排放物 | | |
| | General disclosures | | |
| | relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste | | |
| | (a) Policies; and | | |
| | (b) Compliance with relevant laws and regulations that have a significant impact on the issuer | | |
| | 一般披露 | | |
| | 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： | | |
| | (a) 政策；及 | | |
| | (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | | |
| KPI A1.1 關鍵績效指標 A1.1 | The types of emissions and respective emissions data 排放物種類及相關排放數據。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 | |
| KPI A1.2 關鍵績效指標 A1.2 | Direct (Scope 1) and indirect (Scope 2) GHG emissions (in tonnes) and, where applicable, intensity (e.g., per unit of production volume, per facility). 直接（範圍1）及能源間接（範圍2）溫室氣體排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。 | — | The Group is currently assessing the feasibility of collecting and disclosing such information. 本集團現正評估收集及披露該等資料的可行性。 |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|-----------------------------|--|---|---------------|
| KPI A1.3 關鍵績效指標 A1.3 | Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility) 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 | |
| KPI A1.4 關鍵績效指標 A1.4 | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility) 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 | |
| KPI A1.5 關鍵績效指標 A1.5 | Description of the emission targets and the steps taken to achieve them. 描述所訂立的排放量目標及為達到這些目標所採取的步驟。 | 4.1 | |
| KPI A1.6 關鍵績效指標 A1.6 | Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。 | 4.2 | |
| Aspect A2: 層面 A2： | Use of Resources 資源使用 General disclosures Policies on the efficient use of resources, including energy, water and other raw materials 一般披露 有效使用資源(包括能源、水及其他原材料)的政策。 | 4 | |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|-------------------------|---|---|---------------|
| KPI A2.1 關鍵績效指標 A2.1 | <p>Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)</p> <p>按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。</p> | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 | |
| KPI A2.2 關鍵績效指標 A2.2 | <p>Water consumption in total and intensity (e.g., per unit of production volume, per facility)</p> <p>總耗水量及密度(如以每產量單位、每項設施計算)。</p> | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 | |
| KPI A2.3 關鍵績效指標 A2.3 | <p>Description of the energy efficiency targets, and the steps taken to achieve these targets.</p> <p>描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。</p> | 4.1 4.3 | |
| KPI A2.4 關鍵績效指標 A2.4 | <p>Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved</p> <p>描述求取適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。</p> | 4.1 4.3 | |
| KPI A2.5 關鍵績效指標 A2.5 | <p>Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced</p> <p>制成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。</p> | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 | |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|------------------------------|--|---------------|---|
| Aspect A3: 層面 A3 : | Environment and Natural Resources 環境及天然資源 | 4 | |
| | General disclosures Policies on minimising the issuer's significant impact on the environment and natural resources 一般披露 減低發行人對環境及天然資源造成重大影響的政策。 | | |
| KPI A3.1 關鍵績效指標 A3.1 | Description of the significant impacts of activities on the environment and natural resources and the action taken to manage them 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。 | 4 | |
| Aspect A4: 層面 A4 : | Climate Change 氣候變化 | 4.3 | |
| | General disclosures Policy for identifying and responding to significant climate-related issues that have and may have an impact on the issuer 一般披露 識別及應對已經及可能對發行人產生影響的重大氣候相關事宜的政策。 | | |
| KPI A4.1 關鍵績效指標 A4.1 | Description of significant climate-related issues that have had and may have an impact on the issuer, and actions to address them 描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。 | 4.3 | This performance indicator is not the most material aspect of the Group during the year, we will update according to relevant regulations in future. 本年度此項指標並非本集團最重要的範疇，我們將在日後必要時更新披露。 |

Environmental, Social and Governance Report

環境、社會及管治報告

| Aspects 範疇 | Section 章節 | Remarks 備註 |
|---|--|---|
| B Social Aspect B 社會範疇 | | |
| Aspect B1: 層面 B1 : | Employment 僱傭 | 5.1 |
| | <p>General disclosures relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare. Information on:</p> <p>(a) Policies; and</p> <p>(b) Compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>一般披露 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：</p> <p>(a) 政策；及</p> <p>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</p> | |
| KPI B1.1 關鍵績效指標 B1.1 | Total workforce by gender, employment type, age group and geographical region 按性別、僱傭類型（如全職或兼職）、年齡組別及地區劃分的僱員總數。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 |
| KPI B1.2 關鍵績效指標 B1.2 | Employee turnover rate by gender, age group and geographical region 按性別、年齡組別及地區劃分的僱員流失比率。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|-------------------------------------|--|--|---|
| Aspect B2: 層面 B2 : | Health and Safety 健康與安全 | 5.3 | |
| | General disclosures relating to providing a safe working environment and protecting staffs from occupational hazards. Information on: (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer 一般披露 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | | |
| KPI B2.1 關鍵績效指標 B2.1 | Number and rate of work-related fatalities for the last three years (including the reporting year) 過去三年（包括匯報年度）每年因工亡故的人數及比率。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵績效指標 | There were no work-related fatalities in 2019 and 2020. 2019年及2020年均沒有因工亡故的事故。 |
| KPI B2.2 關鍵績效指標 B2.2 | Lost days due to work injury 因工傷損失工作日數。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵績效指標 | |
| KPI B2.3 關鍵績效指標 B2.3 | Description of occupational health and safety measures adopted, how they are implemented and monitored 描述所採納的職業健康與安全措施，以及相關執行及監察方法。 | 5.3 | |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|-------------------------|---|---|---------------|
| Aspect B3: 層面 B3 : | Development and Training 發展與培訓 | 5.4 | |
| | General disclosures Policies on improving staffs' knowledge and skills for discharging duties at work. Description of training activities. 一般披露 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 | | |
| KPI B3.1 關鍵績效指標 B3.1 | Percentage of trained staffs by gender and employee category (e.g., senior management, middle management, etc.) 按性別及僱員類別(如高級管理層、中級管理層)劃分的受訓僱員百分比。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 | |
| KPI B3.2 關鍵績效指標 B3.2 | The average training hours completed per employee by gender and employee category 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 | |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|------------------------------|---|---------------|---------------|
| Aspect B4: 層面 B4 : | Labour Standard 勞工準則 General disclosures relating to preventing child and forced labour: (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer 一般披露 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | 5.2 | |
| KPI B4.1 關鍵績效指標 B4.1 | Description of measures to review employment practices to avoid child and forced labour 描述檢討招聘慣例的措施以避免童工及強制勞工。 | 5.2 | |
| KPI B4.2 關鍵績效指標 B4.2 | Description of steps taken to eliminate such practices when discovered 描述在發現違規情況時消除有關情況所採取的步驟。 | 5.2 | |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|-------------------------|---|---|---------------|
| Aspect B5: 層面 B5 : | Supply Chain Management 供應鏈管理 General disclosures Policies on managing environmental and social risks of the supply chain 一般披露 管理供應鏈的環境及社會風險政策。 | 3.5 | |
| KPI B5.1 關鍵績效指標 B5.1 | Number of suppliers by geographical region 按地區劃分的供貨商數目。 | APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS 附錄二：環境及社會關鍵 績效指標 | |
| KPI B5.2 關鍵績效指標 B5.2 | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored 描述有關聘用供貨商的慣例，向其執行有關慣例的供貨商數目，以及相關執行及監察方法。 | 3.5 | |
| KPI B5.3 關鍵績效指標 B5.3 | Description of practices relating to environmental and social risks in each link of the supply chain, how they are implemented and monitored 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。 | 3.5 | |
| KPI B5.4 關鍵績效指標 B5.4 | Description of practices relating to promoting the use of environmentally friendly products and services in the selection of suppliers, how they are implemented and monitored. 描述在揀選供貨商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。 | 3.5 | |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|-------------------------------------|--|---------------|---|
| Aspect B6: 層面 B6 : | Product Responsibility 產品責任 General disclosures Information that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer 一般披露 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | 3 | |
| KPI B6.1 關鍵績效指標 B6.1 | Percentage of sold or delivered products recalled due to safety and health reasons 已售或已運送產品總數中因安全與健康理由而須回收的百分比。 | — | During the Reporting Period, there was no product recalled due to safety and health reasons. 報告期內，公司沒有因安全與健康理由而須回收的產品。 |
| KPI B6.2 關鍵績效指標 B6.2 | Number of product and service related complaints received and how they are dealt with 接獲關於產品及服務的投訴數目以及應對方法。 | 3.1 3.3 | During the Reporting Period, there was no product and service related complaints received. 報告期內，公司沒有接獲關於產品及服務的投訴。 |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|-------------------------|--|---------------|---------------|
| KPI B6.3 關鍵績效指標 B6.3 | Description of practices relating to observing and protecting intellectual property rights 描述與維護及保障知識產權有關的慣例。 | 3.2 | |
| KPI B6.4 關鍵績效指標 B6.4 | Description of quality assurance process and recall procedures 描述質量檢定過程及產品回收程序。 | 3.1 | |
| KPI B6.5 關鍵績效指標 B6.5 | Description of consumer data protection and privacy policies, how they are implemented and monitored 描述消費者數據保障及私隱政策，以及相關執行及監察方法。 | 3.4 | |
| Aspect B7: 層面 B7： | Anti-corruption 反貪污 General disclosures Information that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering: (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer 一般披露 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | 5.5 | |
| KPI B7.1 關鍵績效指標 B7.1 | Number of concluded legal cases regarding corrupt practices brought against the issuer or its staffs during the Reporting Period and the outcomes of the cases 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。 | 5.5 | |

Environmental, Social and Governance Report

環境、社會及管治報告

| | Aspects 範疇 | Section 章節 | Remarks 備註 |
|------------------------------------|---|---------------|---------------|
| KPI B7.2 關鍵績效指標 B7.2 | Description of preventive measures and whistleblowing procedures, how they are implemented and monitored 描述防範措施及舉報程序，以及相關執行及監察方法。 | 5.5 | |
| KPI B7.3 關鍵績效指標 B7.3 | Description of the anti-corruption training provided to directors and employees 描述向董事及員工提供的反貪污培訓。 | 5.5 | |
| Aspect B8: 層面 B8： | Community Investment 社區投資 General disclosures Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests 一般披露 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。 | 6 | |
| KPI B8.1 關鍵績效指標 B8.1 | Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport) 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。 | 6 | |
| KPI B8.2 關鍵績效指標 B8.2 | Resources contributed (e.g., money or time) to the focus area 在專注範疇所動用資源(如金錢或時間)。 | 6 | |

Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告



**Independent Auditor's Report to the Members of
Xingfa Aluminium Holdings Limited**
(Incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Xingfa Aluminium Holdings Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 171 to 314, which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

獨立核數師報告
致興發鋁業控股有限公司股東
(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第171至314頁的興發鋁業控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零二一年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據國際會計準則委員會(「國際會計準則委員會」)頒佈的《國際財務報告準則》(「《國際財務報告準則》」)真實而中肯地反映了 貴集團於二零二一年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

Independent Auditor's Report on the Consolidated Financial Statements

綜合財務報表之獨立核數師報告

Basis for opinion

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

Key audit matters

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

意見的基礎

我們已根據香港會計師公會(「香港會計師公會」)頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)以及與我們對開曼群島綜合財務報表的審計相關的道德要求，我們獨立於貴集團，並已履行這些道德要求以及守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及就其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。

| Revenue recognition: distributor arrangements | 收益確認：分銷商安排 |
|--|---|
| Refer to Note 3 to the consolidated financial statements and the accounting policies in Note 1(w). | 請參閱綜合財務報表附註3及會計政策附註1(w)。 |
| The Key Audit Matter 關鍵審計事項 | How the matter was addressed in our audit 我們的審計如何處理該事項 |
| Revenue mainly comprises sales of aluminium profiles to distributors and other customers in a variety of end-user markets. 收益主要來自向各種終端市場之分銷商及其他客戶銷售鋁型材。 | Our audit procedures to assess the recognition of revenue from distributor arrangements included the following: 我們用以評估分銷商安排之收益確認的審計程序包括以下各項： |

Independent Auditor's Report on the Consolidated Financial Statements

綜合財務報表之獨立核數師報告

Key audit matters (Continued)

關鍵審計事項(續)

| Revenue recognition: distributor arrangements | 收益確認：分銷商安排 |
|---|--|
| Refer to Note 3 to the consolidated financial statements and the accounting policies in Note 1(w). | |
| The Key Audit Matter 關鍵審計事項 | How the matter was addressed in our audit 我們的審計如何處理該事項 |
| <p>Sales to distributors accounted for approximately 47% of the Group's revenue for the year. Each year, the Group enters into a framework distribution agreement with each distributor and sells its products in accordance with the terms of separate purchase orders. Once the products are delivered to the location designated by the distributor, the control of the goods are considered to have been transferred to the distributor and revenue is recognised.</p> <p>向分銷商之銷售佔 貴集團年內收益約47%。貴集團每年與各分銷商訂立框架分銷協議及根據各採購訂單之條款銷售產品。一旦產品交付至分銷商指定的地點，則貨品的控制權被視為已轉移予分銷商並隨即確認收益。</p> <p>We identified the recognition of revenue from distributor arrangements a key audit matter because revenue is one of the key performance indicators of the Group and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>我們將分銷商安排之收益確認識別為關鍵審計事項，原因是收益乃 貴集團關鍵表現指標之一，故此管理層於確認收益安排時效以達致具體目標或預期時存在固有風險。</p> | <ul style="list-style-type: none"> assessing the design, implementation and operating effectiveness of management's key internal controls which govern revenue recognition; 評估管理收益確認之管理層關鍵內部監控之設計、實施及運行效力； reading distribution agreements entered into with distributors, on a sample basis, and considering whether any agreements contain terms permitting the distributors to make sales returns; 抽樣閱覽與分銷商訂立之分銷協議，及考慮是否有任何協議包含允許分銷商售貨退回之條款； for a sample of revenue transactions recorded just before and after the year end, inspecting the related goods delivery notes, which had been signed and dated by the distributors as evidence of their receipt of the goods, to assess if the related revenue had been recognised in the appropriate financial period on the basis of the terms of sale as set out in the distribution agreements and the terms of the purchase orders; and 就於年末前後記錄之收益交易樣本而言，檢查有關交貨單（其已由分銷商簽署及註明日期以作收貨憑證），以評估有關收益是否已根據分銷協議所載之銷售條款及採購訂單之條款於適當財務期間予以確認；及 inspecting significant manual adjustments to revenue raised during the reporting period, enquiring of management the reasons for such adjustments and comparing the details of the adjustments with relevant underlying documentation. 審查報告期內對收益所作的重大手動調整，向管理層詢問有關調整的原因，並將調整的詳情與相關文件進行比較。 |

Independent Auditor's Report on the Consolidated Financial Statements

綜合財務報表之獨立核數師報告

Key audit matters (Continued)

關鍵審計事項(續)

| Expected credit loss allowance for trade receivables | 交易應收賬款的預期信貸虧損撥備 |
|---|---|
| Refer to Note 30(a) to the consolidated financial statements and the accounting policies in Note 1(m). | |
| The Key Audit Matter 關鍵審計事項 | How the matter was addressed in our audit 我們的審計如何處理該事項 |
| <p>The carrying value of the Group's net trade receivables as at 31 December 2021 totalled RMB3,082,208,000, net of an allowance of RMB223,611,000 for expected credit losses (ECLs).</p> <p>於二零二一年十二月三十一日，貴集團交易應收賬款淨額賬面值（經扣除預期信貸虧損撥備人民幣223,611,000元）合共為人民幣3,082,208,000元。</p> <p>Management measured loss allowance at an amount equal to lifetime ECL of the trade receivables, based on ageing of the receivables and estimated loss rate, current market conditions and forward-looking information. According to the experience of the Group, the loss patterns for different customers are not significantly different and therefore, the receivables are not segmented for the purpose for measurement of loss allowance.</p> <p>管理層根據應收款項的賬齡及估計虧損率、當前市況及前瞻性資料按相等於交易應收賬款全期預期信貸虧損的金額計量虧損撥備。根據貴集團的經驗，不同客戶的虧損模型並無重大差異，及因此應收款項並未分類以計量虧損撥備。</p> | <p>Our audit procedures to assess the expected credit loss allowance for trade receivables included the following:</p> <p>我們用以評估交易應收賬款之預期信貸虧損撥備的審計程序包括以下各項：</p> <ul style="list-style-type: none"> obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls relating to credit control, debt collection and estimate of expected credit losses and making related allowances; 了解及評估有關信貸監控、債務收回及預期信貸虧損估計及所作相關撥備之關鍵內部監控之設計、實施及運行效力； evaluating the Group's policy for estimating the credit loss allowance with reference to the requirements of the prevailing accounting standard; 經參考當前會計準則的規定，評估貴集團估算信貸虧損撥備的政策； obtaining an understanding on the key data and assumptions of the expected credit loss model adopted by the management, including the historical default data and the assumptions involved in management's estimated loss rate; 了解管理層採用的關鍵數據及預期信貸虧損模型的假設，包括過往預設數據及管理層估計虧損率涉及的假設； |

Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

Key audit matters (Continued)

關鍵審計事項 (續)

| Expected credit loss allowance for trade receivables 交易應收賬款的預期信貸虧損撥備 | |
|--|---|
| Refer to Note 30(a) to the consolidated financial statements and the accounting policies in Note 1(m). 請參閱綜合財務報表附註30(a)及會計政策附註1(m)。 | |
| The Key Audit Matter 關鍵審計事項 | How the matter was addressed in our audit 我們的審計如何處理該事項 |
| <p>We identified the expected credit loss allowance for trade receivables as a key audit matter because trade receivables and loss allowance are material to the Group and because the recognition of expected credit losses is inherently subjective and requires the exercise of significant management judgement.</p> <p>我們將交易應收賬款的預期信貸虧損撥備識別為關鍵審計事項，原因是交易應收賬款及虧損撥備對貴集團屬重要及預期信貸虧損的確定存在內在不確定性，且涉及重大的管理層判斷。</p> | <ul style="list-style-type: none"> assessing the appropriateness of management's estimates of loss allowance by examining the information used by management to derive such estimates, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information; 藉檢測管理層用以得出有關估算的資料(包括測試過往預設數據的準確性及評估過往虧損率是否按目前經濟狀況及前瞻性資料來適切調整)來評估管理層估算之虧損撥備的適當性； assessing, on a sample basis, whether items in the trade receivables ageing report were classified within the appropriate ageing category by comparing individual items with underlying sales invoices; and 將交易應收賬款賬齡的獨立項目與相關銷售票據比較，抽樣評估相關賬齡報告內項目是否分類至適當的賬齡類別；及 re-performing the calculation of the loss allowance as at 31 December 2021 based on the Group's credit loss allowance policies. 根據貴集團的信貸虧損撥備政策，重新計算於二零二一年十二月三十一日的虧損撥備。 |

Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

Information other than the consolidated financial statements and auditor's report thereon

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

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

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

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

綜合財務報表及其核數師報告以外的信息

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

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

結合我們對綜合財務報表的審計，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綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為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。



Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

Responsibilities of the directors for the consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

董事就綜合財務報表須承擔的責任

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

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

審計委員會協助董事履行監督 貴集團的財務報告過程的責任。

核數師就審計綜合財務報表承擔的責任

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

Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

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

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

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

核數師就審計綜合財務報表承擔的責任 (續)

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

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

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

Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

- 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.

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

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

核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露，或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。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計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。

我們還向審計委員會提交聲明，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，為消除威脅而採取的行動或已採用的防範措施。

Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

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 Lam Kai Wa.

核數師就審計綜合財務報表承擔的責任 (續)

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律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林啟華。

KPMG

Certified Public Accountants

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

25 March 2022

畢馬威會計師事務所

執業會計師

香港中環
遮打道十號
太子大廈八樓

二零二二年三月二十五日



Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 December 2021
截至二零二一年十二月三十一日止年度
(Expressed in Renminbi)
(以人民幣列示)

| | | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|-------------------|------------|-----------------------------------|-----------------------------------|
| | | Note 附註 | | |
| Revenue | 營業額 | 3 | 15,432,900 | 11,886,862 |
| Cost of sales | 銷售成本 | | (13,621,056) | (10,257,443) |
| Gross profit | 毛利 | | 1,811,844 | 1,629,419 |
| Other income | 其他收益 | 4 | 132,983 | 146,409 |
| Distribution costs | 分銷成本 | | (314,575) | (359,999) |
| Administrative expenses | 行政開支 | | (401,076) | (396,106) |
| Impairment loss on trade and other receivables | 交易應收款項及其他應收款項減值虧損 | 19 & 30(a) | (79,455) | (53,058) |
| Profit from operations | 經營溢利 | | 1,149,721 | 966,665 |
| Finance costs | 財務成本 | 5(a) | (101,063) | (101,592) |
| Share of (loss)/profit of an associate | 分佔一間聯營公司(虧損)/溢利 | 15 | (581) | 8,339 |
| Gain on disposal of an associate | 出售一間聯營公司之收益 | 15 | 3,460 | - |
| Gain on loss of control on a subsidiary | 喪失對一間附屬公司之控制權之收益 | 15 | 3,664 | - |
| Profit before taxation | 除稅前溢利 | 5 | 1,055,201 | 873,412 |
| Income tax | 所得稅 | 6 | (168,084) | (111,953) |
| Profit for the year | 年度溢利 | | 887,117 | 761,459 |
| Attributable to: | 以下人士應佔： | | | |
| Equity shareholders of the Company | 本公司權益股東 | | 887,800 | 765,385 |
| Non-controlling interests | 非控股權益 | | (683) | (3,926) |
| Profit for the year | 年度溢利 | | 887,117 | 761,459 |
| Earnings per share | 每股盈利 | 10 | | |
| Basic (RMB yuan) | 基本(人民幣元) | | 2.12 | 1.83 |
| Diluted (RMB yuan) | 攤薄(人民幣元) | | 2.11 | 1.83 |

The notes on pages 178 to 314 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in Note 29(b).

第178頁至314頁之附註為該等財務報表的一部分。本公司權益股東應佔年度溢利之應付股息詳情載於附註29(b)。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2021
截至二零二一年十二月三十一日止年度
(Expressed in Renminbi)
(以人民幣列示)

| | | Note | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|------------------------------|------|-----------------------------------|-----------------------------------|
| | | 附註 | | |
| Profit for the year | 年度溢利 | | 887,117 | 761,459 |
| Other comprehensive income for the year may be reclassified subsequently to profit or loss (after tax): | 其後可能重新分類至損益之年度其他全面收益(扣除稅項後): | | | |
| | | 9 | | |
| Exchange differences on translation of financial statements of operations outside the Mainland China | 換算中國大陸以外業務之財務報表之匯兌差額 | | (1,287) | 3,094 |
| Cash flow hedge: net movement in the hedging reserve | 現金流量對沖: 對沖儲備變動淨額 | | 12,557 | (4,828) |
| Other comprehensive income for the year | 年度其他全面收益 | | 11,270 | (1,734) |
| Total comprehensive income for the year | 年度全面收益總額 | | 898,387 | 759,725 |
| Attributable to: | 以下人士應佔: | | | |
| Equity shareholders of the Company | 本公司權益股東 | | 899,070 | 763,651 |
| Non-controlling interests | 非控股權益 | | (683) | (3,926) |
| Total comprehensive income for the year | 年度全面收益總額 | | 898,387 | 759,725 |

The notes on pages 178 to 314 form part of these financial statements.

第178頁至314頁之附註為該等財務報表的一部份。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2021
於二零二一年十二月三十一日
(Expressed in Renminbi)
(以人民幣列示)

| | | | 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 | 31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 |
|---|----------------------|------------|---|---|
| | | Note 附註 | | |
| Non-current assets | 非流動資產 | | | |
| Investment property | 投資物業 | 11 | 169,427 | 73,008 |
| Property, plant and equipment | 物業、廠房及設備 | 11 | 2,534,160 | 2,271,247 |
| | | | 2,703,587 | 2,344,255 |
| Right-of-use assets | 使用權資產 | 12 | 330,465 | 336,187 |
| Intangible assets | 無形資產 | 13 | 3,410 | 3,779 |
| Interest in an associate | 於聯營公司之權益 | 15 | 8,975 | 6,319 |
| Equity securities designated at fair value through other comprehensive income (FVOCI) | 指定為按公平值計入其他全面收益的股本證券 | 16 | 11,183 | — |
| Deferred tax assets | 遞延稅項資產 | 28(b) | 68,434 | 53,171 |
| | | | 3,126,054 | 2,743,711 |
| Current assets | 流動資產 | | | |
| Derivative financial instruments | 衍生金融工具 | 17 | 15,289 | 14,471 |
| Inventories and other contract costs | 存貨及其他合約成本 | 18 | 1,481,803 | 1,252,507 |
| Trade and other receivables | 交易及其他應收款項 | 19 | 4,667,569 | 3,546,003 |
| Prepayments | 預付款項 | | 199,421 | 199,172 |
| Pledged deposits | 已抵押存款 | 20 | 208,919 | 170,558 |
| Cash and cash equivalents | 現金及現金等價物 | 21 | 1,643,133 | 509,639 |
| | | | 8,216,134 | 5,692,350 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 交易及其他應付款項 | 22 | 4,725,224 | 3,321,622 |
| Contract liabilities | 合約負債 | 23 | 228,274 | 197,670 |
| Loans and borrowings | 貸款及借貸 | 24 | 492,617 | 811,424 |
| Lease liabilities | 租賃負債 | 25 | 2,005 | 2,368 |
| Derivative financial instruments | 衍生金融工具 | 17 | 5,908 | — |
| Current taxation | 即期稅項 | 28(a) | 89,057 | 54,013 |
| | | | 5,543,085 | 4,387,097 |
| Net current assets | 流動資產淨額 | | 2,673,049 | 1,305,253 |

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2021
於二零二一年十二月三十一日
(Expressed in Renminbi)
(以人民幣列示)

| | | | 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元 | 31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 |
|--|------------|----------------------|---|---|
| | Note 附註 | | | |
| Total assets less current liabilities | | 總資產減流動負債 | 5,799,103 | 4,048,964 |
| Non-current liabilities | | 非流動負債 | | |
| Loans and borrowings | 24 | 貸款及借款 | 1,258,742 | 318,868 |
| Lease liabilities | 25 | 租賃負債 | 5,447 | 6,523 |
| Deferred income | 26 | 遞延收入 | 25,566 | 14,663 |
| Deferred tax liabilities | 28(b) | 遞延稅項負債 | 29,948 | 10,977 |
| | | | 1,319,703 | 351,031 |
| Net assets | | 資產淨值 | 4,479,400 | 3,697,933 |
| Capital and reserves | | 股本及儲備 | | |
| Share capital | 29 | 股本 | 3,744 | 3,732 |
| Reserves | | 儲備 | 4,475,598 | 3,693,460 |
| Total equity attributable to equity shareholders of the Company | | 本公司權益股東應佔權益總額 | 4,479,342 | 3,697,192 |
| Non-controlling interests | | 非控股權益 | 58 | 741 |
| Total equity | | 權益總額 | 4,479,400 | 3,697,933 |

Approved and authorised for issue by the board of directors on 25 March 2022.

於二零二二年三月二十五日獲董事會批准及授權刊發。

Liu Libin
劉立斌
Chairman
主席

Liao Yuqing
廖玉慶
Executive Director
執行董事

The notes on pages 178 to 314 form part of these financial statements.

第178頁至314頁之附註為該等財務報表的一部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2021
截至二零二一年十二月三十一日止年度
(Expressed in Renminbi)
(以人民幣列示)

| | | Attributable to equity shareholders of the Company 本公司權益股東應佔 | | | | | | | | | | Non-controlling interests 非控股權益 | | Total equity 總權益 |
|--|----------------------------|---|------------------------------|--------------------------------|----------------------------------|--------------------------------|------------------------------|--------------------------------|----------------------------------|-----------|---------|------------------------------------|---------|---------------------|
| | | Share capital 股本 | Share premium 股份溢價 | Capital reserve 資本儲備 | Other reserve 其他儲備 | Statutory reserves 法定儲備 | Exchange reserve 匯兌儲備 | Hedge reserve 對沖儲備 | Retained earnings 保留盈利 | | | Total 總計 | | |
| Notes | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| 附註 | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | | Note 29(c) 附註 29(c) | Note 29(d)(i) 附註 29(d)(i) | Note 29(d)(ii) 附註 29(d)(ii) | Note 29(d)(iii) 附註 29(d)(iii) | Note 29(d)(iv) 附註 29(d)(iv) | Note 29(d)(v) 附註 29(d)(v) | Note 29(d)(vi) 附註 29(d)(vi) | Note 29(d)(vii) 附註 29(d)(vii) | | | | | |
| Balance at 1 January 2020 | 於二零二零年一月一日之結餘 | 3,731 | 179,568 | 9,086 | 209,822 | 332,478 | (1,203) | (2) | 2,304,855 | 3,038,335 | 545 | 3,038,880 | | |
| Changes in equity for 2020: | 二零二零年權益變動： | | | | | | | | | | | | | |
| Profit for the year | 年度溢利 | - | - | - | - | - | - | - | 765,385 | 765,385 | (3,926) | 761,459 | | |
| Other comprehensive income | 其他全面收益 | - | - | - | - | - | 3,094 | (4,828) | - | (1,734) | - | (1,734) | | |
| Total comprehensive income | 全面收益總額 | - | - | - | - | - | 3,094 | (4,828) | 765,385 | 763,651 | (3,926) | 759,725 | | |
| Shares issued due to exercise of share option scheme | 因行使購股權計劃已發行的股份 | 29(c) | 1 | 417 | (102) | - | - | - | - | 316 | - | 316 | | |
| Recognition of Employees' share option scheme | 確認僱員購股權計劃 | 27(b) | - | - | 1,794 | - | - | - | - | 1,794 | - | 1,794 | | |
| Appropriation to reserves | 轉撥至儲備 | - | - | - | - | 29,962 | - | - | (29,962) | - | - | - | | |
| Capital injection of non-controlling interest in subsidiaries in the form of intangible assets | 附屬公司非控股權益注資 (以無形資產的形式) | - | - | - | - | - | - | - | - | - | 4,122 | 4,122 | | |
| Dividend approved in respect of the previous year | 過往年度經批准的股息 | 29(b) | - | - | - | - | - | - | (106,904) | (106,904) | - | (106,904) | | |
| Balance at 31 December 2020 and 1 January 2021 | 於二零二零年十二月三十一日及二零二一年一月一日之結餘 | 3,732 | 179,985 | 10,778 | 209,822 | 362,440 | 1,891 | (4,830) | 2,933,374 | 3,697,192 | 741 | 3,697,933 | | |
| Changes in equity for 2021: | 二零二一年權益變動： | | | | | | | | | | | | | |
| Profit for the year | 年度溢利 | - | - | - | - | - | - | - | 887,800 | 887,800 | (683) | 887,117 | | |
| Exchange reserve | 匯兌儲備 | - | - | - | - | - | (1,287) | - | - | (1,287) | - | (1,287) | | |
| Other comprehensive income | 其他全面收益 | - | - | - | - | - | - | 12,557 | - | 12,557 | - | 12,557 | | |
| Total comprehensive income | 全面收益總額 | - | - | - | - | - | (1,287) | 12,557 | 887,800 | 899,070 | (683) | 898,387 | | |
| Shares issued due to exercise of share option scheme | 因行使購股權計劃已發行的股份 | 29(c) | 12 | 8,063 | (1,991) | - | - | - | - | 6,084 | - | 6,084 | | |
| Recognition of Employees' share option scheme | 確認僱員購股權計劃 | 27(b) | - | - | 627 | - | - | - | - | 627 | - | 627 | | |
| Appropriation to reserves | 轉撥至儲備 | - | - | - | - | 35,240 | - | - | (35,240) | - | - | - | | |
| Dividend approved in respect of the previous year | 過往年度經批准的股息 | 29(b) | - | - | - | - | - | - | (123,631) | (123,631) | - | (123,631) | | |
| Balance at 31 December 2021 | 於二零二一年十二月三十一日之結餘 | 3,744 | 188,048 | 9,414 | 209,822 | 397,680 | 604 | 7,727 | 3,662,303 | 4,479,342 | 58 | 4,479,400 | | |

The notes on pages 178 to 314 form part of these financial statements. 第178頁至314頁之附註為該等財務報表的一部份。

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31 December 2021
截至二零二一年十二月三十一日止年度
(Expressed in Renminbi)
(以人民幣列示)

| | | Note | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|--------------------------|-------|-----------------------------------|-----------------------------------|
| | | 附註 | | |
| Operating activities | 經營活動 | | | |
| Cash generated from operations | 業務所得現金 | 21(b) | 1,464,844 | 1,109,296 |
| Income tax paid | 已付所得稅 | 28(a) | (131,220) | (135,050) |
| Land Appreciation Tax ("LAT") paid | 已付土地增值稅(「土地增值稅」) | 28(a) | (329) | (848) |
| Net cash generated from operating activities | 經營活動所得現金淨額 | | 1,333,295 | 973,398 |
| Investing activities | 投資活動 | | | |
| Interest received | 已收利息 | | 78,083 | 53,899 |
| Proceeds received upon maturity of pledged deposits | 於已抵押存款到期後 已收所得款項 | | 2,224,825 | 1,878,340 |
| Payment for pledged deposits | 已抵押存款付款 | | (2,263,186) | (1,721,861) |
| Payment for purchase of property, plant and equipment | 購置物業、廠房及設備之付款 | | (686,834) | (438,918) |
| Payment for deposit of commodity futures contracts | 商品期貨合約按金之付款 | | (15,000) | (160,000) |
| Proceeds received from deposit of commodity futures contracts | 自商品期貨合約按金收取的 所得款項 | | 28,861 | 175,354 |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備所得款項 | | 2,815 | 3,213 |
| Proceeds from disposal of associate | 出售聯營公司所得款項 | | 10,000 | — |
| Dividend received from associates | 已收聯營公司之股息 | | 27,655 | — |
| Payment for purchase of equity securities | 購置股本證券之付款 | | (11,183) | — |
| Loss of control on a subsidiary, net of cash disposed | 失去對附屬公司的控制權， 扣除已出售之現金 | | (854) | — |
| Net cash used in investing activities | 投資活動所用現金淨額 | | (604,818) | (209,973) |

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31 December 2021
截至二零二一年十二月三十一日止年度
(Expressed in Renminbi)
(以人民幣列示)

| | | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|--------------------------|------------|-----------------------------------|-----------------------------------|
| | | Note 附註 | | |
| Financing activities | 融資活動 | | | |
| Capital element of lease rentals paid | 已付租金之本金部分 | 21(c) | (1,603) | (4,041) |
| Interest element of lease rentals paid | 已付租金之利息部分 | 21(c) | (397) | (654) |
| Interest paid | 已付利息 | 21(c) | (92,742) | (101,351) |
| Proceeds from loans and borrowings | 貸款及借貸所得款項 | 21(c) | 3,267,714 | 1,958,924 |
| Repayment of loans and borrowings | 償還貸款及借貸 | 21(c) | (2,646,647) | (2,527,740) |
| Proceeds from shares issued under share option scheme | 購股權計劃項下已發行股份之所得款項 | | 6,084 | 316 |
| Dividends paid to equity shareholders of the Company | 已付本公司權益股東之股息 | 29(b) | (123,631) | (106,904) |
| Net cash generated from/(used in) financing activities | 融資活動所得／(所用)現金淨額 | | 408,778 | (781,450) |
| Net increase/(decrease) in cash and cash equivalents | 現金及現金等價物增加／(減少)淨額 | | 1,137,255 | (18,025) |
| Cash and cash equivalents at 1 January | 於一月一日的現金及現金等價物 | 21(a) | 509,639 | 528,003 |
| Effect of foreign exchange rate changes | 匯率變動之影響 | | (3,761) | (339) |
| Cash and cash equivalents at 31 December | 於十二月三十一日的現金及現金等價物 | 21(a) | 1,643,133 | 509,639 |

The notes on pages 178 to 314 form part of these financial statements.

第178頁至314頁之附註為該等財務報表的一部份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies

(a) Statement of compliance

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

The IASB has issued certain amendments to IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting periods reflected in these financial statements.

1 主要會計政策

(a) 合規聲明

該等財務報表乃按照所有適用之國際財務報告準則（「國際財務報告準則」），該統稱包括國際會計準則委員會（「國際會計準則委員會」）頒佈的所有適用個別國際財務報告準則、國際會計準則（「國際會計準則」及詮釋）、香港公認會計原則以及香港公司條例之披露規定編製。該等財務報表亦符合香港聯合交易所有限公司證券上市規則之適用披露條文。本集團採納之主要會計政策披露如下。

國際會計準則委員會已頒佈若干國際財務報告準則的修訂，該等準則為於本集團本會計期間首次生效或可提早採納。初次應用該等與本集團有關之國際財務報告準則所引致當前會計期間之任何會計政策變動，已反映於該等財務報表內，有關資料列載於附註1(c)。



Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in an associate.

The consolidated financial statements are presented in Renminbi ("RMB"), rounded to the nearest thousand, which is the functional currency of the major subsidiaries carrying out the principal activities of the Group.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- investments in debt and equity securities (see Note 1(f)); and
- derivative financial instruments (see Note 1(g)).

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

1 主要會計政策(續)

(b) 財務報表之編製基準

截至二零二一年十二月三十一日止年度的綜合財務報表由本公司及其附屬公司(統稱「本集團」)以及本集團於聯營公司之權益組成。

綜合財務報表乃按人民幣(「人民幣」)呈列，並已約整至最接近的千位，人民幣為從事本集團主要業務之主要附屬公司之功能貨幣。

財務報表之編製以歷史成本法為計量基準，惟誠如下文所載之會計政策所闡釋，以下資產及負債按其公平值入賬除外。

- 於債務及股本證券的投資(見附註1(f))；及
- 衍生金融工具(見附註1(g))。

管理層編製符合國際財務報告準則規定之財務報表時，須作出影響政策應用和所呈報資產、負債及收支金額的判斷、估計和假設。該等估計和相關假設乃根據過往經驗及管理層相信於該等情況下屬合理的各項其他因素作出，所得結果用作判斷該等無法從其他渠道直接獲得之資產及負債賬面值之基礎。實際結果可能與該等估計不同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

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

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

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 2.

(c) Changes in accounting policies

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

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, Interest rate benchmark reform — phase 2
- Amendment to IFRS 16, *Covid-19-Related Rent Concessions beyond 30 June 2021*

None of these amendments have had a material effect on how the Group's results and financial position for the current or prior years have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

1 主要會計政策 (續)

(b) 財務報表之編製基準 (續)

估計及相關假設會持續檢討。會計估計之修訂會在修訂估計期間(倘修訂僅影響該期間)或修訂期間及未來期間(倘修訂影響目前及未來期間)確認。

管理層應用國際財務報告準則時所作出對財務報表有重大影響的判斷及估計不確定因素之主要來源載於附註2。

(c) 會計政策變動

本集團已於本會計期間的此等財務報表內應用以下國際會計準則委員會頒佈的國際財務報告準則之修訂：

- 國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號修訂本，利率基準改革 — 第二階段
- 國際財務報告準則第16號修訂本，於二零二一年六月三十日後與Covid-19有關的租金優惠

概無任何此等修訂對本集團編製或呈報當前或過往業績及財務狀況產生重大影響。本集團並未採用任何於當前會計期間尚未生效的新準則或詮釋。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(d) Subsidiaries and non-controlling interests

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

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

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

1 主要會計政策(續)

(d) 附屬公司及非控股權益

附屬公司指由本集團控制的實體。倘本集團因參與某實體的營運而獲得或有權享有其可變回報，並能夠運用其對實體之權力影響該等回報，則本集團控制該實體。在評估本集團是否擁有控制權時，僅考慮實質權利(由本集團及其他人士持有)。

於一間附屬公司之投資自控制開始當日起至控制結束當日期間於綜合財務報表內綜合入賬。集團內公司間結餘、交易及現金流量以及集團內公司間交易產生之任何未變現溢利於編製綜合財務報表時悉數對銷。集團內公司間交易產生之未變現虧損以與未變現收益相同之方式對銷，惟僅於無減值證據時進行。

非控股權益指非本公司直接或間接應佔之附屬公司股權，而本集團並未與有關權益持有人協定任何附加條款，令本集團整體對該等權益產生符合金融負債定義之合約義務。就各企業合併而言，本集團可選擇按公允值或非控股權益所佔附屬公司之淨可識別資產之比例計量任何非控股權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(d) Subsidiaries and non-controlling interests

(Continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with Notes 1(r) or (s) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of interest in an associate (see Note 1(e)).

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses (Note 1(m)).

1 主要會計政策 (續)

(d) 附屬公司及非控股權益 (續)

非控股權益在綜合財務狀況表之權益部份內，與本公司權益股東應佔權益分開呈列。非控股權益所佔本集團業績之權益在綜合損益表及綜合損益及其他全面收益表呈列，以顯示本年度之總溢利或虧損及全面收益總額於非控股權益與本公司權益股東之間之分配。非控股權益持有人貸款及其他該等持有人須履行之合約義務根據附註1(r)或(s)按負債性質於綜合財務狀況表中呈列為金融負債。

本集團將不導致喪失控制權之附屬公司權益變動乃以權益交易入賬，即只調整在綜合權益表內之控股及非控股權益金額以反映相關權益變動，但不調整商譽及確認盈虧。

當本集團喪失對附屬公司之控制權，將按出售該附屬公司之所有權益入賬，而所產生的盈虧於損益確認。任何於喪失控制權當日仍保留該前附屬公司之權益乃按公允值確認，而此金額被視為初始確認金融資產之公允值，或按權益初始確認於聯營公司(見附註1(e))。

於本公司之財務狀況表中，於附屬公司之投資按成本減去減值虧損列賬(附註1(m))。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(e) Associate

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

An investment in an associate is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (Note 1(m)(ii)). At each reporting date, the Group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate, after applying the ECL model to such other long-term interests where applicable (see Note 1(m)(i)).

1 主要會計政策(續)

(e) 聯營公司

聯營公司是指本集團可以對其管理層發揮重大影響力(不是控制或共同控制)的企業，其中包括參與財務及經營決策。

於聯營公司的投資按權益法記入綜合財務報表。根據權益法，投資初始以成本入賬，調整本集團在收購當日應佔被投資方可辨認淨資產公平值超過投資成本的金額調整(如有)。投資成本包括購買價、收購該投資的直接應佔其他成本，及構成本集團權益投資一部份於該聯營公司的任何直接投資。其後，調整本集團收購後應佔被投資方的淨資產的變動及與該投資相關的減值虧損變動(附註1(m)(ii))。於各報告日期，本集團評估是否有任何客觀證據表明投資已減值。收購當日出於成本的任何金額，本集團本年應佔被投資方的收購後的稅後業績及任何減值虧損在綜合損益表確認，而本集團應佔被投資方的收購後的稅後其他全面收益項目在綜合損益及其他全面收益表確認。

當本集團應佔聯營公司的虧損額超過其所佔權益時，本集團所佔權益會減少至零，並且不再確認額外虧損；但如本集團須履行法定或推定義務，或代被投資方作出付款則除外。就此而言，就有關其他長期權益(倘適用)(見附註1(m)(i))應用預期信貸虧損模式之後，本集團的權益是以按照權益法計算投資的賬面金額，以及實質上構成本集團於聯營公司投資淨額一部份的任何其他長期權益為準。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(e) Associate (Continued)

Unrealised profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

In all other cases, when the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 1(f)).

In the Company's statement of financial position, investment in associate are stated at cost less impairment losses (see Note 1(m)).

(f) Other investments in debt and equity securities

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

Investments in debt and equity securities are recognised/derecognised on the date the group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the group determines fair value of financial instruments, see Note 30(f). These investments are subsequently accounted for as follows, depending on their classification.

1 主要會計政策 (續)

(e) 聯營公司 (續)

本集團與聯營公司之間交易所產生的未實現溢利和損失，均按本集團於被投資方的權益比例抵銷；但如未變現虧損顯示已轉讓資產出現減值，則該等未變現虧損會即時在損益內確認。

在所有其他情況下，如本集團對聯營公司不再有重大影響，應視同整體處置於被投資方所佔的權益，相關盈虧於損益中確認。重大影響喪失當日本集團所保留的於前被投資方的任何剩餘權益按公平值確認，該金額於金融資產初步確認時視為公平值（見附註1(f)）。

於本公司財務狀況表中，於聯營公司的投資按成本減減值虧損呈列（見附註1(m)）。

(f) 其他債務及股本證券投資

本集團的債務及股本證券投資（附屬公司、聯營公司或合資企業投資除外）政策載列如下。

本集團在承諾購入／出售投資當日確認／終止確認債務及股本證券投資。投資初步按公平值加直接應佔交易成本列報，惟按公平值計入損益（按公平值計入損益）列賬之投資除外，該等投資之交易成本直接於損益內確認。有關本集團釐定金融工具公平值的方法的解釋，見附註30(f)。該等投資隨後根據其分類按以下方法入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

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

(i) Investments other than equity investments

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

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see Note 1(w)(v)).
- fair value through other comprehensive income (FVOCI) — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- fair value through profit or loss (FVPL) if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

1 主要會計政策(續)

(f) 其他債務及股本證券投資(續)

(i) 非股本證券投資

本集團持有的非股本投資歸入以下其中一個計量類別：

- 按攤銷成本，倘持有投資的目的為收取合約現金流量，即純粹為支付本金及利息。投資所得利息收入乃使用實際利率法計算（見附註1(w)(v)）。
- 按公平值計入其他全面收益（按公平值計入其他全面收益）（可劃轉），倘投資的合約現金流量僅包括本金及利息付款，且投資乃於其目的為同時收取合約現金流量及出售的業務模式中持有。公平值變動於其他全面收益確認，惟預期信貸虧損、利息收入（使用實際利率法計算）及匯兌收益及虧損於損益確認。當投資被取消確認，於其他全面收益累計的金額從權益劃轉至損益。
- 按公平值計入損益（按公平值計入損益），倘投資不符合按攤銷成本計量或按公平值計入其他全面收益（可劃轉）的標準。投資的公平值變動（包括利息）於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

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

(ii) Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 1(w)(vii).

(g) Derivative financial instruments

Derivative financial instruments are recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see Note 1(h)).

1 主要會計政策 (續)

(f) 其他債務及股本證券投資 (續)

(ii) 股本證券投資

於股本證券的投資分類為按公平值計入損益，除非股本投資並非持作買賣用途，且於初次確認投資時，本集團不可撤銷地選擇指定投資為按公平值計入其他全面收益（不可劃轉），以致公平值的後續變動於其他全面收益確認。有關選擇乃按工具個別作出，惟僅當發行人認為投資符合權益定義時方可作出。於作出有關選擇後，於其他全面收益累計的金額繼續保留於公平值儲備（不可劃轉），直至投資被出售為止。出售時，於公平值儲備（不可劃轉）累計的金額轉撥至保留盈利，而非透過損益賬劃轉。股本證券投資的股息，無論分類為以公平值計入損益或按公平值計入其他全面收益，均按附註1(w)(vii)所載政策在損益中確認為其他收益。

(g) 衍生金融工具

衍生金融工具乃按公平值確認。於各報告期末，公平值乃重新計量。重新計量公平值所產生之收益或虧損即時於損益中確認，除非該衍生工具符合現金流量對沖會計處理或為海外業務投資淨額對沖，在此等情況下，確認任何因此而產生之收益或虧損取決於對沖項目之性質（見附註1(h)）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(h) Hedging

The Group designates the derivative as hedging instrument to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates, variable rate borrowings or commodity price risk (cash flow hedges).

Cash flow hedges

Where a derivative financial instrument is designated as a hedging instrument in a cash flow hedge, the effective portion of any gain or loss on the derivative financial instrument is recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The ineffective portion of any gain or loss is recognised immediately in profit or loss.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset such as inventory, the associated gain or loss is reclassified from equity to be included in the initial cost of the non-financial asset.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve is reclassified from equity to profit or loss in the same period or periods during which the hedged cash flows affect profit or loss (such as when a forecast sale occurs or interest expense is recognised).

If a hedge no longer meets the criteria for hedge accounting (including when the hedging instrument expires or is sold, terminated or exercised), then hedge accounting is discontinued prospectively. When hedge accounting is discontinued, but the hedged forecast transaction is still expected to occur, the amount that has been accumulated in the hedging reserve remains in equity until the transaction occurs and it is recognised in accordance with the above policy. If the hedged transaction is no longer expected to take place, the amount that has been accumulated in the hedging reserve is reclassified from equity to profit or loss immediately.

1 主要會計政策(續)

(h) 對沖

本集團指定衍生工具作為對沖工具，用以對沖成數很高的預期交易因外匯匯率、浮息借貸及商品價格風險變動而引起的現金流量變動(現金流量對沖)。

現金流量對沖

當衍生金融工具指定用作現金流量對沖之對沖工具時，衍生金融工具任何盈虧之有效部分將於其他全面收益確認，並在對沖儲備內分開累計作權益。任何盈虧之無效部分將即時於損益確認。

如對沖之預期交易隨後導致確認為存貨等非金融資產，則相關盈虧將由權益重新分類，並包括在非金融資產之初始成本中。

有關所有其他對沖之預期交易，在對沖儲備內累計之金額將於對沖現金流量影響損益之同期或多個期內(如發生預計銷售或確認利息開支)由權益重新分類至損益。

當對沖不再符合對沖會計處理標準(包括當對沖工具到期或被出售、終止或行使)時，則往後終止使用對沖會計處理。當對沖會計處理已終止使用，而對沖之預期交易預期仍會發生時，則已於對沖儲備內累計之金額將保持於權益內，直至交易發生為止，並根據上述政策予以確認。倘若所對沖交易預期不會發生，則已於對沖儲備內累計之金額將即時由權益重新分類為損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(i) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see Note 1(l)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are accounted for using the cost model and stated in the statement of financial position at cost less accumulated depreciation and impairment losses (see Note 1(m)). The cost of investment property, less its estimated residual value and accumulated impairment losses, is depreciated using the straight-line method over its estimated useful lives as follows.

- Land use rights 50 years
- Buildings and plants held for own use which are situated on leasehold land are depreciated over the shorter of the unexpired term of the lease and their estimated useful lives, being no more than 35 years after the date of completion.

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

Property, plant and equipment and right-of-use assets are stated at cost less accumulated depreciation and impairment losses (see Note 1(m)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (Note 1(y)).

Construction in progress is transferred to respective items under property, plant and equipment when it is ready for its intended use. No depreciation is provided against construction in progress.

1 主要會計政策 (續)

(i) 投資物業

投資物業指為賺取租金收入及／或資本增值而以租賃權益擁有或持有之土地及／或樓宇(見附註1(l))，當中包括就當前尚未確定未來用途持有之土地及正在興建或發展作未來投資物業用途之物業。

投資物業採用成本模式入賬，並以成本減累計折舊及減值虧損後(見附註1(m))於財務狀況表內列示。投資物業成本(扣除其估計剩餘價值及累計減值虧損後)於其估計使用年期內使用直線法折舊，詳情如下：

- 土地使用權 50年
- 位於租賃土地持作自用之樓宇及廠房於未屆滿租期與估計可使用年期兩者之較短期間(不得超過落成日期起計35年)內折舊。

(j) 物業、廠房及設備及使用權資產

物業、廠房及設備及使用權資產乃按成本減累計折舊及減值虧損呈列(見附註1(m))。

自建物業、廠房及設備項目成本包括材料成本、直接勞工費用、拆卸及搬遷項目以及恢復項目所在地原貌成本之初步估算(如相關)，以及生產成本及借貸成本(附註1(y))之適當部份。

當在建工程可作擬定用途時，其便會轉撥至物業、廠房及設備項下相關項目。在建工程不計提折舊。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

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

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

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

- Buildings and plants held for own use which are situated on leasehold land are depreciated over the shorter of the unexpired term of the lease and their estimated useful lives, being no more than 35 years after the date of completion.
- Machinery 3–20 years
- Motor vehicles 3–5 years
- Office equipment and others 3–10 years
- Right-of-use assets are depreciated over the period of the lease term

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

1 主要會計政策(續)

(j) 物業、廠房及設備及使用權資產(續)

物業、廠房及設備及使用權資產項目報廢或出售之收益或虧損按出售所得款項淨額與項目賬面值之差額釐定，並於報廢或出售日期於損益內確認。

折舊是採用直線法在物業、廠房及設備及使用權資產項目之估計可使用年期內撇銷項目之成本減估計剩餘價值(如有)，計算方法如下：

- 位於租賃土地持作自用之樓宇及廠房於未屆滿租期與估計可使用年期兩者之較短期間(不得超過落成日期起計35年)內折舊。
- 機器 3至20年
- 汽車 3至5年
- 辦公室設備及其他 3至10年
- 使用權資產於租賃期間內折舊

倘物業、廠房及設備項目之各個部份擁有不同可使用年期，則該項目之成本值按合理基準於各個部份間分配，且各個部份單獨折舊。資產之可使用年期及其剩餘價值(如有)每年進行檢討。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(k) Intangible assets (other than goodwill)

Intangible assets that are acquired by the group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 1(m)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible asset with finite useful lives is amortised from the date it is available for use and their estimated useful lives is as follows:

| | |
|-----------|----------|
| — Patents | 10 years |
|-----------|----------|

Both the period and method of amortisation are reviewed annually.

(l) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

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

1 主要會計政策 (續)

(k) 無形資產 (商譽除外)

本集團收購的無形資產按成本減累計攤銷 (倘估計可使用年期為有限) 及減值虧損呈列 (見附註 1(m))。

具有固定使用年限的無形資產的攤銷以直線法於該項資產的估計可使用年期內計入損益。以下具有固定使用年限的無形資產自彼等可供使用之日起攤銷及彼等的估計可使用年期如下：

| | |
|------|------|
| — 專利 | 10 年 |
|------|------|

本公司將對攤銷的期間及方法每年進行審閱。

(l) 租賃資產

本集團會於合約初始生效時評估該合約是否屬於或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬於或包含租賃。倘客戶有權主導可識別的資產的使用及從該使用中獲取幾乎所有的經濟利益，則表示控制權已轉讓。

(i) 作為承租人

倘合約包含租賃組成部分及非租賃組成部分，本集團已選擇不拆分非租賃組成部分，並就所有租賃對每個租賃組成部分和任何相關的非租賃組成部分作為一個單一的租賃組成部分進行會計處理。

Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(I) Leased assets (Continued)

(i) As a lessee (Continued)

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group are primarily laptops and office furniture. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

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

1 主要會計政策(續)

(I) 租賃資產(續)

(i) 作為承租人(續)

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租賃期是12個月或以下的短期租賃以及低價值資產之租賃（對本集團而言，主要為筆記本電腦及辦公室傢俱）除外。當本集團就低價值資產訂立租賃時，本集團就每份租賃決定是否對租賃進行資本化。與未資本化租賃相關的租賃付款會在租賃期內有系統地確認為開支。

若租賃被資本化，則租賃負債以租賃期內應付租賃付款的現值進行初始確認，並使用該項租賃的內含利率折現；或如果內含利率無法輕易釐定，則使用相關的增量借款利率。初始確認後，租賃負債以攤銷成本計量，且利息費用則採用實際利率法計算。不取決於指數或利率的可變租賃付款並不包含於租賃負債的計量中，並因此於其產生的會計期間計入損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(I) Leased assets (Continued)

(i) As a lessee (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 1(j) and 1(m)(ii), expect for the following types of right-of-use asset:

- Right-of-use assets related to interests in leasehold land where the interest in the land is held as inventory are carried at the lower of cost and net realisable value in accordance with Note 1(n).

The initial fair value of refundable rental deposits is accounted for separately from the right-of use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost (see Notes 1(f)(i), 1(w)(v) and 1(m)(i)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

1 主要會計政策 (續)

(I) 租賃資產 (續)

(i) 作為承租人 (續)

租賃資本化時已確認的使用權資產按成本進行初始計量，其中包括租賃負債的初始金額加上任何於開始日或之前作出的租賃付款，以及產生的任何初始直接費用。在適用的情況下，使用權資產的成本亦包括將拆卸、搬移相關資產或復原相關資產或資產所在地點的費用估算折現至其現值，減去已收到的租賃優惠。使用權資產其後乃按成本減累計折舊及減值虧損呈列（見附註1(j)及1(m)(ii)，預期為使用權資產的以下類型：

- 與租賃土地權益（於土地的權益作為存貨持有）相關的使用權資產根據附註1(n)按成本與可變現價值淨額的較低者呈列。

可退還租金按金的初始公平值根據適用於按攤銷成本計量的債務證券投資的會計政策與使用權資產分開入賬（見附註1(f)(i)、1(w)(v)及1(m)(i)）。初始公平值與按金之賬面值之間的任何差額均作為額外租賃付款入賬，並計入使用權資產成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(I) Leased assets (Continued)

(i) As a lessee (Continued)

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

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are rent concessions that occurred as a direct consequence of the COVID-19 pandemic and met the conditions set out in paragraph 46B of HKFRS 16 Leases. In such cases, the Group has taken advantage of the practical expedient not to assess whether the rent concessions are lease modifications, and recognised the change in consideration as negative variable lease payments in profit or loss in the period in which the event or condition that triggers the rent concessions occurred.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

1 主要會計政策(續)

(I) 租賃資產(續)

(i) 作為承租人(續)

當指數或利率變動引起未來租賃付款發生變動；或本集團就餘值擔保下預計應付的金額估計發生變化；或由於重新評估本集團是否合理地確定行使購買、延期或終止選擇權而產生變化時，則重新計量租賃負債。當租賃負債以此方式重新計量時，對使用權資產的賬面值作出相應調整，或倘使用權資產的賬面值減記至零，則計入損益。

當租賃範疇發生變化或租賃合同原先並無規定的租賃代價發生變化(「租賃修改」)，且未作為單獨的租賃入賬時，則亦要對租賃負債進行重新計量。在此情況，租賃負債根據經修訂的租賃付款和租賃期限，使用經修訂的貼現率在修改生效日重新計量。唯一的例外是因新冠肺炎疫情而直接產生的任何租金減免，且符合國際財務報告準則第16號租賃第46B段所載的條件。在該等情況，本集團利用實際權宜方法不評估租金優惠是否為租賃修改，並於觸發租金優惠的事件或條件發生期間，於損益中將代價變動確認為負可變租賃付款。

於合併財務狀況表內，長期租賃負債的即期部分釐定為應於報告期結束後十二月內結算的合同付款的現值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(I) Leased assets (Continued)

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with Note 1(w)(iv).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in Note 1(l)(i), then the Group classifies the sub-lease as an operating lease.

1 主要會計政策 (續)

(I) 租賃資產 (續)

(ii) 作為出租人

倘本集團為出租人，其於租賃初始階段釐定一項租賃為融資租賃或經營租賃。倘租賃轉移相關資產的所有權附帶的絕大部分風險及報酬予承租人，該租賃分類為融資租賃。倘不屬於該情況，該租賃被分類為經營租賃。

倘合約包括租賃及非租賃組成部分，本集團根據相對獨立的售價基準將合約代價分配予各組成部分。經營租賃產生的租金收入根據附註1(w)(iv)確認。

倘本集團為中間出租人，經參考總租約產生的使用權資產，分租被分類為融資租賃或經營租賃。倘總租約為短期租賃，本集團豁免遵守附註1(l)(i)所載規定，則本集團將分租分類為經營租賃。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets

(i) Credit losses from financial instruments and lease receivables

The Group recognises a loss allowance for ECLs on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables, which are held for the collection of contractual cash flows which represent solely payments of principal and interest); and
- lease receivables.

Other financial assets measured at fair value, including equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

Measurement of ECLs

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

1 主要會計政策(續)

(m) 信貸虧損及資產減值

(i) 金融工具及租賃應收款項之信貸虧損

本集團就下列各項的預期信貸虧損確認虧損撥備：

- 按攤銷成本計量之金融資產(包括現金及現金等價物、交易及其他應收款項，其乃就收回合約現金流量而持有，即純粹為獲得本金及利息付款)；及
- 應收租賃款項。

以公平值計量的其他金融資產，包括指定為按公平值計入其他全面收益(不可劃轉)的股本證券及衍生金融資產，均不受限於預期信貸虧損的評估。

預期信貸虧損計量

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and lease receivables (Continued)

Measurement of ECLs (Continued)

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

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- lease receivables: discount rate used in the measurement of the lease receivable;

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

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

1 主要會計政策 (續)

(m) 信貸虧損及資產減值 (續)

(i) 金融工具及租賃應收款項之信貸虧損 (續)

預期信貸虧損計量 (續)

倘貼現影響屬重大，預期短缺現金將使用以下貼現率貼現：

- 固定利率金融資產及交易及其他應收款項：初始確認釐定時的實際利率或其近似值；
- 浮動利率金融資產：當前實際利率；
- 租賃應收款項：計量租賃應收款項使用的折現率；

於估計預期信貸虧損時考慮的最長期間為本集團承受信貸風險的最長合約期間。

在計量預期信貸虧損時，本集團考慮合理及有證據而毋須付出不必要的成本或努力獲得的資料。這包括過去事件、當前狀況和未來經濟狀況預測等資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and lease receivables (Continued)

Measurement of ECLs (Continued)

ECLs are measured on either of the following bases:

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

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

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

1 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(i) 金融工具及租賃應收款項之信貸虧損(續)

預期信貸虧損計量(續)

預期信貸虧損基於下列其中一個基準計量：

- 12個月預期信貸虧損：預期於報告日期後12個月內可能發生的違約事件而導致的虧損；及
- 整個存續期的預期信貸虧損：預期於採用預期信貸虧損模式的項目在預期年限內所有可能發生的違約事件而導致的虧損。

交易應收賬款的虧損撥備一般乃按等同於整個存續期的預期信貸虧損的金額計量。該等金融資產的預期信貸虧損是利用基於本集團過往信貸虧損經驗的撥備矩陣進行估算，並按於報告日期債務人的個別因素及對當前及預測整體經濟狀況的評估進行調整。

對於所有其他金融工具而言，本集團確認相當於12個月預期信貸虧損的虧損撥備，除非自初始確認以來金融工具的信用風險顯著增加，在這種情況下，虧損撥備計量等於整個存續期的預期信貸虧損的金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and lease receivables (Continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 120 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

1 主要會計政策 (續)

(m) 信貸虧損及資產減值 (續)

(i) 金融工具及租賃應收款項之信貸虧損 (續)

信貸風險大幅上升

評估金融工具的信貸風險自初始確認以來有否大幅上升時，本集團會比較於報告日期及於初始確認日期評估的金融工具發生違約的風險。作出該重新評估時，本集團認為，倘(i)借款人不大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸承擔；或(ii)金融資產已逾期120日，則發生違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and lease receivables (Continued)

Significant increases in credit risk (Continued)

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

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

1 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(i) 金融工具及租賃應收款項之信貸虧損(續)

信貸風險大幅上升(續)

具體而言，評估信貸風險自初始確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日期支付本金或利息；
- 金融工具外部或內部信貸測評的實際或預期顯著惡化(如有)；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對集團責任的能力有重大不利影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and lease receivables (Continued)

Significant increases in credit risk (Continued)

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

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

1 主要會計政策 (續)

(m) 信貸虧損及資產減值 (續)

(i) 金融工具及租賃應收款項之信貸虧損 (續)

信貸風險大幅上升 (續)

取決於金融工具的性质，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同的信貸風險特徵（如逾期狀況及信貸風險評級）進行分組。

預期信貸虧損於各報告日期進行重新計量以反映金融工具自初始確認以來的信貸風險變動。預期信貸虧損金額的任何變動均於損益中確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬對彼等之賬面值作出相應調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and lease receivables (Continued)

Basis of calculation of interest income

Interest income recognised in accordance with Note 1(w)(v) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

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

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

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

1 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(i) 金融工具及租賃應收款項之信貸虧損(續)

計算利息收益的基準

根據附註1(w)(v)確認的利息收入乃根據金融資產之總賬面值計算，除非該金融資產出現信貸減值，在此情況下，利息收入乃根據金融資產之攤銷成本(即總賬面值減虧損撥備)計算。

於各報告日期，集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，金融資產出現信貸減值。

金融資產出現信貸減值的證據包括以下可觀察事件：

- 債務人有重大財務困難；
- 違約，例如拖欠或過往到期事件；
- 借款人可能破產或進行其他財務重組；
- 技術、市場、經濟或法律環境出現重大變動而對債務人造成不利影響；或
- 由於發行人出現財務困難，證券活躍市場消失。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and lease receivables (Continued)

Write-off policy

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

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

(ii) Impairment of other non-current assets

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

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

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

1 主要會計政策 (續)

(m) 信貸虧損及資產減值 (續)

(i) 金融工具及租賃應收款項之信貸虧損 (續)

撇銷政策

若日後實際上不可收回款項，則會撇銷（部分或全部）金融資產、租賃應收款項或合約資產的總賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還應撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益內確認為減值撥回。

(ii) 其他非流動資產減值

本集團於各報告期末審閱內部及外部資料，以確定下列資產有否減值跡象或先前確認之減值虧損是否不再存在或可能已減少：

- 投資物業；
- 物業、廠房及設備；
- 使用權資產
- 預付租金；
- 於一間聯營公司權益；及
- 本公司財務狀況表中於附屬公司的投資。

倘存在任何有關跡象，則會估計資產之可收回金額。

Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current assets

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit). A portion of the carrying amount of a corporate asset (for example, head office building) is allocated to an individual cash generating unit if the allocation can be done on a reasonable and consistent basis, or to the smallest group of cash-generating units if otherwise.

1 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(ii) 其他非流動資產減值(續)

— 計算可收回金額

資產之可收回金額為其公平值減出售成本與使用價值之較高者。在評估使用價值時，會按可反映當時市場對貨幣時間價值及資產特定風險評估之稅前貼現率，將估計未來現金流量貼現至其現值。倘資產並無產生基本上獨立於其他資產所產生之現金流入，則以能獨立產生現金流入之最小資產組別(即現金產生單位)釐定可收回金額。企業資產(如總部大樓)的一部分賬面金額倘可於合理一致基準上進行分配，則分配予個別現金產生單位或現金產生單位的最小組別。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current assets

(Continued)

— Recognition of impairment losses

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

— Reversals of impairment losses

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

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

1 主要會計政策 (續)

(m) 信貸虧損及資產減值 (續)

(ii) 其他非流動資產減值 (續)

— 確認減值虧損

倘資產或其所屬現金產生單位之賬面值超過可收回金額，則於損益確認減值虧損。就現金產生單位確認之減值虧損會按比例減少該單位（或該組單位）內其他資產之賬面值，惟資產之賬面值不可減至低於其個別公平值扣減出售成本（如能計量）或使用價值（如能釐定）。

— 撥回減值虧損

倘用作計算可收回金額之估計出現有利變化，則會撥回減值虧損。

所撥回之減值虧損僅限於過往年度並未確認減值虧損時應有之資產賬面值。所撥回之減值虧損在確認撥回年度計入損益。

Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(m) Credit losses and impairment of assets (Continued)

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with IAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (Notes 1(m)(i) and (ii)).

(n) Inventories and other contract costs

(i) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realisable value as follows:

— Aluminium profiles manufacturing

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

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1 主要會計政策(續)

(m) 信貸虧損及資產減值(續)

(iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須遵照國際會計準則第34號中期財務報告編製有關財政年度首六個月之中期財務報告。於中期期末，本集團採用等同該財政年度末之減值測試、確認及撥回標準(附註1(m)(i)及(ii))。

(n) 存貨及其他合約成本

(i) 存貨

存貨指日常業務過程中持有以作銷售、於該等銷售的生產過程中，或在生產過程中耗用的材料或物料或提供服務的形式持有的資產。

存貨以成本與可變現淨值之較低者列賬，載列如下：

— 鋁型材製造

成本使用加權平均成本法計算，並包括所有購買成本、兌換成本及將存貨運送至目前地點及變成現狀所涉之其他成本。

可變現淨值為日常業務過程中之估計售價，減去估計完成成本及進行出售所需之估計成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(n) Inventories and other contract costs (Continued)

(i) Inventories (Continued)

— Completed property held for resale

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In the case of completed properties developed by the Group which comprise of multiple units which are sold individually, the cost of each unit is determined by apportionment of the total development costs for that development project to each unit on a per square foot basis, unless another basis is more representative of the cost of the specific unit. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1 主要會計政策 (續)

(n) 存貨及其他合約成本 (續)

(i) 存貨 (續)

— 持作轉售之已落成物業

持有待售之已落成物業成本包括所有採購成本、加工成本及使存貨處於當前地點及狀況之其他成本。

就本集團開發之已竣工物業(包括單獨出售之多個單位)而言，各個單位成本乃按發展項目各單位按每平方呎佔總發展成本的比例釐定，除非另有基準更能代表指定單位之成本。變現淨值指銷售物業產生之估計銷售價格。

當存貨已出售，該等存貨的賬面值於相關收益獲確認的期間內確認為開支。

存貨撇減至可變現淨值的金額及存貨的所有虧損在撇減或出現虧損的期間確認為開支。存貨的任何撇減撥回金額確認為存貨金額的減少，並於撥回發生期間確認為開支。

Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(n) Inventories and other contract costs (Continued)

(ii) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory (see Note 1(n)(i)) or property, plant and equipment (see Note 1(j)) or intangible assets (see Note 1(k)).

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

1 主要會計政策(續)

(n) 存貨及其他合約成本(續)

(ii) 其他合約成本

其他合約成本乃取得客戶合約的增量成本或履行客戶合約的成本，其並無撥充資本為存貨（見附註1(n)(i)）或物業、廠房及設備（見附註1(j)）或無形資產（見附註1(k)）。

取得合約的增量成本為本集團就取得客戶合約而產生，倘未能取得合約則不會產生的成本（例如增量銷售佣金）。倘有關收益的成本將在未來報告期內確認，而成本預期可收回，取得合約的增量成本於產生時會撥充資本。取得合約的其他成本在產生時支出。

倘履行合約的成本與現有合約或可識別的預期合約直接有關；產生或提升將於未來用於提供產品或服務的資源；並預期可收回，則會撥充資本。與現有合約或可識別的預期合約直接有關的成本可能包括直接勞工、直接材料、成本分配、明確向客人收取的成本及僅由於本集團訂立合約而產生的其他成本（例如向分包商支付款項）。其他履行客戶合約的成本（其並無撥充資本為存貨、物業、廠房及設備或無形資產）在產生時支銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(n) Inventories and other contract costs (Continued)

(ii) Other contract costs (Continued)

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in Note 1(w).

(o) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 1(w)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses (ECL) in accordance with the policy set out in Note 1(m)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 1(p)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see Note 1(w)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 1(p)).

1 主要會計政策 (續)

(n) 存貨及其他合約成本 (續)

(ii) 其他合約成本 (續)

撥充資本的合約成本按成本減累計攤銷及減值虧損列賬。倘合約成本資產賬面值超過(i)本集團預期收取以交換有關該資產的產品或服務的餘下代價金額，減(ii)任何直接有關提供該等產品或服務，而未確認為開支的成本的淨額，則會確認減值虧損。

當與資產有關的收益獲確認時，撥充資本的合約成本攤銷將自損益扣除。收益確認的會計政策載於附註1(w)。

(o) 合約資產及合約負債

在本集團有權無條件獲取合約所載付款條款代價前確認收益(見附註1(w))時確認合約資產。合約資產按附註1(m)(i)所載政策就預期信貸虧損(預期信貸虧損)而獲評估，並在代價權利成為無條件後獲重新分類至應收款項(見附註1(p))。

本集團確認相關收益前，合約負債在客戶支代價時確認(見附註1(w))。如本集團有無條件權利在本集團確認相關收益前收取代價，則合約負債亦會獲確認。在相關情況下，相應應收款項亦會獲確認(見附註1(p))。

Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(o) Contract assets and contract liabilities (Continued)

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

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 1(w)).

(p) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see Note 1(o)).

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see Note 1(m)(i)).

1 主要會計政策(續)

(o) 合約資產及合約負債(續)

就與客戶的單一合約而言，淨合約資產或淨合約負債得以呈列。就多份合約而言，不相關合約的合約資產及合約負債不按淨額基準呈列。

合約計及重大融資成分時，合約結餘計入按實際利率法累計的利息(見附註1(w))。

(p) 交易及其他應收款項

本集團具有無條件權利收取代價時確認應收款項。在該代價到期支付前，收取代價的權利僅需經過一段時間方為無條件。如收益在本集團有無條件權利收取代價前經已確認，則金額呈列為合約資產(見附註1(o))。

不包含重大融資成分的交易應收款項按其交易價格進行初始計量。含有重大融資成分的交易應收款項及其他應收款項按公平值加交易成本進行初始計量。所有應收款項隨後按攤銷成本列賬，並包括信貸虧損撥備(見附註1(m)(i))。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, pledge deposits with bank and other financial instruments, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for expected credit losses (ECL) in accordance with the policy set out in Note 1(m)(i).

(r) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(s) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see Note 1(y)).

1 主要會計政策 (續)

(q) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行已抵押存款及其他金融工具，以及購入後於三個月內到期可隨時轉換為已知金額現金的短期高流通性並且價值改變風險不大的投資。現金及現金等價物乃根據附註1(m)(i)所載的政策評估預期信貸虧損。

(r) 交易及其他應付款項

交易及其他應付款項初步按公平值確認。於初步確認後，交易及其他應付款項則按攤銷成本列賬，如貼現影響並不重大，則按發票金額列賬。

(s) 計息借貸

計息借貸乃初步按公平值減交易成本計量。於初步確認後，計息借貸採用實際利率法按攤銷成本列賬。利息開支根據本集團借貸成本之會計政策確認(見附註1(y))。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(t) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

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

(ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

1 主要會計政策(續)

(t) 僱員福利

(i) 短期僱員福利及向定額供款退休計劃供款

薪金、年終花紅、有薪年假、向定額供款退休計劃作出之供款及非貨幣福利之成本於僱員提供相關服務之年度內計算。如延遲付款或結算並構成重大影響，則此等金額會以現值列賬。

(ii) 以股份為基礎付款

授予僱員購股權之公平值確認為僱員成本，相應的增加會於權益項下資本儲備反映。公平值在授出日期採用二項式期權定價模式，並計及授出購股權之條款及條件計量。倘僱員須符合歸屬條件方可無條件享有購股權，則購股權之估計總公平值會於考慮購股權將歸屬之可能性後在歸屬期內分攤。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(t) Employee benefits (Continued)

(ii) Share-based payments (Continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

1 主要會計政策 (續)

(t) 僱員福利 (續)

(ii) 以股份為基礎付款 (續)

於歸屬期內，本公司會檢討預期歸屬的購股權數目。所導致於過往年度確認累計公平值的任何調整乃扣自／計入有關檢討年度的損益，除非原有的僱員支出符合確認為資產的資格而資本儲備作出相應調整則作別論。於歸屬日，本公司調整確認為一項支出的款額，以反映歸屬的實際購股權數目（連同資本儲備的相應調整），惟倘沒收僅因未達致與本公司股份的市價有關的歸屬條件則除外。股權款額乃於資本儲備中確認，直至購股權獲行使（當其計入就已發行股份於股本確認的金額時）或購股權屆滿（當其直接轉出至保留溢利時）為止。

(iii) 終止福利

終止福利乃於本集團不再撤回該等福利要約及涉及支付終止福利之重組成本確認時（以較早者為準）確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(u) Income tax

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

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

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

1 主要會計政策(續)

(u) 所得稅

年內所得稅包括即期稅項及遞延稅項資產與負債之增減。即期稅項及遞延稅項資產與負債之增減於損益確認，惟有關於其他全面收益或直接於權益確認項目之即期稅項及遞延稅項資產與負債之增減則分別於其他全面收益或直接於權益確認。

即期稅項乃根據年內應課稅收入按報告期末已實施或大致實施的稅率計算之預計應付稅項，並會按過往年度之應付稅項調整。

可扣稅與應課稅暫時差額分別產生的遞延稅項資產及負債即作財務報告用途之資產與負債賬面值與相關稅基的差額。遞延稅項資產亦產生自未動用稅務虧損及未動用稅務抵免。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(u) Income tax (Continued)

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

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

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

1 主要會計政策 (續)

(u) 所得稅 (續)

除若干少數例外情況外，所有遞延稅項負債及所有遞延稅項資產（須可能有日後應課稅溢利可供動用該資產）均會確認。支持確認可扣稅暫時差額所產生遞延稅項資產的日後應課稅溢利包括撥回現有應課稅暫時差額所產生溢利，惟該等差額須與相同稅務機關及相同課稅公司有關，並預期於可扣稅暫時差額預期撥回的同一期間或遞延稅項資產所產生稅務虧損可撥回或結轉的各期間內撥回。釐定現有應課稅暫時差額是否支持確認未動用稅務虧損及抵免所產生遞延稅項資產的條件相同，即與同一稅務機關及課稅公司有關且預期於稅務虧損或抵免動用的期間撥回的差額會計算在內。

確認遞延稅項資產與負債的少數例外情況為首次確認並不影響會計或應課稅溢利的資產或負債（並非業務合併一部份）產生的暫時差額，以及有關投資附屬公司的暫時差額，如為應課稅差額，則本集團可控制撥回時間及該等差額於可見將來應不會撥回者，而如為可扣稅差額，即於可見將來或會撥回者。

所確認遞延稅項金額乃根據預期資產及負債賬面值變現或結算方式，按報告期末已頒佈或實質頒佈的稅率計算。遞延稅項資產及負債不會貼現。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(u) Income tax (Continued)

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

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

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

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

1 主要會計政策(續)

(u) 所得稅(續)

於各報告期末會檢討遞延稅項資產的賬面值，並會減少至不可能有足夠應課稅溢利供相關稅務優惠動用為止。任何有關減少會於可能有足夠應課稅溢利時撥回。

分派股息產生的額外所得稅會於確認支付相關股息的負債時確認。

即期稅項結餘與遞延稅項結餘以及相關增減會分開呈列，且不會對銷。倘本公司或本集團可合法將即期稅項資產與即期稅項負債對銷，並符合下列其他條件，則可將即期稅項資產與即期稅項負債以及遞延稅項資產與遞延稅項負債互相對銷：

- 如為即期稅項資產及負債，本公司或本集團擬按淨額結算，或同時變現資產及結算負債；或
- 如為遞延稅項資產及負債，則須與同一稅務機關所徵收所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體，計劃在預期有重大金額的遞延稅項負債或資產須予清償或收回的每個未來期間，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現及清償該資產及該負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(v) Provisions and contingent liabilities

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

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

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(w) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

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

1 主要會計政策 (續)

(v) 撥備及或然負債

當本集團或本公司因過往事件而須負上法律或推定責任，可能須為履行該責任而耗損經濟利益，並能可靠地估計時，則須計提撥備。倘金額涉及重大時間價值，則有關撥備按預計履行責任所需支出之現值列賬。

倘不大可能需要耗損經濟利益，或其金額未能可靠地預測，則須披露有關責任為或然負債，惟耗損經濟利益之可能性極低者除外。當潛在責任須視乎一項或多項未來事件是否發生方可確定是否存在，則該等責任亦披露為或然負債，惟耗損經濟利益之可能性極低者除外。

倘清償一項撥備所需的部分或全部支出預計將由另一方償還，則對任何幾乎肯定的預期償還確認一項獨立資產。確認的補償金額限於撥備的賬面值。

(w) 收益及其他收入

當收入由銷售貨品、本集團於日常業務過程提供服務或其他公司使用本集團租賃項下資產所產生時，則由本集團分類為收入。

收入於產品或服務的控制權轉移至客戶或承租人擁有資產使用權時確認，金額為本集團將有權收取之承諾代價，且不包括代表第三方收取的有關金額。收入不包括增值稅或其他銷售稅，且乃經扣減任何貿易折扣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(w) Revenue and other income (Continued)

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

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

(i) Sale of aluminum products

Revenue is recognised when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

1 主要會計政策(續)

(w) 收益及其他收入(續)

倘合約載有向客戶提供超過12個月的重大融資利益之融資組成部份，則收益按應收金額的現值計量，並使用反映於與有關客戶的個別融資交易之貼現率貼現，且利息收入根據實際利率法分開應計。倘合約載有向本集團提供重大融資利益之融資組成部份，則根據該合約確認的收入包括根據實際利率法合約責任附有的利息開支。本集團利用國際財務報告準則第15號第63段中的實際便利，並無於倘融資期為12個月或以下而就重大融資組成部份之任何影響調整代價。

本集團收益及其他收入確認政策之進一步詳情如下：

(i) 銷售鋁產品

收益乃於客戶佔有及接受產品時確認。倘產品屬部分履行涵蓋其他貨品及／或服務之合約，則確認之收益金額為合約項下交易總價之適當比例，乃按相對獨立售價基準在合約約定之所有商品及服務之間分配。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(w) Revenue and other income (Continued)

(ii) Sale of properties

Revenue arising from the sale of properties developed for sale in the ordinary course of business is recognised when the property is accepted by the customer, or deemed as accepted according to the contract, whichever is earlier, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the statement of financial position under contract liabilities (see Note 1(o)).

When residential properties are marketed by the Group while the property is still under construction, the Group may offer a discount compared to the listed sales price, provided the customer agrees to pay the balance of the consideration early. In such cases, if the advance payments are regarded as providing a significant financing benefit to the Group, interest expense arising from the adjustment of time value of money will be accrued by the Group during the period between the payment date and the completion date of legal assignment. This accrual increases the balance of the contract liability during the period of construction, and therefore increases the amount of revenue recognised when control of the completed property is transferred to the customer. The interest is expensed as accrued unless it is eligible to be capitalised under IAS 23, *Borrowing costs*, in accordance with the policies set out in Note 1(y).

1 主要會計政策 (續)

(w) 收益及其他收入 (續)

(ii) 銷售物業

持作銷售已開發的物業銷售產生之收益一般於物業獲客戶接納或根據合約視為接納(以較早者為準，即客戶有能力直接使用物業及取得該物業大部分剩餘利益之時間點)時予以確認。按金及於收益確認日期前出售物業所收到的分期款項列入財務狀況表合約負債項下(見附註1(o))。

當住宅物業由本集團推出市場出售，而該物業仍在建設中時，本集團可能提供較已上市銷售價格折讓，惟客戶同意提早支會代價結餘。於此情況下，倘墊付款項被視為向本集團提供重大融資福利，貨幣價值時間調整產生的利息開支將由本集團於支付日期及法律轉讓期間應計。該應計增加了合約負債金額，及因此增加當已完成物業的控制權轉移予客戶時確認的收益金額。除非符合國際會計準則第23號*借貸成本*中的資本化，否則利息根據附註1(y)所載之政策按應計費用計銷。

Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(w) Revenue and other income (Continued)

(iii) Services income

Revenue from services rendered is recognised in profit or loss at the time of provision of the service is completed.

(iv) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

(v) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see Note 1(m)(i)).

1 主要會計政策(續)

(w) 收益及其他收入(續)

(iii) 服務收入

來自提供服務之收益於提供服務時間完成時於損益確認。

(iv) 經營租賃之租金收入

經營租賃之應收租金收入於相關租期內於損益分期等額確認，惟倘有其他方法能更清楚地反映使用租賃資產所得收益之模式則除外。並非取決於指數或利率之可變租賃付款於所涉會計期間確認為收入。

(v) 利息收入

由於利息收入採用實際利率法，使用將估計日後現金收款透過金融資產之預期使用年期準確貼現至金融資產的賬面值總額的利率應計，因此確認利息收入。就按攤銷成本計量的非信貸減值金融資產而言，實際利率應用於資產賬面總額。就信貸減值金融資產而言，實際利率應用於資產的攤銷成本(即賬面總額減虧損撥備)(見附註1(m)(i))。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(w) Revenue and other income (Continued)

(vi) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are initially recognised as deferred income and subsequently recognised as other income in profit or loss over the useful life of the assets.

(vii) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

(x) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss, except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised in other comprehensive income.

1 主要會計政策 (續)

(w) 收益及其他收入 (續)

(vi) 政府補助金

倘可合理保證可收取政府補助金且本集團可符合有關條件，則政府補助金會首先於財務狀況表確認。補償本集團所涉開支之補助金於相關開支產生之相同期間按系統性基準於損益內確認為收益。補償本集團資產成本之補助金初步確認為遞延收入，並其後於損益按資產之可使用年期確認為其他收益。

(vii) 股息

- 非上市投資之股息收入乃於確定股東可收取股息權利時確認。

(x) 外幣換算

年內之外幣交易按交易日當日之匯率換算。以外幣為單位之貨幣性資產及負債按報告期末當日之匯率換算。外匯收益及虧損於損益內確認，惟該等自外幣借貸產生用於對沖於外國業務的投資（於其他全面收益確認）淨額者除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(x) Translation of foreign currencies (Continued)

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

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

(y) Borrowing costs

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

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

1 主要會計政策(續)

(x) 外幣換算(續)

以外幣按歷史成本計算之非貨幣資產及負債按交易日當日之匯率換算。交易日期為本集團初步確認有關非貨幣資產或負債之日。以外幣計值而以公平值列賬之非貨幣資產及負債乃按釐定公平值當日適用之匯率換算。

海外業務之業績按與交易日匯率相若之匯率換算為人民幣。財務狀況表項目按報告期末之匯率換算為人民幣。由此產生之匯兌差額直接於其他全面收益確認及於匯兌儲備中之權益獨立累計。

(y) 借貸成本

需要相當長時間方可作擬定用途或銷售之資產之收購、建設或生產直接相關之借貸成本撥作該資產成本一部份。其他借貸成本於產生期間予以支銷。

當合資格資產產生開支、涉及借貸成本及將資產作擬定用途或銷售所需之活動進行時，開始將借貸成本資本化為該資產成本一部份。於令合資格資產作擬定用途或銷售所需之絕大部份活動中止或完成時，將會暫停或不再將借貸成本資本化。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(z) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).

1 主要會計政策 (續)

(z) 關連方

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員。
- (b) 倘符合下列任何條件，則該實體與本集團有關連：
 - (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
 - (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。
 - (vi) 實體受(a)內所識別人士控制或共同控制。

Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

1 Significant accounting policies (Continued)

(z) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

(aa) Segment reporting

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

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

1 主要會計政策(續)

(z) 關連方(續)

- (b) 倘符合下列任何條件，則該實體與本集團有關連：(續)
- (vii) (a)(i)內所識別人土對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層成員。
- (viii) 實體或實體所屬之集團任何成員公司向本集團或本集團母公司提供主要管理人員服務。

某一人士之近親家屬成員指預期與實體進行買賣時可影響該人士或受該人士影響的有關家屬成員。

(aa) 分部報告

經營分部及於財務報表中呈報之各分部項目金額自定期提供予本集團最高行政管理人員就資源分配及評估本集團不同業務及地理位置之表現之財務資料中識別出來。

就財務呈報而言，除非經營分部具備相似之經濟特徵及在產品及服務性質、生產工序性質、客戶類型或類別、用作分配產品或提供服務之方法及監管環境之性質方面相似，否則各個重大經營分部不會進行合算。個別非重大之經營分部，如果符合上述大部份標準，則可進行合計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

2 Accounting judgements and estimates

Sources of estimation uncertainty

Notes 27 and 30 contains information about the assumptions and their risk factors relating to valuation of fair value of share options granted and financial instruments. Other significant source of estimation uncertainty are as follows:

(i) Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives, after taking into account the estimated residual value. The Group reviews annually the useful life of an asset and its residual value, if any. The depreciation expense for future years is adjusted if there are significant changes from previous estimation.

(ii) Loss allowance for trade receivables

The Group estimates the loss allowances for trade receivables by assessing the ECLs. This requires the use of estimates and judgements. ECLs are based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, and an assessment of both the current and forecast general economic conditions at the end of reporting period. Where the estimation is different from the original estimate, such difference will affect the carrying amounts of trade receivables and thus the impairment loss in the period in which such estimate is changed. The Group keeps assessing the expected credit loss of trade receivables during their expected lives.

2 會計判斷及估計

估計不確定性之來源

附註27及30載列有關已授出購股權及金融工具公平值估值之假設及其風險因素之資料。其他估計不確定性之主要來源載列如下：

(i) 折舊

物業、廠房及設備經計及估計剩餘價值後，在估計可使用年期限內以直線法折舊。本集團每年檢討資產的可使用年限及剩餘價值（如有）。倘過往估計有重大改變，則調整日後年度的折舊開支。

(ii) 交易應收款項虧損撥備

本集團透過評估預期信貸虧損估計交易應收款項的虧損撥備。此需要運用估計及判斷。預期信貸虧損乃根據與本集團的過往信貸虧損經驗，就具體債務人的因素作出之調整及於報告期末對當前及預期整體經濟狀況作出的評估得出。倘估計與初始估計出現差異，有關差異將影響交易應收款項的賬面值，因此，有關估計期間的減值虧損會出現變動。本集團會在預期期限內不斷評估交易應收款項的預期信貸虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

3 Revenue and segment reporting

(a) Revenue

The principal activities of the Group are manufacturing and sale of aluminium profiles and property development. Further details regarding the Group's principal activities are disclosed in Note 3(b).

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

Revenue from contracts with customers within the scope of IFRS 15

Disaggregated of product lines or service line

- Sales of aluminium profiles
- Sales of aluminium panels, aluminium alloy, moulds and spare parts
- Sales of completed properties
- Revenue from processing service contracts

國際財務報告準則第15號範圍內之客戶合約收益

按產品線或服務線劃分之明細

- 銷售鋁型材
- 銷售鋁板、鋁合金、模具及零部件
- 銷售已竣工物業
- 加工服務合約收益

| 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
|-----------------------------------|-----------------------------------|

| | |
|------------|------------|
| 14,963,364 | 11,581,973 |
| 451,543 | 279,010 |
| 13,079 | 14,984 |
| 4,914 | 10,895 |
| 15,432,900 | 11,886,862 |

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in Notes 3(b)(i) and 3(b)(iii) respectively.

The Group's customer base is diversified and does not include any individual customer (2020: Nil) with whom transactions have exceeded 10% of the Group's revenue.

3 收益及分部報告

(a) 收益

本集團之主要業務為製造及銷售鋁型材及物業發展。有關本集團主要業務之進一步詳情披露於附註3(b)。

(i) 收益明細

按主要產品或服務線劃分之客戶合約收益明細如下：

按收益確認時間及按區域市場劃分之客戶合約收益明細分別於附註3(b)(i)及3(b)(iii)披露。

本集團客戶基礎多元化，且並不包括交易佔本集團收益超過10%之任何個別客戶（二零二零年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

3 Revenue and segment reporting (Continued)

(a) Revenue (Continued)

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2021, the transaction price allocated to the remaining performance obligations under the Group's existing contracts is expected to be recognised as revenue within one year.

(b) Segment reporting

The Group manages its businesses by product lines. In a manner consistent with the way in which the information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments.

- Industrial aluminium profiles: this segment manufactures and sells plain aluminium profiles, mainly for industrial usage.
- Construction aluminium profiles: this segment manufactures and sells aluminium profiles with surface finishing, including anodic oxidation aluminium profiles, electrophoresis coating aluminium profiles, powder coating aluminium profiles and PVDF coating aluminium profiles. Construction aluminium profiles are widely used in architecture decoration.

3 收益及分部報告 (續)

(a) 收益 (續)

(ii) 於報告日期已存續的客戶合約所產生預期將於日後確認之收益

於二零二一年十二月三十一日，根據本集團現有合約分配至剩餘履約責任的交易價格預期於一年內確認為收益。

(b) 分部報告

本集團按產品線管理其業務。按與向本集團最高執行管理人員內部呈報資料以進行資源分配及績效評估一致之方式，本集團已呈列下列可報告分部。

- 工業鋁型材：該分部製造及銷售純鋁型材，主要用作工業用途。
- 建築鋁型材：該分部製造及銷售經表面處理鋁型材，包括陽極氧化鋁型材、電泳塗裝鋁型材、粉末噴塗鋁型材及PVDF噴塗鋁型材。建築鋁型材廣泛用於建築裝修。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

3 Revenue and segment reporting (Continued)

(b) Segment reporting (Continued)

- All other segments: include the revenue generated from processing service contracts related to aluminium products, sale of office premises and residential properties and sale of aluminium panels, aluminium alloy, moulds and spare parts.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, other than reporting inter-segment sales of aluminium profiles, assistance provided by one segment to another, including sharing of assets, is not measured.

The measure used for reporting segment profit is gross profit. The Group's senior executive management is provided with segment information concerning segment revenue and profit. Segment assets and liabilities are not reported to the Group's senior executive management regularly.

3 收益及分部報告(續)

(b) 分部報告(續)

- 所有其他分部：包括鋁產品相關加工服務合約、銷售辦公室物業及住宅物業以及銷售鋁板、鋁合金、模具及零部件產生之收益。

(i) 分部業績、資產及負債

為進行分部績效評估及分部間資源分配，本集團高級執行管理人員按以下基準監察各個可報告分部應佔業績：

收益及開支乃參考該等分部所產生之銷售及該等分部所產生之開支或該等分部應佔資產折舊或攤銷所產生之其他開支分配至可報告分部。然而，除報告分部間鋁型材之銷售外，某一分部向另一分部提供之協助(包括共用資產)並不計算在內。

用於報告分部溢利之計量方式為毛利。本集團高級執行管理人員獲提供有關分部收益及溢利之分部資料。分部資產及負債並無定期向本集團高級執行管理人員報告。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

3 Revenue and segment reporting (Continued)

3 收益及分部報告 (續)

(b) Segment reporting (Continued)

(b) 分部報告 (續)

(i) Segment results, assets and liabilities

(i) 分部業績、資產及負債 (續)

(Continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2021 and 2020 is set out below:

就截至二零二一年及二零二零年十二月三十一日止年度之資源分配及分部績效評估而言，向本集團最高執行管理人員提供之有關本集團可報告分部資料載列如下：

| | | Industrial aluminium profiles | | Construction aluminium profiles | | All other segments | | Total | |
|---|----------------|-------------------------------|-----------|---------------------------------|-----------|--------------------|---------|------------|------------|
| | | 工業鋁型材 | | 建築鋁型材 | | 所有其他分部 | | 合計 | |
| | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | 二零二一年 | 二零二零年 | 二零二一年 | 二零二零年 | 二零二一年 | 二零二零年 | 二零二一年 | 二零二零年 |
| | | 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 |
| Reportable segment revenue | 可報告分部收益 | | | | | | | | |
| Revenue from external customers (point in time) | 來自外界客戶之收益(時間點) | 2,869,879 | 2,320,269 | 12,093,485 | 9,261,704 | 469,536 | 304,889 | 15,432,900 | 11,886,862 |
| Reportable segment profit | 可報告分部溢利 | | | | | | | | |
| Gross profit | 毛利 | 211,714 | 228,534 | 1,430,870 | 1,246,404 | 169,260 | 154,481 | 1,811,844 | 1,629,419 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

3 Revenue and segment reporting (Continued)

3 收益及分部報告 (續)

(b) Segment reporting (Continued)

(b) 分部報告 (續)

(ii) Reconciliations of reportable segment profit

(ii) 可報告分部溢利之對賬

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|-------------------|-----------------------------------|-----------------------------------|
| Reportable segment profit derived from the Group's external customers | 來自本集團外界客戶之可報告分部溢利 | 1,811,844 | 1,629,419 |
| Other income | 其他收益 | 132,983 | 146,409 |
| Distribution costs | 分銷成本 | (314,575) | (359,999) |
| Administrative expenses | 行政開支 | (401,076) | (396,106) |
| Impairment loss on trade and other receivables | 交易及其他應收款項減值虧損 | (79,455) | (53,058) |
| Finance costs | 財務成本 | (101,063) | (101,592) |
| Share of (loss)/profit of an associate | 分佔一間聯營公司(虧損)/溢利 | (581) | 8,339 |
| Gain on disposal of an associate | 出售一間聯營公司之收益 | 3,460 | — |
| Gain on loss of control on a subsidiary | 喪失對一間附屬公司之控制權之收益 | 3,664 | — |
| Consolidated profit before taxation | 除稅前綜合溢利 | 1,055,201 | 873,412 |

(iii) Geographic information

(iii) 地區資料

Analysis of the Group's revenue and results as well as analysis of the Group's carrying amount of non-current assets by geographical market has not been presented as over 98% (2020: 99%) of the revenue are generated from the People's Republic of China (the "PRC") market.

並無呈列本集團按地區市場劃分之收益及業績分析以及本集團非流動資產賬面值之分析，原因為逾98% (二零二零年：99%) 之收益均來自中華人民共和國(「中國」)市場。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

4 Other income

4 其他收益

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|---|-----------------------------------|-----------------------------------|
| Interest income | 利息收入 | 78,083 | 53,899 |
| Government grants (i) | 政府補貼 (i) | | |
| — Unconditional subsidies | — 無條件補貼 | 31,185 | 30,341 |
| — Conditional subsidies (Note 26) | — 有條件補貼 (附註 26) | 16,420 | 26,274 |
| Rental income | 租金收入 | 14,764 | 13,594 |
| Net foreign exchange loss | 外匯虧損淨額 | (2,171) | (3,769) |
| Cross currency interest rate swap: | 交叉貨幣掉期利率： | | |
| cash flow hedges, reclassified from equity (Note 9(b)) | 現金流量對沖， 自股本重新分類 (附註 9(b)) | — | (737) |
| Changes in fair value of commodity future contracts recognised as hedge ineffectiveness (Note 30(e)) | 確認為無效對沖的 商品期貨合約之 公平值變動 (附註 30(e)) | 4,589 | 26,067 |
| Changes in fair value of forward exchange agreements (Note 17) | 遠期外匯合約之公平值變動 (附註 17) | (5,908) | — |
| (Loss)/gain on disposal of property, plant and equipment and right-of-use assets | 出售物業、廠房及設備 以及使用權資產的 (虧損)/收益 | (3,979) | 740 |
| | | 132,983 | 146,409 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

4 Other income (Continued)

- (i) Government grants in the form of cash subsidies were received from various PRC government authorities.

— Unconditional subsidies

The entitlements of certain government grants amounting to RMB31,185,000 (2020: RMB30,341,000) were unconditional. The funds were to subsidise the operating expenses of the PRC subsidiaries of the Group during the current year.

— Conditional subsidies

The remaining government grants were conditional government grants and initially recorded as deferred income. The amount of conditional government grants charged to the consolidated statement of profit or loss for the year ended 31 December 2021 was RMB16,420,000 (2020: RMB26,274,000).

4 其他收益(續)

- (i) 自中國政府各機關獲得現金補貼形式的政府補貼。

— 無條件補貼

金額為人民幣31,185,000元(二零二零年：人民幣30,341,000元)之若干政府補貼配額為無條件。該等資金為年內本集團之中國附屬公司之營運開支提供補貼。

— 有條件補貼

餘下政府補助為有條件政府補貼，並初始列為遞延收入。於截至二零二一年十二月三十一日止年度之綜合損益表內扣除之有條件政府補貼金額為人民幣16,420,000元(二零二零年：人民幣26,274,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

5 Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs:

5 除稅前溢利

除稅前溢利乃扣除／(計入)以下各項後得出：

(a) 財務成本：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|---------------------------------|-----------------------------------|-----------------------------------|
| Interest expenses on bank loans (Note 21(c)) | 銀行貸款之利息開支 (附註21(c)) | 63,467 | 92,177 |
| Interest expenses on discounted bills (Note 21(c)) | 已貼現票據之利息開支 (附註21(c)) | 37,199 | 7,629 |
| Interest on lease liabilities (Note 21(c)) | 租賃負債利息(附註21(c)) | 397 | 654 |
| Total interest expense on financial liabilities not at fair value through profit or loss | 並非按公平值計入損益之金融負債利息開支總額 | 101,063 | 100,460 |
| Cross currency interest rate swap: cash flow hedges, reclassified from equity (Note 9(b)) | 交叉貨幣掉期利率：現金流量對沖，自股本重新分類(附註9(b)) | — | 1,132 |
| | | 101,063 | 101,592 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

5 Profit before taxation (Continued)

(b) Staff costs:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|---------------------------|-----------------------------------|-----------------------------------|
| Contributions to defined contribution retirement plans | 向定額供款退休福利計劃供款 | 81,500 | 57,423 |
| Equity-settled share-based payment expenses (Note 27(b)) | 以股權結算以股份為基礎的付款開支(附註27(b)) | 627 | 1,794 |
| Salaries, wages and other benefits | 薪金、工資及其他福利 | 936,999 | 900,312 |
| | | 1,019,126 | 959,529 |

Pursuant to the relevant labour rules and regulations in the PRC, the PRC subsidiaries participate in defined contribution retirement benefit schemes ("Schemes") organised by the local authority whereby the PRC subsidiaries are required to make contributions to the Schemes based on certain percentages of the eligible employees' salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees.

The Group also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HKD30,000 (2020: HKD30,000). Contributions to the plan vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

The Group has no other material obligations for payments of retirement and other post-retirement benefits of employees other than the contributions described above.

5 除稅前溢利(續)

(b) 員工成本：

根據中國相關勞動規則及法規，中國附屬公司參與由地方政府機關組織的定額供款退休福利計劃(「計劃」)，據此，中國附屬公司須按合資格僱員薪金的一定百分比向計劃作出供款。地方政府機關負責就全部養老金責任向退休僱員作出供款。

本集團亦根據香港強制性公積金計劃條例，為在香港僱傭條例下受僱及不受先前界定福利退休計劃保障之僱員，經營強制性公積金計劃(「強積金計劃」)。強積金計劃為界定供款退休計劃，由獨立信託人管理。根據強積金計劃，僱主及其僱員均須對該計劃按僱員有關之收入百分之五作出供款，惟每月有關收入之上限為30,000港元(二零二零年：30,000港元)。作出之供款即時投入該計劃，本集團不會動用已被沒收的供款減低現有的供款水平。

除上述供款外，本集團並無就支付僱員退休及其他退休後福利承擔其他重大責任。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

5 Profit before taxation (Continued)

5 除稅前溢利(續)

(c) Other items:

(c) 其他項目：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|--------------------|-----------------------------------|-----------------------------------|
| Depreciation charge | 折舊開支 | | |
| — Investment properties (Note 11) | — 投資物業(附註 11) | 2,487 | 2,093 |
| — Property, plant and equipment (Note 11) | — 物業、廠房及設備(附註 11) | 371,165 | 393,800 |
| — Right-of-use assets (Note 12) | — 使用權資產(附註 12) | 10,058 | 12,409 |
| Amortisation cost of intangible assets (Note 13) | 無形資產之攤銷成本(附註 13) | 369 | 343 |
| Provision/(reversal) of impairment losses on | 以下各項減值虧損之撥備/(撥回) | | |
| — trade receivables (Note 30(a)) | — 交易應收款項(附註 30(a)) | 79,675 | 52,870 |
| — other receivables (Note 19) | — 其他應收款項(附註 19) | (220) | 188 |
| Auditors' remuneration | 核數師酬金 | | |
| — audit services | — 審核服務 | 1,395 | 1,355 |
| — other services | — 其他服務 | 784 | 760 |
| Cost of inventories (i)/(Note 18) | 存貨成本(i)/(附註 18) | 13,621,056 | 10,257,443 |
| Research and development costs (ii) | 研發成本(ii) | 689,641 | 526,769 |

(i) Cost of inventories for the year ended 31 December 2021 included RMB987,126,000 (2020: RMB959,500,000) relating to depreciation and staff costs, which amount is also included in the respective total amounts disclosed separately above or in Note 5(b) for each of these types of expenses, and net gain of RMB97,660,000 (2020: RMB96,952,000) reclassified from other comprehensive income on commodity futures contracts which were designated as cash flow hedging instruments.

(ii) Research and development costs for the year ended 31 December 2021 included RMB174,509,000 (2020: RMB139,380,000) relating to depreciation and staff costs of employees, which amount is also included in the respective total amounts disclosed separately above or in Note 5(b) for each of these types of expenses.

(i) 截至二零二一年十二月三十一日止年度，存貨成本包括與折舊及員工成本有關之人民幣987,126,000元(二零二零年：人民幣959,500,000元)，該金額亦已計入上文或附註5(b)分開披露的各類開支總額。及自有關商品期貨合約(指定為現金流量對沖工具)其他收入重新分類的收益淨額人民幣97,660,000元(二零二零年：人民幣96,952,000元)。

(ii) 截至二零二一年十二月三十一日止年度之研發成本包括與折舊及僱員之員工成本有關之人民幣174,509,000元(二零二零年：人民幣139,380,000元)，該金額亦已計入上文或附註5(b)分開披露的各類開支總額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

6 Income tax in the consolidated statement of profit or loss 6 於綜合損益表內之所得稅

(a) Taxation in the consolidated statement of profit or loss represents:

(a) 於綜合損益表內之稅項為：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|----------------------|-----------------------------------|-----------------------------------|
| Current tax | 即期稅項 | | |
| Provision for PRC corporate income tax ("CIT") | 中國企業所得稅 (「企業所得稅」) 撥備 | 156,729 | 113,931 |
| Provision for PRC LAT | 中國土地增值稅撥備 | 1,864 | 1,332 |
| | | 158,593 | 115,263 |
| Deferred tax | 遞延稅項 | | |
| Reversal and origination of temporary differences (Note 28(b)) | 臨時差額撥回及產生 (附註 28(b)) | 9,491 | (3,310) |
| | | 168,084 | 111,953 |

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) The provision for Hong Kong Profits Tax is calculated at 16.5% (2020: 16.5%) of the estimated assessable profits for the year ended 31 December 2021, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

(i) 根據開曼群島及英屬處女群島 (「英屬處女群島」) 規則及規例，本集團毋須繳納開曼群島及英屬處女群島之任何所得稅。

(ii) 香港利得稅撥備乃按截至二零二一年十二月三十一日止年度之估計應課稅溢利以 16.5% (二零二零年：16.5%) 稅率計算，惟本集團一間身為利得稅兩級制合資格企業之附屬公司除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

6 Income tax in the consolidated statement of profit or loss (Continued)

(a) Taxation in the consolidated statement of profit or loss represents: (Continued)

(ii) (Continued)

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2020.

The provision for Hong Kong Profits Tax for 2021 is taken into account a reduction granted by the Hong Kong SAR Government of 100% of the tax payable for the year of assessment 2020/21 subject to a maximum reduction of HK\$10,000 for each business (2020: a maximum reduction of HK\$20,000 was granted for the year of assessment 2019/20 and was taken into account in calculating the provision for 2020).

- (iii) Pursuant to the income tax rules and regulations of the PRC, the PRC subsidiaries of the Group are liable to PRC corporate income tax at a rate of 25% for 2021 (2020: 25%) except for Guangdong Xingfa Aluminium Co., Ltd. ("Guangdong Xingfa"), Xingfa Aluminium (Chengdu) Co., Ltd. ("Xingfa Chengdu"), Guangdong Xingfa Aluminium (Henan) Co., Ltd. ("Xingfa Henan") and Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd. ("Xingfa Jiangxi") which were certified as "High and New Technology Enterprises" ("HNTE") and entitled to the preferential income tax rate of 15% for 2021 (2020: 15%).

6 於綜合損益表內之所得稅(續)

(a) 於綜合損益表內之稅項為：(續)

(ii) (續)

就此附屬公司而言，首2百萬港元應課稅溢利以8.25%的稅率徵稅，而餘下應課稅溢利以16.5%的稅率徵稅。此附屬公司之香港利得稅撥備乃按與二零二零年相同的基準計算。

二零二一年香港利得稅撥備乃經計及香港特別行政區政府就二零二零年至二零二一年度應評稅應付稅款授出的100%扣減額(各項業務最高扣減額為10,000港元)(二零二零年：二零一九年至二零二零年度就應評稅授出最高扣減額20,000港元，且於計算二零二零年撥備時已計及此扣減額)。

- (iii) 根據中國所得稅規則及規例，本集團之中國附屬公司於二零二一年須按25%(二零二零年：25%)之稅率繳納中國企業所得稅，惟廣東興發鋁業有限公司(「廣東興發」)、興發鋁業(成都)有限公司(「興發成都」)、廣東興發鋁業(河南)有限公司(「興發河南」)及廣東興發鋁業(江西)有限公司(「興發江西」)具備「高新技術企業」(「高新技術企業」)之資格並於二零二一年享有15%(二零二零年：15%)之優惠所得稅稅率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

6 Income tax in the consolidated statement of profit or loss (Continued)

(a) Taxation in the consolidated statement of profit or loss represents: (Continued)

- (iv) Pursuant to the new tax law in the PRC, from 1 January 2008, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business in the PRC but whose relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding tax at the rate of 10% (unless reduced by tax treaty) on various types of passive income such as dividends derived from sources within the PRC. Pursuant to the Sino-Hong Kong Double Tax Arrangement and the related regulations, a qualified Hong Kong tax resident will be liable to a reduced withholding tax rate of 5% on dividends from a PRC enterprise if the Hong Kong tax resident is the "beneficial owner" and holds 25% or more of the equity interest of the PRC enterprise. The Group's subsidiary in Hong Kong has obtained the Certificate of Resident Status of the Hong Kong Special Administrative Region and therefore have adopted the withholding tax rate at 5% for PRC withholding tax.

As at 31 December 2021, deferred tax liabilities of RMB28,583,000 (2020: RMB10,977,000) (Note 28(b)(i)) have been provided for in this regard based on the expected dividends to be distributed from the PRC subsidiaries in the foreseeable future in respect of the profits generated since 1 January 2008.

6 於綜合損益表內之所得稅(續)

(a) 於綜合損益表內之稅項為：(續)

- (iv) 根據中國新稅法，由二零零八年一月一日起，在中國境內未設立機構、場所，或者雖在中國境內設立機構、場所但取得之有關收入與其在中國境內所設機構、場所沒有實際聯繫之非居民企業，將須就多種被動收入（如源於中國境內之股息）按10%稅率（除非按稅收協定減免）繳納預提稅。根據內地與香港訂立的《雙重徵稅安排》及相關法規，倘一名合資格香港稅務居民為「實益擁有人」並持有中國企業25%或以上的股權，則該香港稅務居民須就其來自中國企業的股息按優惠稅率5%繳納預提稅。本集團於香港的附屬公司已獲得香港特別行政區居民身分證明書，因此採用了中國預提稅的預提稅率為5%。

於二零二一年十二月三十一日，以中國附屬公司在可預見將來就自二零零八年一月一日起所產生利潤將會派發的預期股息為基礎，已就人民幣28,583,000元（二零二零年：人民幣10,977,000元）之遞延稅項負債作出撥備（附註28(b)(i)）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

6 Income tax in the consolidated statement of profit or loss (Continued)

(a) Taxation in the consolidated statement of profit or loss represents: (Continued)

- (v) During the year of 2021, Guangdong Xingfa, Xingfa Chengdu, Xingfa Henan and Xingfa Jiangxi obtained approval from local tax authorities to claim super deduction on research and development expenses incurred in 2020. As such, the income tax for 2021 was reduced by RMB22,124,000 (2020: RMB18,002,000). Such additional tax deduction on research and development expenses equals 75% (2020: 75%) of the amount actually incurred.
- (vi) LAT is levied on properties developed in the PRC by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing costs and relevant property development expenditures.

6 於綜合損益表內之所得稅(續)

(a) 於綜合損益表內之稅項為：(續)

- (v) 於二零二一年，廣東興發、興發成都、興發河南及興發江西已就申請加計扣除二零一九年產生之研發開支獲得當地稅務局批准。因此，二零二一年之所得稅減少人民幣22,124,000元(二零二零年：人民幣18,002,000元)。有關對研發開支之額外扣稅相等於實際產生金額之75%(二零二零年：75%)。
- (vi) 土地增值稅乃本集團出售的中國已開發物業就地價增值按土地增值稅累進稅率30%至60%徵收，根據適用法規計算，地價增值即物業銷售所得款項減去可扣減支出(包括土地使用權租賃費用，借貸成本及相關物業發展開支)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

6 Income tax in the consolidated statement of profit or loss (Continued)

6 於綜合損益表內之所得稅(續)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

(b) 按適用稅率計算之稅項開支與會計溢利對賬：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|--------------------------|-----------------------------------|-----------------------------------|
| Profit before taxation | 除稅前溢利 | 1,055,201 | 873,412 |
| Less: LAT | 減：土地增值稅 | 1,864 | 1,332 |
| Profit before CIT and Hong Kong Profits Tax | 除企業所得稅及香港利得稅前溢利 | 1,053,337 | 872,080 |
| Notional tax on profit before taxation, calculated at the rates applicable to the jurisdiction concerned | 按相關司法權區適用稅率計算之除稅前溢利之名義稅項 | 268,991 | 214,115 |
| Tax effect of non-deductible expenses | 不可扣稅開支之稅務影響 | 777 | 760 |
| Tax effect of share of profit of an associate | 分佔一間聯營公司溢利之稅務影響 | — | (1,251) |
| Effect of tax concessions | 稅務優惠之影響 | (107,030) | (90,369) |
| Super deduction on research and development expenses in respect of prior year (Note 6(a)(v)) | 上一年度之研發開支加計扣除(附註6(a)(v)) | (22,124) | (18,002) |
| Effect of withholding on undistributed profits retained by PRC subsidiaries (Note 28) | 預扣中國附屬公司未分配保留溢利的影響(附註28) | 25,606 | 5,368 |
| CIT and Hong Kong Profits Tax | 企業所得稅及香港利得稅 | 166,220 | 110,621 |
| Add: LAT | 加：土地增值稅 | 1,864 | 1,332 |
| Income tax expense | 所得稅開支 | 168,084 | 111,953 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

7 Directors' emoluments

Directors' emoluments disclosed pursuant to section 383(1) of Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

7 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之董事酬金如下：

| | | Fees | Salary, allowance and benefits in kind | Contribution to retirement benefit plan | Bonus paid | Sub-Total | Share-based payments | 2021 Total |
|--|----------------------|--------------|--|---|---------------|---------------|----------------------|---------------|
| | | 袍金 | 薪金、津貼及實物利益 | 退休福利計劃供款 | 已付花紅 | 小計 | 以股份為基礎的付款 | 二零二一年總計 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| Executive directors | 執行董事 | | | | | | | |
| Mr. LIU Libin | 劉立斌先生 | 235 | 472 | 13 | 2,457 | 3,177 | 35 | 3,212 |
| Mr. LIAO Yuqing | 廖玉慶先生 | 795 | 264 | - | 2,615 | 3,674 | - | 3,674 |
| Mr. LAW Yung Koon | 羅用冠先生 | 517 | - | 15 | 2,334 | 2,866 | - | 2,866 |
| Mr. WANG Zhihua | 王志華先生 | 544 | 139 | 17 | 1,577 | 2,277 | 30 | 2,307 |
| Ms. ZHANG Li | 張莉女士 | | | | | | | |
| (resigned from the position of an executive director on 4 August 2021) | (於二零二一年八月四日辭任執行董事) | - | 416 | 9 | 1,525 | 1,950 | 30 | 1,980 |
| Mr. LUO Jianfeng | 羅建峰先生 | 398 | - | - | - | 398 | - | 398 |
| Mr. Wang Lei | 王磊先生 | | | | | | | |
| (appointed to the position of an executive director on 4 August 2021) | (於二零二一年八月四日獲委任為執行董事) | - | - | - | - | - | - | - |
| Non-executive directors | 非執行董事 | | | | | | | |
| Ms. XIE Jingyun | 謝景雲女士 | - | - | - | - | - | - | - |
| Mr. ZUO Manlun | 左滿倫先生 | 299 | - | - | - | 299 | - | 299 |
| Independent non-executive directors | 獨立非執行董事 | | | | | | | |
| Mr. CHEN Mo | 陳默先生 | 115 | - | - | - | 115 | - | 115 |
| Mr. HO Kwan Yiu | 何君堯先生 | 160 | - | - | - | 160 | - | 160 |
| Mr. LAM Ying Hung, Andy | 林英鴻先生 | 180 | - | - | - | 180 | - | 180 |
| Mr. Wen Xianjun | 文獻軍先生 | | | | | | | |
| (appointed on 4 August 2021) | (於二零二一年八月四日獲委任) | - | 75 | - | - | 75 | - | 75 |
| Mr. LIANG Shibin | 梁世斌先生 | | | | | | | |
| (resigned on 4 August 2021) | (於二零二一年八月四日辭任) | - | 150 | - | - | 150 | - | 150 |
| Total | 總計 | 3,243 | 1,516 | 54 | 10,508 | 15,321 | 95 | 15,416 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

7 Directors' emoluments (Continued)

7 董事酬金(續)

| | | Fees | Salary, allowance and benefits in kind 薪金、津貼及實物利益 | Contribution to retirement benefit plan 退休福利計劃供款 | Bonus paid 已付花紅 | Sub-Total 小計 | Share-based payments 以股份為基礎的付款 (Note) (附註) | 2020 Total 二零二零年總計 |
|--|----------------|------------------|--|---|--------------------|------------------|---|-----------------------|
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Executive directors | 執行董事 | | | | | | | |
| Mr. LIU Libin | 劉立斌先生 | 300 | 606 | 23 | 1,732 | 2,661 | 100 | 2,761 |
| Mr. LIAO Yuqing | 廖玉慶先生 | 636 | 264 | – | 1,927 | 2,827 | – | 2,827 |
| Mr. LAW Yung Koon | 羅用冠先生 | 552 | – | 13 | 2,649 | 3,214 | – | 3,214 |
| Mr. WANG Zhihua | 王志華先生 | 416 | 90 | 12 | 1,555 | 2,073 | 84 | 2,157 |
| Ms. ZHANG Li | 張莉女士 | – | 677 | 12 | 467 | 1,156 | 83 | 1,239 |
| Mr. LUO Jianfeng | 羅建峰先生 | 425 | – | – | – | 425 | – | 425 |
| Non-executive directors | 非執行董事 | | | | | | | |
| Ms. XIE Jingyun | 謝景雲女士 | – | – | – | – | – | – | – |
| Mr. ZUO Manlun | 左滿倫先生 | 319 | – | – | – | 319 | – | 319 |
| Independent non-executive directors | 獨立非執行董事 | | | | | | | |
| Mr. CHEN Mo | 陳默先生 | 150 | – | – | – | 150 | – | 150 |
| Mr. HO Kwan Yiu | 何君堯先生 | 150 | – | – | – | 150 | – | 150 |
| Mr. LAM Ying Hung, Andy | 林英鴻先生 | 180 | – | – | – | 180 | – | 180 |
| Mr. LIANG Shibin | 梁世斌先生 | 55 | 83 | – | – | 138 | – | 138 |
| Total | 總計 | 3,183 | 1,720 | 60 | 8,330 | 13,293 | 267 | 13,560 |

Note:

These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in Note 1(t)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the Report of the Directors and Note 27.

附註：

該等金額指根據本公司購股權計劃授予董事的購股權的估計價值。該等購股權的價值根據附註1(t)(ii)所載本集團有關股份付款交易的會計政策計量，而根據有關政策，該金額包括過往年度在所授出權益工具於歸屬前被沒收的情況下所累計的儲備金額。

該等實物利益的詳情，包括已授出購股權的主要條款及數目，已於董事會報告內「購股權計劃」一段及附註27中披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

8 Individuals with highest emoluments

Of the five Individuals with the highest emoluments, three (2020: four) of them are directors whose emoluments are disclosed in Note 7. The aggregate of the emoluments in respect of the other two (2020: one) individuals are as follows:

8 最高薪酬人士

五名最高薪酬人士中，三名(二零二零年：四名)為董事，彼等之酬金於附註7披露。其他兩名(二零二零年：一名)最高薪酬人士的酬金總額如下：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|------------|-----------------------------------|-----------------------------------|
| Fees | 袍金 | — | — |
| Salary, allowance and benefits in kind | 薪金、津貼及實物利益 | 1,119 | 330 |
| Contribution to retirement benefit plan | 退休福利計劃供款 | 51 | 12 |
| Bonus paid | 已付花紅 | 3,500 | 1,400 |
| Share-based payments | 以股份為基礎的付款 | 46 | 60 |
| | | 4,716 | 1,802 |

The emoluments of the two (2020: one) individual(s) with the highest emoluments are within the following bands:

兩名(二零二零年：一名)最高薪人士的酬金介乎下列範圍：

| | | 2021 二零二一年 Number of Individuals 人數 | 2020 二零二零年 Number of Individuals 人數 |
|-----------------------------|-------------------------|---|---|
| Nil–HK\$1,000,000 | 零至1,000,000港元 | — | — |
| HK\$1,000,001–HK\$1,500,000 | 1,000,001港元至1,500,000港元 | — | — |
| HK\$1,500,001–HK\$2,000,000 | 1,500,001港元至2,000,000港元 | — | — |
| HK\$2,000,001–HK\$2,500,000 | 2,000,001港元至2,500,000港元 | — | 1 |
| HK\$2,500,001–HK\$3,000,000 | 2,500,001港元至3,000,000港元 | 2 | — |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

9 Other comprehensive income

9 其他全面收益

(a) Tax effects relating to each component of other comprehensive income

(a) 有關其他全面收益各組成部分之稅務影響

| | | 2021 二零二一年 | | | 2020 二零二零年 | | |
|--|-----------------|---|---|---|---|--|---|
| | | Before-tax amount 除稅前 金額 RMB'000 人民幣千元 | Tax expenses 稅項 開支 RMB'000 人民幣千元 | Net-of-tax amount 除稅後 金額 RMB'000 人民幣千元 | Before-tax amount 除稅前 金額 RMB'000 人民幣千元 | Tax benefit 稅項 利益 RMB'000 人民幣千元 | Net-of-tax amount 除稅後 金額 RMB'000 人民幣千元 |
| Exchange differences on translation of: | 換算以下項目之匯兌差額： | | | | | | |
| — financial statements of overseas subsidiaries | — 海外附屬公司之財務報表 | (1,287) | — | (1,287) | 3,094 | — | 3,094 |
| Cash flow hedge: net movement in hedging reserve | 現金流量對沖：對沖儲備變動淨額 | 14,774 | (2,217) | 12,557 | (5,680) | 852 | (4,828) |
| Other comprehensive income | 其他全面收益 | 13,487 | (2,217) | 11,270 | (2,586) | 852 | (1,734) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

9 Other comprehensive income (Continued)

9 其他全面收益 (續)

(b) Components of other comprehensive income, including reclassification adjustments

(b) 其他全面收益之組成部分，包括重新分類調整

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|------------------------------------|-----------------------------------|-----------------------------------|
| Cash flow hedges: | 現金流量對沖： | | |
| Effective portion of the cash flow hedge recognised in other comprehensive income during the period | 本期間於其他全面收益確認之現金流量對沖之有效部分 | 112,434 | 89,403 |
| Reclassification adjustments for amounts transferred to profit or loss: | 轉撥至損益金額的重新分類調整： | | |
| — finance costs (Note 5(a)) | — 融資成本 (附註 5(a)) | — | 1,132 |
| — foreign exchange loss (Note 4) | — 外匯虧損 (附註 4) | — | 737 |
| — cost of inventories (Note 5(c)) | — 存貨成本 (附註 5(c)) | (97,660) | (96,952) |
| Net deferred tax (charged)/credited to other comprehensive income (Note 28(b)(i)) | (扣除)/計入其他全面收益的遞延稅項淨額 (附註 28(b)(i)) | (2,217) | 852 |
| Net movement in the hedging reserve during the period recognised in other comprehensive income | 於其他全面收益確認之期內對沖儲備之變動淨額 | 12,557 | (4,828) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

10 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB887,800,000 (2020: RMB765,385,000) and the weighted average number of 418,923,000 ordinary shares (2020: 418,008,000 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

10 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據本公司普通股權益股東應佔溢利人民幣887,800,000元(二零二零年：人民幣765,385,000元)及年內已發行普通股加權平均數418,923,000股(二零二零年：418,008,000股普通股)計算如下：

普通股加權平均數

| | | 2021 二零二一年 '000 千股 | 2020 二零二零年 '000 千股 |
|--|---------------------------|-----------------------------|-----------------------------|
| Issued ordinary shares at 1 January | 於一月一日的已發行普通股 | 418,068 | 418,000 |
| Effect of share options exercised (Note 29(c)(ii)) | 行使購股權的影響 (附註29(c)(ii)) | 855 | 8 |
| Weighted average number of ordinary shares at 31 December | 於十二月三十一日的 普通股加權平均數 | 418,923 | 418,008 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

10 Earnings per share (Continued)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB887,800,000 (2020: RMB765,385,000) and the weighted average number of ordinary shares of 420,268,000 shares (2020: 419,115,000), calculated as follows:

(i) Profit attributable to ordinary equity shareholders of the Company (diluted)

| | |
|---|-----------------|
| Profit attributable to ordinary equity shareholders (diluted) | 普通股權益股東應佔溢利(攤薄) |
|---|-----------------|

| | |
|----------------|----------------|
| 2021 | 2020 |
| 二零二一年 | 二零二零年 |
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |

| | |
|----------------|----------------|
| 887,800 | 765,385 |
|----------------|----------------|

(ii) Weighted average number of ordinary shares (diluted)

| | |
|--|------------------------------|
| Weighted average number of ordinary shares at 31 December | 於十二月三十一日之普通股加權平均數 |
| Effect of deemed issue of shares under the Company's share option scheme for nil consideration (Note 27) | 視作根據本公司之購股權計劃無償發行股份之影響(附註27) |

| | |
|---|-----------------------|
| Weighted average number of ordinary shares (diluted) at 31 December | 於十二月三十一日之普通股加權平均數(攤薄) |
|---|-----------------------|

| | |
|--------------|--------------|
| 2021 | 2020 |
| 二零二一年 | 二零二零年 |
| '000 | '000 |
| 千股 | 千股 |

| | |
|----------------|----------------|
| 418,923 | 418,008 |
|----------------|----------------|

| | |
|--------------|--------------|
| 1,345 | 1,107 |
|--------------|--------------|

| | |
|----------------|----------------|
| 420,268 | 419,115 |
|----------------|----------------|

10 每股盈利(續)

(b) 每股攤薄盈利

每股攤薄盈利乃根據本公司普通股權益股東應佔溢利人民幣887,800,000元(二零二零年：人民幣765,385,000元)及普通股加權平均數420,268,000股(二零二零年：419,115,000股)計算如下：

(i) 本公司普通股權益股東應佔溢利(攤薄)

(ii) 普通股加權平均數(攤薄)

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

11 Investment property and property, plant and equipment

11 投資物業及其他物業、廠房及設備

(a) Reconciliation of carrying amount

(a) 賬面值之對賬

| | | Buildings and plants | Machinery | Motor Vehicles | Office equipment and others | Construction in progress | Subtotal | Investment properties | Total |
|--|-------------------------|---------------------------|------------------------|------------------------|------------------------------|--------------------------|------------------------|--------------------------|------------------------|
| | | 樓宇及廠房 RMB'000 人民幣千元 | 機器 RMB'000 人民幣千元 | 汽車 RMB'000 人民幣千元 | 辦公室設備及其他 RMB'000 人民幣千元 | 在建工程 RMB'000 人民幣千元 | 小計 RMB'000 人民幣千元 | 投資物業 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| Cost: | 成本： | | | | | | | | |
| At 1 January 2020 | 於二零二零年一月一日 | 1,150,788 | 2,425,083 | 29,322 | 187,979 | 203,533 | 3,996,705 | 82,061 | 4,078,766 |
| Additions | 添置 | 4,079 | 281,434 | 2,057 | 12,504 | 176,990 | 477,064 | - | 477,064 |
| Transfer from inventory | 轉撥自存貨 | 3,062 | - | - | - | - | 3,062 | - | 3,062 |
| Transfer from construction in progress | 轉撥自在建工程 | 34,195 | 69,677 | 785 | 2,293 | (106,950) | - | - | - |
| Transfer from property, plant and equipment to investment property | 轉撥自物業、廠房及設備至投資物業 | (1,617) | - | - | - | - | (1,617) | 1,617 | - |
| Transfer from right-of-use assets | 轉撥自使用權資產 | - | - | - | - | - | - | 2,795 | 2,795 |
| Disposal | 出售 | - | (6,658) | (1,925) | (507) | - | (9,090) | - | (9,090) |
| At 31 December 2020 and 1 January 2021 | 於二零二零年十二月三十一日及二零二一年一月一日 | 1,190,507 | 2,769,536 | 30,239 | 202,269 | 273,573 | 4,466,124 | 86,473 | 4,552,597 |
| Additions | 添置 | 18,184 | 324,302 | 3,483 | 21,834 | 248,635 | 616,438 | - | 616,438 |
| Transfer from inventory | 轉撥自存貨 | - | - | - | - | - | - | 127,512 | 127,512 |
| Transfer from construction in progress | 轉撥自在建工程 | 154,504 | 141,295 | 90 | 2,189 | (298,078) | - | - | - |
| Transfer from investment property to other property, plant and equipment | 轉撥自投資物業至物業、廠房及設備 | 29,564 | - | - | - | - | 29,564 | (29,564) | - |
| Transfer to right-of-use assets | 轉撥自使用權資產 | - | - | - | - | - | - | (6,268) | (6,268) |
| Disposal | 出售 | (3,050) | (14,447) | (1,420) | (4,542) | - | (23,459) | - | (23,459) |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 1,389,709 | 3,220,686 | 32,392 | 221,750 | 224,130 | 5,088,667 | 178,153 | 5,266,820 |
| Accumulated depreciation: | 累計折舊： | | | | | | | | |
| At 1 January 2020 | 於二零二零年一月一日 | (228,689) | (1,412,277) | (20,004) | (147,062) | - | (1,808,032) | (10,367) | (1,818,399) |
| Transfer from property, plant and equipment to investment property | 轉撥自物業、廠房及設備至投資物業 | 372 | - | - | - | - | 372 | (372) | - |
| Transfer from right-of-use assets | 轉撥自使用權資產 | - | - | - | - | - | - | (633) | (633) |
| Charge for the year | 年度支出 | (38,599) | (344,151) | (2,484) | (8,566) | - | (393,800) | (2,093) | (395,893) |
| Written back on disposals | 出售時撥回 | - | 4,406 | 1,742 | 435 | - | 6,583 | - | 6,583 |
| At 31 December 2020 and 1 January 2021 | 於二零二零年十二月三十一日及二零二一年一月一日 | (266,916) | (1,752,022) | (20,746) | (155,193) | - | (2,194,877) | (13,465) | (2,208,342) |
| Transfer from investment property to other property, plant and equipment | 轉撥自投資物業至物業、廠房及設備 | (5,244) | - | - | - | - | (5,244) | 5,244 | - |
| Transfer from right-of-use assets | 轉撥自使用權資產 | - | - | - | - | - | - | 1,982 | 1,982 |
| Charge for the year | 年度支出 | (31,219) | (326,255) | (2,537) | (11,154) | - | (371,165) | (2,487) | (373,652) |
| Written back on disposals | 出售時撥回 | 1,011 | 10,771 | 1,348 | 3,649 | - | 16,779 | - | 16,779 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | (302,368) | (2,067,506) | (21,935) | (162,698) | - | (2,554,507) | (8,726) | (2,563,233) |
| Net book value: | 賬面淨值： | | | | | | | | |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 1,087,341 | 1,153,180 | 10,457 | 59,052 | 224,130 | 2,534,160 | 169,427 | 2,703,587 |
| At 31 December 2020 | 於二零二零年十二月三十一日 | 923,591 | 1,017,514 | 9,493 | 47,076 | 273,573 | 2,271,247 | 73,008 | 2,344,255 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

11 Investment property and property, plant and equipment (Continued)

(a) Reconciliation of carrying amount (Continued)

- (i) All properties owned by the Group are located in the PRC.
- (ii) Up to the date of this report, the Group is in the process of applying for the title certificates of certain properties with carrying value of approximately RMB150,422,000 as at 31 December 2021 (2020: RMB74,673,000). The directors of the Company are of the opinion that the use of and the conduct of operating activities at the properties referred to above are not affected by the fact that the Group has not yet obtained the relevant property title certificates.
- (iii) Certain plants with net book value of RMB370,597,000 (2020: RMB577,227,000) were pledged as securities for bank loans of the Group as at 31 December 2021 (Note 24).

11 投資物業及其他物業、廠房及設備 (續)

(a) 賬面值之對賬 (續)

- (i) 本集團擁有的全部物業均位於中國。
- (ii) 截至本報告日期，本集團正在為於二零二一年十二月三十一日之賬面值約為人民幣150,422,000元(二零二零年：人民幣74,673,000元)之若干物業申請辦理業權證。本公司董事認為，使用上述物業及在上述物業從事經營活動並不會因本集團尚未取得相關物業業權證書而受到影響。
- (iii) 於二零二一年十二月三十一日，賬面淨值為人民幣370,597,000元(二零二零年：人民幣577,227,000元)之若干廠房已抵押作為本集團銀行貸款之擔保(附註24)。



Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

11 Investment property and property, plant and equipment (Continued)

(b) Investment property

The Group leases out owned properties under operating leases and treat these properties as investment properties because the Group held these properties in the long-term for capital appreciation or rental income. The leases typically run for an initial period of 1 to 5 years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually increased every year to reflect market rentals. None of the leases includes variable lease payments.

Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---------------|------|-----------------------------------|-----------------------------------|
| Within 1 year | 1 年內 | 914 | 744 |

Investment properties of the Group were stated in the consolidated statement of financial position at cost less accumulated depreciation and impairment losses. Fair value of these investment properties is RMB205,400,000 as at 31 December 2021 (31 December 2020: RMB138,810,000). The valuations of fair value were carried out by an independent firm of surveyors, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, who have staff with recent experience in the location and category of property being valued.

11 投資物業及其他物業、廠房及設備(續)

(b) 投資物業

本集團根據經營租賃出租所擁有物業並將該等物業視為投資物業，原因為本集團為長期資本增值或取得租金收入而持有該等物業。租賃一般初步為期1至5年，並有權選擇續訂，屆時所有條款均會重新磋商。租賃付款通常會每年增加，以反映市場租金水平。各項租賃均不包含可變租賃付款。

本集團將於未來期間根據於報告日期訂立的不可解除經營租賃應收的未貼現租賃付款如下：

本集團的投資物業乃於綜合財務狀況表按成本減累計折舊及減值虧損呈列。該等投資物業於二零二一年十二月三十一日的公平值為人民幣205,400,000元(二零二零年十二月三十一日：人民幣138,810,000元)。公平值估值乃由獨立測量師行仲量聯行企業評估及諮詢有限公司進行，其僱員均於估值物業所在地區及所屬類別擁有新近經驗。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

12 Right-of-use assets

12 使用權資產

| | | Land use rights 土地 使用權 (Note (i)) (附註(i)) RMB'000 人民幣千元 | Right-of-use assets 使用 權資產 (Note (ii)) (附註(ii)) RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|---------------------------------|--|--|---------------------------------|
| Cost: | 成本： | | | |
| At 1 January 2020 | 於二零二零年一月一日 | 416,891 | 24,258 | 441,149 |
| Additions | 添置 | — | 3,000 | 3,000 |
| Transfer to investment property | 轉撥至投資物業 | (2,795) | — | (2,795) |
| Disposal | 出售 | — | (15,094) | (15,094) |
| At 31 December 2020 and 1 January 2021 | 於二零二零年 十二月三十一日及 二零二一年一月一日 | 414,096 | 12,164 | 426,260 |
| Additions | 添置 | — | 164 | 164 |
| Transfer to investment property | 轉撥至投資物業 | 6,268 | — | 6,268 |
| Disposal | 出售 | — | (663) | (663) |
| At 31 December 2021 | 於二零二一年 十二月三十一日 | 420,364 | 11,665 | 432,029 |
| Accumulated amortisation: | 累計攤銷： | | | |
| At 1 January 2020 | 於二零二零年一月一日 | (78,773) | (3,756) | (82,529) |
| Charge for the year | 本年度支出 | (8,292) | (4,117) | (12,409) |
| Transfer to investment property | 轉撥至投資物業 | 633 | — | 633 |
| Disposal | 出售 | — | 4,232 | 4,232 |
| At 31 December 2020 and 1 January 2021 | 於二零二零年 十二月三十一日及 二零二一年一月一日 | (86,432) | (3,641) | (90,073) |
| Charge for the year | 本年度支出 | (7,798) | (2,260) | (10,058) |
| Transfer to investment property | 轉撥至投資物業 | (1,982) | — | (1,982) |
| Disposal | 出售 | — | 549 | 549 |
| At 31 December 2021 | 於二零二一年 十二月三十一日 | (96,212) | (5,352) | (101,564) |
| Carrying amount: | 賬面值： | | | |
| At 31 December 2021 | 於二零二一年 十二月三十一日 | 324,152 | 6,313 | 330,465 |
| At 31 December 2020 | 於二零二零年 十二月三十一日 | 327,664 | 8,523 | 336,187 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

12 Right-of-use assets (Continued)

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

12 使用權資產(續)

按相關資產類別分析使用權資產賬面淨值如下：

| | | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|-------------|------------------|-----------------------------------|-----------------------------------|
| | Notes 附註 | | | |
| Included in "Right-of-use assets": | | 計入「使用權資產」： | | |
| Land use rights, carried at depreciated cost | | 按折舊成本列賬的土地使用權 | | |
| | (i) | | 324,152 | 327,664 |
| Other properties leased for own use, carried at depreciated cost | | 按折舊成本列賬租賃自用的其他物業 | | |
| | (ii) | | 6,313 | 8,523 |
| | | | 330,465 | 336,187 |
| Included in "Inventories and other contract costs": | | 計入「存貨及其他合約成本」： | | |
| Land use rights under developed properties for sale | | 已開發待售物業的土地使用權 | | |
| | | | 27,843 | 28,273 |
| Included in "Investment property": | | 計入「投資物業」： | | |
| Land use rights, carried at depreciated cost | | 按折舊成本列賬的土地使用權 | | |
| | | | 14,638 | 19,900 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

12 Right-of-use assets (Continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

| | |
|--|--------------------------|
| Depreciation charge of right-of-use assets by class of underlying asset: | 按相關資產類別劃分的 使用權資產折舊開支： |
| Land use rights | 土地使用權 |
| Plants | 廠房 |
| Interest on lease liabilities (Note 5(a)) | 租賃負債利息(附註5(a)) |
| Expense relating to short-term leases | 與短期租賃有關之開支 |

During the year, additions to right-of-use assets were RMB164,000 (2020: RMB3,000,000). This amount primarily related to the capitalised lease payments payable under new tenancy agreements.

Details of total cash outflow for leases, the maturity analysis of lease liabilities and the future cash outflows arising from leases that are not yet commenced are set out in notes 21(d), 30(b) and 31, respectively.

The land use rights under right-of-use assets with carrying value of RMB270,182,000 (31 December 2020: RMB327,346,000) were pledged as securities for bank loans of the Group as at 31 December 2021 (Note 24).

(i) Land use rights

As at 31 December 2021, the remaining period of the land use rights ranges from 35 to 50 years (31 December 2020: 35 to 50 years).

(ii) Other leases

The Group has obtained the right to use other properties as its plants and machinery through tenancy agreements. The leases typically run for an initial period of 2 to 10 years. Lease payments are usually increased to reflect market rentals.

12 使用權資產(續)

與於損益確認之租賃有關之開支項目分析如下：

| 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 7,798 | 8,292 |
| 2,260 | 4,117 |
| 397 | 654 |
| 846 | 459 |

年內，使用權資產添置為人民幣164,000元(二零二零年：人民幣3,000,000元)。該金額主要與新租賃協議項下的資本化應付租賃付款有關。

租賃現金流出總額、租賃負債之到期日分析及尚未開始的租賃所產生的未來現金流出分別載於附註21(d)、30(b)及31。

於二零二一年十二月三十一日，賬面值為人民幣270,182,000元(二零二零年十二月三十一日：人民幣327,346,000元)的使用權資產項下土地使用權已抵押作為本集團銀行貸款的抵押品(附註24)。

(i) 土地使用權

於二零二一年十二月三十一日，土地使用權的剩餘期限介乎35年至50年(二零二零年十二月三十一日：35年至50年)。

(ii) 其他租賃

本集團透過租賃協議獲得使用其他物業(作為其廠房及機器)的權力。租賃一般初步為期2至10年。租賃付款通常會增加，以反映市場租金水平。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

13 Intangible assets

13 無形資產

| | | Patents 專利 RMB'000 人民幣千元 |
|---|--------------------------------------|-----------------------------------|
| Cost: | 成本： | |
| At 1 January 2020 | 於二零二零年一月一日 | — |
| Addition through contribution by non-controlling interest | 透過非控股權益出資添置 | 4,122 |
| At 31 December 2020, 1 January 2021 and 31 December 2021 | 於二零二零年十二月三十一日、二零二一年一月一日及二零二一年十二月三十一日 | 4,122 |
| Accumulated amortisation: | 累計攤銷： | |
| At 1 January 2020 | 於二零二零年一月一日 | — |
| Charge for the year | 本年度支出 | (343) |
| At 31 December 2020 and 1 January 2021 | 於二零二零年十二月三十一日及二零二一年一月一日 | (343) |
| Charge for the year | 本年度支出 | (369) |
| At 31 December 2021 | 於二零二一年十二月三十一日 | (712) |
| Net book value: | 賬面淨值： | |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 3,410 |
| At 31 December 2020 | 於二零二零年十二月三十一日 | 3,779 |

The amortisation charge for the year is included in "Administrative expenses" in the consolidated statement of profit or loss.

本年度攤銷支出計入綜合損益表「行政開支」。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

14 Investments in subsidiaries

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated:

14 於附屬公司之投資

下表僅載有主要影響本集團業績、資產或負債之附屬公司詳情。除另有指明者外，其持有之股份類別為普通股：

| Name of companies 公司名稱 | Place of incorporation and business/ date of establishment 註冊成立地點及 營業場所／成立日期 | Authorised/ registered and fully paid-up capital 法定／註冊及 繳足資本 | Proportion of ownership interest 擁有權比例 | | | Principal activities 主要業務 |
|---|---|--|---|--------------------------------------|--|--|
| | | | Group's effective interest 本集團 實際權益 | Held by the Company 由本公司 持有 | Held by a subsidiary 由附屬公司 持有 | |
| China Xingfa (BVI) Limited ("Xingfa BVI") (iii) | BVI 2 October 2007 | United States Dollars ("USD") 2,000/USD2,000 | 100% | 100% | — | Investment holding |
| China Xingfa (BVI) Limited ("Xingfa BVI") (iii) | 英屬處女群島 二零零七年十月二日 | 2,000 美元 (「美元」)／ 2,000 美元 | | | | 投資控股 |
| Xingfa Aluminium (Hong Kong) Limited ("Xingfa Hong Kong") (iii) 興發鋁業(香港)有限公司 (「興發香港」) (iii) | Hong Kong 14 April 2008 香港 二零零八年四月十四日 | HKD1,000/ HKD1,000 1,000 港元／ 1,000 港元 | 100% | — | 100% | Sales of aluminium profiles 銷售鋁型材 |
| Guangdong Xingfa Holdings Limited 廣東興發控股有限公司 (i)(ii)(iii) ("Guangdong Xingfa Holding") 廣東興發控股有限公司 (i)(ii)(iii) (「廣東興發控股」) | PRC 25 January 2021 中國 二零二一年一月二十五日 | RMB50,000,000/ Nil 人民幣 50,000,000 元／ 無 | 100% | — | 100% | New materials technology research and development 新材料科技研發 |
| Guangdong Xingfa Aluminium Co., Ltd 廣東興發鋁業有限公司 (i)(iii) ("Guangdong Xingfa") 廣東興發鋁業有限公司 (i)(iii) (「廣東興發」) | PRC 26 May 2006 中國 二零零六年五月二十六日 | RMB360,040,000/ RMB360,040,000 人民幣 360,040,000 元／ 人民幣 360,040,000 元 | 100% | — | 100% | Manufacturing and sales of aluminium profiles 生產及銷售鋁型材 |
| Xingfa Aluminium (Chengdu) Co., Ltd. 興發鋁業(成都)有限公司 (i)(iii) ("Xingfa Chengdu") 興發鋁業(成都)有限公司 (i)(iii) (「興發成都」) | PRC 7 July 2009 中國 二零零九年七月七日 | RMB130,000,000/ RMB130,000,000 人民幣 130,000,000 元／ 人民幣 130,000,000 元 | 100% | — | 100% | Manufacturing and sales of aluminium profiles 生產及銷售鋁型材 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

14 Investments in subsidiaries (Continued)

14 於附屬公司之投資(續)

| Name of companies 公司名稱 | Place of incorporation and business/ date of establishment 註冊成立地點及 營業場所/成立日期 | Authorised/ registered and fully paid-up capital 法定/註冊及 繳足資本 | Proportion of ownership interest 擁有權比例 | | | Principal activities 主要業務 |
|---|--|---|---|--------------------------------------|--|---|
| | | | Group's effective interest 本集團 實際權益 | Held by the Company 由本公司 持有 | Held by a subsidiary 由附屬公司 持有 | |
| Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd. 廣東興發鋁業(江西)有限公司(i)(iii) ("Xingfa Jiangxi") | PRC 14 August 2009 | RMB100,000,000/ RMB100,000,000 | 100% | — | 100% | Manufacturing and sales of aluminium profiles |
| 廣東興發鋁業(江西)有限公司(i)(iii) ("興發江西") | 中國 二零零九年八月十四日 | 人民幣 100,000,000元/ 人民幣 100,000,000元 | | | | 生產及銷售鋁型材 |
| Guangdong Xingfa Aluminium (Henan) Co., Ltd. 廣東興發鋁業(河南)有限公司(i)(iii) ("Xingfa Henan") | PRC 10 May 2010 | RMB100,000,000/ RMB100,000,000 | 100% | — | 100% | Manufacturing and sales of aluminium profiles |
| 廣東興發鋁業(河南)有限公司(i)(iii) ("興發河南") | 中國 二零一零年五月十日 | 人民幣 100,000,000元/ 人民幣 100,000,000元 | | | | 生產及銷售鋁型材 |
| Foshan Xingfa Real Estate Co., Ltd. 佛山市興發房地產開發有限公司(i)(iii) ("Xingfa Real Estate") | PRC 5 June 2013 | RMB8,000,000/ RMB8,000,000 | 100% | — | 100% | Development, sales and management of properties |
| 佛山市興發房地產開發有限公司(i)(iii) ("興發房地產") | 中國 二零一三年六月五日 | 人民幣 8,000,000元/ 人民幣 8,000,000元 | | | | 物業開發、銷售 及管理 |
| Foshan Xingfa Trading Co., Ltd. 佛山市興發商貿有限公司(i)(iii) ("Xingfa Trading") | PRC 3 December 2014 | RMB10,000,000/ RMB10,000,000 | 100% | — | 100% | Trading of aluminium profiles |
| 佛山市興發商貿有限公司(i)(iii) ("興發商貿") | 中國 二零一四年十二月三日 | 人民幣 10,000,000元/ 人民幣 10,000,000元 | | | | 鋁型材貿易 |
| Guangdong Xingfa Precision Manufacturing Co., Ltd. 廣東興發精密製造有限公司(i)(iii) ("Xingfa Precision") | PRC 26 September 2017 | RMB200,000,000/ RMB200,000,000 | 100% | — | 100% | Manufacturing and sales of precision products |
| 廣東興發精密製造有限公司(i)(iii) ("興發精密") | 中國 二零一七年九月二十六日 | 人民幣 200,000,000元/ 人民幣 200,000,000元 | | | | 生產及銷售精密產品 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

14 Investments in subsidiaries (Continued)

14 於附屬公司之投資(續)

| Name of companies 公司名稱 | Place of incorporation and business/ date of establishment 註冊成立地點及 營業場所／成立日期 | Authorised/ registered and fully paid-up capital 法定／註冊及 繳足資本 | Proportion of ownership interest 擁有權比例 | | | Principal activities 主要業務 |
|--|---|---|---|--------------------------------------|--|--|
| | | | Group's effective interest 本集團 實際權益 | Held by the Company 由本公司 持有 | Held by a subsidiary 由附屬公司 持有 | |
| Guangdong Xingfa Aoke Architecture Technology Co., Ltd. 廣東興發奧科建築科技有限公司(i)(iii) ("Xingfa Aoke") | PRC 20 July 2018 | RMB20,000,000/ RMB19,622,070 | 51% | – | 51% | Manufacturing and sales of architecture products |
| 廣東興發奧科建築科技有限公司(i)(iii) (「興發奧科」) | 中國 二零一八年七月二十日 | 人民幣 20,000,000元／ 人民幣 19,622,070元 | | | | 生產及銷售建築產品 |

(i) These entities are all PRC limited liability companies. The English translation of the company names are for reference only. The official names of these companies are in Chinese.

(ii) The subsidiary was established in 2021 and is a wholly foreign owned enterprise.

(iii) The subsidiaries are companies with limited liabilities.

(i) 該等實體均為中國有限公司。該等公司名稱之英文翻譯僅供參考。該等公司之正式名稱為中文名稱。

(ii) 該附屬公司於二零二一年成立，為外商獨資企業。

(iii) 該等附屬公司為有限責任公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

15 Interest in an associate

Details of the Group's interest in the associate, which is accounted for using the equity method in the consolidated financial statements, are as follows:

15 於聯營公司之權益

本集團於聯營公司的權益(於綜合財務報表使用權益法入賬)詳情如下：

| Name of associate 聯營公司名稱 | Form of business structure 業務架構形式 | Place of incorporation and business 註冊成立及業務地點 | Particulars of issued and paid-up capital 已發行及繳足資本詳情 | Proportion of ownership interest 擁有權比例 | | Principal activities 主要業務 |
|---|--------------------------------------|--|---|---|---------------------------------|--|
| | | | | Group's effective interest 本集團實際權益 | Held by a subsidiary 由附屬公司持有 | |
| Jiangxi Province Jingxing Aluminium Panel Manufacturing Co., Ltd. 江西省景興鋁模板製造有限公司 (i)(ii) ("Jiangxi Jingxing") | Limited liability company | People's Republic of China | Registered capital of RMB5,000,000 | – | – | Manufacturing and sales of aluminium panels |
| 江西省景興鋁模板製造有限公司 (i)(ii) ("江西景興") | 有限公司 | 中華人民共和國 | 註冊資本 人民幣 5,000,000 元 | | | 生產及銷售鋁板 |
| Guangdong Xingfa Environment Technology Co., Ltd. 廣東興發環境科技有限公司 (i)(iii) ("Xingfa Environment") | Limited liability company | People's Republic of China | Registered capital of RMB30,000,000 | 40% | 40% | Manufacturing and sales of environment protection products |
| 廣東興發環境科技有限公司 (i)(iii) ("興發環境") | 有限公司 | 中華人民共和國 | 註冊資本 人民幣 30,000,000 元 | | | 生產及銷售鋁板 |

(i) The English translation of the company name is for reference only. The official name of the company is in Chinese.

(ii) On 4 February 2021, Xingfa Jiangxi and Guangzhou Jingxing Construction Technology Company Limited ("Guangzhou Jingxing") entered into an equity transfer agreement (the "Equity Transfer"), pursuant to which Xingfa Jiangxi agreed to transfer its entire equity interest in Jiangxi Province Jingxing Aluminium Panel Manufacturing Co., Ltd. ("Jiangxi Jingxing") (representing 80% equity interest in Jiangxi Jingxing) to Guangzhou Jingxing. The consideration of the Equity Transfer was RMB10,000,000. The Equity Transfer was completed on 12 March 2021. Immediately upon completion of the Equity Transfer, the Group ceased to hold any interest in Jiangxi Jingxing and Jiangxi Jingxing ceased to be an associate of the Group.

The Group recognised a gain of RMB3,460,000 in respect of the disposal of its entire equity interest in Jiangxi Jingxing.

(i) 公司名稱之英文翻譯僅供參考。該公司之正式名稱為中文名稱。

(ii) 於二零二一年二月四日，興發景興與廣州景興建築科技有限公司(「廣州景興」)訂立股權轉讓協議(「股權轉讓」)，據此，興發景興同意將其於江西省景興鋁模板製造有限公司(「江西景興」)的全部股權(佔江西景興80%股權)轉讓予廣州景興。股權轉讓的代價為人民幣10,000,000元。股權轉讓已於二零二一年三月十二日完成。緊隨股權轉讓完成後，本集團不再持有江西景興的任何權益，而江西景興不再為本集團的聯營公司。

本集團就出售其於江西景興的全部股權確認收益人民幣3,460,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

15 Interest in an associate (Continued)

- (iii) On 6 September 2021, Guangdong Xingfa, Jiangsu Yongbao Environmental Technology Co., Ltd. ("Yongbao Environmental") and Guangdong Xingfa Environment Technology Co., Ltd. ("Xingfa Environmental"), a wholly owned subsidiary of the Group, entered into a capital injection agreement (the "Capital Injection"), pursuant to which Yongbao Environmental injected capital of RMB18,000,000 to Xingfa Environmental for the subscription of 60% of the equity interest in Xingfa Environmental as an additional registered capital. Upon completion of the Capital Injection, the equity interest held by the Group in Xingfa Environmental decreased from 100% to 40%. Xingfa Environmental ceased to be a subsidiary of the Group and became an associate of the Group as the Group was regarded as having significant influence over Xingfa Environmental, and is accounted for in the consolidated financial statements using equity-accounting method since the date of completion. The Group recognised a gain of RMB3,664,000 in respect of losing the control over Xingfa Environmental.

Xingfa Environmental is an unlisted corporate entity whose quoted market price is not available. The fair value of the interest retained in Xingfa Environmental at the date when control was lost was RMB9,556,000, and was recognised as the cost on initial recognition of interest in the associate. For the year ended 31 December 2021, the amount of the Group's share of loss from this associate is RMB581,000 and no dividend was declared to the Group.

15 於聯營公司之權益(續)

- (iii) 於二零二一年九月六日，廣東興發、江蘇永葆環保科技有限公司(「永葆環保」)與本集團全資附屬公司廣東興發環境科技有限公司(「興發環境」)訂立注資協議(「注資」)，據此，永葆環保向興發環境注資人民幣18,000,000元，以認購興發環境股權的60%作為額外註冊資本。於注資完成後，本集團所持有興發環境的股權由100%減少至40%。興發環境不再為本集團的附屬公司。由於本集團被視為對興發環境具有重大影響，興發環境成為本集團的聯營企業，並自完成之日起採用權益入賬法於綜合財務報表中列賬。本集團就失去對興發環境的控制權確認收益人民幣3,664,000元。

興發環境為非上市公司實體，並無市場報價。於失去控制權之日，保留於興發環保的權益的公平值為人民幣9,556,000元，並在初始確認聯營公司權益時確認為成本。截至二零二一年十二月三十一日止年度，本集團應佔該聯營公司的虧損金額為人民幣581,000元，故本集團並無宣派股息。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

16 Equity securities designated at FVOCI

16 指定按公平值計入其他全面收益之股本證券

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|-----------|-----------------------------------|-----------------------------------|
| Investments in unlisted equity securities | 非上市股本證券投資 | 11,183 | — |

On 3 December 2021, the Group acquired approximately 3.33% equity interest in Guangdong Guangxin Innovation Research Institute Co., Ltd ("Guangxin Institute"), a company incorporated in PRC and mainly engaged in research and experimental development. The Group designated its investment in Guangxin Institute at FVOCI (non-recycling), as the investment is held for strategic purposes. No dividends were received on this investment during the year (31 December 2020: nil).

於二零二一年十二月三日，本集團收購於 Guangdong Guangxin Innovation Research Institute Co., Ltd (「Guangxin Institute」)，於中國註冊成立的公司，其主要從事研究及實驗開發)的約3.33%股權。本集團指定其於 Guangxin Institute 的投資為按公平值計入其他全面收益(不可劃轉)，原因是該投資乃為策略目的持有。本年度並無就該投資收到股息(二零二零年十二月三十一日：無)。

17 Derivative financial instruments

17 衍生金融工具

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|--------------------|-----------------------------------|-----------------------------------|
| Derivative financial assets | 衍生金融工具 | | |
| — held as cash flow hedging instruments | — 持作現金流對沖工具 | | |
| (Note 30(e)&(f)) | (附註 30(e)&(f)) | 15,289 | 14,471 |
| Derivative financial liabilities | 衍生金融工具 | | |
| — Forward exchange contract (Note 30(f)) | — 遠期外匯合約(附註 30(f)) | (5,908) | — |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

18 Inventories and other contract costs

18 存貨及其他合約成本

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|----------------------------------|-----------|-----------------------------------|-----------------------------------|
| Inventories | 存貨 | | |
| Aluminium profiles manufacturing | 鋁型材製造 | | |
| — Raw materials | — 原材料 | 473,738 | 383,304 |
| — Work in progress | — 在製品 | 146,574 | 132,942 |
| — Finished goods | — 製成品 | 728,692 | 485,981 |
| | | 1,349,004 | 1,002,227 |
| Completed properties for sale | 已竣工待售物業 | | |
| — Land use rights | — 土地使用權 | 27,843 | 28,273 |
| — Deed tax | — 契稅 | 2,796 | 2,839 |
| — Construction costs | — 建築成本 | 102,160 | 219,168 |
| | | 132,799 | 250,280 |
| | | 1,481,803 | 1,252,507 |

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

確認為開支及計入損益之存貨金額分析如下：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|-------------------------------------|---------|-----------------------------------|-----------------------------------|
| Carrying amount of inventories sold | 已售存貨賬面值 | 13,621,056 | 10,257,443 |

All of the inventories are expected to be recovered within one year, except for completed properties for sale which is expected to be recovered after more than one year.

所有存貨預期可於一年內收回，惟預期於一年以後可收回之已竣工待售物業除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

19 Trade and other receivables

19 交易及其他應收款項

| | | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|----------------------|-------------|-----------------------------------|-----------------------------------|
| | | Notes 附註 | | |
| Trade debtors and bills receivable, net of loss allowance | 交易應收款項及應收票據 (扣除虧損撥備) | (i) | 4,526,155 | 3,411,421 |
| Other debtors, net of loss allowance | 其他應收款項 (扣除虧損撥備) | (ii) | 141,414 | 106,927 |
| Financial assets measured at amortised cost | 按攤銷成本計量之金融資產 | | 4,667,569 | 3,518,348 |
| Dividend receivable | 應收股息 | | — | 27,655 |
| | | | 4,667,569 | 3,546,003 |

(i) Bills receivable of RMB968,015,000 was pledged as securities for issuance of bills payable of the Group as at 31 December 2021 (31 December 2020: RMB671,890,000) (Note 22).

(ii) As at 31 December 2021, loss allowance on other debtors is RMB2,262,000 (31 December 2020: RMB2,482,000).

(iii) The Group's trade and other receivables as at 31 December 2021 included amounts due from related parties of RMB53,254,000 (31 December 2020: RMB48,005,000) (Note 33(b)(i)). The amount of trade and other receivables that is expected to be recovered after more than one year is RMB11,702,000 (2020: RMB10,165,000), which relates to retention money of construction contracts. All of the other current trade and other receivables are expected to be recovered or recognised as expense within one year.

(i) 於二零二一年十二月三十一日，應收票據人民幣968,015,000元已抵押作為本集團發行應付票據的抵押品(二零二零年十二月三十一日：人民幣671,890,000元)(附註22)。

(ii) 於二零二一年十二月三十一日，其他應收款項之虧損撥備為人民幣2,262,000元(二零二零年十二月三十一日：人民幣2,482,000元)。

(iii) 本集團於二零二一年十二月三十一日的交易及其他應收款項包括應收關連方款項人民幣53,254,000元(二零二零年十二月三十一日：人民幣48,005,000元)(附註33(b)(i))。交易及其他應收款項預期於一年以後收回人民幣11,702,000元(二零二零年：人民幣10,165,000元)，其與建築合約之保留金有關。所有其他即期交易及其他應收款項預期於一年內收回或確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

19 Trade and other receivables (Continued)

Ageing analysis

As of the end of the reporting period, the aging analysis of trade debtors and bills receivables (which are included in trade and other receivables) based on the invoice date and net of loss allowance, is as follows:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|----------------|-------|-----------------------------------|-----------------------------------|
| Within 1 month | 一個月內 | 2,099,689 | 1,671,973 |
| 1 to 3 months | 一至三個月 | 1,187,352 | 839,427 |
| 3 to 6 months | 三至六個月 | 790,216 | 676,807 |
| Over 6 months | 超過六個月 | 448,898 | 223,214 |
| | | 4,526,155 | 3,411,421 |

Trade debtors and bills receivable are due within 30 days to 120 days from the date of billing. Further details on the Group's credit policy and credit risk arising from trade debtors and bills receivable are set out in Note 30(a).

20 Pledged deposits

As at 31 December 2021 and 2020, pledged deposits represented bank deposits pledged to bank as securities for bills payable (Notes 22).

21 Cash and cash equivalents and other cash flow information

(a) Cash and cash equivalents comprise:

19 交易及其他應收款項(續)

賬齡分析

於報告期末，按發票日期計算並扣除虧損撥備之交易應收款項及應收票據(其乃計入交易及其他應收款項)之賬齡分析如下：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|----------------|-------|-----------------------------------|-----------------------------------|
| Within 1 month | 一個月內 | 2,099,689 | 1,671,973 |
| 1 to 3 months | 一至三個月 | 1,187,352 | 839,427 |
| 3 to 6 months | 三至六個月 | 790,216 | 676,807 |
| Over 6 months | 超過六個月 | 448,898 | 223,214 |
| | | 4,526,155 | 3,411,421 |

交易應收款項及應收票據於開票日期後30日至120日內到期。有關本集團信貸政策及交易應收款項及應收票據產生的信貸風險的進一步詳情載於附註30(a)。

20 已抵押存款

於二零二一年及二零二零年十二月三十一日，已抵押存款指已抵押予銀行作為應付票據之擔保之銀行存款(附註22)。

21 現金及現金等價物及其他現金流量資料

(a) 現金及現金等價物包括：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--------------------------|---------|-----------------------------------|-----------------------------------|
| Cash at bank and on hand | 銀行及手頭現金 | 1,643,133 | 509,639 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

21 Cash and cash equivalents and other cash flow information (Continued)

21 現金及現金等價物及其他現金流量資料(續)

(b) Reconciliation of profit before taxation to cash generated from operations:

(b) 除稅前溢利與業務所得現金之對賬：

| | | Notes 附註 | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|---------------------------|-------------|-----------------------------------|-----------------------------------|
| Profit before taxation | 除稅前溢利 | | 1,055,201 | 873,412 |
| Adjustments for: | 經下列各項調整： | | | |
| Depreciation | 折舊 | 5(c) | 383,710 | 408,302 |
| Amortisation | 攤銷 | 5(c) | 369 | 343 |
| Impairment loss on trade and other receivables | 交易及其他應收款項減值虧損 | 5(c) | 79,455 | 53,058 |
| Equity-settled share-based payment expenses | 以股權結算以股份為基礎的付款開支 | 5(b) | 627 | 1,794 |
| Finance costs | 財務成本 | 5(a) | 101,063 | 101,592 |
| Interest income | 利息收入 | 4 | (78,083) | (53,899) |
| Changes in fair value of commodity future contracts as hedge ineffectiveness | 無效對沖的商品期貨合約之公平值變動 | 4 | (4,589) | (26,067) |
| (Loss)/gain on disposal of property, plant and equipment and right-of-use assets | 出售物業、廠房及設備以及使用權資產之(虧損)/收益 | 4 | 3,979 | (740) |
| Share of loss/(profit) of an associate | 應佔一間聯營公司虧損/(溢利) | 15 | 581 | (8,339) |
| Gain on disposal of an associate | 出售一間聯營公司之收益 | 15 | (3,460) | — |
| Gain on loss of control on a subsidiary | 喪失對一間附屬公司之控制權之收益 | 15 | (3,664) | — |
| (Realised)/unrealised profit from transactions with an associate | 來自與一間聯營公司交易的(已變現)/未變現溢利 | 15 | (221) | 11 |
| Changes in fair value of forward exchange agreements | 遠期外匯協議公平值變動 | 4 | 5,908 | — |
| Net foreign exchange loss | 外匯虧損淨額 | | 2,474 | 3,433 |
| Changes in working capital: | 營運資金之變動： | | | |
| Changes in inventories and other contract costs | 存貨及其他合約成本變動 | | (356,808) | (121,194) |
| Changes in trade and other receivables | 交易及其他應收款項變動 | | (1,223,996) | (676,127) |
| Changes in prepayment | 預付款項變動 | | (249) | (20,190) |
| Changes in trade and other payables | 交易及其他應付款項變動 | | 1,460,768 | 554,870 |
| Changes in contract liabilities | 合約負債變動 | | 30,604 | 33,643 |
| Changes in deferred income | 遞延收入變動 | | 11,175 | (14,606) |
| Cash generated from operations | 業務產生之現金 | | 1,464,844 | 1,109,296 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

21 Cash and cash equivalents and other cash flow information (Continued)

21 現金及現金等價物及其他現金流量資料(續)

(c) Reconciliation of liabilities arising from financing activities

(c) 融資活動產生的負債之對賬

| | | Loans and borrowings | Interest payable | Lease liabilities | Cross currency interest rate swaps held to hedge borrowings (liabilities) | Total |
|---|--------------------|----------------------|------------------|-------------------|---|-------------|
| | | 貸款及借貸 | 應付利息 | 租賃負債 | 所持交叉貨幣利率掉期以對沖借貸(負債) | 總計 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | | (Note 24) | (Note 22) | (Note 25) | (Note 30(f)(i)) | |
| | | (附註 24) | (附註 22) | (附註 25) | (附註 30(f)(i)) | |
| At 1 January 2020 | 於二零二零年一月一日 | 1,698,412 | 2,209 | 20,828 | 698 | 1,722,147 |
| Changes from financing cash flows: | 融資現金流量之變動： | | | | | |
| Proceeds of new bank loans | 新銀行貸款之所得款項 | 1,958,924 | — | — | — | 1,958,924 |
| Repayments of bank loans | 償還銀行貸款 | (2,527,740) | — | — | — | (2,527,740) |
| Capital element of lease rentals paid | 已付租賃租金之本金部分 | — | — | (4,041) | — | (4,041) |
| Interest element of lease rentals paid | 已付租賃租金之利息部分 | — | — | (654) | — | (654) |
| Finance costs paid | 已付財務成本 | — | (101,351) | — | — | (101,351) |
| Total changes from financing cash flows | 融資現金流量之變動總值 | (568,816) | (101,351) | (4,695) | — | (674,862) |
| Exchange adjustments | 匯兌之調整 | 696 | — | — | — | 696 |
| Changes in fair value | 公平值變動 | — | — | — | (698) | (698) |
| Other changes: | 其他變動： | | | | | |
| Increase in lease liabilities from entering into new leases during this year | 本年度訂立新租賃產生之租賃負債增加 | — | — | 3,000 | — | 3,000 |
| Decrease in lease liabilities from early termination of leases during this year | 本年度提早終止租賃產生之租賃負債減少 | — | — | (10,896) | — | (10,896) |
| Interest expenses (Note 5(a)) | 利息開支(附註 5(a)) | — | 100,938 | 654 | — | 101,592 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

21 Cash and cash equivalents and other cash flow information (Continued)

21 現金及現金等價物及其他現金流量資料(續)

(c) Reconciliation of liabilities arising from financing activities (Continued)

(c) 融資活動產生的負債之對賬(續)

| | | Loans and borrowings | Interest payable | Lease liabilities | Cross currency interest rate swaps held to hedge borrowings (liabilities) 所持交叉貨幣利率掉期以對沖借貸(負債) | Total |
|--|-------------------------|--|---|---|--|-------------|
| | | 貸款及借貸 RMB'000 人民幣千元 (Note 24) (附註24) | 應付利息 RMB'000 人民幣千元 (Note 22) (附註22) | 租賃負債 RMB'000 人民幣千元 (Note 25) (附註25) | 總計 RMB'000 人民幣千元 (Note 30(f)(i)) (附註30(f)(i)) | |
| At 31 December 2020 and 1 January 2021 | 於二零二零年十二月三十一日及二零二一年一月一日 | 1,130,292 | 1,796 | 8,891 | — | 1,140,979 |
| Changes from financing cash flows: | 融資現金流量之變動： | | | | | |
| Proceeds of new bank loans | 新銀行貸款之所得款項 | 3,267,714 | — | — | — | 3,267,714 |
| Repayments of bank loans | 償還銀行貸款 | (2,646,647) | — | — | — | (2,646,647) |
| Capital element of lease rentals paid | 已付租賃租金之本金部分 | — | — | (1,603) | — | (1,603) |
| Interest element of lease rentals paid | 已付租賃租金之利息部分 | — | — | (397) | — | (397) |
| Finance costs paid | 已付財務成本 | — | (92,742) | — | — | (92,742) |
| Total changes from financing cash flows | 融資現金流量之變動總值 | 621,067 | (92,742) | (2,000) | — | 526,325 |
| Exchange adjustments | 匯兌之調整 | — | — | — | — | — |
| Changes in fair value | 公平值變動 | — | — | — | — | — |
| Other changes: | 其他變動： | | | | | |
| Increase in lease liabilities from entering into new leases during this year | 本年度訂立新租賃產生之租賃負債增加 | — | — | 164 | — | 164 |
| Interest expenses (Note 5(a)) | 利息開支(附註5(a)) | — | 100,666 | 397 | — | 101,063 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 1,751,359 | 9,720 | 7,452 | — | 1,768,531 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

21 Cash and cash equivalents and other cash flow information (Continued)

(d) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|-----------------------------|----------|-----------------------------------|-----------------------------------|
| Within operating cash flows | 屬於經營現金流量 | 846 | 459 |
| Within financing cash flows | 屬於融資現金流量 | 2,000 | 4,695 |
| | | 2,846 | 5,154 |

These amounts relate to the following:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--------------------|------|-----------------------------------|-----------------------------------|
| Lease rentals paid | 已付租金 | 2,846 | 5,154 |

21 現金及現金等價物及其他現金流量資料(續)

(d) 租賃現金流出總額

就租賃計入現金流量表的金額包括以下：

該等金額與以下各項有關：



Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

22 Trade and other payables

22 交易及其他應付款項

| | | 2021 | 2020 |
|-------------------------------|---------------|------------------|------------------|
| | | 二零二一年 | 二零二零年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Trade payables | 交易應付款項 | 1,723,242 | 951,766 |
| Bills payable | 應付票據 | 2,269,526 | 1,616,647 |
| Accrued payroll and benefits | 應計工資及福利 | 258,855 | 265,037 |
| Other payables and accruals | 其他應付款項及應計費用 | 447,329 | 470,096 |
| Interest payable (Note 21(c)) | 應付利息(附註21(c)) | 9,720 | 1,796 |
| Deferred income (Note 26) | 遞延收入(附註26) | 16,552 | 16,280 |
| | | 4,725,224 | 3,321,622 |

Apart from those mentioned in Note 23, all of the trade and other payables (including amounts due to related parties) are expected to be settled or recognised as income within one year or are repayable on demand.

除附註23所述者外，所有交易及其他應付款項(包括應付關聯方款項)預期將於一年內償付或確認為收入或應要求償還。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

22 Trade and other payables (Continued)

Financial liabilities measured at amortised cost (including amounts due to related parties) (Continued)

As of the end of the reporting period, the aging analysis of trade payables and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|----------------|-------|-----------------------------------|-----------------------------------|
| Within 1 month | 一個月內 | 1,566,333 | 706,016 |
| 1 to 3 months | 一至三個月 | 709,742 | 594,588 |
| 3 to 6 months | 三至六個月 | 609,776 | 747,522 |
| Over 6 months | 超過六個月 | 1,106,917 | 520,287 |
| | | 3,992,768 | 2,568,413 |

As at 31 December 2021, bills payable of RMB394,448,000 was secured by bills receivables of the Group (31 December 2020: RMB267,847,000) (Note 19), bills payable of RMB1,459,989,000 was secured by pledged deposits of the Group (31 December 2020: RMB1,084,500,000).

22 交易及其他應付款項(續)

按攤銷成本計量之金融負債(包括應付關連方款項)(續)

於報告期末，按發票日期計算之交易應付款項及應付票據(其乃計入交易及其他應付款項)之賬齡分析如下：

於二零二一年十二月三十一日，應付票據人民幣394,448,000元(二零二零年十二月三十一日：人民幣267,847,000元)(附註19)由本集團之應收票據作抵押，應付票據人民幣1,459,989,000元(二零二零年十二月三十一日：人民幣1,084,500,000元)由本集團之已抵押存款作抵押。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

23 Contract liabilities

23 合約負債

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|-----------------|-----------------------------------|-----------------------------------|
| Aluminium profiles contracts | 鋁型材合約 | | |
| — Billings in advance of performance | — 履約預付款項 | 228,274 | 194,408 |
| Completed properties for sale | 已竣工待售物業 | | |
| — Forward sales deposits and instalments received | — 已收遠期銷售按金及分期付款 | — | 3,262 |
| | | 228,274 | 197,670 |

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

— Aluminium profiles contracts

When the Group receives a deposit before the production activity commences this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the contracts exceeds the amount of the deposit. The amount of the deposit, if any, was negotiated on a case by case basis with customers.

— Completed properties for sale

The Group receives 50%-100% of the contract value as a deposit from customers when they sign the sales and purchase agreement. The deposit is recognised as a contract liability until the properties are legally assigned to the customer. The rest of the consideration is typically paid when legal assignment is completed.

對已確認合約負債金額構成影響的一般支付條款如下：

— 鋁型材合約

倘本集團於生產活動開始前收到按金，將於合約開始時產生合約負債，直至就合約確認的收入超出按金數額為止。按金數額（如有）乃根據具體情況與客戶協定。

— 已竣工待售物業

本集團於客戶簽署買賣協議時收取合約價值的50%至100%作為按金。該按金確認為合約負債，直至物業合法轉讓予客戶。其餘代價通常於法定轉讓完成後予以支付。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

23 Contract liabilities (Continued)

23 合約負債(續)

Movements in contract liabilities

合約負債變動

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|--------------------------------|-----------------------------------|-----------------------------------|
| Balance at 1 January | 於一月一日之結餘 | 197,670 | 164,027 |
| Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year | 因確認年內收益（計入年初合約負債）而產生之合約負債減少 | (197,670) | (164,027) |
| Increase in contract liabilities as a result of billing in advance of manufacturing activities | 因製造活動預付款項而導致的合約負債增加 | 228,274 | 194,408 |
| Increase in contract liabilities as a result of receiving forward sales instalments during the year in respect of properties not delivered as at the year end | 就並無於年末交付之物業收取遠期銷售分期付款而導致合約負債增加 | — | 3,262 |
| Balance at 31 December | 於十二月三十一日之結餘 | 228,274 | 197,670 |

All of the contract liabilities are expected to be recognised as income within one year.

所有合約負債預期於一年內確認為收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

24 Loans and borrowings

- (a) The analysis of the repayment schedule of loans and borrowings is as follows:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|----------------------------------|---------|-----------------------------------|-----------------------------------|
| Within one year or on demand | 一年內 | 492,617 | 811,424 |
| After 1 year but within 2 years | 一年後但兩年內 | 742,610 | 171,250 |
| After 2 years but within 5 years | 兩年後但五年內 | 407,250 | 72,460 |
| After 5 years | 五年後 | 108,882 | 75,158 |
| | | 1,258,742 | 318,868 |
| | | 1,751,359 | 1,130,292 |

- (b) Assets pledged as security and covenants for loans and borrowings

At 31 December 2021, the loans and borrowings were secured and guaranteed as follows:

24 貸款及借貸

- (a) 貸款及借貸之還款時間表分析如下：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|----------------------------------|---------|-----------------------------------|-----------------------------------|
| Within one year or on demand | 一年內 | 492,617 | 811,424 |
| After 1 year but within 2 years | 一年後但兩年內 | 742,610 | 171,250 |
| After 2 years but within 5 years | 兩年後但五年內 | 407,250 | 72,460 |
| After 5 years | 五年後 | 108,882 | 75,158 |
| | | 1,258,742 | 318,868 |
| | | 1,751,359 | 1,130,292 |

- (b) 已抵押作為貸款及借貸擔保及契諾的資產

於二零二一年十二月三十一日，貸款及借貸抵押及擔保如下：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|---------------|-----------------------------------|-----------------------------------|
| Secured and guaranteed bank loans and borrowings | 有抵押及擔保銀行貸款及借貸 | 1,751,359 | 1,080,292 |
| Unsecured bank loans and borrowings | 無抵押銀行貸款及借貸 | — | 50,000 |
| | | 1,751,359 | 1,130,292 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

24 Loans and borrowings (Continued)

(b) Assets pledged as security and covenants for loans and borrowings (Continued)

At 31 December 2021, the secured bank loans were secured by the following assets of the Group.

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|-----------------------|-----------------------------------|-----------------------------------|
| Carrying value of assets: | 資產賬面值： | | |
| Other property, plant and equipment (Note 11) | 其他物業、廠房及設備 (附註 11) | 370,597 | 577,227 |
| Right-of-use assets (Note 12) | 使用權資產(附註 12) | 270,182 | 327,346 |
| Total | 總計 | 640,779 | 904,573 |

As at 31 December 2021, banking facilities of the Group totaling RMB9,023,000,000 (31 December 2020: RMB9,377,000,000) were utilised to the extent of RMB5,185,000,000 (31 December 2020: RMB2,770,000,000).

As at 31 December 2021, certain bank loans of the Group, amounted to RMB531,000,000 (31 December 2020: RMB218,000,000), are subject to the fulfilment of covenants relating to certain of the subsidiaries' balance sheet ratios, which are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down loans would become repayable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in Note 30(b). As at 31 December 2021, none of the covenants relating to drawn down loans had been breached (2020: Nil).

24 貸款及借貸(續)

(b) 已抵押作為貸款及借貸擔保及契諾的資產(續)

於二零二一年十二月三十一日，有抵押銀行貸款由本集團以下資產作出抵押。

於二零二一年十二月三十一日，於本集團合共人民幣9,023,000,000元(二零二零年十二月三十一日：人民幣9,377,000,000元)之銀行信貸中，人民幣5,185,000,000元(二零二零年十二月三十一日：人民幣2,770,000,000元)經已動用。

於二零二一年十二月三十一日，本集團若干銀行貸款人民幣531,000,000元(二零二零年十二月三十一日：人民幣218,000,000元)須待達成有關附屬公司若干資產負債表比率之契約(常見於與金融機構訂立之貸款安排)後方可作實。倘本集團違反該等契約，已提取之貸款須於要求時償還。本集團定期監察其是否遵守該等契約。有關本集團對流動資金風險之管理之進一步詳情載於附註30(b)。於二零二一年十二月三十一日，並無違反任何有關已提取貸款之契約(二零二零年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

25 Lease liabilities

At 31 December 2021, the lease liabilities were repayable as follows:

25 租賃負債

於二零二一年十二月三十一日，租賃負債應於下列時間償還：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|----------------------------------|---------|-----------------------------------|-----------------------------------|
| Within 1 year or on demand | 一年內 | 2,005 | 2,368 |
| After 1 year but within 2 years | 一年後但兩年內 | 2,903 | 3,167 |
| After 2 years but within 5 years | 兩年後但五年內 | 2,544 | 2,508 |
| After 5 years | 五年後 | – | 848 |
| | | 5,447 | 6,523 |
| | | 7,452 | 8,891 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

26 Deferred income

The movements in deferred income as stated under current and non-current liabilities are as follows:

26 遞延收入

列入流動及非流動負債項下之遞延收入之變動如下：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|--------------------------|-----------------------------------|-----------------------------------|
| At 1 January | 於一月一日 | 30,943 | 45,549 |
| Received during the year | 於年內取得 | 27,595 | 11,668 |
| Recognised in profit or loss (Note 4) | 於損益內確認(附註4) | (16,420) | (26,274) |
| At 31 December | 於十二月三十一日 | 42,118 | 30,943 |
| Less: current portion included in trade and other payables (Note 22) | 減：列入交易及其他應付款項之流動部份(附註22) | (16,552) | (16,280) |
| | | 25,566 | 14,663 |

Deferred income represents government grants obtained for the purposes of subsidising the Group's operation costs and sponsoring the costs of acquisition of fixed assets incurred by the Group. Government grants received are initially recognised in the consolidated statement of financial position as deferred income.

Government grants received to subsidise the operation costs are amortised through profit or loss on a systematic basis in the same periods in which the related costs of operation are incurred.

Government grants received for sponsoring costs of acquisition of fixed assets are recognised in profit or loss over the useful life of the assets.

遞延收入指就補貼本集團之營運成本及資助本集團收購固定資產所產生之成本而取得之政府補助金。所取得之政府補助金初步於綜合財務狀況表內確認為遞延收入。

就補貼經營成本而取得之政府補助金於相關經營成本產生之相同期間按系統性基準透過損益攤銷。

就收購固定資產所產生之資助成本而取得之政府補助金按資產使用年期於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

27 Equity settled share-based transactions

The Company has granted share options pursuant to a share option scheme on 15 October 2018. Pursuant to the share option scheme, the directors of the Company are authorised, at their discretion, to grant share options to employees of the Group, including directors of any Company in the Group, to subscribe for shares of the Company and other eligible participants. The options granted will vest after two years to four years from the date of grant and are then exercisable on or before 14 October 2023. Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled gross in shares.

(a) Details of the options granted on 15 October 2018 are as follows:

| | Number of underlying shares 相關股份之數目 | Vesting conditions 歸屬條件 | Contractual life of options 購股權合約年期 |
|---|---|--------------------------------|---|
| Options granted to directors: 於以下日期授予董事之購股權： | | | |
| — on 15 October 2018 | 204,334 | 2 years from the date of grant | 5 years |
| — 二零一八年十月十五日 | | 自授出日期後兩年 | 五年 |
| — on 15 October 2018 | 204,333 | 3 years from the date of grant | 5 years |
| — 二零一八年十月十五日 | | 自授出日期後三年 | 五年 |
| — on 15 October 2018 | 204,333 | 4 years from the date of grant | 5 years |
| — 二零一八年十月十五日 | | 自授出日期後四年 | 五年 |
| Options granted to employees: 於以下日期授予僱員之購股權： | | | |
| — on 15 October 2018 | 1,189,000 | 2 years from the date of grant | 5 years |
| — 二零一八年十月十五日 | | 自授出日期後兩年 | 五年 |
| — on 15 October 2018 | 1,189,000 | 3 years from the date of grant | 5 years |
| — 二零一八年十月十五日 | | 自授出日期後三年 | 五年 |
| — on 15 October 2018 | 1,189,000 | 4 years from the date of grant | 5 years |
| — 二零一八年十月十五日 | | 自授出日期後四年 | 五年 |
| Total share options granted 已授出購股權總數 | 4,180,000 | | |

27 以股權結算以股份為基礎的交易

本公司於二零一八年十月十五日根據一項購股權計劃授出購股權。根據購股權計劃，本公司董事獲授權酌情向本集團僱員（包括本集團任何成員公司董事及其他合資格參與者授出購股權以認購本公司股份。獲授購股權將自授出日期後兩至四年內歸屬及隨後於二零二三年十月十四日或之前可予行使。各份購股權賦予持有人權利認購本公司一股普通股及以股份總數結算。

(a) 於二零一八年十月十五日授出之購股權詳情如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

27 Equity settled share-based transactions

(Continued)

(a) Details of the options granted on 15 October 2018 are as follows: (Continued)

The exercise of the options granted on 15 October 2018 is conditional upon (i) the fulfilment of certain requirements on the Company as set out in the respective offer letters, including, among others, Guangdong Xingfa and its subsidiaries having achieved the financial performance target, the auditor expressing no disclaimer or adverse opinion in the annual financial report of the Group, there being no relevant institutions, supervisory boards or audit departments for state-owned assets investors raising major objections to the annual financial report of the Group and there being no significant breaches by the Company or punishment of the Company by relevant government authorities; and (ii) the fulfilment of certain requirements on the grantee as set out in the respective offer letters, including, among others, there being no serious dereliction of duty by the grantee, there being no breach of any rules or regulations or constitution of the Company by the grantee, there being no corruption or other violations and misconducts by the grantee which caused damage to the Company and there being no situations where the grantee fails to perform his/her duties up to the required standard or fails to pass the assessments of the Group.

27 以股權結算以股份為基礎的交易

(續)

(a) 於二零一八年十月十五日授出之購股權詳情如下：(續)

於二零一八年十月十五日授出之購股權須於以下各項獲達成後，方可行使：

(i) 履行各要約函件所載對本公司之若干規定，其中包括廣東興發及其附屬公司已達到財務業績目標；核數師並無就本集團之年度財務報告表示無法表示意見或發表否定意見；並無國有資產出資人的相關機構、監事會或審計部門對本集團之年度財務報告提出重大異議；以及本公司概無發生重大違規行為或受到相關政府機構處罰；及(ii) 履行各要約函件所載對承授人之若干規定，其中包括承授人並無嚴重失職；承授人並無違反任何規則或規例或本公司的章程；承授人並無貪污或其他違規行為及不當行為而對本公司造成損失；以及概無發生承授人無法勝任其職責或未能通過本集團之評估之情況。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

27 Equity settled share-based transactions

(Continued)

(b) The number and weighted average exercise prices of share options are as follows:

27 以股權結算以股份為基礎的交易

(續)

(b) 購股權數目及加權平均行使價如下：

| | | 2021 二零二一年 | | 2020 二零二零年 | |
|--|----------|---|---|---|---|
| | | Weighted average exercise price 加權平均 行使價 | Number of options 購股權 數目 '000 千份 | Weighted average exercise price 加權平均 行使價 | Number of options 購股權 數目 '000 千份 |
| Outstanding at the beginning of the year | 年初尚未行使 | HKD5.46 5.46 港元 | 4,027 | HKD5.46 5.46 港元 | 4,180 |
| Exercised during the year | 年內已行使 | HKD5.46 5.46 港元 | (1,428) | HKD5.46 5.46 港元 | (68) |
| Lapsed/Expired during the year | 年內已失效／屆滿 | HKD5.46 5.46 港元 | (87) | HKD5.46 5.46 港元 | (85) |
| Outstanding at the end of the year | 年末尚未行使 | HKD5.46 5.46 港元 | 2,512 | HKD5.46 5.46 港元 | 4,027 |
| Exercisable at the end of the year | 年末可行使 | HKD5.46 5.46 港元 | 1,153 | HKD5.46 5.46 港元 | 1,309 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

27 Equity settled share-based transactions

(Continued)

(b) The number and weighted average exercise prices of share options are as follows: (Continued)

Save as disclosed above, no share option was lapsed or exercised during the year ended 31 December 2021.

The weighted average share price at the date of exercise for share options exercised during the year was HKD9.97. The weighted average share price immediately before the dates on which the share options were exercised was HKD9.91.

The options outstanding at 31 December 2021 had an exercise price of HKD5.46 (2020: HKD5.46) and a weighted average remaining contractual life of 1.79 years (2020: 2.79 years).

The Group recognised share option expenses of RMB627,000 during the year ended 31 December 2021 (2020: RMB1,794,000).

27 以股權結算以股份為基礎的交易

(續)

(b) 購股權數目及加權平均行使價如下：(續)

除上文所披露者外，於截至二零二一年十二月三十一日止年度，概無購股權已失效或獲行使。

年內已行使購股權於行使日期的加權平均股價為9.97港元。緊接購股權獲行使日期前股份加權平均價為9.91港元。

於二零二一年十二月三十一日，尚未行使購股權之行使價為5.46港元(二零二零年：5.46港元)及加權平均剩餘合約年期為1.79年(二零二零年：2.79年)。

截至二零二一年十二月三十一日止年度，本集團確認購股權開支人民幣627,000元(二零二零年：人民幣1,794,000元)。



Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

27 Equity settled share-based transactions

(Continued)

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial lattice model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial lattice model.

Fair value of share options and assumptions

| | |
|---------------------------------------|-----------|
| Fair value at measurement date (HK\$) | 1.74~1.78 |
| Share price (HK\$) | 5.27 |
| Exercise price (HK\$) | 5.46 |
| Expected volatility | 45.10% |
| Option life | 5 years |
| Expected dividends | 2.70% |
| Risk-free interest rate | 2.38% |

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

27 以股權結算以股份為基礎的交易

(續)

(c) 購股權的公平值及假設

就交換所授出購股權收取服務的公平值，乃參考所授出購股權的公平值計量。所授出購股權的公平值估算乃按二項式矩陣模式計量。購股權之合約期限已用作此模型的輸入數據。二項式矩陣模式已包括提早行使之預期。

購股權的公平值及假設

| | |
|-------------------|-----------|
| 於計量日期的 公平值(港元) | 1.74~1.78 |
| 股價(港元) | 5.27 |
| 行使價(港元) | 5.46 |
| 預期波幅 | 45.10% |
| 購股權年期 | 5年 |
| 預期股息 | 2.70% |
| 無風險利率 | 2.38% |

預期波幅乃以按購股權的加權平均剩餘年期計算的歷史波幅為基準，並就按公開所得資料計算的任何預期日後波幅變動作出調整。預期股息乃以歷史股息計算。主觀輸入假設的變化可能對公平值的估計產生重大影響。

購股權乃根據服務條件授出。此條件於計量所收取服務於授出日期的公平值時並無計算在內。購股權授出並無附帶市場條件。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

28 Income tax in the consolidated statement of financial position 28 於綜合財務狀況表內之所得稅

(a) Current taxation in the consolidated statement of financial position represents:

(a) 於綜合財務狀況表內之即期稅項指：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|-----------------|-----------------------------------|-----------------------------------|
| At 1 January | 於一月一日 | 54,013 | 68,648 |
| Transfer from deferred tax liabilities | 轉撥自遞延稅項負債 | 8,000 | 6,000 |
| Provision for LAT (Note 6(a)) | 土地增值稅撥備(附註6(a)) | 1,864 | 1,332 |
| Provision for CIT (Note 6(a)) | 中國所得稅撥備(附註6(a)) | 156,729 | 113,931 |
| Income tax paid | 已付所得稅 | (131,220) | (135,050) |
| LAT paid | 已付土地增值稅 | (329) | (848) |
| At 31 December | 於十二月三十一日 | 89,057 | 54,013 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

28 Income tax in the consolidated statement of financial position (Continued)

28 於綜合財務狀況表內之所得稅(續)

(b) Deferred tax assets and liabilities recognised:

(b) 已確認遞延稅項資產及負債：

(i) Movement of each components of deferred tax assets and liabilities

(i) 遞延稅項資產及負債各部份之變動

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

年內於綜合財務狀況表確認之遞延稅項資產／(負債)組成部份及變動如下：

| Deferred tax assets/ (liabilities) arising from | 所產生之遞延稅項 資產／(負債) | 非流動 金融資產減值 RMB'000 人民幣千元 | Temporary differences from right- of-use assets RMB'000 人民幣千元 | Credit loss allowance RMB'000 人民幣千元 | Tax loss [#] RMB'000 人民幣千元 | Foreign exchange forward contract RMB'000 人民幣千元 | Unrealised profit from intra-group transfer of certain land use right 集團內公司間 轉讓若干土地 使用權產生之 未變現溢利 RMB'000 人民幣千元 | Government grants in deferred income RMB'000 人民幣千元 | Cash flow hedges RMB'000 人民幣千元 | Undistributed profit of PRC subsidiaries 中國 附屬公司 未分派溢利 RMB'000 人民幣千元 | Total RMB'000 人民幣千元 |
|---|-------------------------|-----------------------------------|--|--|---|--|---|---|---|---|---------------------------|
| At 1 January 2020 | 於二零二零年一月一日 | 1,787 | 49 | 14,007 | 5,893 | - | 14,148 | 7,757 | - | (11,609) | 32,032 |
| Credited/(charged) to profit or loss (Note 6(a)) | 於損益內計入／(扣除) (附註6(a)) | - | - | 7,989 | 3,078 | - | (197) | (2,192) | - | (5,368) | 3,310 |
| Credited/(charged) to reserves | 於儲備內計入／(扣除) | - | - | - | - | - | - | - | 852 | - | 852 |
| Transferred to current tax | 轉撥至即期稅項 | - | - | - | - | - | - | - | - | 6,000 | 6,000 |
| At 31 December 2020 | 於二零二零年 十二月三十一日 | 1,787 | 49 | 21,996 | 8,971 | - | 13,951 | 5,565 | 852 | (10,977) | 42,194 |
| At 1 January 2021 | 於二零二一年一月一日 | 1,787 | 49 | 21,996 | 8,971 | - | 13,951 | 5,565 | 852 | (10,977) | 42,194 |
| Credited/(charged) to profit or loss (Note 6(a)) | 於損益內計入／(扣除) (附註6(a)) | - | 130 | 11,944 | 1,708 | 886 | (213) | 1,660 | - | (25,606) | (9,491) |
| Credited/(charged) to reserves | 於儲備內計入／(扣除) | - | - | - | - | - | - | - | (2,217) | - | (2,217) |
| Transferred to current tax | 轉撥至即期稅項 | - | - | - | - | - | - | - | - | 8,000 | 8,000 |
| At 31 December 2021 | 於二零二一年 十二月三十一日 | 1,787 | 179 | 33,940 | 10,679 | 886 | 13,738 | 7,225 | (1,365) | (28,583) | 38,486 |

[#] Deferred tax assets are recognised on unused tax losses of certain subsidiaries of the Group. They are now progressing to their normal operation stage and are deriving profits. Accordingly, it is considered probable that sufficient taxable profits will be available in the future to utilize their unused tax losses before they expire. As at 31 December 2021, tax losses of RMB40,544,000 will expire from 2022 to 2026.

[#] 遞延稅項資產是就本集團若干附屬公司的未動用稅務虧損而確認。該等公司目前正逐漸發展至正常營運階段並產生溢利。因此相信於未來可能會有足夠的應課稅溢利以在到期前使用未動用稅務虧損。於二零二一年十二月三十一日，稅項虧損人民幣40,544,000元將於二零二二年至二零二六年到期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

28 Income tax in the consolidated statement of financial position (Continued)

28 於綜合財務狀況表內之所得稅(續)

(b) Deferred tax assets and liabilities recognised: (Continued)

(b) 已確認遞延稅項資產及負債：(續)

(ii) Reconciliation to the consolidated statement of financial position

(ii) 與綜合財務狀況表的對賬

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|---------------------|-----------------------------------|-----------------------------------|
| Net deferred tax assets recognised in the consolidated statement of financial position | 於綜合財務狀況表確認之遞延稅項資產淨值 | 68,434 | 53,171 |
| Net deferred tax liability recognised in the consolidated statement of financial position | 於綜合財務狀況表確認之遞延稅項負債淨值 | (29,948) | (10,977) |
| | | 38,486 | 42,194 |

(c) Deferred tax liabilities not recognised

The Group is subject to 5% withholding tax on dividends receivable from its PRC subsidiaries in respect of their profits generated since 1 January 2008. As at 31 December 2021, deferred tax liabilities in respect of temporary differences relating to such undistributed profits of RMB3,493,805,000 (2020: RMB3,043,871,000) were not recognised as the Company controls the dividend policy of these subsidiaries and it has been determined that those profits will not be distributed in the foreseeable future.

(c) 未確認之遞延稅項負債

本集團須就來自其中國附屬公司自二零零八年一月一日起所產生溢利中應收股息繳納5%的扣繳稅。由於本公司控制該等附屬公司的股息政策，並已確定不會於可見未來分派有關溢利，故於二零二一年十二月三十一日，並未就與該等未分派溢利人民幣3,493,805,000元(二零二零年：人民幣3,043,871,000元)有關的暫時差額確認遞延稅項負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

29 Capital, reserves and dividends

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

29 股本、儲備及股息

(a) 權益部份變動

本集團綜合權益各部份之年初及年末結餘之對賬載於綜合權益變動表。本公司個別權益組成部份於年初及年末之變動詳情載列如下：

| | | | Share capital | Share premium | Capital Reserve | Other reserve | Exchange reserve | Retained earnings/ (Accumulated loss) | Total |
|--|----------------------------|-------|--|--|--|--|--|---------------------------------------|------------------------|
| | | Note | 股本 RMB'000 人民幣千元 Note 29 (c) 附註 29 (c) | 股份溢價 RMB'000 人民幣千元 Note 29 (d)(i) 附註 29 (d)(i) | 股本儲備 RMB'000 人民幣千元 Note 29 (d)(iii) 附註 29 (d)(iii) | 其他儲備 RMB'000 人民幣千元 Note 29 (d)(ii) 附註 29 (d)(ii) | 匯兌儲備 RMB'000 人民幣千元 Note 29 (d)(v) 附註 29 (d)(v) | 保留盈利/ (累計虧損) RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| Balance at 1 January 2020 | 於二零二零年一月一日之結餘 | 34 | 3,731 | 179,568 | 2,886 | 441,976 | (10,677) | 4,880 | 622,364 |
| Changes in equity for 2020 | 二零二零年權益變動 | | - | - | - | - | - | - | - |
| Profit for the year | 年度溢利 | | - | - | - | - | - | 92,164 | 92,164 |
| Other comprehensive loss | 其他全面收益 | | - | - | - | - | (33,794) | - | (33,794) |
| Total comprehensive income/(loss) for the year | 年度全面收益/(虧損)總額 | | - | - | - | - | (33,794) | 92,164 | 58,370 |
| Shares issued due to exercise of Share Option Scheme | 因行使購股權計劃而發行的股份 | 29(c) | 1 | 417 | (102) | - | - | - | 316 |
| Recognition of Employees' Share Option Scheme | 確認僱員購股權計劃 | 27(b) | - | - | 1,794 | - | - | - | 1,794 |
| Dividend approved in respect of the previous year | 去年批准之股息 | 29(b) | - | - | - | - | - | (106,904) | (106,904) |
| Balance at 31 December 2020 and 1 January 2021 | 於二零二零年十二月三十一日及二零二一年一月一日之結餘 | 34 | 3,732 | 179,985 | 4,578 | 441,976 | (44,471) | (9,860) | 575,940 |
| Changes in equity for 2021 | 二零二一年權益變動 | | - | - | - | - | - | - | - |
| Profit for the year | 年度溢利 | | - | - | - | - | - | 137,800 | 137,800 |
| Other comprehensive loss | 其他全面虧損 | | - | - | - | - | (13,981) | - | (13,981) |
| Total comprehensive income/(loss) for the year | 年度全面收益/(虧損)總額 | | - | - | - | - | (13,981) | 137,800 | 123,819 |
| Shares issued due to exercise of Share Option Scheme | 因行使購股權計劃而發行的股份 | 29(c) | 12 | 8,063 | (1,991) | - | - | - | 6,084 |
| Recognition of Employees' Share Option Scheme | 確認僱員購股權計劃 | 27(b) | - | - | 627 | - | - | - | 627 |
| Dividend approved in respect of the previous year | 去年批准之股息 | 29(b) | - | - | - | - | - | (123,631) | (123,631) |
| Balance at 31 December 2021 | 於二零二一年十二月三十一日之結餘 | 34 | 3,744 | 188,048 | 3,214 | 441,976 | (58,452) | 4,309 | 582,839 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

29 Capital, reserves and dividends (Continued)

29 股本、儲備及股息(續)

(b) Dividends

(b) 股息

(i) Dividends payable to equity shareholders of the Company attributable to the year

(i) 應付本年度之本公司權益股東股息

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|---|-----------------------------------|-----------------------------------|
| Final dividends proposed after the end of reporting year of HKD0.8 per ordinary share (2020: HKD0.36) | 於報告年末後建議派付之末期股息每股普通股0.8港元(二零二零年：每股0.36港元) | 274,593 | 126,697 |

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

於報告期末後建議派付之末期股息並無於報告期末確認為負債。

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

(ii) 於年內批准及派付之一個財政年度之應付本公司權益股東股息

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|---|-----------------------------------|-----------------------------------|
| Final dividends in respect of the previous financial year, approved and paid during the year, of HKD0.36 per ordinary share (2020: HKD0.28) | 於年內批准及派付上一個財政年度之末期股息每股普通股0.36港元(二零二零年：0.28港元) | 123,631 | 106,904 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

29 Capital, reserves and dividends (Continued)

29 股本、儲備及股息(續)

(c) Share Capital

(c) 股本

(i) Issued share capital

(i) 已發行股本

| | | 2021 二零二一年 | | | 2020 二零二零年 | | |
|--|------------------|--------------------------|---|--|--------------------------|---|--|
| | | No. of shares 股份數目 | Nominal value of fully paid shares 繳足股份面值 | RMB equivalent '000 等值 人民幣千元 | No. of shares 股份數目 | Nominal value of fully paid shares 繳足股份面值 | RMB equivalent '000 等值 人民幣千元 |
| Ordinary shares, issued and fully paid | 已發行及繳足 普通股 | | | | | | |
| At 1 January | 於一月一日 | 418,068 | 4,181 | 3,732 | 418,000 | 4,180 | 3,731 |
| Shares issued under share option scheme | 根據購股權計劃 發行的股份 | 1,428 | 15 | 12 | 68 | 1 | 1 |
| At 31 December | 於十二月三十一日 | 419,496 | 4,196 | 3,744 | 418,068 | 4,181 | 3,732 |

The ordinary shares of the Company has a par value of HKD0.01 per share.

本公司普通股之面值為每股股份0.01港元。

(ii) Shares issued under share option scheme

(ii) 根據購股權計劃發行的股份

In 2021, share options were exercised to subscribe for 1,428,134 (2020: 68,200) ordinary shares in the Company at a cash consideration of HKD7,441,000 (equivalent to approximately RMB6,084,000), of which RMB12,000 and RMB8,063,000 were credited to share capital and the share premium account respectively. The balance of RMB1,991,000 was transferred from the capital reserve to the share premium account in accordance with the Company's accounting policy set out in Note 1(t)(ii).

於二零二一年，購股權獲行使以認購本公司1,428,134股(二零二零年：68,200股)普通股，現金代價為7,441,000港元(相當於約人民幣6,084,000元)，其中人民幣12,000元及人民幣8,063,000元分別計入股本及股份溢價賬。根據附註1(t)(ii)所載本公司的會計政策，結餘人民幣1,991,000元已自資本儲備轉撥至股份溢價賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

29 Capital, reserves and dividends (Continued)

(d) Nature and purpose of reserves

(i) Share premium

The share premium represents the difference between the par value of the shares of the Company and proceeds received from the issuance of the shares of the Company.

Under the Companies Law of the Cayman Islands, the funds in the share premium account and other reserve account of the Company are distributable to the shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Other reserve

The other reserve of the Group represents the difference between (a) the nominal value of share capital and the existing balance on the share premium account of a subsidiary acquired; and (b) the nominal value of the shares issued by the Company in exchange under the re-organisation of the Group on 29 February 2008.

The other reserve of the Company represents the difference between (a) the consolidated net assets of the subsidiaries acquired; and (b) the nominal value of the shares issued by the Company in exchange under the re-organisation of the Group on 29 February 2008.

29 股本、儲備及股息(續)

(d) 儲備性質及用途

(i) 股份溢價

股份溢價指本公司股份面值與發行本公司股份收取的所得款項之間的差額。

根據開曼群島公司法，本公司之股份溢價賬及其他儲備賬之資金可分派予股東，惟緊隨建議分派股息當日後，本公司將能清償其於日常業務過程中到期之債務。

(ii) 其他儲備

本集團之其他儲備指以下兩者之差額：(a)已收購附屬公司股份溢價賬之股本面值及現有結餘；與(b)本公司根據於二零零八年二月二十九日本集團重組為交換而發行之股份面值。

本公司之其他儲備指以下兩者之差額：(a)已收購附屬公司之綜合資產淨值；與(b)本公司根據於二零零八年二月二十九日本集團重組為交換而發行之股份面值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

29 Capital, reserves and dividends (Continued)

(d) Nature and purpose of reserves (Continued)

(iii) Capital reserve

The capital reserve comprises the following:

- waivers of liabilities due to related parties; and
- the portion of the grant date fair value of unexercised share options granted to employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payments in Note 1(t)(ii).

(iv) PRC statutory reserves

PRC statutory reserves were established in accordance with the relevant PRC rules and regulations and the articles of association of the PRC subsidiaries of the Group. The subsidiaries are required to transfer at least 10% of their net profit, as determined under the PRC accounting rules and regulations, to statutory general reserve until the reserve reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to equity shareholders.

PRC statutory reserves can be used to make good prior years' losses, if any, and may be converted into share capital by issuing new shares to equity shareholders proportionate to their existing percentage of equity interests provided that the balance after such issue is not less than 25% of the registered capital.

29 股本、儲備及股息(續)

(d) 儲備性質及用途(續)

(iii) 資本儲備

資本儲備包括以下各項：

- 獲豁免之應付關連方負債；及
- 授予本公司僱員尚未行使之購股權之授出日期公平值之部分已根據附註1(t)(ii)就以股份為基礎之付款採納之會計政策確認。

(iv) 中國法定儲備

中國法定儲備乃根據有關中國規則及規定以及本集團中國附屬公司之組織章程細則設立。附屬公司須轉撥其根據中國會計規則及規定釐定之純利之至少10%至法定一般儲備，直至儲備達到註冊資本之50%為止。向該儲備所作轉撥必須在分派股息予權益股東之前作出。

中國法定儲備可用以抵銷過往年度之虧損(如有)，並可根據權益股東現有股權百分比按比例向彼等發行新股份轉換成股本，惟有關發行後之結餘不得少於註冊資本之25%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

29 Capital, reserves and dividends (Continued)

(d) Nature and purpose of reserves (Continued)

(v) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of companies with functional currency other than RMB.

(vi) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flow in accordance with the accounting policy adopted for cash flow hedges in Note 1(h).

(e) Distributability of reserves

The aggregate amount of distributable reserves of the Company as at 31 December 2021 was RMB579,095,000 (2020: RMB572,208,000).

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

29 股本、儲備及股息 (續)

(d) 儲備性質及用途 (續)

(v) 匯兌儲備

匯兌儲備包括因換算功能貨幣並非為人民幣的公司財務報表所產生之所有匯兌差額。

(vi) 對沖儲備

根據附註1(h)所載就現金流量對沖所採納之會計政策，對沖儲備包括用作有待其後確認對沖現金流量之現金流量對沖之對沖工具的公平值累計淨變動之實際部分。

(e) 可供分派儲備

於二零二一年十二月三十一日，本公司之可供分派儲備總額為人民幣579,095,000元(二零二零年：人民幣572,208,000元)。

(f) 資本管理

本集團的主要資本管理目標為保障本集團持續經營的能力，按恰當風險水平為產品及服務定價，並以合理成本取得融資，以繼續為股東提供回報及為其他持份者提供福利。



Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

29 Capital, reserves and dividends (Continued)

(f) Capital management (Continued)

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest-bearing loans and borrowings, and lease liabilities) plus unaccrued proposed dividends, less cash and cash equivalents and pledged deposits. Adjusted capital comprises all components of equity, other than amounts recognised in equity relating to cash flow hedges, less unaccrued proposed dividends.

During 2021, the Group's strategy, which was unchanged from 2020, was to maintain the adjusted net debt-to-capital ratio at a level considered reasonable by the Group's management from time to time with reference to the prevailing market conditions. In order to maintain or adjust the ratio, the group may adjust the amount of dividends paid to shareholders, issue new shares, raise new debt financing or sell assets to reduce debt.

29 股本、儲備及股息(續)

(f) 資本管理(續)

本集團積極定期檢討及管理其資本架構，以在維持較高借貸水平可能帶來較高股東回報與取得充裕資金狀況所帶來的裨益及保障之間的平衡，並就經濟環境的轉變對資本架構進行調整。

本集團按經調整淨負債資本比率監控資本架構。就此而言，本集團將經調整淨負債定義為債務總額(包括計息貸款及借貸，以及租賃負債)加未計提建議股息減現金及現金等價物以及已抵押存款。經調整資本包括權益之所有部份(與現金流量對沖有關之權益所確認之金額除外)減未計提建議股息。

於二零二一年，本集團之策略與二零二零年保持不變乃將經調整淨債務資本比率維持於本集團管理層經參考當時市況後不時認為合理之水平。為維持或調整比率，本集團可能調整向股東支付股息、發行新股份、籌集新債務融資或出售資產以減少債務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

29 Capital, reserves and dividends (Continued)

29 股本、儲備及股息(續)

(f) Capital management (Continued)

(f) 資本管理(續)

The Group's adjusted net debt-to-capital ratio at 31 December 2021 and 2020 was as follows:

本集團於二零二一年及二零二零年十二月三十一日之經調整淨債務資本比率如下：

| | | | 31 December 2021 二零二一年 十二月 三十一日 Notes 附註 RMB'000 人民幣千元 | 31 December 2020 二零二零年 十二月 三十一日 RMB'000 人民幣千元 |
|------------------------------------|------------|-------|--|---|
| Current liabilities: | 流動負債： | | | |
| Loans and borrowings | 貸款及借貸 | 24 | 492,617 | 811,424 |
| Lease liabilities | 租賃負債 | 25 | 2,005 | 2,368 |
| | | | 494,622 | 813,792 |
| Non-current liabilities: | 非流動負債： | | | |
| Loans and borrowings | 貸款及借貸 | 24 | 1,258,742 | 318,868 |
| Lease liabilities | 租賃負債 | 25 | 5,447 | 6,523 |
| Total debt | 債務總額 | | 1,758,811 | 1,139,183 |
| Add: Proposed dividends | 加：建議股息 | 29(b) | 274,593 | 126,697 |
| Less: Cash and cash equivalents | 減：現金及現金等價物 | 21 | (1,643,133) | (509,639) |
| Pledged deposits | 已抵押存款 | 20 | (208,919) | (170,558) |
| Adjusted net debt | 經調整債務淨額 | | 181,352 | 585,683 |
| Total equity | 權益總額 | | 4,479,400 | 3,697,933 |
| Less: Hedging reserve | 減：對沖儲備 | 29(d) | (7,727) | 4,830 |
| Proposed dividends | 建議股息 | 29(b) | (274,593) | (126,697) |
| Adjusted capital | 經調整資本 | | 4,197,080 | 3,576,066 |
| Adjusted net debt-to-capital ratio | 經調整淨負債資本比率 | | 4% | 16% |

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements, except that banking facilities granted to certain subsidiaries are subject to the fulfilment of covenants relating to the subsidiaries' balance sheet ratios (Note 24). The Group will actively and regularly monitor its compliance to such covenants.

本公司及其任何附屬公司概不受外界資本規定限制，惟授予若干附屬公司的銀行信貸須就附屬公司的資產負債率履行契諾(附註24)除外。本集團將積極定期監察其是否遵守該等契諾。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments

Exposure to credit, liquidity, interest rate, currency risks and commodity price risk arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents, bills receivable and derivative financial assets is limited because the counterparties are banks and financial institutions, which the Group considers to have low credit risk. The Group's exposure to credit risk arising from refundable rental deposits is considered to be low, taking into account (i) the landlords' credit rating and (ii) the remaining lease term and the period covered by the rental deposits.

The Group does not provide any guarantees which would expose the Group to credit risk.

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30–120 days from the date of billing. Debtors with balances that are more than 1 month past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

30 金融風險管理及金融工具之公平值

於信貸、流動資金、利率、貨幣風險及商品價格中所承受之風險於本集團之日常業務過程中產生。

本集團所承受之該等風險及本集團用以管理該等風險之金融風險管理政策及常規載述如下。

(a) 信貸風險

信貸風險指交易對手未履行其合約責任而導致本集團產生財務虧損的風險。本集團的信貸風險主要來自交易應收賬款。由於交易對手為本集團認為信貸風險低的銀行及金融機構，因此本集團承擔來自現金及現金等價物、應收票據及衍生金融資產之信貸風險有限。經考慮(i)房東的信用等級及(ii)剩餘租賃期及租金按金所涵蓋期間，本集團承擔來自可退還租金按金之信貸風險被視為低。

本集團並無提供任何致使本集團須承擔信貸風險之擔保。

交易應收賬款

本集團已制定信貸風險管理政策，據此，個別信貸評估乃對所有需要若干信貸金額的客戶進行。該等評估集中於客戶支付到期款項的過往記錄及現時的付款能力，並考慮有關客戶及與客戶經營所在經濟環境有關的特定資料。交易應收賬款乃自發單日期起30至120天內到期。欠款逾期逾一個月的債務人須於支付所有未清償餘額後，方始獲授任何額外信貸。一般而言，本集團並無自客戶取得抵押品。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(a) Credit risk (Continued)

Trade receivables (Continued)

The Group has no significant concentration of credit risk in industries or countries in which the customers operate. Significant concentrations of credit risk primarily arise when the group has significant exposure to individual customers. At the end of the reporting period, less than 1% (2020: 1%) and 12% (2020: 13%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively within industrial aluminium and construction aluminium.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

30 金融風險管理及金融工具之公平值(續)

(a) 信貸風險(續)

交易應收賬款(續)

本集團於客戶經營之行業或國家並無重大集中信貸風險。信貸風險高度集中之情況主要於本集團對個別客戶有著重大風險承擔時產生。於報告期末，交易應收賬款總額之不足1%(二零二零年：1%)及12%(二零二零年：13%)分別來自本集團工業鋁型材及建築鋁型材分部最大客戶及五大客戶。

本集團按與使用撥備矩陣計算的全期預期信貸虧損相等的金額計量交易應收賬款的虧損撥備。由於本集團的過往信貸虧損經驗並無顯示不同客戶分部的虧損模式具有明顯差異，故並無進一步區分本集團不同客戶群按逾期狀況的虧損撥備。

下表提供有關本集團就交易應收賬款所面臨信貸風險及預期信貸虧損的資料：

| | | 2021 二零二一年 | | |
|-----------------------------|------------|--------------------------------------|--|---|
| | | Expected loss rate 預期虧損比率 % | Gross carrying amount 賬面總值 RMB'000 人民幣千元 | Loss allowance 虧損撥備 RMB'000 人民幣千元 |
| Current (not past due) | 即期(未逾期) | 0.50% | 1,674,789 | 8,374 |
| 1-180 days past due | 逾期1至180天 | 5.00% | 1,157,353 | 57,867 |
| 181-360 days past due | 逾期181至360天 | 10.00% | 288,021 | 28,802 |
| 361-720 days past due | 逾期361至720天 | 50.00% | 114,175 | 57,087 |
| More than 720 days past due | 逾期超過720天 | 100.00% | 71,481 | 71,481 |
| | | | 3,305,819 | 223,611 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(a) Credit risk (Continued)

Trade receivables (Continued)

| | | 2020 二零二零年 | | |
|-----------------------------|------------|-----------------------|--------------------------|-------------------|
| | | Expected loss rate | Gross carrying amount | Loss allowance |
| | | 預期虧損比率 | 賬面總值 | 虧損撥備 |
| | | % | RMB'000 | RMB'000 |
| | | | 人民幣千元 | 人民幣千元 |
| Current (not past due) | 即期(未逾期) | 0.50% | 1,165,701 | 5,829 |
| 1-180 days past due | 逾期1至180天 | 5.00% | 1,168,439 | 58,422 |
| 181-360 days past due | 逾期181至360天 | 10.00% | 143,316 | 14,332 |
| 361-720 days past due | 逾期361至720天 | 50.00% | 46,723 | 23,362 |
| More than 720 days past due | 逾期超過720天 | 100.00% | 41,991 | 41,991 |
| | | | 2,566,170 | 143,936 |

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

預期虧損比率乃按過往三年的實際虧損經驗為準。該等比率乃經調整，以反映收集歷史數據期間的經濟狀況、目前狀況以及本集團對應收款項的預期可用年期期間經濟狀況之看法的差異。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(a) Credit risk (Continued)

Trade receivables (Continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|------------------------------|-------------|-----------------------------------|-----------------------------------|
| Balance at 1 January | 於一月一日之結餘 | 143,936 | 91,066 |
| Impairment losses recognised | 已確認減值虧損 | 79,675 | 52,870 |
| Balance at 31 December | 於十二月三十一日之結餘 | 223,611 | 143,936 |

The following significant changes in the gross carrying amounts of trade receivables contributed to the increase in the loss allowance during 2021:

- increase in days past due over 180 days resulted in an increase in loss allowance of RMB77,685,000 (2020: RMB25,176,000).

30 金融風險管理及金融工具之公平值(續)

(a) 信貸風險(續)

交易應收賬款(續)

年內，交易應收款項的虧損撥備賬變動如下：

| | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|------------------------------|-----------------------------------|-----------------------------------|
| Balance at 1 January | 143,936 | 91,066 |
| Impairment losses recognised | 79,675 | 52,870 |
| Balance at 31 December | 223,611 | 143,936 |

以下為導致二零二一年虧損撥備增加的交易應收款項的賬面總值的重大變動：

- 逾期天數增加超過180天，導致虧損撥備增加人民幣77,685,000元(二零二零年：人民幣25,176,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. 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 readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities and derivative financial liabilities (excluding contract liabilities) and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

30 金融風險管理及金融工具之公平值(續)

(b) 流動資金風險

本集團以內的個別經營實體負責其各自的現金管理(包括現金盈餘的短期投資以及籌集貸款以彌補預期現金需求)，惟於借貸超過若干預定權限時須經由母公司董事會批准。本集團的政策乃定期監察其流動資金需要以及遵守借貸契據的情況，以確保維持充足現金儲備及隨時可變現的有價證券以及主要金融機構承諾提供足夠的資金額度，以應付其短期及長期流動資金需要。

下表列示於報告期末本集團之非衍生金融負債及衍生金融負債(不包括合約負債)之剩餘合約到期款項，乃按合約未貼現現金流量(包括按合約利率或(如浮動)按於報告期末之現行利率計算之利息款項)及本集團須支付之最早日期計算：

| | | 2021 二零二一年 | | | | |
|---|---------------------|--|---|--|-------------------------|---|
| | | Contractual undiscounted cash outflow 合約未貼現現金流出 | | | | |
| | | Within 1 year or on demand | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years | Carrying amount at 31 December 於十二月 三十一日 之賬面值 |
| | | 一年內或 應要求 RMB'000 人民幣千元 | 一年後 但兩年內 RMB'000 人民幣千元 | 兩年後 但五年內 RMB'000 人民幣千元 | 五年後 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| Loans and borrowings | 貸款及借貸 | 498,979 | 780,969 | 445,696 | 130,737 | 1,856,381 |
| Lease liabilities | 租賃負債 | 2,062 | 3,016 | 2,657 | — | 7,735 |
| Bills payables, creditors and accrued charges* | 應付票據、應付賬款 及應計費用* | 4,708,672 | — | — | — | 4,708,672 |
| | | 5,209,713 | 783,985 | 448,353 | 130,737 | 6,572,788 |
| | | | | | | 6,467,483 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(b) Liquidity risk (Continued)

| | | 2020 二零二零年 | | | | | |
|---|----------------------|--|---|--|-------------------------|------------------------|---|
| | | Contractual undiscounted cash outflow 合約未貼現現金流出 | | | | | |
| | | Within 1 year or on demand | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years | Total | Carrying amount at 31 December 於十二月 三十一日 之賬面值 RMB'000 人民幣千元 |
| | | 一年內或 應要求 RMB'000 人民幣千元 | 一年後 但兩年內 RMB'000 人民幣千元 | 兩年後 但五年內 RMB'000 人民幣千元 | 五年後 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 | |
| Loans and borrowings | 貸款及借貸 | 820,434 | 178,747 | 83,071 | 92,971 | 1,175,223 | 1,130,292 |
| Lease liabilities | 租賃負債 | 7,557 | 6,334 | 3,059 | 1,103 | 18,053 | 8,891 |
| Bills payables, creditors and accrued charges* | 應付票據、應付賬款 及應計費用 * | 3,305,342 | — | — | — | 3,305,342 | 3,305,342 |
| | | 4,133,333 | 185,081 | 86,130 | 94,074 | 4,498,618 | 4,444,525 |

* The balance included trade payables, bills payable, accrued payroll and benefits, other payables and accruals and interest payable, which were financial liabilities in nature.

As shown in the above analysis, bank loans and related interest expense of the Group amounting to RMB508,699,000 were due to be repaid during 2022 (2020: RMB822,240,000). The short-term liquidity risk inherent in this contractual maturity date was not significantly changed after the reporting period.

30 金融風險管理及金融工具之公平值(續)

(b) 流動資金風險(續)

* 結餘包括交易應付款項、應付票據、應計薪資及福利、其他應付款項及應計費用及應付利息，乃屬金融負債性質。

誠如上述分析所示，本集團為數人民幣508,699,000元(二零二零年：人民幣822,240,000元)之銀行貸款及相關利息開支乃於二零二二年內到期將予償還。於本合約到期日固有之短期流動資金風險於報告期後並無重大變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from long-term borrowings. Borrowings issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group's interest rate profile as monitored by management is set out in (ii) below.

(i) Interest rate profile

The following table, as reported to the management of the Group, details the interest rate profile of the Group's interest-bearing borrowings at the end of the reporting period.

30 金融風險管理及金融工具之公平值(續)

(c) 利率風險

利率風險為金融工具之公平值或未來現金流量將因應市場利率變動而波動之風險。本集團之利率風險主要來自長期借貸。按浮動利率及固定利率發出之借貸分別令本集團須承受現金流量利率風險及公平值利率風險。本集團由管理層監察之利率概況載於下文(ii)。

(i) 利率概況

向本集團管理層所呈報之下表詳列本集團於報告期末計息借貸之利率概況。

| | | 2021 二零二一年 | | 2020 二零二零年 | |
|---|------------------|--|----------------------------|--|----------------------------|
| | | Effective interest rates 實際利率 | Amount 金額 '000 千元 | Effective interest rates 實際利率 | Amount 金額 '000 千元 |
| Fixed rate borrowings: | 定息借貸： | | | | |
| Lease liabilities | 租賃負債 | 3.4%–4.9% | 7,452 | 4.90% | 8,891 |
| Bank loans | 銀行貸款 | 1.5%–4.9% | 632,617 | 2.9%–4.51% | 509,684 |
| | | | 640,069 | | 518,575 |
| Variable rate borrowings: | 浮息借貸： | | | | |
| Bank loans | 銀行貸款 | 3.4%–4.9% | 1,118,742 | 3.55%–4.99% | 620,608 |
| Fixed rate borrowings as a percentage of total borrowings | 定息借貸佔借貸 總額百分比 | | 36% | | 46% |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(c) Interest rate risk (Continued)

(ii) Sensitivity analysis

At 31 December 2021, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variable held constant, would have decreased/increased the Group's profit after tax and retained profits by approximately RMB9,509,000 (2020: RMB5,123,000).

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax and retained profits that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax and retained profits is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis for 2020.

(d) Currency risk

Renminbi is not a freely convertible currency and the remittance of funds out of the PRC is subject to the exchange restriction imposed by the PRC government. The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables, cash balances and loans and borrowings that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily HKD and USD.

30 金融風險管理及金融工具之公平值(續)

(c) 利率風險(續)

(ii) 敏感度分析

於二零二一年十二月三十一日，估計利率整體上調／下調100個基點，而其他所有變數維持不變，本集團之除稅後溢利及保留溢利將減少／增加約人民幣9,509,000元(二零二零年：人民幣5,123,000元)。

上述敏感度分析指本集團之除稅後溢利及保留溢利可能產生之即時變動。敏感度分析假設利率變動於報告期末已經發生，並已用於重新計量本集團所持有並於報告期末使本集團面臨公平值利率風險之該等金融工具。就本集團於報告期末所持有之浮動利率非衍生工具所產生之現金流利率風險而言，本集團之除稅後溢利及保留溢利之影響乃以因有關利率變動而產生之利息支出或收入之年度影響作估計。該分析乃以二零二零年之同一基準進行。

(d) 貨幣風險

人民幣並非可自由兌換之貨幣，而將資金匯出中國須受中國政府所施予之外匯限制。本集團主要透過以與其業務相關之功能貨幣以外之貨幣計值之銷售及購買(其產生應收款項、應付款項、現金結餘以及貸款及借貸)承受貨幣風險。該風險主要來自港元及美元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(d) Currency risk (Continued)

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the year end date. Difference resulting from the translation of the financial statements of foreign operations into the Group's presentation currency is excluded.

30 金融風險管理及金融工具之公平值(續)

(d) 貨幣風險(續)

(i) 外幣風險承擔

下表詳列本集團於報告期末在以公司有關功能貨幣以外之其他貨幣計值之已確認資產或負債所產生之貨幣風險承擔。就呈列目的而言，風險承擔之金額以人民幣列示，並以年結日之現貨率換算。換算海外業務財務報表至本集團呈列貨幣所產生之差額並不包括在內。

Exposure to foreign currencies (expressed in RMB)

外幣風險承擔(以人民幣列示)

| | | 2021 | | 2020 | |
|---|--------------------|----------|-----------|----------|----------|
| | | 二零二一年 | | 二零二零年 | |
| | | HKD | USD | HKD | USD |
| | | 港元 | 美元 | 港元 | 美元 |
| | | '000 | '000 | '000 | '000 |
| | | 千元 | 千元 | 千元 | 千元 |
| Trade and other receivables | 交易及其他應收款項 | 17,523 | 35,299 | 8,954 | 4,846 |
| Cash and cash equivalents | 現金及現金等價物 | 33,379 | 12,539 | 21,256 | 20,901 |
| Trade and other payables | 交易及其他應付款項 | (28,189) | (12,644) | (18,128) | (13,304) |
| Loans and borrowings | 貸款及借貸 | (4,088) | (167,279) | — | — |
| Gross and net exposure arising from recognised assets and liabilities | 已確認資產及負債產生之風險總額及淨額 | 18,625 | (132,085) | 12,082 | 12,443 |
| Notional amounts of forward exchange contracts | 遠期外匯合約的名義金額 | — | 167,279 | — | — |
| Net exposure arising from recognised assets and liabilities | 已確認資產及負債產生的淨風險 | 18,625 | 35,194 | 12,082 | 12,443 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(d) Currency risk (Continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax and retained profits that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

| | | 2021 二零二一年 | | 2020 二零二零年 | |
|-----------------------|----|--|--|--|--|
| | | Increase/ (decrease) in foreign exchange rate | Effect on profit after tax and retained profit 對除稅後 溢利及保留 溢利之影響 '000 千元 | Increase/ (decrease) in foreign exchange rate | Effect on profit after tax and retained profit 對除稅後 溢利及保留 溢利之影響 '000 千元 |
| United States Dollars | 美元 | 1% | 300 | 1% | 124 |
| Hong Kong Dollars | 港元 | 1% | 152 | 1% | 121 |

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, translated into Renminbi at the exchange rate ruling at the end of the reporting period for presentation purposes.

30 金融風險管理及金融工具之公平值(續)

(d) 貨幣風險(續)

(ii) 敏感度分析

下表顯示倘本集團於報告期末有重大風險承擔之匯率於該日有所變動，並假設所有其他風險變數維持不變，本集團之除稅後溢利及保留溢利可能出現之即時變動。

上表呈列之分析結果指對本集團各公司以各自之功能貨幣計量之除稅後溢利及權益之合計即時影響，並就呈列目的按報告期末之匯率換算為人民幣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(d) Currency risk (Continued)

(ii) Sensitivity analysis (Continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2020.

(e) Commodity price risk

The Group used commodity futures contracts in the Shanghai Futures Exchange to manage the commodity price risk exposure in respect of the highly probable forecast purchase of aluminium products. The Group designates those commodity future contracts as hedging instruments in cash flow hedges and does not separate the forward and spot element of the commodity future contracts but instead designates the commodity future contract in its entirety in a hedging relationship.

The Group applies a hedge ratio of 1:1 and determines the existence of an economic relationship between the commodity future contracts and the highly probable forecast purchase transactions based on: the underlying for hedging instruments and the hedged items are economically related. The basic variables of the hedging instruments and the hedged items are standard aluminium prices. The effect of credit risk does not dominate the value changes.

30 金融風險管理及金融工具之公平值(續)

(d) 貨幣風險(續)

(ii) 敏感度分析(續)

敏感度分析假設匯率變動經已應用以重新計量該等於報告期末讓本集團須承受外幣風險之本集團所持金融工具，包括以貸款人或借款人功能貨幣以外貨幣計值之集團內公司間應付款項及應收款項。分析並不包括換算海外業務財務報表至本集團呈列貨幣所產生之差額。分析已按與二零二零年相同之基準進行。

(e) 商品價格風險

本集團於上海期貨交易所使用商品期貨合約管理有關成數很高的預期購買鋁產品的商品價格風險。本集團將該等商品期貨合約指定為現金流量對沖的對沖工具及並無分開商品期貨合約的遠期及現貨成份，而是在對沖關係中整體指定商品期貨合約。

本集團應用1:1的對沖比率並根據：對沖工具的基礎及對沖項目與經濟相關確立商品期貨合約與成數很高的預期購買交易之間存在的經濟關係。對沖工具及對沖項目的變化基準為標準鋁價。信貸風險的影響不會主導價值的變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(e) Commodity price risk (Continued)

The balance of commodity future contracts of RMB15,289,000 represented the principals and fair value upward of the commodity future contracts as at 31 December 2021 (31 December 2020: RMB14,471,000).

The following table provides a reconciliation of the hedging reserve in respect of commodity price risk and shows the effectiveness of the hedging relationships:

30 金融風險管理及金融工具之公平值(續)

(e) 商品價格風險(續)

商品期貨合約結餘人民幣15,289,000元為於二零二一年十二月三十一日商品期貨合約的本金及公平值增加部分(二零二零年十二月三十一日：人民幣14,471,000元)。

下表載列商品價格風險的對沖儲備對賬，並列示對沖關係的有效性：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|-------------------------------|-----------------------------------|-----------------------------------|
| Balance at 1 January | 於一月一日之結餘 | (4,830) | — |
| Effective portion of the cash flow hedge recognised in other comprehensive income | 於其他全面收益確認之現金流量對沖之有效部分 | 112,434 | 91,270 |
| Amounts reclassified to profit or loss (Note (i)) | 重新分類至損益之款項(附註(i)) | (97,660) | (96,952) |
| Related tax | 相關稅務 | (2,217) | 852 |
| Balance at 31 December (Note (ii)) | 於十二月三十一日之結餘(附註(ii)) | 7,727 | (4,830) |
| Change in fair value of the commodity future contracts during the year | 年內商品期貨合約之公平值變動 | 117,023 | 117,337 |
| Hedge ineffectiveness recognised in profit and loss (Note 4) | 於損益確認之對沖無效性(附註4) | (4,589) | (26,067) |
| Effective portion of the cash flow hedge recognised in other comprehensive income (Note 9(b)) | 於其他全面收益確認之現金流量對沖之有效部分(附註9(b)) | 112,434 | 91,270 |

(i) Amounts reclassified to profit or loss are recognised in the "Cost of sales" line item in the consolidated statement of profit or loss.

(ii) The entire balance in the hedging reserve relates to continuing hedges.

(i) 重新分類至損益之款項於綜合損益表內「銷售成本」細目內確認。

(ii) 對沖儲備內之所有結餘與持續對沖有關。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(f) Fair values measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

30 金融風險管理及金融工具之公平值(續)

(f) 公平值計量

(i) 按公平值計量之金融資產及負債

公平值層級

下表呈列於報告期末按經常性基準計量的本集團金融工具的公平值，歸類為國際財務報告準則第13號公平值計量定義的三級公平值層級。公平值計量歸類的層級經參考估值技術中使用的輸入值的可觀察性及重要性釐定如下：

- 第一級估值：僅以第一級輸入值計量公平值，即相同資產或負債於計量日在活躍市場的未調整報價
- 第二級估值：以第二級輸入值計量之公平值，即其輸入值之可觀察性並未如第一級輸入值，且並無使用重大不可觀察之數據。不可觀察之輸入值為並無市場數據可作參考之輸入值
- 第三級估值：使用重大不可觀察輸入值計量之公平值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

30 金融風險管理及金融工具之公平值 (續)

(f) Fair values measurement (Continued)

(f) 公平值計量 (續)

(i) Financial assets and liabilities measured at fair value (Continued)

(i) 按公平值計量之金融資產及負債 (續)

Fair value hierarchy (Continued)

公平值層級 (續)

| | | Fair value measurements as at 31 December 2021 categorised into 於二零二一年十二月三十一日之 公平值計量分類為 | | | |
|---|-----------------|--|------------------------------------|------------------------------------|---------------|
| Fair value at 31 December 2021 於二零二一年 十二月 三十一日 之公平值 RMB'000 人民幣千元 | | Level 1 第一級 RMB'000 人民幣千元 | Level 2 第二級 RMB'000 人民幣千元 | Level 3 第三級 RMB'000 人民幣千元 | |
| Recurring fair value measurements | 經常性公平值計量 | | | | |
| Assets: | 資產： | | | | |
| Unlisted equity securities | 非上市股本證券 | 11,183 | — | — | 11,183 |
| Derivative financial instruments: | 衍生金融工具： | | | | |
| — Commodity future contracts | — 商品期貨合約 | 15,289 | 15,289 | — | — |
| | | 26,472 | 15,289 | — | 11,183 |
| Liabilities: | 負債： | | | | |
| Derivative financial instruments: | 衍生金融工具： | | | | |
| — Foreign exchange forward contract | — 外匯遠期合約 | (5,908) | (5,908) | — | — |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

30 金融風險管理及金融工具之公平值 (續)

(f) Fair values measurement (Continued)

(f) 公平值計量 (續)

(i) Financial assets and liabilities measured at fair value (Continued)

(i) 按公平值計量之金融資產及負債 (續)

Fair value hierarchy (Continued)

公平值層級 (續)

| Fair value at 31 December 2020 於二零二零年 十二月 三十一日 之公平值 RMB'000 人民幣千元 | Fair value measurements as at 31 December 2020 categorised into 於二零二零年十二月三十一日之 公平值計量分類為 | | |
|---|--|-------------------------|-------------------------|
| | Level 1 | Level 2 | Level 3 |
| | 第一級 RMB'000 人民幣千元 | 第二級 RMB'000 人民幣千元 | 第三級 RMB'000 人民幣千元 |
| Recurring fair value measurements | | | |
| Assets: | | | |
| Derivative financial instruments: | | | |
| — Commodity future contracts | 14,471 | 14,471 | — |

During the years ended 31 December 2020 and 2021, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

截至二零二零年二零二一年十二月三十一日止年度，第一級與第二級之間並無轉撥，亦無轉撥入第三級或自第三級轉撥出。本集團之政策為於發生之報告期末確認各公平值層級之間之轉撥。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

30 Financial risk management and fair values of financial instruments (Continued)

(f) Fair values measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Information about Level 3 fair value measurements

| Financial instruments | Fair value hierarchy | Valuation techniques and key inputs | Significant unobservable inputs | Relationship of significant unobservable inputs to fair value |
|------------------------------|----------------------|-------------------------------------|---------------------------------|---|
| 金融工具 | 公平值層級 | 估值方法及關鍵輸入值 | 重大不可觀察輸入值 | 重大不可觀察輸入值與公平值的關係 |
| Financial assets at FVOCI | | | | |
| — Unlisted equity securities | Level 3 | Net asset value | Not applicable | Not applicable |
| 按公平值計入其他全面收益的金融資產 | 第三級 | 資產淨值 | 不適用 | 不適用 |
| — 非上市股本證券 | | | | |

As at reporting date, fair value is estimated using the net asset value model. As the unquoted equity security is not listed on any stock exchange, a quoted market price is not available; there were also no recent observable arm's length transactions in the shares.

Any gain or loss arising from the remeasurement of the Group's unlisted equity securities held for strategic purposes are recognised in the fair value reserve (non-recycling) in other comprehensive income. Upon disposal of the equity securities, the amount accumulated in other comprehensive income is transferred directly to retained earnings.

(ii) Fair value of other financial assets and liabilities carried at other than fair value

The carrying amount of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair value as at 31 December 2020.

30 金融風險管理及金融工具之公平值 (續)

(f) 公平值計量 (續)

(i) 按公平值計量之金融資產及負債 (續)

有關第三級公平值計量的資料

於報告日期，公平值使用資產淨值模型估計。由於無報價股本證券並無在任何證券交易所上市，因此並無市場報價可供使用；股份並無近期可觀察的公平市場交易。

因重新計量本集團就戰略目的而持有的非上市股本證券所產生的任何損益，將在其他綜合收益的公平值儲備(不可轉回)中確認。出售股本證券時，將累計計入其他綜合收益的金額直接轉入保留盈利。

(ii) 並非按公平值入賬之其他金融資產及負債之公平值

本集團按成本或攤銷成本入賬之金融工具之賬面值與其於二零二零年十二月三十一日之公平值並無重大差異。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

31 Commitments

Capital commitments outstanding at 31 December 2021 not provided for in the financial statements were as follows:

31 承擔

於二零二一年十二月三十一日，於財務報表並無撥備的未履行資本承擔如下：

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|--------------------------|-----------------------------------|-----------------------------------|
| Contracted for | 已訂約 | | |
| — Purchase of property, plant and equipment for the production base in Chengdu City | — 為成都市之生產基地購買物業、廠房及設備 | 125,582 | 19,702 |
| — Purchase of property, plant and equipment for the production base in Yichun City | — 為宜春市之生產基地購買物業、廠房及設備 | 12,791 | 7,388 |
| — Purchase of property, plant and equipment for the production base in Sanshui, Foshan City | — 為佛山市三水區之生產基地購買物業、廠房及設備 | 166,599 | 254,458 |
| — Purchase of property, plant and equipment for the production base in Qinyang City | — 為沁陽市之生產基地購買物業、廠房及設備 | 21,830 | 6,126 |
| Authorised but not contracted for | 已授權惟未訂約 | 95,636 | — |
| | | 422,438 | 287,674 |

In addition, the Group was committed at 31 December 2021 to enter into a new lease of 3 years that is not yet commenced, the lease payments under which amounted to AUD1,094,800 (equivalent to RMB5,060,166) per annum (2020: Nil).

此外，本集團於二零二一年十二月三十一日承諾訂立尚未開始之三年新租賃，其項下之租賃付款為每年1,094,800澳元（相當於人民幣5,060,166元）（二零二零年：無）。

32 Contingent liabilities

The Group had no material contingent liabilities as at 31 December 2021 (2020: Nil).

32 或然負債

於二零二一年十二月三十一日，本集團並無重大或然負債（二零二零年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

33 Material related party transactions

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

During the year ended 31 December 2021, the directors are of the view that related parties of the Group include the following individuals/companies:

Name of related parties

關連方名稱

Guangdong Xingfa Curtain Wall, Door & Window Co., Ltd.
("Xingfa Curtain Wall") (廣東興發幕牆門窗有限公司) (i)

廣東興發幕牆門窗有限公司 (「興發幕牆」) (i)

China Lesso Group Holdings Limited and its subsidiaries
("China Lesso Group") (中國聯塑集團控股有限公司及其子公司)
(中國聯塑集團控股有限公司及其子公司) (「中國聯塑集團」)

Jiangxi Jingxing Aluminium Panel Manufacturing Co., Ltd.

(江西省景興鋁模板製造有限公司) (i) (Note)

江西省景興鋁模板製造有限公司 (i) (附註)

(i) The English translation of the company names is for reference only. The official names of these companies are in Chinese.

33 重大關連方交易

除該等財務報表其他部份所披露的交易及結餘外，本集團進行以下重大關連方交易：

於截至二零二一年十二月三十一日止年度，本公司董事認為以下人士／公司為本集團的關連方：

Relationship with the Group

與本集團關係

Owned as to 21% by Mr. Liao Yuqing.
Mr. Liao Yuqing is an executive director of the Company.
由廖玉慶先生擁有21%權益。
廖玉慶先生為本公司執行董事。

Substantial shareholder of the Company
本公司主要股東

Associate of the Group before
12 March 2021
於二零二一年三月十二日前
為本集團之聯營公司

(i) 該等公司的英文譯名僅供參考。該等公司的中文名稱為正式名稱。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

33 Material related party transactions

(Continued)

33 重大關連方交易(續)

(a) Transactions

Sales and purchase

(a) 交易

買賣

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|----------------------|-----------------------------------|-----------------------------------|
| Sales of goods to | 銷售貨品予 | | |
| — Xingfa Curtain Wall | — 興發幕牆 | 132,872 | 114,224 |
| — Jiangxi Jingxing (Note) | — 江西景興(附註) | 2,675 | 14,894 |
| — China Lesso Group | — 中國聯塑集團 | 60,568 | 33,722 |
| | | 196,115 | 162,840 |
| Properties leased out | 物業出租予 | | |
| — Jiangxi Jingxing (Note) | — 江西景興(附註) | 709 | 5,022 |
| — China Lesso Group | — 中國聯塑集團 | 5,695 | 4,264 |
| | | 6,404 | 9,286 |
| Purchase of raw materials | 採購原材料 | | |
| — Xingfa Curtain Wall | — 興發幕牆 | 1,883 | 164 |
| Purchase of construction service | 採購建設服務 | | |
| — Xingfa Curtain Wall | — 興發幕牆 | 8,417 | — |
| Proceeds from disposal of an associate to | 出售聯營公司予以下公司之 所得款項 | | |
| — China Lesso Group | — 中國聯塑集團 | 10,000 | — |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

33 Material related party transactions

(Continued)

(b) Balances with related parties

As at the end of the reporting period, the Group had the following balances with related parties:

(i) Trade and other receivables

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---------------------------|------------|-----------------------------------|-----------------------------------|
| Trade related | 與交易有關 | | |
| — Xingfa Curtain Wall | — 興發幕牆 | 24,545 | 15,994 |
| — Jiangxi Jingxing (Note) | — 江西景興(附註) | — | 9,029 |
| — China Lesso Group | — 中國聯塑集團 | 28,709 | 22,982 |
| | | 53,254 | 48,005 |

(ii) Trade and other payables

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|-----------------------|----------|-----------------------------------|-----------------------------------|
| Trade related | 與交易有關 | | |
| — China Lesso Group | — 中國聯塑集團 | 55 | 124 |
| — Xingfa Curtain Wall | — 興發幕牆 | 1,377 | — |
| | | 1,432 | 124 |

The amounts due from related parties are unsecured, interest-free and have no fixed terms of repayment.

Note: Jiangxi Jingxing became the subsidiary of China Lesso Group and ceased to be an associate of the Group immediately upon completion of the Equity Transfer (Note 15). Subsequent to the Equity Transfer, the transactions between the Group and Jiangxi Jingxing were included in the transaction between the Group and China Lesso Group.

33 重大關連方交易(續)

(b) 與關連方的結餘

於報告期末，本集團與關連方的結餘如下：

(i) 交易及其他應收款項

| | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---------------------------|-----------------------------------|-----------------------------------|
| Trade related | | |
| — Xingfa Curtain Wall | 24,545 | 15,994 |
| — Jiangxi Jingxing (Note) | — | 9,029 |
| — China Lesso Group | 28,709 | 22,982 |
| | 53,254 | 48,005 |

(ii) 交易及其他應付款項

| | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|-----------------------|-----------------------------------|-----------------------------------|
| Trade related | | |
| — China Lesso Group | 55 | 124 |
| — Xingfa Curtain Wall | 1,377 | — |
| | 1,432 | 124 |

應收關連方款項為無抵押、免息且無固定還款期。

附註：江西景興成為中國聯塑集團之附屬公司，緊隨股權轉讓完成後不再為本集團的聯營公司(附註15)。於股權轉讓後，本集團與江西景興之間的交易納入本集團與中國聯塑集團之間的交易。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

33 Material related party transactions

(Continued)

(c) Key management personnel remuneration

Remuneration for key management personnel, including the amounts paid to the Group's directors as disclosed in Note 7 and the senior management as disclosed in Note 8, is as follows:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|------------------|-----------------------------------|-----------------------------------|
| Short-term employee benefits | 短期僱員福利 | 26,900 | 22,977 |
| Contribution to retirement benefit plan | 退休福利計劃供款 | 172 | 131 |
| Equity settled share-based payment expenses | 以股權結算以股份為基礎的付款開支 | 201 | 627 |
| | | 27,273 | 23,735 |

Total remuneration is included in "staff costs" (Note 5(b)).

(d) Applicability of the Listing Rules relating to connected transactions

The related party transactions of sales and/or purchase above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The disclosures required by Chapter 14A of the Listing Rules are provided in the section headed "Connected Transactions" of the Report of the Directors of this annual report.

33 重大關連方交易(續)

(c) 主要管理人員酬金

主要管理人員之酬金(包括附註7及附註8所分別披露之支付予本集團董事及高級管理人員的金額)如下:

| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|---|------------------|-----------------------------------|-----------------------------------|
| Short-term employee benefits | 短期僱員福利 | 26,900 | 22,977 |
| Contribution to retirement benefit plan | 退休福利計劃供款 | 172 | 131 |
| Equity settled share-based payment expenses | 以股權結算以股份為基礎的付款開支 | 201 | 627 |
| | | 27,273 | 23,735 |

酬金總額計入「員工成本」(附註5(b))。

(d) 上市規則就關於關連交易之適用性

上述買及／或賣之關連人士交易構成香港聯合交易所有限公司證券上市規則(「上市規則」)第14A章所界定之關連交易或持續關連交易。上市規則第14A章規定之披露載列於本年報董事會報告之「關連交易」一節。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)

(除另有指明外，數額以人民幣列示)

34 Company-level statement of financial position

34 公司層面財務狀況表

| | | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 |
|--|------------------|------------|-----------------------------------|-----------------------------------|
| | | Note 附註 | | |
| Non-current asset | 非流動資產 | | | |
| Investment in subsidiary | 於附屬公司之投資 | 14 | 567,522 | 584,182 |
| Current assets | 流動資產 | | | |
| Amounts due from a subsidiary | 應收一間附屬公司款項 | | 90,831 | 91,992 |
| Cash and cash equivalents | 現金及現金等價物 | | 5,172 | 1,777 |
| | | | 96,003 | 93,769 |
| Current liabilities | 流動負債 | | | |
| Amounts due to subsidiaries | 應付附屬公司款項 | | 70,648 | 94,820 |
| Other payables | 其他應付款項 | | 10,038 | 7,191 |
| | | | 80,686 | 102,011 |
| Net current assets/liabilities | 流動資產／負債淨值 | | 15,317 | (8,242) |
| Total assets less current liabilities | 總資產減流動負債 | | 582,839 | 575,940 |
| Net assets | 資產淨值 | | 582,839 | 575,940 |
| Capital and reserves | 股本及儲備 | 29 | | |
| Share capital | 股本 | | 3,744 | 3,732 |
| Reserves | 儲備 | | 579,095 | 572,208 |
| Total equity | 權益總額 | | 582,839 | 575,940 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

35 Non-adjusting events after the reporting period

- (i) After the end of the reporting period, the directors proposed a final dividend. Further details are disclosed in Note 29(b).
- (ii) After the end of the reporting period, an aggregate of 320,000 ordinary shares were issued upon exercise of share options granted under the share option scheme of the Company at an exercise price of HK\$5.46 per share.

35 報告期末後之非調整事項

- (i) 於報告期末後，董事會建議派發末期股息。進一步詳情披露於附註29(b)。
- (ii) 於報告期末後，合共320,000股普通股於根據本公司購股權計劃授出之購股權按行使價每股5.46港元行使後獲發行。

36 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2021

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, and a new standard, IFRS 17, *Insurance contracts*, which are not yet effective for the year ended 31 December 2021 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

36 於截至二零二一年十二月三十一日止年度已頒佈但未生效的修訂、新準則及詮釋的潛在影響

截至該等財務報表的刊發日期，國際會計準則委員會已頒佈下列各項於截至二零二一年十二月三十一日止年度尚未生效的修訂及一項新準則國際財務報告準則第17號保險合約，而該等財務報表並無採納該等修訂。該等發展包括下列可能與本集團有關的修訂。

**Effective for
accounting years
beginning on or after
於下列日期或之後
開始的會計年度生效**

| | |
|---|-----------------------------|
| Amendments to IFRS 3, <i>Reference to the Conceptual Framework</i> 國際財務報告準則第3號修訂本對框架概念的提述 | 1 January 2022 二零二二年一月一日 |
| Amendments to IAS 16, <i>Property, Plant and Equipment: Proceeds before Intended Use</i> 國際會計準則第16號修訂本物業、廠房及設備：擬定用途前之所得款項 | 1 January 2022 二零二二年一月一日 |
| Amendments to IAS 37, <i>Onerous Contracts — Cost of Fulfilling a Contract</i> 國際會計準則第37號修訂本虧損性合約 — 履行合約的成本 | 1 January 2022 二零二二年一月一日 |
| Annual Improvements to IFRSs 2018–2020 Cycle 國際財務報告準則二零一八年至二零二零年週期之年度改進 | 1 January 2022 二零二二年一月一日 |
| Amendments to IAS 1, <i>Classification of liabilities as current or non-current</i> 國際會計準則第1號修訂本分類為即期或非即期的負債 | 1 January 2023 二零二三年一月一日 |
| Amendments to IAS 1 and HKFRS Practice Statement 2, <i>Disclosure of accounting policies</i> 國際會計準則第1號及香港財務報告準則實務聲明第2號修訂本披露會計政策 | 1 January 2023 二零二三年一月一日 |
| Amendments to IAS 8, <i>Definition of accounting estimates</i> 國際會計準則第8號修訂本估計之定義 | 1 January 2023 二零二三年一月一日 |
| Amendments to IAS 12, <i>Deferred tax related to assets and liabilities arising from a single transaction</i> 國際會計準則第12號與單一交易產生的資產及負債相關的遞延稅項 | 1 January 2023 二零二三年一月一日 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指明外，數額以人民幣列示)

36 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2021 *(Continued)*

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

36 於截至二零二零年十二月三十一日止年度已頒佈但未生效的修訂、新準則及詮釋的潛在影響 *(續)*

本集團正在評估該等發展於首次應用期間預期之影響。本集團迄今為止認為採納該等發展對綜合財務報表產生重大影響的可能性不大。



Five Years Summary

五年概要

(Expressed in Renminbi)
(以人民幣列示)

| | | As at 31 December 於十二月三十一日 | | | | |
|--|----------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 | 2019 二零一九年 RMB'000 人民幣千元 | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| Assets and liabilities | 資產及負債 | | | | | |
| Non-current assets | 非流動資產 | 3,126,054 | 2,743,711 | 2,668,419 | 2,376,862 | 2,301,489 |
| Current assets | 流動資產 | 8,216,134 | 5,692,350 | 5,092,971 | 4,731,621 | 4,142,972 |
| Current liabilities | 流動負債 | 5,543,085 | (4,387,097) | (4,262,373) | (4,190,051) | (3,810,506) |
| Non-current liabilities | 非流動負債 | 1,319,703 | (351,031) | (460,137) | (414,574) | (564,920) |
| Net assets | 資產淨值 | 4,479,400 | 3,697,933 | 3,038,880 | 2,503,858 | 2,069,035 |
| Capital and reserves | 股本及儲備 | | | | | |
| Share capital | 股本 | 3,744 | 3,732 | 3,731 | 3,731 | 3,731 |
| Reserves | 儲備 | 4,475,598 | 3,693,460 | 3,034,604 | 2,500,379 | 2,065,304 |
| Total equity attributable to equity shareholders of the Company | 本公司權益股東應佔權益總額 | 4,479,342 | 3,697,192 | 3,038,335 | 2,504,110 | 2,069,035 |
| Non-controlling interests | 非控股權益 | 58 | 741 | 545 | (252) | — |
| Total equity | 權益總額 | 4,479,400 | 3,697,933 | 3,038,880 | 2,503,858 | 2,069,035 |

Five Years Summary

五年概要

(Expressed in Renminbi)
(以人民幣列示)

| | | For the year ended 31 December 截至十二月三十一日止年度 | | | | |
|------------------------------------|----------------|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2021 二零二一年 RMB'000 人民幣千元 | 2020 二零二零年 RMB'000 人民幣千元 | 2019 二零一九年 RMB'000 人民幣千元 | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| Results | 業績 | | | | | |
| Revenue | 營業額 | 15,432,900 | 11,886,862 | 11,280,848 | 9,924,517 | 7,239,658 |
| Profit before taxation | 除稅前溢利 | 1,055,201 | 873,412 | 723,470 | 607,916 | 444,445 |
| Income tax | 所得稅 | (168,084) | (111,953) | (120,864) | (113,938) | (61,815) |
| Profit for the year | 年度溢利 | 887,117 | 761,459 | 602,606 | 493,978 | 382,630 |
| Attributable to: | 以下人士應佔： | | | | | |
| Equity shareholders of the Company | 本公司權益股東 | 887,800 | 765,385 | 606,109 | 495,230 | 382,630 |
| Non-controlling interests | 非控股權益 | (683) | (3,926) | (3,503) | (1,252) | — |
| | | 887,117 | 761,459 | 602,606 | 493,978 | 382,630 |
| Earnings per share | 每股盈利 | | | | | |
| Basic (RMB yuan) | 基本(人民幣元) | 2.12 | 1.83 | 1.45 | 1.18 | 0.92 |
| Diluted (RMB yuan) | 攤薄(人民幣元) | 2.11 | 1.83 | 1.45 | 1.18 | 0.92 |

The summary above does not form part of the audited consolidated financial statements.

上述摘要並不構成經審計綜合財務報表之一部份。

Unit No. 5, 6th Floor, Wing On Plaza, No. 62 Mody Road, Kowloon, Hong Kong

香港九龍麼地道62號永安廣場6樓605室

Tel 電話: 852-2175 5388 Fax 傳真: 852-2175 5383

No. 5, Zone D, Central Science and Technology Industrial Park, Foshan District,

Foshan City, Guangdong Province, China (Postcode: 528137)

中國廣東省佛山市三水區中心科技工業園D區5號（郵編: 528137）

Tel 電話: 86-757-8533 2727 Fax 傳真: 86-757-8538 7628

Website 網址: www.xingfa.com