



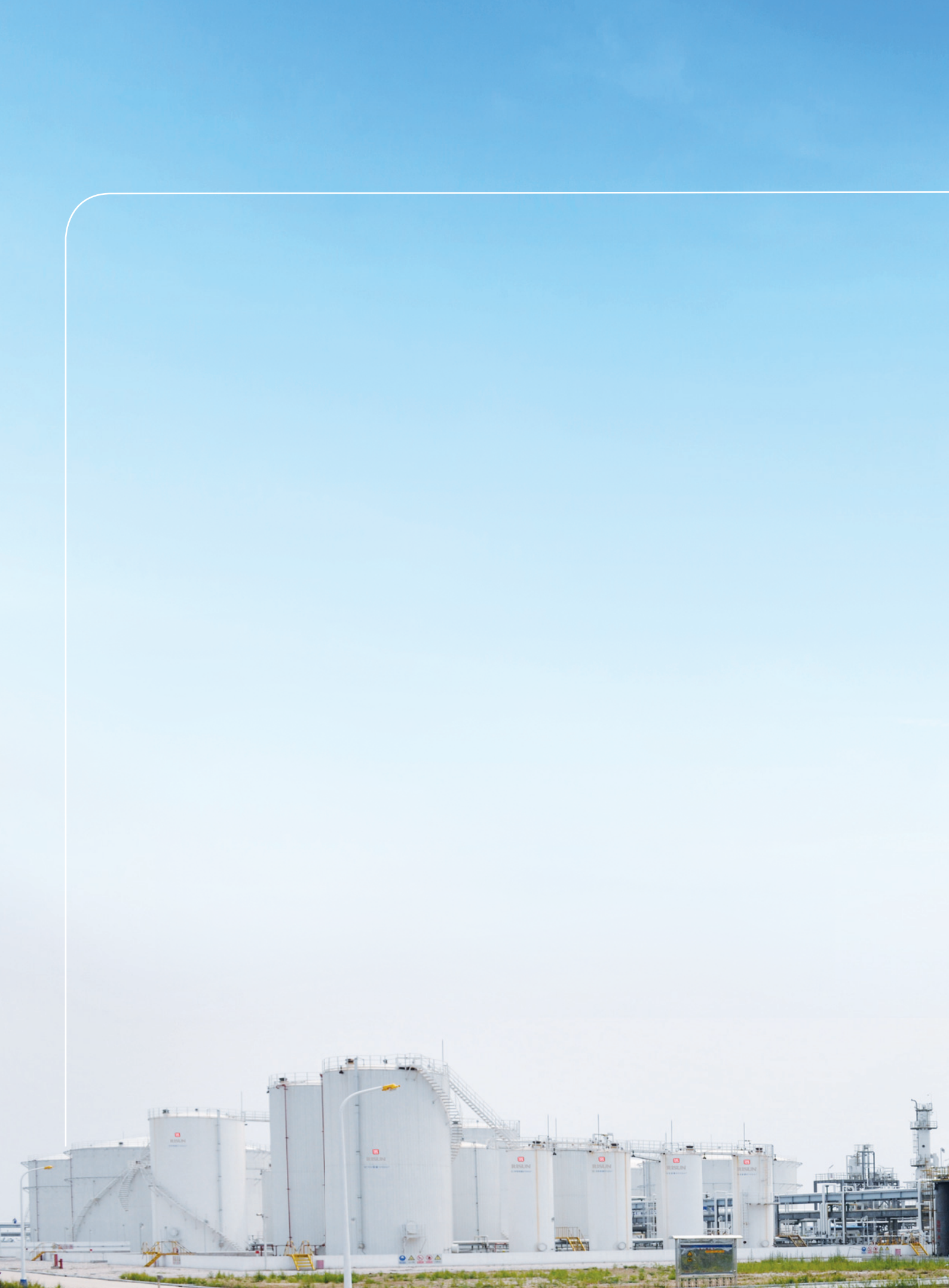
China Risun Group Limited
中國旭陽集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
Stock Code 股份代號 : 1907



ANNUAL 2018
REPORT 年報





WORLD LEADING IN 2018 2018年全球領先

The world's largest independent producer and supplier of coke*

全球最大的獨立焦炭生產商及供應商*

Production accounts for the world

產量佔世界
1.3%*

China's total output

中國總產量
1.8%*

The world's largest coking crude benzene processor*

全球最大的
焦化粗苯加工商*

Processing volume accounts for about the total global processing volume

加工量佔全球
總加工量約
7.4%*

China's largest industrial naphthalene phthalic anhydride and coke oven gas methanol producer*

中國最大的
工業萘制苯酐及
焦爐煤氣制甲醇生產商*

Production accounts for about a total of China's total output

產量約佔中國
總產量

14.0%*

6.8%*

* According to an independent market research report prepared by Frost & Sullivan in April 2019

* 根據弗若斯特沙利文於2019年4月編製的獨立市場研究報告



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Corporate Information 公司資料

COMPANY NAME

China Risun Group Limited

STOCK CODE

1907

REGISTERED OFFICE

Cricket Square
Hutchins Drive, PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

CORPORATE HEADQUARTER

Building 4, Block 5
ABP Area, No. 188, South 4th Ring Road West
Fengtai District
Beijing, PRC
100070

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2303, COFCO Tower
No. 262 Gloucester Road
Hong Kong

CONTACT INFORMATION

Tel: +852 2877 8920
Fax: +852 2877 8902
E-mail: josephho@risun.com

COMPANY WEBSITE

<http://www.risun.com>

AUTHORISED REPRESENTATIVES

Mr. Han Qinliang
Mr. Ho Pui Lam Joseph

COMPANY SECRETARY

Mr. Ho Pui Lam Joseph (FCPA)

COMPANY DIRECTORS

EXECUTIVE DIRECTORS :

Mr. Yang Xuegang (Chairman & Chief Executive Officer)
Mr. Zhang Yingwei
Mr. Han Qinliang
Mr. Wang Fengshan
Mr. Wang Nianping
Mr. Yang Lu

公司名稱

中國旭陽集團有限公司

股份代號

1907

註冊辦事處

Cricket Square
Hutchins Drive, PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

公司總部

中國北京
豐台區總部基地
南四環西路188號
5區4棟
郵編：100070

香港主要營業地點

香港
告士打道262號
中糧大廈2303室

聯絡資料

電話：+852 2877 8920
傳真：+852 2877 8902
電郵：josephho@risun.com

公司網址

<http://www.risun.com>

授權代表

韓勤亮先生
何沛霖先生

公司秘書

何沛霖先生 (FCPA)

公司董事

執行董事：

楊雪崗先生 (主席兼行政總裁)
張英偉先生
韓勤亮先生
王風山先生
王年平先生
楊路先生

INDEPENDENT NON-EXECUTIVE DIRECTORS :

Mr. Kang Woon
Mr. Yu Kwok Kuen Harry
Mr. Wang Yinping

AUDIT COMMITTEE

Mr. Yu Kwok Kuen Harry (*Chairman*)
Mr. Kang Woon
Mr. Wang Yinping

REMUNERATION COMMITTEE

Mr. Kang Woon (*Chairman*)
Mr. Yu Kwok Kuen Harry
Mr. Wang Yinping

NOMINATION COMMITTEE

Mr. Yang Xuegang (*Chairman*)
Mr. Kang Woon
Mr. Yu Kwok Kuen Harry

COMPLIANCE ADVISER

Guotai Junan Capital Limited
27/F, Low Block
Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

PRINCIPAL BANKERS

Industrial and Commercial Bank of China Limited
Xingtai Qiaodong Branch
No. 220 Zhong Xing East Street
Xingtai, Hebei Province
PRC

China Construction Bank Corporation
Bohai New Area Branch
Shigang Road, Bohai New Area
Cangzhou, Hebei Province
PRC

China Citic Bank Dingzhou Branch
No. 172 Xingding Road
Dingzhou, Hebei Province
PRC

Shanghai Pudong Development Bank
Yong Ding Road Branch
No. 51 Yong Ding Road
Haidian District
Beijing, PRC

獨立非執行董事：

康涸先生
余國權先生
王引平先生

審核委員會

余國權先生 (*主席*)
康涸先生
王引平先生

薪酬委員會

康涸先生 (*主席*)
余國權先生
王引平先生

提名委員會

楊雪崗先生 (*主席*)
康涸先生
余國權先生

合規顧問

國泰君安融資有限公司
香港
皇后大道中181號
新紀元廣場
低座27樓

主要往來銀行

中國工商銀行股份有限公司
邢台橋東支行
中國
河北省邢台市
中興東大街220號

中國建設銀行股份有限公司
渤海新區支行
中國
河北省滄州市
渤海新區石港路

中信銀行定州支行
中國
河北省定州市
興定路172號

上海浦東發展銀行永定路支行
中國
北京市
海淀區
永定路51號

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISERS

AS TO HONG KONG LAW:

Latham & Watkins LLP
18th Floor, One Exchange Square
8 Connaught Place
Central
Hong Kong

AS TO PRC LAW:

Jingtian & Gongcheng
34/F, Tower 3, China Central Place
77 Jinguo Road
Chaoyang District
Beijing, PRC

AS TO CAYMAN ISLANDS LAW:

Conyers Dill & Pearman
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

CAYMAN SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

核數師

德勤•關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場1座35樓

法律顧問

關於香港法律：

瑞生國際律師事務所有限法律責任合夥
香港
中環
康樂廣場8號
交易廣場一期18樓

關於中國法律：

競天公誠律師事務所
中國北京市
朝陽區
建國路77號
華貿中心3號寫字樓34層

關於開曼群島法律：

Conyers Dill & Pearman
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

開曼群島股份過戶登記處

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

Chairman's Statement
主席報告

Yang Xuegang
楊雪崗



Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the Board of Directors of China Risun Group Limited, I am pleased to present our first annual report of the Company and its subsidiaries for the year ended December 31, 2018. The Company listed on the Main Board of the Hong Kong Stock Exchange since March 15, 2019.

REVIEW

Year of 2018 was a complex one with challenges and achievements. Challenges are those political turmoil, unstable economic growth and intensified economic and trade frictions between China and USA. On the contrary, we continued to endeavor to increase our average selling price of coke and optimize production cost, gave into full play the benefits of environmental protection, as well as capturing the opportunities that emerged due to industry integration and expanding our business through operation management services, thereby improved operation profit margin and its sustainability. As such, our net profit attributable to owners of the Company in 2018 achieved a new historical high amounting to approximately RMB2,088.7 million, representing an increase of approximately 176.8% as compared to previous year.

In the past since establishment in 1995, we have established nearly 24 years in coke and refined chemical industry. By mean of vertically integrated business model, highly automation and information systems, advanced environmental protection measures, comprehensive transportation infrastructure near our four production bases, we continued strengthening our competitive advantage amongst other coke enterprises in China and positioned ourselves as the world's largest independent coke producer and supplier and leading roles in a number of refined chemical sectors in China or globally. Therefore, we have a high corporate reputation in the coke and refined chemical industry.

KEY COMPETITIVE STRENGTHS

Our **vertically integrated business model** helps to (i) improve production efficiency and achieve synergies through centralized and unified management, (ii) reduce exposure to market volatility and price fluctuations, (iii) diversify our customer base, and (iv) secure a stable and reliable supply of raw materials for our refined chemical products.

We have established several **highly automation and information systems**, such as our Manufacturing Execution System (MES) that covers all of our production bases. We use the Enterprise Resource Planning (ERP) system and the Office Automation (OA) system for the management of our production plan, procurement, manufacturing, sales, transportation, finance and business approvals. The production and operational data accumulated in such systems can provide decision-making basis for our management.

各位股東：

本人謹代表中國旭陽集團有限公司董事會，欣然呈報本公司及其附屬公司截至2018年12月31日止年度的首份年報。本公司自2019年3月15日起於香港聯交所主板上市。

回顧

2018年是錯綜複雜的一年，充滿挑戰，亦不乏成就。挑戰在於世界政局動盪不定，經濟增長不穩，中美經貿摩擦加劇。相反，我們繼續努力提高焦炭平均售價，優化生產成本，充分發揮環保效益，抓住行業整合帶來的機遇，通過營運管理服務拓展業務，從而提高營運利潤率及其可持續性。因此，我們於2018年歸屬於本公司擁有人的淨利潤創歷史新高，約為人民幣2,088.7百萬元，較去年增加約176.8%。

自1995年創立以來，我們已涉足焦炭和精細化工行業近24年。憑藉縱向一體化業務模式、高度自動化和信息化系統、先進環保措施、四個生產園區附近的綜合運輸基礎設施，我們繼續加強與中國其他焦炭企業競爭的優勢，將自身定位為全球最大的獨立焦炭生產商及供應商，並於中國或全球的多個精細化工產品領域處於領先地位。因此，我們的企業在焦炭和精細化工行業享負盛譽。

主要競爭優勢

我們的**縱向一體化業務模式**有助(i)透過集中統一管理提高生產效率及實現協同效應，(ii)減少面臨的市場波動及價格波動風險，(iii)使我們的客戶群多樣化，以及(iv)為我們的精細化工產品獲取穩定及可靠的原材料供應。

我們建立了數個**高度自動化和信息化系統**，例如涵蓋我們所有生產園區的製造執行系統(MES)。我們利用企業資源計劃系統(ERP)和辦公自動化系統(OA)來管理我們的生產計劃、採購、生產、銷售、運輸、財務及業務審批。有關系統積累的生產和營運數據可為我們的管理層提供決策依據。

Recognition of **advanced environmental protection measures** – our subsidiary, Hebei Risun Coking, was recognized as one of the first batch of Green Factories in 2017. Also, our joint venture, CNC Risun Coking, was recognized as a Green Factory by the Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部) in 2018.

PROSPECTS

In 2018, we entered into our second, third and fourth operation management services agreement because the participants in the industry seriously take into account of our competitive strengths and were willing to co-operate with us. **Looking forward in 2019, we believe this segment – operation management will be a separate reporting segment and one of the major momentums to the growth and development of our Group.**

DIVIDEND

In view of the satisfactory operating results in 2018, the Board recommends a final dividend of total amount of RMB626.6 million for the year of 2018 as a return to the supports of our shareholders.

APPRECIATION

Finally, I would like to take this opportunity to thank all the Group's employees, shareholders and business partners for their continuous support. We are looking to grow with all of them in future and welcome our Group's 25th anniversary in 2020.

Yang Xuegang
Chairman

March 29, 2019

先進環保措施的認可—我們的附屬公司河北旭陽焦化獲評為2017年首批綠色工廠之一。我們的合營企業中煤旭陽焦化亦於2018年獲中華人民共和國工業和信息化部認可為綠色工廠。

展望

於2018年，我們已簽訂第二份、第三份和第四份營運管理服務協議，原因為該行業的參與者認真考慮我們的競爭優勢，並願意與我們合作。**展望2019年，我們認為該分部—營運管理將是一個獨立的報告分部，也是本集團增長及發展的主要動力之一。**

股息

鑑於2018年經營業績令人滿意，董事會建議派發總金額為人民幣626.6百萬元的2018年末期股息作為股東支持的回報。

致謝

最後，本人謹藉此機會感謝本集團的所有員工、股東和業務合作夥伴的持續支持。我們期望將來能夠與所有人共同成長，於2020年一起迎接本集團成立25週年。

主席
楊雪崗

2019年3月29日

Business Highlights

業務撮要

Continuous improvement
in operating efficiency

經營效益持續改善

Gross profit margin
increased by 5.9%
Net profit margin
increased by 6.2%
毛利率增加**5.9%**
純利率增加**6.2%**

Expand business

拓展業務

Seize the opportunity of
industry consolidation and
expand business through
operational management and
technology export services
抓住行業整合機遇，通過營運
管理及技術輸出服務拓展業務

Listed on the Main Board of the
Hong Kong Stock Exchange

香港聯交所主板上市

Successfully listed on the Main
Board of the Hong Kong Stock
Exchange in March 2019

2019年3月份成功於香港聯交所
主板上市

Financial stability

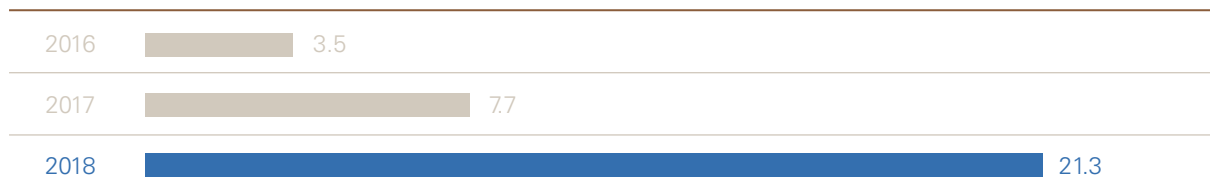
財務穩健

Cash on hand reached
RMB759 million as at
December 31, 2018. Gross
RMB1.44 billion proceeded
in March, 2019 from Global
Offering

於2018年12月31日的手頭
現金達人民幣7.59億元。於
2019年3月全球發售所得款
項總額人民幣14.4億元

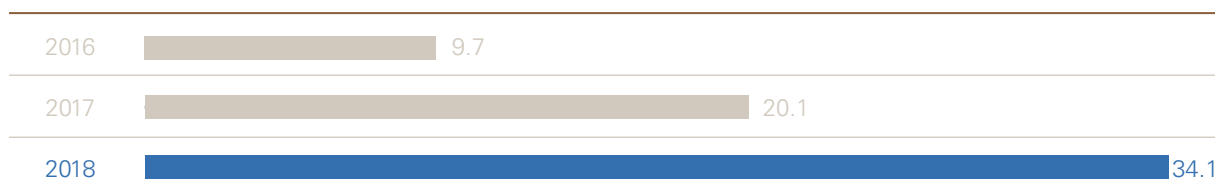
Net profit
淨利潤

21.3 +178%
人民幣億元
RMB 100 million



Gross profit
毛利

34.1 +70%
人民幣億元
RMB 100 million



China's sales coverage 中國的銷售覆蓋範圍



provinces where we have sales of our products during the Reporting Period
我們於報告期內進行產品銷售的省份

⊙ Locations of production base
生產園區的地點



Tangshan production base
唐山生產園區



Cangzhou production base
滄州生產園區



Xingtai production base
邢台生產園區



Dingzhou production base
定州生產園區

Business Highlights

業務撮要

China Risun Group Limited
中國旭陽集團有限公司

Joint venture company CNC Risun Coking
合營公司中煤旭陽焦化

Xingtai production base:
邢台生產基地：

4 Coke and coking chemicals
production lines
焦炭及焦化產品生產線

1 Alcohol-ether chemicals
production line
醇醚類化工產品生產線

Associated company Jinniu Risun Chemicals
聯營公司金牛旭陽化工

Xingtai production base:
邢台生產基地：

1 Alcohol-ether chemicals
production line
醇醚類化工產品生產線

Associated company Cabot Risun Chemicals
聯營公司卡博特旭陽化工

Xingtai production base:
邢台生產基地：

1 Carbon material chemical
production line
碳材料類化工產品生產線

4 Coke and coking chemicals
production lines
焦炭及焦化產品生產線

7 Carbon material chemicals
production lines
碳材料類化工產品生產線

5 Alcohol-ether chemicals
production lines
醇醚類化工產品生產線

6 Aromatics chemicals
production lines
芳烴類化工產品生產線



Production volume/processing volume of major products
of the Group in 2018 (thousand tons)

2018年本集團主要產品的產量／加工量(千噸)

Coke* 焦炭*	Production volume 產量	4,501.9
Coking crude benzene 焦化粗苯	Processing volume 加工量	515.7
Industrial naphthalene phthalic anhydride 工業萘製苯酐	Production volume 產量	115.6
Coke oven gas methanol 焦爐煤氣制甲醇	Production volume 產量	307.9
Coal tar 煤焦油	Processing volume 加工量	668.9

Production volume of major products of joint venture
company CNC Risun Coking in 2018 (thousand tons)

2018年合營公司中煤旭陽焦化主要產品的產量(千噸)

Coke* 焦炭*	Production volume 產量	3,522.7
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Production volume of major products of associated company
Jinniu Risun Chemicals in 2018 (thousand tons)

2018年聯營公司金牛旭陽化工主要產品的產量(千噸)

Coke oven gas methanol 焦爐煤氣制甲醇	Production volume 產量	217.5
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* Calculated on a dry basis

* 按乾基計算

FINANCIAL HIGHLIGHTS

財務摘要



The following table sets out our key financial data for the periods or as of the dates indicated extracted from the audited consolidated financial statements disclosed in the Prospectus and this annual report.

下表載列於有關期間或截至所示日期我們的主要財務數據，乃摘錄自招股章程及本年報所披露的經審核綜合財務報表。

SUMMARY OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

綜合損益表摘要

		For the year ended December 31, 截至12月31日止年度			
		2015	2016	2017	2018
		2015年	2016年	2017年	2018年
		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
Revenue from contracts with customers	客戶合約收益	9,993,063	12,216,609	18,658,278	20,583,079
Gross profit	毛利	515,249	973,413	2,005,239	3,409,920
(Loss)/profit before taxation	除稅前(虧損)/溢利	(580,817)	390,836	845,943	2,660,371
Income tax credit/(expense)	所得稅抵免/(開支)	73,701	(35,875)	(80,370)	(533,358)
(Loss)/profit for the year attributable to:	應佔年度(虧損)/溢利:				
Owners of the Company	本公司擁有人	(507,116)	359,299	754,674	2,088,668
Non-controlling interests	非控股權益	-	(4,338)	10,899	38,345
Basic (loss)/earnings per share (RMB yuan)	每股基本(虧損)/盈利(人民幣元)	(0.16)	0.12	0.24	0.63



SUMMARY OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
綜合財務狀況表摘要

		As at December 31, 於 12 月 31 日			
		2015	2016	2017	2018
		2015年	2016年	2017年	2018年
		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
Non-current assets	非流動資產	10,149,929	11,866,376	12,393,896	12,473,286
Current assets	流動資產	6,503,261	9,273,347	9,445,155	10,128,823
Total assets	總資產	16,653,190	21,139,723	21,839,051	22,602,109
Current liabilities	流動負債	13,768,420	15,844,169	15,951,278	16,414,072
Non-current liabilities	非流動負債	1,007,854	2,583,872	2,778,064	1,475,014
Total liabilities	總負債	14,776,274	18,428,041	18,729,342	17,889,086
Net current liabilities	流動負債淨額	(7,265,159)	(6,570,822)	(6,506,123)	(6,285,249)
Net assets	資產淨值	1,876,916	2,711,682	3,109,709	4,713,023

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

DEVELOPMENTAL STRATEGY

發展策略

Expansion of business operation and production capacity

擴大業務營運及生產能力

Exploration of market opportunities to provide operation management and technology output services

探索提供營運管理及技術輸出服務的市場機遇

Development and reinforcement of long-term business relationships with the major customers and suppliers

建立及加強與主要客戶及供應商的長期業務關係

Expansion of domestic and international trading business

擴展國內及國際貿易業務

Improve our energy-efficiency, environmental protection and operation safety standards

提升能源效率、環保及營運安全水平

Improvement of our core competitive strengths through automation and information technologies

通過自動化及信息化技術提高核心競爭優勢

Management Discussion and Analysis

管理層討論及分析

OVERVIEW

We are an integrated coke, coking chemical and refined chemical producer and supplier in China. The Group was the world's largest independent producer and supplier of coke by volume in 2018, according to Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., ("Frost & Sullivan") an independent global consulting firm. We also held leading positions in a number of refined chemical sectors in China or globally. According to Frost & Sullivan, the Group was the largest producer of industrial-naphthalene-based phthalic anhydride and coke-oven-gas-based methanol by volume in China in 2018. The Group was also the largest coking crude benzene processor and the fifth largest coal tar processor by volume globally in 2018.

In 2018, under the background of global political turmoil, unstable economic growth and intensified economic and trade frictions between China and USA, but the China's economy still maintained a moderate growth. Both the coking industry and the refined chemical industry experienced continuous promising production and operation sentiment which was driven by policy implementation in supply-side reform, elimination of outdated production capacity and also a number of them in environmental protection by the PRC government, recovery of the iron and steel industry and as well as the consumption growth in the PRC.

Under this circumstance, the Group continued to endeavor to increase average selling price of our coke and optimize production cost, gave into full play the benefits of environmental protection, as well as capturing the opportunities that emerged due to industry integration and expanding our business through operation management and technology output services, thereby improved operation profit margin and its sustainability. As such, the Group hit new historical record in terms of results and achieved significant growth. During the 12 months ended December 31, 2018, the Group recorded a gross profit of approximately RMB3,409.9 million, representing an increase of approximately 70.1%. Net profit attributable to the owners of the Company amounted to approximately RMB2,088.7 million, representing an increase of approximately 176.8% as compared to RMB754.7 million last year.

In view of the operating results in 2018 and our future development needs, as well as sharing our outstanding results with shareholders, the Board recommends a final dividend of total amount RMB626.6 million for the year of 2018.

概覽

我們為中國的焦炭、焦化產品和精細化工產品綜合生產商及供應商。根據獨立全球諮詢公司弗若斯特沙利文(北京)諮詢有限公司上海分公司(「弗若斯特沙利文」)，按2018年數量計算，本集團為全球最大的獨立焦炭生產商及供應商。我們亦於中國或全球的多個精細化工產品領域處於領先地位。根據弗若斯特沙利文，按2018年數量計算，本集團是中國最大的工業萘製苯酐及焦爐煤氣製甲醇生產商。按2018年數量計算，本集團亦是全球最大的焦化粗苯加工商及第五大高溫煤焦油加工商。

2018年，在世界政治動盪不定，經濟增長不穩，中美經貿摩擦加劇的背景下，中國經濟仍保持了適當的增長速度。焦化行業和精細化工行業在中國政府的供給側改革政策、淘汰落後產能和多項環保政策的實行及鋼鐵行業的復蘇和中國國內消費增長的推動下，焦化和精細化工行業的生產及經營持續向好。

在此背景下，本集團繼續致力於提高焦炭平均售價，優化生產成本，發揮環保效益，並抓住行業整合機遇，通過營運管理及技術輸出服務拓展業務，從而提升營運的利潤率及可持續性。因此，本集團的業績刷新了歷史紀錄並實現了非常重大的增長。於截至2018年12月31日止12個月期間，本集團的毛利約人民幣3,409.9百萬元，增長約70.1%。而本公司擁有人應佔溢利約人民幣2,088.7百萬元，較去年的人民幣754.7百萬元增加約176.8%。

於2018年之經營業績和本集團未來發展之需要，以及為與本公司股東分享本集團優秀業績的成果，董事會建議派發2018年末期股息總額人民幣626.6百萬元。

DEVELOPMENTAL STRATEGY AND PROSPECTS

2019 is the first year that the Company are listed on the Stock Exchange. The successful listing has not only strengthened the shareholders base of the Group, but also further enhanced the Group's financing capability and increased its brand awareness and reputation. During the Reporting Period, the Group continued to steadily develop its various business segments. The Group aims to strengthen the globally leading position as an integrated producer and supplier of coke, coking chemicals and refined chemicals. To achieve this objective, the Group intends to pursue the following strategies: (i) expansion of business operation and production capacity; (ii) exploration of market opportunities to provide operation management and technology output services; (iii) development and reinforcement of long-term business relationships with the major customers and suppliers; (iv) expansion of domestic and international trading business; (v) improve our energy-efficiency, environmental protection and operation safety standards; and (vi) improvement of our core competitive strengths through automation and information technologies.

BUSINESS REVIEW

REVIEW ON THE BUSINESS OF THE GROUP

The Group business consists of three segments:

- *Coke and coking chemicals*: which involves the production and sale of coke and coking chemicals, mainly coal tar, coke oven gas and crude benzene;
- *Refined chemicals*: which involves the processing of coking by products into a series of refined chemicals and sale of these chemicals, mainly carbon material chemicals, alcohol-ether chemicals and aromatic chemicals; and
- *Trading*: which involves the trading of coal, coke and refined chemicals.

Except for above three segments, the Group also provided operation management and technology output services to third-party producers during the reporting period, and plans to manage the relevant business as an independent segment in 2019. During 2018, the products revenue related to the operation management and technology output services was respectively included in coke and coking chemicals and refined chemicals segments. The management services income was included in the trading segment.

發展策略及前景

2019年是本公司於聯交所上市的第一年。成功上市不僅加強了本集團的股東基礎，亦進一步增強本集團的融資能力並提升其品牌知名度和聲譽。於報告期內，本集團繼續穩步推進旗下各業務分部的發展。本集團旨在鞏固作為全球領先的焦炭、焦化產品及精細化工產品綜合生產商及供應商的地位。為實現此目標，本集團打算採取下列策略：(i) 擴大業務營運及生產能力；(ii) 探索提供營運管理及技術輸出服務的市場機遇；(iii) 建立及加強與主要客戶及供應商的長期業務關係；(iv) 擴展國內及國際貿易業務；(v) 提升能源效率、環保及營運安全水平；及(vi) 通過自動化及信息化技術提高核心競爭優勢。

業務回顧

本集團業務回顧

本集團的業務包括三個分部：

- *焦炭及焦化產品*：涉及生產及銷售焦炭及焦化產品，主要為煤焦油、焦爐煤氣及粗苯；
- *精細化工產品*：涉及加工煉焦副產品為精細化工產品系列及銷售該等化工產品，主要為碳材料類化工產品、醇醚類化工產品及芳烴類化工產品；及
- *貿易*：涉及煤炭、焦炭及精細化工產品貿易。

除以上三個分部外，本集團亦於報告期內向第三方生產商提供營運管理及技術輸出服務，計劃於2019年管理相關業務作為一個獨立分部。於2018年，有關營運管理及技術輸出服務的產品收益分別計入焦炭及焦化產品以及精細化工產品分部。管理服務收入計入貿易分部。

Management Discussion and Analysis

管理層討論及分析

The Group's business model is based on a vertically integrated production chain in which we use our coking by-products to manufacture refined chemical products. We believe that our integrated business model and the scale of our business help:

- improve production efficiency and achieve synergies through centralized and unified management,
- reduce exposure to market volatility and price fluctuations,
- diversify our customer base, and
- secure a stable and reliable supply of raw materials for our refined chemical products.

The Group's vertically integrated business model and our experience of more than 20 years in the coal chemical industry production chain allow us to tap into the downstream refined chemical markets. With an aim of strengthening our leading position as a global coke and refined chemical producer and supplier, we intend to expand our operations through operation management and technology output services.

The Group's revenue increased by approximately RMB1,924.8 million, or 10.3%, to approximately RMB20,583.1 million for the year ended December 31, 2018, from approximately RMB18,658.3 million for the year ended December 31, 2017.

The Group's gross profits increased 70.1% to RMB3,409.9 million for the year ended December 31, 2018 from approximately RMB2,005.2 million for the year ended December 31, 2017.

For the year ended December 31, 2018, the Group recorded a net profit attributable to owners of the Company of approximately RMB2,088.7 million, representing an increase of approximately 176.8% as compared to the net profit attribute to owners of the Company of approximately RMB754.7 million for the year ended December 31, 2017.

本集團的業務模式基於縱向一體化的生產鏈，當中，本集團使用煉焦副產品製造精細化工產品。我們相信，一體化業務模式及業務規模有助：

- 透過集中統一管理提高生產效率及實現協同效應，
- 減少面臨市場波動及價格波動風險的機會，
- 使客戶群多樣化，及
- 為精細化工產品獲取穩定及可靠的原材料供應。

本集團縱向一體化的業務模式和我們在煤化工產業生產鏈超過20年的經驗使我們能夠進入下游精細化工產品市場。為鞏固我們作為全球領先的焦炭及精細化工產品生產商及供應商地位，我們擬通過營運管理及技術輸出服務擴張我們的業務經營。

本集團的收益由截至2017年12月31日止年度的約人民幣18,658.3百萬元增加約人民幣1,924.8百萬元或10.3%至截至2018年12月31日止年度的約人民幣20,583.1百萬元。

本集團的毛利由截至2017年12月31日止年度的約人民幣2,005.2百萬元增加70.1%至截至2018年12月31日止年度的人民幣3,409.9百萬元。

截至2018年12月31日止年度，本集團錄得本公司擁有人應佔純利約人民幣2,088.7百萬元，較截至2017年12月31日止年度的本公司擁有人應佔純利約人民幣754.7百萬元增加約176.8%。

Management Discussion and Analysis 管理層討論及分析

DEVELOPMENT, PERFORMANCE AND STATUS OF THE BUSINESS OF THE GROUP

The following table sets forth key financial ratios of the Group to reflect the profitability, operational capabilities and solvency, that analyze the Group's potential to grow and develop:

本集團業務的發展、表現及狀況

下表載列本集團主要財務比率，以反映盈利能力、運營能力及償債能力，以對本集團的增長和發展潛力作出分析：

		As for the year ended December 31, 截至12月31日止年度	
		2018 2018年	2017 2017年
Gross profit margin ⁽¹⁾	毛利率 ⁽¹⁾	16.6%	10.7%
Net profit margin ⁽²⁾	純利率 ⁽²⁾	10.3%	4.1%
Net profit margin (excluding listing expenses) ⁽³⁾	純利率(不包括上市開支) ⁽³⁾	10.5%	4.2%
EBITDA margin ⁽⁴⁾	EBITDA利潤率 ⁽⁴⁾	18.8%	10.9%
Return on equity ⁽⁵⁾	權益回報率 ⁽⁵⁾	45.4%	25.0%
Return on total assets ⁽⁶⁾	總資產回報率 ⁽⁶⁾	9.4%	3.5%
Current ratio ⁽⁷⁾	流動比率 ⁽⁷⁾	0.6	0.6
Quick ratio ⁽⁸⁾	速動比率 ⁽⁸⁾	0.6	0.5
Net debt to equity ratio ⁽⁹⁾	淨債務權益比率 ⁽⁹⁾	1.8	3.2
Gearing ratio ⁽¹⁰⁾	資本負債比率 ⁽¹⁰⁾	1.9	3.4

Notes:

- (1) Calculated by dividing gross profit by revenue for the year.
- (2) Calculated by dividing profit by revenue for the year.
- (3) Calculated by dividing profit excluding the listing expenses by revenue for the year.
- (4) Calculated by dividing EBITDA by revenue for the year.
- (5) Calculated by dividing profit attributable to owners for the year by equity attributable to owners as of the end of the year.
- (6) Calculated by dividing profit for the year by total assets as of the end of the year.
- (7) Calculated by dividing total current assets by total current liabilities as of the end of the year.
- (8) Calculated by dividing total current assets minus inventory by total current liabilities as of the end of the year.
- (9) Calculated by dividing total interest-bearing borrowing including bank and other loans, obligations under finance leases, and interest-bearing payables for construction in progress minus cash and cash equivalents by total equity as of the end of the year.
- (10) Calculated by dividing total interest-bearing borrowings by total equity as of the end of the year.

附註：

- (1) 毛利除以年內收益計算。
- (2) 溢利除以年內收益計算。
- (3) 溢利(不包括上市開支)除以年內收益計算。
- (4) EBITDA除以年內收益計算。
- (5) 年內擁有人應佔溢利除以截至年末擁有人應佔權益計算。
- (6) 年內溢利除以截至年末資產總額計算。
- (7) 流動資產總額除以截至年末流動負債總額計算。
- (8) 流動資產總額減存貨除以截至年末流動負債總額計算。
- (9) 計息借款(包括銀行及其他貸款、融資租賃款項及計息在建工程應付款項)總額減現金及現金等價物除以截至年末權益總額計算。
- (10) 計息借款總額除以截至年末權益總額計算。

The Company analyzed the development, performance and status of the business of the Company through selecting representative financial indicators of profitability, operation capacity and repayment ability.

本公司從盈利能力、營運能力和償債能力等方面選擇有代表性的財務指標來分析本公司的業務發展、表現及狀況。

Management Discussion and Analysis

管理層討論及分析

(a) EBITDA Margin

Our EBITDA margin increased from 10.9% for the year ended December 31, 2017 to 18.8% for the year ended December 31, 2018, primarily due to our increased EBITDA reflecting increased net profit.

(b) Return on equity

Our return on equity increased from 25.0% for the year ended December 31, 2017 to 45.4% for the year ended December 31, 2018, primarily due to our increased net profit attributable to owners.

(c) Return on total assets

Our return on assets increased from 3.5% for the year ended December 31, 2017 to 9.4% for the year ended December 31, 2018, primarily due to our increased net profit.

(d) Current ratio

Our current ratio remained stable at 0.6 as of December 31, 2017 and 0.6 as of December 31, 2018.

(e) Net debt to equity ratio

Our net debt to equity ratio decreased from 3.2 as of December 31, 2017 to 1.8 as of December 31, 2018, primarily due to our net debt decreased while our equity increased reflecting increased net profit and injections of equity capital.

(f) Gearing ratio

Our gearing ratio decreased from 3.4 as of December 31, 2017 to 1.9 as of December 31, 2018, primarily due to our interest-bearing borrowing decreased while our equity increased reflecting increased net profit and injections of equity capital.

(a) EBITDA 利潤率

EBITDA 利潤率由截至2017年12月31日止年度的10.9%增加至截至2018年12月31日止年度的18.8%，主要由於EBITDA增加反映純利增加。

(b) 權益回報率

權益回報率由截至2017年12月31日止年度的25.0%增加至截至2018年12月31日止年度的45.4%，主要由於擁有人應佔純利增加。

(c) 總資產回報率

總資產回報率由截至2017年12月31日止年度的3.5%增加至截至2018年12月31日止年度的9.4%，主要由於純利增加。

(d) 流動比率

流動比率維持穩定，截至2017年12月31日為0.6及截至2018年12月31日為0.6。

(e) 淨債務權益比率

淨債務權益比率由截至2017年12月31日的3.2減少至截至2018年12月31日的1.8，主要由於債務淨額減少而權益增加，反映純利增加及股本注入。

(f) 資本負債比率

資本負債比率由截至2017年12月31日的3.4減少至截至2018年12月31日的1.9，主要由於計息借款減少而權益增加，反映純利增加及股本注入。

FINANCIAL REVIEW

CONSOLIDATED RESULTS OF OPERATIONS

The Group's revenue increased by approximately RMB1,924.8 million, or 10.3%, to approximately RMB20,583.1 million for the year ended December 31, 2018, from approximately RMB18,658.3 million for the year ended December 31, 2017. The Group's gross profits increased 70.1% to RMB3,409.9 million for the year ended December 31, 2018 from approximately RMB2,005.2 million for the year ended December 31, 2017. For 2017 and 2018, the revenue from the coke and coking chemical businesses respectively accounted for 42.2% and 47.8% of the total revenue, the revenue from the refined chemical business respectively accounted for 44.9% and 39.6% of the total revenue, the revenue from the Group's trading business respectively accounted for 12.9% and 12.6% of the total revenue. The Group mainly sells its products to customers in China. The Group generated most of the revenue from sales in China, which accounted for approximately 94.7% and 93.2% of our total revenue in the two years ended December 31, 2017 and 2018. The following table sets forth the Group's total revenue and gross profit by business segment (excluding our inter-segment revenue):

財務回顧

綜合經營業績

本集團的收益由截至2017年12月31日止年度的約人民幣18,658.3百萬元增加約人民幣1,924.8百萬元或10.3%至截至2018年12月31日止年度的約人民幣20,583.1百萬元。本集團的毛利由截至2017年12月31日止年度的約人民幣2,005.2百萬元增加70.1%至截至2018年12月31日止年度的約人民幣3,409.9百萬元。於2017年及2018年，來自焦炭及焦化產品業務的收益分別佔總收益的42.2%及47.8%，來自精細化工產品業務的收益分別佔總收益的44.9%及39.6%，而來自本集團貿易業務的收益分別佔總收益的12.9%及12.6%。本集團主要向中國的客戶銷售其產品。本集團的大部分收益源自中國的銷售，約佔截至2017年及2018年12月31日止兩個年度總收益的94.7%及93.2%。下表載列本集團按業務分部劃分的總收益及毛利（不包括分部之間的收益）：

		Year ended December 31, 2018 截至2018年12月31日止年度			
		Coke and coking chemicals 焦炭及 焦化產品 RMB'000 人民幣千元	Refined chemicals 精細化工 產品 RMB'000 人民幣千元	Trading 貿易 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Total revenue	總收益	9,838,550	8,149,009	2,595,520	20,583,079
- Included operation management and technology output service related revenue:	- 包括營運管理及技術輸出服務相關收益：	603,894	411,389	23,300	1,038,583
Gross profit	毛利	2,254,512	1,005,466	149,942	3,409,920
- Included operation management and technology output service related gross profit:	- 包括營運管理及技術輸出服務相關毛利：	89,912	34,402	16,650	140,964

Management Discussion and Analysis

管理層討論及分析

		Year ended December 31, 2017 截至2017年12月31日止年度			
		Coke and coking chemicals 焦炭及 焦化產品 RMB'000 人民幣千元	Refined chemicals 精細化工 產品 RMB'000 人民幣千元	Trading 貿易 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Total revenue	總收益	7,875,610	8,375,447	2,407,221	18,658,278
– Included operation management and technology output service related revenue:	– 包括營運管理及技術 輸出服務相關收益：	–	1,306,013	–	1,306,013
Gross profit	毛利	1,173,715	750,808	80,716	2,005,239
– Included operation management and technology output service related gross profit:	– 包括營運管理及技術 輸出服務相關毛利：	–	21,405	–	21,405

The following discussion addresses the principal trends that have affected the Group's results of operations during the Reporting Period.

下文論述於報告期內影響本集團經營業績的主要趨勢。

(a) Revenue

The revenue increased by approximately RMB1,924.8 million, or 10.3%, to approximately RMB20,583.1 million for the year ended December 31, 2018, from approximately RMB18,658.3 million for the year ended December 31, 2017, primarily due to increased revenues from the coke and coking chemical business and trading businesses, partially offset by a decrease in the revenue from the refined chemical business. The revenue related to the operation management and technology output services is RMB1,038.6 million for the year ended December 31, 2018, accounted for 5.0% of the total revenue.

Revenue from the coke and coking chemical business increased by 24.9% from RMB7,875.6 million for the year ended December 31, 2017 to RMB9,838.6 million for the year ended December 31, 2018 primarily as a result of an increase in the average selling price from RMB1,550.0 per ton to RMB1,827.4 per ton, and sales volume of the coke increased from 4.97 million tons to 5.16 million tons. The operation management and technology output services played an important role in the increase of revenue from the coke and coking chemical, and the related products revenue was RMB603.9 million, which accounted for 30.8% of the total increased revenue.

(a) 收益

收益由截至2017年12月31日止年度的約人民幣18,658.3百萬元增加約人民幣1,924.8百萬元或10.3%至截至2018年12月31日止年度的約人民幣20,583.1百萬元，乃主要由於焦炭及焦化產品業務及貿易業務的收益增加，部分被精細化工產品業務的收益減少所抵銷。截至2018年12月31日止年度，有關營運管理及技術輸出服務的收益為人民幣1,038.6百萬元，佔總收益的5.0%。

來自焦炭及焦化產品業務的收益由截至2017年12月31日止年度的人民幣7,875.6百萬元增加24.9%至截至2018年12月31日止年度的人民幣9,838.6百萬元，主要由於焦炭平均售價由每噸人民幣1,550.0元增加至每噸人民幣1,827.4元及銷量由4.97百萬噸增加至5.16百萬噸。營運管理及技術輸出服務在焦炭及焦化產品收益增加方面發揮重要作用，及相關產品收益為人民幣603.9百萬元，佔增加收益總額的30.8%。

Revenue from the refined chemical business decreased by 2.7% from RMB8,375.5 million for the year ended December 31, 2017 to RMB8,149.0 million for the year ended December 31, 2018, primarily as a result of decrease in the volume of benzene sold during the same period which was due to the decrease in the volume of benzene sold arising from the suspension of production by the crude benzene hydro refining facility of a third party company, which was in connection with our operation management and technology output services, partially offset by increases in the average selling prices and sales volume of the caprolactam.

Revenue from the trading business increased by 7.8% from RMB2,407.2 million for the year ended December 31, 2017 to RMB2,595.5 million for the year ended December 31, 2018, primarily due to increases in the management service income related to operation management and technology output service and the average trading price and trading volume of coke, partially offset by a decrease in the revenue from the trading of coal and coal chemicals due to a decrease in the trading volume. The management services income amounted to RMB23.3 million for the year ended December 31, 2018.

(b) Cost of sales

Cost of sales for the year ended December 31, 2017 and 2018 increased from RMB16,653.1 million to RMB17,173.2 million primarily due to the increase of coke and coking chemicals, partially offset by decrease of refined chemical and trading business.

Cost of sales from the coke and coking chemical business increased by 13.2% from RMB6,701.9 million for the year ended December 31, 2017 to RMB7,584.0 million for the year ended December 31, 2018, primarily due to an increase in market prices for coking coal and an increase in the volume of coke sold.

Cost of sales from the refined chemical business decreased by 6.3% from RMB7,624.7 million for the year ended December 31, 2017 to RMB7,143.6 million for the year ended December 31, 2018, primarily due to a decrease in the volume of benzene sold during the same period.

Cost of sales from the trading business increased by 5.1% from RMB2,326.5 million for the year ended December 31, 2017 to RMB2,445.6 million for the year ended December 31, 2018, primarily as a result of increased procurement price and volume of coke.

來自精細化工產品業務的收益由截至2017年12月31日止年度的人民幣8,375.5百萬元減少2.7%至截至2018年12月31日止年度的人民幣8,149.0百萬元，主要由於同期苯銷量減少，原因為與營運管理及技術輸出服務相關的一家第三方公司的粗苯加氫精製設施暫停生產導致苯銷量減少，部分被己內醯胺的平均售價及銷量增加所抵銷。

來自貿易業務的收益由截至2017年12月31日止年度的人民幣2,407.2百萬元增加7.8%至截至2018年12月31日止年度的人民幣2,595.5百萬元，主要由於有關營運管理及技術輸出服務的管理服務收入以及焦炭的平均貿易價及貿易量增加，部分被貿易量減少導致煤炭及煤化工產品貿易的收益減少所抵銷。截至2018年12月31日止年度，管理服務收入為人民幣23.3百萬元。

(b) 銷售成本

截至2017年及2018年12月31日止年度的銷售成本由人民幣16,653.1百萬元增加至人民幣17,173.2百萬元，主要由於焦炭及焦化產品增加，部分被精細化工產品及貿易業務減少所抵銷。

來自焦炭及焦化產品業務的銷售成本由截至2017年12月31日止年度的人民幣6,701.9百萬元增加13.2%至截至2018年12月31日止年度的人民幣7,584.0百萬元，主要由於焦煤的市價上升及焦炭銷量增加。

來自精細化工產品業務的銷售成本由截至2017年12月31日止年度的人民幣7,624.7百萬元減少6.3%至截至2018年12月31日止年度的人民幣7,143.6百萬元，主要由於同期苯銷量減少所致。

來自貿易業務的銷售成本由截至2017年12月31日止年度的人民幣2,326.5百萬元增加5.1%至截至2018年12月31日止年度的人民幣2,445.6百萬元，主要由於焦炭採購價及採購量上升。

Management Discussion and Analysis

管理層討論及分析

(c) Gross profit and gross profit margin

The Group's total gross profit increased by approximately RMB1,404.7 million, or 70.1%, to approximately RMB3,409.9 million for the year ended December 31, 2018, from approximately RMB2,005.2 million for the year ended December 31, 2017. Gross profit margin increased to 16.6% for the year ended December 31, 2018, from 10.7% for the year ended December 31, 2017. Our gross profit related to the operation management and technology output services is RMB141.0 million for the year ended December 31, 2018, accounted for 4.1% of the total gross profit.

Gross profit from the coke and coking chemical business increased by 92.1% from RMB1,173.7 million for the year ended December 31, 2017 to RMB2,254.6 million for the year ended December 31, 2018. Gross profit margin for the coke and coking chemical business increased from 14.9% for the year ended December 31, 2017 to 22.9% for the year ended December 31, 2018, primarily because the increase in the price of coke was larger than the increase in the price of coking coal in the year ended December 31, 2018. The increase in the price of coke was primarily driven by a decrease in the supply of coke resulting from the government's policies to eliminate production capacity and improve environmental protection.

Gross profit from the refined chemical business increased by 33.9% from RMB750.8 million for the year ended December 31, 2017 to RMB1,005.4 million for the year ended December 31, 2018. Gross profit margin for the refined chemical business increased from 9.0% for the year ended December 31, 2017 to 12.3% for the year ended December 31, 2018, primarily because the increase in the prices of refined chemical products (primarily caprolactam and coal tar pitch) were larger than the increase in the prices of their raw materials in the year ended December 31, 2018.

Gross profit from the trading business increased by 85.7% from RMB80.7 million for the year ended December 31, 2017 to RMB149.9 million for the year ended December 31, 2018. Gross profit margin for the trading business increased from 3.4% for the year ended December 31, 2017 to 5.8% for the year ended December 31, 2018.

(c) 毛利及毛利率

本集團毛利總額由截至2017年12月31日止年度的約人民幣2,005.2百萬元增加約人民幣1,404.7百萬元或70.1%至截至2018年12月31日止年度的約人民幣3,409.9百萬元。毛利率由截至2017年12月31日止年度的10.7%增加至截至2018年12月31日止年度的16.6%。截至2018年12月31日年度，有關營運管理及技術輸出服務的毛利為人民幣141.0百萬元，佔毛利總額的4.1%。

來自焦炭及焦化產品業務的毛利由截至2017年12月31日止年度的人民幣1,173.7百萬元增加92.1%至截至2018年12月31日止年度的人民幣2,254.6百萬元。焦炭及焦化產品業務的毛利率由截至2017年12月31日止年度的14.9%增長至截至2018年12月31日止年度的22.9%，主要由於截至2018年12月31日止年度焦炭價格較焦煤價格上升幅度大。焦炭價格的上升主要是由於政府的削減產能和改善環保政策而導致的焦炭供應減少。

來自精細化工產品業務的毛利由截至2017年12月31日止年度的人民幣750.8百萬元增加33.9%至截至2018年12月31日止年度的人民幣1,005.4百萬元。精細化工產品業務的毛利率由截至2017年12月31日止年度的9.0%增長至截至2018年12月31日止年度的12.3%，主要由於截至2018年12月31日止年度精細化工產品（主要為己內醯胺和煤焦油瀝青）的價格升幅較其原材料的價格上升幅度大。

來自貿易業務的毛利由截至2017年12月31日止年度的人民幣80.7百萬元增加85.7%至截至2018年12月31日止年度的人民幣149.9百萬元。貿易業務的毛利率由截至2017年12月31日止年度的3.4%上升至截至2018年12月31日止年度的5.8%。

(d) Other gains and losses

The Group's other gains and losses consist primarily of fair value gain/(loss) on future contracts and listed equity securities, loss on foreign exchange and gain on disposal of property, plant and equipment and prepaid lease payments. The Group had other gains of RMB119.3 million for the year ended December 31, 2018, compared to other losses of RMB34.6 million for the year ended December 31, 2017. The change is primarily due to (i) a fair value gain on futures contracts at FVTPL of RMB98.5 million for the year ended December 31, 2018, compared to a loss of RMB12.5 million for the same period in 2017; and (ii) gain on disposal of prepaid lease payments increased RMB41.8 million for the year ended December 31, 2018.

(e) Selling and distribution expenses

Selling and distribution expenses increased slightly by 3.9% from RMB700.3 million for the year ended December 31, 2017 to RMB727.8 million for the year ended December 31, 2018, primarily due to an increase in the volume of coke sold.

(f) Administrative expenses

The Group's administrative expenses increased by approximately RMB85.2 million, or 30.0%, to approximately RMB369.1 million for the year ended December 31, 2018, from approximately RMB283.9 million for the year ended December 31, 2017, primarily due to an increase in staff costs reflecting increased employee remuneration.

(g) Listing expenses

The Group's listing expenses increased by approximately RMB12.9 million, or 110.3%, to approximately RMB24.6 million for the year ended December 31, 2018, from approximately RMB11.7 million for the year ended December 31, 2017, as the preparation for listing lasted from September, 2017 until March, 2019.

(h) Share of results of a joint venture

Share of results of a joint venture increased by 143.2% from RMB225.5 million for the year ended December 31, 2017 to RMB548.5 million for the year ended December 31, 2018, representing an increase in the shared profit of CNC Risun Coking. The profit of CNC Risun Coking increased significantly due to the increase in the selling price of coke.

(d) 其他收益及虧損

本集團的其他收益及虧損主要包括期貨合約及上市股本證券的公允價值收益／(虧損)、外匯虧損、出售物業、廠房及設備的收益及預付租賃付款。本集團截至2018年12月31日止年度的其他收益為人民幣119.3百萬元，而截至2017年12月31日止年度的其他虧損為人民幣34.6百萬元。變動主要由於(i)截至2018年12月31日止年度，按公允價值計入損益的期貨合約公允價值收益為人民幣98.5百萬元，而2017年同期虧損則為人民幣12.5百萬元；及(ii)截至2018年12月31日止年度，出售預付租賃付款的收益增加人民幣41.8百萬元。

(e) 銷售及分銷開支

銷售及分銷開支由截至2017年12月31日止年度的人民幣700.3百萬元略微增加3.9%至截至2018年12月31日止年度的人民幣727.8百萬元，主要由於焦炭銷量增加。

(f) 行政開支

本集團的行政開支由截至2017年12月31日止年度的約人民幣283.9百萬元增加約人民幣85.2百萬元或30.0%至截至2018年12月31日止年度的約人民幣369.1百萬元，主要由於員工成本上升，反映僱員薪酬增加。

(g) 上市開支

本集團的上市開支由截至2017年12月31日止年度的約人民幣11.7百萬元增加約人民幣12.9百萬元或110.3%至截至2018年12月31日止年度的約人民幣24.6百萬元，由於上市籌備自2017年9月起持續至2019年3月止。

(h) 分佔一家合營企業業績

分佔一家合營企業業績由截至2017年12月31日止年度的人民幣225.5百萬元增加143.2%至截至2018年12月31日止年度的人民幣548.5百萬元，表示中煤旭陽焦化分佔溢利增加。中煤旭陽焦化溢利大幅增加乃由於焦炭銷售價格上升。

Management Discussion and Analysis

管理層討論及分析

(i) Profit before taxation

As a result of the foregoing factors, the profit before income tax increased by approximately RMB1,814.5 million, or 214.5%, to approximately RMB2,660.4 million for the year ended December 31, 2018 from approximately RMB845.9 million for the year ended December 31, 2017.

(j) Income tax expense

The Group incurred income tax expense of approximately RMB533.4 million for the year ended December 31, 2018 and approximately RMB80.4 million for the year ended December 31, 2017 respectively at effective tax rates of 20.0% and 9.5%. The increase in income tax expense is due to an increase in profit before taxation. The effective tax rates significantly increased primarily because the share of results of associates and a joint venture, which was not subject to further income tax, as a percentage of the profit before taxation decreased. In 2017, the deferred tax assets of RMB76.6 million were recognized in respect of the unused tax losses and the unrecognized deductible temporary differences.

(k) Profit for the year

For the year ended December 31, 2018, the Group recorded a net profit of approximately RMB2,127.0 million, an increase of approximately 177.8% as compared to the net profit of approximately RMB765.6 million for the year ended December 31, 2017.

(i) 除稅前溢利

由於前文所述因素，除所得稅前溢利由截至2017年12月31日止年度的約人民幣845.9百萬元增加約人民幣1,814.5百萬元或214.5%至截至2018年12月31日止年度的約人民幣2,660.4百萬元。

(j) 所得稅開支

本集團於截至2018年12月31日止年度及截至2017年12月31日止年度分別產生所得稅開支約人民幣533.4百萬元及約人民幣80.4百萬元，實際稅率則分別為20.0%及9.5%。所得稅開支增加由於除稅前溢利增加。實際稅率大幅增加，主要由於分佔聯營公司及一家合營企業業績（毋須額外繳納所得稅）佔除稅前溢利的比例減少。2017年確認與未動用稅備虧損及未確認的可抵扣暫時差額相關遞延稅資產人民幣76.6百萬元。

(k) 年內溢利

截至2018年12月31日止年度，本集團錄得純利約人民幣2,127.0百萬元，較截至2017年12月31日止年度的純利約人民幣765.6百萬元增加約177.8%。

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As of December 31, 2017 and 2018, our gearing ratios were approximately 3.4 and 1.9, respectively. Our gearing ratio decreased as of December 31, 2018 as compared to that of December 31, 2017 primarily because of the increase in the equity and the decrease in interest-bearing borrowings. Our gearing ratio was calculated based on dividing interest-bearing borrowings by total equity as of the end of the respective date.

資本架構、流動資金及財務資源

於2017年及2018年12月31日，資本負債比率分別約為3.4及1.9。於2018年12月31日的資本負債比率較2017年12月31日減少，主要由於權益增加及計息借款減少。資本負債比率乃按計息借款除以各日期末的權益總額計算。

		As of December 31,	
		於12月31日	
		2018	2017
		2018年	2017年
		RMB in millions	RMB in millions
		人民幣百萬元	人民幣百萬元
Bank and other loans	銀行及其他貸款	8,890	9,780
Obligations under finance leases	融資租賃款項	25	57
Interest-bearing payables for construction in progress	計息在建工程應付款項	97	641
Total equity	總權益	4,713	3,110
Gearing ratio	資本負債比率	1.9	3.4

We will closely monitor our gearing ratio. We analyze the maturity profiles of our borrowings and manage our liquidity level to ensure sufficient cash flow to service our indebtedness and meet cash requirements arising from our business. We will explore various financing opportunities to improve our capital structure and reduce our cost of capital. We expect that utilizing the proceeds we received from the Global Offering will also effectively improve our gearing ratio.

我們會密切監察我們的資本負債比率。我們分析借款的到期情況並管理我們的流動資金水平，以確保有足夠的現金流量來償還我們的債務，並滿足我們業務產生的現金需求。我們將探索各種融資機會，以改善我們的資本結構並降低資本成本。我們預期利用我們自全球發售收取的所得款項亦可有效改善我們的資本負債比率。

Management Discussion and Analysis

管理層討論及分析

The Group's primary uses of cash are operating costs, capital expenditures and repayment of debts in the PRC. To date, the Group has funded the investments and operations principally with cash from operations and debt financing from banks and other financial institutions. We manage our liquidity, working capital and funding of capital expenditures by monitoring our cash flows and predicting our cash flows. The Group believes that the liquidity requirements will be satisfied through a combination of cash flows generated from the operating activities, bank loans and other borrowings, and the net proceeds from the Global Offering. Any significant decrease in the demand for, or pricing of, the products and services, or a significant decrease in the availability of bank loans, may adversely impact the liquidity. As at December 31, 2018, cash and cash equivalents held by the Group were mainly cash in the banks and on hand denominated in RMB and deposits denominated in RMB that are readily convertible into cash, the information of cash and cash equivalents denominated in the currency other than the functional currency of relevant group entities is disclosed in Note 28 to the Financial Statements.

The following table sets forth the cash flows for the periods indicated:

本集團的現金主要用於中國的營運成本、資本開支及償還債務。迄今為止，本集團已主要以經營所得現金及銀行及其他金融機構債務融資撥付投資及營運。我們通過監控現金流量及預測現金流量管理流動資金、營運資金及為資本開支提供資金情況。本集團相信經營活動所得現金流量、銀行貸款及其他借款以及全球發售所得款項淨額將可以滿足流動資金需求。對產品及服務的需求量或價格出現大幅下滑，或可取得的銀行貸款大幅減少，均可能對流動資金造成不利影響。於2018年12月31日，本集團所持的現金及現金等價物主要為以人民幣計值的銀行及手頭現金，以及可隨時轉換為現金的以人民幣計值的存款，以相關集團實體的功能貨幣以外的貨幣計值的現金及現金等價物的資料於財務報表附註28披露。

下表載列於所示期間的現金流量：

		As for the year ended	
		December 31,	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB in millions	RMB in millions
		人民幣百萬元	人民幣百萬元
Net cash generated from operating activities	經營活動所得現金淨額	2,247.2	2,462.6
Net cash used in investing activities	投資活動所用現金淨額	(859.5)	(267.2)
Net cash used in financing activities	融資活動所用現金淨額	(1,230.3)	(1,750.9)
Net increase in cash and cash equivalents	現金及現金等價物淨增加	157.4	444.5
Cash and cash equivalents at the end of the year	年末的現金及現金等價物	759.0	600.0

(a) Net cash generated from operating activities

For the year ended December 31, 2018, our net cash generated from operating activities was approximately RMB2,247.2 million and was less than our net cash generated from operating activities for the year ended December 31, 2017 of approximately RMB2,462.6 million, primarily due to the significant decrease in the variance of working capital such as transactional payables to related parties, trade and other payables and contract liabilities, compared with the previous period, offset the increase in profit.

(a) 經營活動所得現金淨額

截至2018年12月31日止年度，經營活動所得的現金淨額約為人民幣2,247.2百萬元並低於截至2017年12月31日止年度的經營活動所得的現金淨額約人民幣2,462.6百萬元，主要由於交易性應付關聯方款項、貿易及其他應付款項及合同負債等營運資本變動相對上期大幅減少，抵銷了溢利增加。

(b) Net cash used in investing activities

For the year ended December 31, 2017, our net cash used in investing activities was approximately RMB267.2 million and was increased to approximately RMB859.5 million for the year ended December 31, 2018, primarily due to an increase of RMB313.8 million on investment in property, plant and equipment, and from a net decrease of RMB276.3 million to a net increase of RMB465.1 million of restricted bank deposits, partially offset by an increase of RMB264.7 million in dividends received from a joint venture and associates.

(c) Net cash used in financing activities

For the year ended December 31, 2017, our net cash used in financing activities was approximately RMB1,750.9 million and decreased by RMB520.6 to approximately RMB1,230.3 million for the year ended December 31, 2018 due to the RMB412.0 million equity financing in 2018.

The Group expects to fund its capital expenditure commitments principally by the net proceeds of the Global Offering, bank and other loans and cash generated from the business operations.

CAPITAL EXPENDITURES

Capital expenditures principally consist of expenditures for property, plant and equipment, and land use rights. We have financed our capital expenditures primarily through cash flow from operations and borrowings from financial institutions. For the years ended December 31, 2018 and 2017, we made the following capital expenditures:

		As of December 31,	
		於12月31日	
		2018	2017
		2018年	2017年
		RMB in millions	RMB in millions
		人民幣百萬元	人民幣百萬元
Property, plant and equipment	物業、廠房及設備	1,121.1	837.2
Land use rights	土地使用權	111.9	-
Total	總計	1,233.0	837.2

(b) 投資活動所用現金淨額

截至2017年12月31日止年度，投資活動所用現金淨額約為人民幣267.2百萬元，並增加至截至2018年12月31日止年度的約人民幣859.5百萬元，主要由於購置物業、廠房及設備的投資增加人民幣313.8百萬元，及受限制銀行存款由淨減少人民幣276.3百萬元變為淨增加人民幣465.1百萬元，部分被收到一家合營企業及聯營公司股息增加人民幣264.7百萬元抵銷。

(c) 融資活動所用現金淨額

截至2017年12月31日止年度，融資活動所用現金淨額約為人民幣1,750.9百萬元並減少人民幣520.6百萬元至截至2018年12月31日止年度的約人民幣1,230.3百萬元，由於2018年股權融資人民幣412.0百萬元。

本集團預期主要以全球發售所得款項淨額、銀行及其他貸款以及業務營運產生的現金撥付資本開支承擔。

資本開支

資本開支主要包括物業、廠房及設備及土地使用權所用的開支。我們主要以經營活動產生的現金流量及金融機構借款為資本開支提供資金。截至2018年及2017年12月31日止年度，我們所作出的資本開支如下：

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CURRENT ASSETS AND CURRENT LIABILITIES

The following table sets forth our current assets and current liabilities as of the dates indicated:

流動資產及流動負債

下表載列截至所示日期我們的流動資產及流動負債：

		As of December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB in millions	RMB in millions
		人民幣百萬元	人民幣百萬元
Current Assets	流動資產		
Inventories	存貨	1,009.0	807.5
Income tax prepayments	所得稅預付款項	3.8	5.4
Trade and other receivables	貿易及其他應收款項	1,021.5	3,629.8
Trade and bills receivable measured at FVTOCI	按公允值計入其他全面收益的貿易應收款項及應收票據	3,179.3	-
Prepaid lease payments	預付租賃款項	27.4	27.1
Amounts due from related parties	應收關聯方款項	675.2	1,530.0
AFS financial assets	可供出售金融資產	-	31.2
Financial assets at FVTPL	按公允值計入損益的金融資產	0.3	11.1
Restricted bank balances	受限制銀行結餘	3,453.3	2,803.1
Cash and cash equivalents	現金及現金等價物	759.0	600.0
Total current assets	流動資產總額	10,128.8	9,445.2
Current Liabilities	流動負債		
Financial liabilities at FVTPL	按公允值計入損益的金融負債	0.4	0.1
Trade and other payables	貿易及其他應付款項	6,528.9	6,646.6
Contract liabilities	合約負債	1,074.7	1,117.6
Income tax payable	應付所得稅	389.0	104.2
Bank and other loans	銀行及其他貸款	7,618.0	7,348.8
Obligations under finance leases	融資租賃款項	23.6	31.9
Amounts due to related parties	應付關連方款項	779.5	702.1
Total current liabilities	流動負債總額	16,414.1	15,951.3
Net current liabilities	流動負債淨額	(6,285.3)	(6,506.1)

The ageing analysis of trade receivable and trade payable are stated under Note 26 and Note 29 of the Financial Statements.

貿易應收款項及貿易應付款項的賬齡分析分別載於財務報表附註 26 及附註 29。

INDEBTEDNESS

(a) Borrowings

The following table sets forth the bank borrowings as of the dates indicated:

		As of December 31, 於 12 月 31 日	
		2018	2017
		RMB in millions	RMB in millions
		人民幣百萬元	人民幣百萬元
Bank loan, secured	銀行貸款，已抵押	3,201.5	4,645.0
Bank loan, unsecured	銀行貸款，無抵押	1,334.5	578.9
Other loans, secured	其他貸款，已抵押	815.7	1,042.1
Other loans, unsecured	其他貸款，無抵押	260.0	206.0
Discounted bills financing	貼現票據融資	3,278.5	3,308.2
Total	總計	8,890.2	9,780.2

債項

(a) 借款

下表載列截至所示日期的銀行借款：

		As of December 31, 於 12 月 31 日			
		2018		2017	
		2018 年		2017 年	
		RMB'000	%	RMB'000	%
		人民幣千元		人民幣千元	
Fixed rate bank and other borrowings	定息銀行及其他借款	5,861,040	1.50–12.00	5,541,374	1.50–12.00
Floating rate bank and other borrowings	浮息銀行及其他借款	3,029,177	4.35–11.81	4,238,838	3.49–12.40
		8,890,217		9,780,212	

The total borrowings decreased by approximately RMB890.0 million, or 9.1%, to approximately RMB8,890.2 million as of December 31, 2018 from RMB9,780.2 million as of December 31, 2017, primarily due to the repayment of bank loans.

借款總額由 2017 年 12 月 31 日的人民幣 9,780.2 百萬元減少約人民幣 890.0 百萬元或 9.1% 至 2018 年 12 月 31 日的約人民幣 8,890.2 百萬元，主要由於償還銀行貸款。

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Most of the borrowings are denominated in RMB, the borrowings denominated in currencies other than the functional currencies of respective entities are set out below:

大多數借款以人民幣計值，以各實體的功能貨幣以外的貨幣計值的借款載列如下：

		As of December 31,	
		於12月31日	
		2018	2017
		2018年	2017年
		RMB in millions	RMB in millions
		人民幣百萬元	人民幣百萬元
USD	美元	375.9	325.0
EUR	歐元	117.4	116.4
		493.3	441.4

(b) Obligations under finance leases

The Group had the following total future minimum lease payments under several finance lease arrangements as of the dates indicated:

(b) 融資租賃款項

截至所示日期，本集團的數項融資租賃安排下的未來最低租賃款項總額如下：

		As of December 31,	
		於12月31日	
		2018	2017
		2018年	2017年
		RMB in millions	RMB in millions
		人民幣百萬元	人民幣百萬元
Within one year	一年內	24.5	35.7
After 1 year but within 2 years	一年以上但兩年內	0.8	24.6
After 2 years but within 5 years	兩年以上但五年內	-	0.9
Less: total future interest expenses	減：總未來利息開支	(0.8)	(4.6)
		24.5	56.6

The average lease term under these finance lease arrangements is five years, with fixed annual interest rates underlying all obligations ranging from 9.2% to 9.6%.

該等融資租賃安排項下的平均租賃年期為五年，所有款項的固定年利率為9.2%至9.6%。

(c) Interest-bearing payables for construction in progress

As of December 31, 2017 and 2018, interest-bearing payables for construction in progress amounted to RMB641.3 million and RMB96.9 million respectively, which were secured and guaranteed by a subsidiary. Such payables carry a contractual interest rate at 5.8% and 6.2% per annum, respectively, which is charged on outstanding payments after construction progress verification.

(c) 計息在建工程應付款項

於2017年及2018年12月31日，計息在建工程應付款項分別為人民幣641.3百萬元及人民幣96.9百萬元，該款項乃有抵押及由一間附屬公司擔保。該等應付款項分別按每年合約利率5.8%及6.2%計息，利息乃於施工進度核證後對未償付款項收取。

CAPITAL COMMITMENTS

Details of the capital commitments outstanding of the Group are set out under Note 43 of the Financial Statements.

OFF-BALANCE SHEET ARRANGEMENTS

As of 31 December 2018, the Group did not have any significant outstanding off-balance sheet guarantees, interest rate swap transactions, foreign currency and commodity forward contracts or other off-balance sheet arrangements. The Group does not engage in trading activities involving non-exchange traded contracts. In the course of the business operations, the Group does not enter into transactions involving, or otherwise form relationships with, unconsolidated entities or financial partnerships that are established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposed.

EMPLOYEES AND REMUNERATION POLICIES

As of December 31, 2018, we had 3,574 full-time employees. Most of our senior management members and employees are based in Beijing and Hebei province.

We enter into a standard employment contract with each of our full-time employees. Compensation for our employees includes basic wages, variable wages, bonuses and other benefits. For the years ended December 31, 2016, 2017 and 2018 our staff costs totalled RMB261.2 million, RMB314.8 million, and RMB424.0 million, respectively.

The Company's remuneration policy is set out by the Remuneration Committee on the basis of the employees' merit, qualifications and competence. The emoluments of the Directors are set by the Remuneration Committee, having regard to among others, salaries paid by comparable companies as well as time commitment and responsibilities and employment conditions of the Group.

INITIAL PUBLIC OFFERING AND USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The shares of the Company were listed on March 15, 2019, and the Company issued 600,000,000 Shares on the Listing Date, allotted and issued 90,000,000 Shares on April 11, 2019 of par value of HK\$0.1 per share with the Offer Price of HK\$2.8 per Share. The total issuance size and gross proceeds amounted to approximately HK\$1,932 million.

As of the date of this report, we have not utilized any of the proceeds from the Global Offering. We plan to apply the proceed in accordance with the plan set out in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated February 28, 2019.

資本承擔

本集團未履行資本承擔的詳情載於財務報表附註43。

資產負債表外安排

於2018年12月31日，本集團並無任何重大未結清的資產負債表外擔保、利率掉期交易、外幣及商品遠期合約或其他資產負債表外安排。本集團概未從事涉及非交易買賣合約的交易活動。於業務經營過程中，本集團概無與未合併實體訂立交易或以任何方式與其建立關係，或為促進資產負債表外安排或為其他合約狹義或有限目的而建立的財務夥伴關係訂立交易。

僱員及薪酬政策

截至2018年12月31日，我們有3,574名全職僱員。我們大部分高級管理層成員及僱員均位於北京及河北省。

我們與各全職僱員訂立標準僱傭合約。我們僱員的薪酬包括基本工資、浮動工資、花紅及其他福利。截至2016年、2017年及2018年12月31日止年度，我們的員工成本合共分別為人民幣261.2百萬元、人民幣314.8百萬元及人民幣424.0百萬元。

本公司的薪酬政策乃由薪酬委員會按照僱員的功績、資歷及能力制定。董事酬金乃由薪酬委員會視乎（其中包括）可資比較公司支付的薪金、須付出的時間及責任以及本集團的僱用條件釐定。

首次公開發售及首次公開發售所得款項用途

本公司股份於2019年3月15日上市，且本公司以發售價每股2.8港元於上市日期發行600,000,000股股份，於2019年4月11日配發及發行90,000,000股股份，每股面值為0.1港元。發行總額及所得款項總額約為1,932百萬港元。

截至本年報日，我們並無動用全球發售的任何所得款項。我們計劃根據本公司日期為2019年2月28日的招股章程「未來計劃及所得款項用途」一節所載的計劃應用所得款項。

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FOREIGN EXCHANGE RISK AND MANAGEMENT

The Group maintained some of the capital denominated in foreign currency, mainly USD and HKD. Fluctuations in exchange rate would influence the reserve in foreign currencies to a certain extent and the Company is exploring and discussing measures to respond to foreign exchange risk. The analysis of the exposure to exchange rate risk is set out in Note 41 to the Financial Statements.

CONTINGENT LIABILITIES

The Group entered into guarantee agreements with certain commercial banks in the PRC with respect to loan facilities granted to a joint venture and a related party. Under these guarantee agreements, the Group agreed to be jointly and severally liable for the borrowings incurred by such joint venture and related party. The table below sets forth the maximum liabilities under such guarantees as of the dates indicated.

外匯風險及管理

本集團仍留存部分以外幣計值的資金，主要為美元及港元。匯率的波動對外幣資金儲備有一定影響，本公司正在探索及討論應對外匯風險的措施。所面臨匯率風險的分析載於財務報表附註41。

或然負債

本集團與中國若干商業銀行就授予一家合營企業及一名關聯方的貸款融資訂立擔保協議。根據該等擔保協議，本集團同意對該合營企業及關聯方產生的借款共同及個別承擔責任。下表載列截至所示日期此類擔保項下的最高負債額。

		As of December 31, 於 12月 31日	
		2018	2017
		2018年	2017年
		RMB in millions	RMB in millions
		人民幣百萬元	人民幣百萬元
Financial guarantees issued to a joint venture and fully drawn down	向一家合營企業發出及全部提取的財務擔保	830.0	1,260.0
Financial guarantees issued to a related party	向一名關聯方發出的財務擔保	-	339.0
		830.0	1,599.0

As of December 31, 2017 and 2018, the outstanding balance of loans under the loan facilities guaranteed by the Group was RMB1,253.5 million and RMB332.6 million, respectively. In the opinion of the Directors, the fair values of the financial guarantee contracts of the Group were insignificant at the date of issue of the financial guarantee and no provision is necessary at the end of each reporting period, taking into account that the net realizable value of the pledged assets held by the banks exceeded the facilities and credit granted to the relevant parties. In addition, the Directors do not consider it probable that a claim will be made against us under any of these guarantees.

於2017年及2018年12月31日，本集團擔保的貸款融資項下的貸款未償還餘額分別為人民幣1,253.5百萬元及人民幣332.6百萬元。董事認為，截至財務擔保發出日期，本集團的財務擔保合約的公允值不重大，於各報告期末，經考慮銀行持有的已抵押資產的可變現淨值超過授予相關方的融資及信貸，故毋須計提撥備。此外，董事認為本集團不大可能因上述任何擔保而被索償。

Biographies of Directors and Senior Management

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. YANG Xuegang (楊雪崗), aged 54, is an Executive Director, the chief executive officer of the Company and the chairman of the Board. He was appointed as an Executive Director in November 2007. He is responsible for the overall management and business development of the Group. He is also the chairman of the Nomination Committee.

Mr. Yang graduated from Hebei Hydraulic College (河北水利專科學校) (now known as Hebei University of Water Resources and Electric Engineering (河北水利電力學院)) in Cangzhou, the PRC in July 1985 with a diploma in hydraulic engineering construction and obtained the hydraulic engineer qualification issued by the Handan City Labour Bureau (邯鄲市勞動人事局) in December 1993. He completed a master-level training course in business administration at Renmin University of China (中國人民大學) in Beijing, the PRC in March 2000 and was a supervisor of a master's degree program at Hebei University of Economics and Business (河北經貿大學) in Shijiazhuang, the PRC in July 2002. He completed a further master-level training course in business administration at the ZhongHua Yanxiu University (中華研修大學) in Beijing, the PRC in September 2003. In November 2003, he obtained a master's degree in business administration from Asia International Open University (Macau) (亞洲(澳門)國際公開大學) in Macau. He obtained the senior engineer qualification awarded by the Hebei Provincial Department of Human Resources and Social Security (河北省人力資源與社會保障廳) in December 2012. In January 2017, Mr. Yang obtained an executive master's degree in business administration from Hebei University of Technology (河北工業大學) in Tianjin, the PRC.

Prior to the establishment of the Group, Mr. Yang was employed at the Dongwushi Reservoir Management Center (東武仕水庫管理處), a public body directly subordinated to the Handan City Hydraulics Bureau (邯鄲水利局), on a full-time basis for approximately 10 years from August 1985, and became a deputy director of the Dongwushi Reservoir Management Center from January 1988. He then joined the Group as general manager as a result of his entrepreneurial efforts since the establishment of Xingtai Risun Coking Limited in May 1995 and became chairman since May 1996. Since September 2012, he has been a director of Beijing Automic Technology Co., Ltd. (北京奧特美克科技股份有限公司) ("Beijing Automic"), a company listed on the National Equities Exchange and Quotations (全國中小企業股份轉讓系統) (stock code: 430245), whose principal business is the planning of water conservancy information projects, consultation and assessment, as well as software and hardware product development and services, and held as to 49.92% by Mr. Yang and parties acting-in-concert with him.

執行董事

楊雪崗先生，54歲，為本公司執行董事、行政總裁兼董事會主席。彼於2007年11月獲委任為執行董事。彼負責本集團的整體管理及業務發展。彼亦為提名委員會主席。

楊先生於1985年7月畢業於中國滄州河北水利專科學校(現稱河北水利電力學院)，獲授水利工程建築專業文憑，並於1993年12月獲由邯鄲市勞動人事局頒授的水利工程師資格。彼於2000年3月在中國北京中國人民大學完成工商管理碩士培訓課程，於2002年7月擔任中國石家莊河北經貿大學碩士課程導師。彼其後於2003年9月在中國北京中華研修大學完成另一個工商管理碩士培訓課程。2003年11月，彼於澳門取得亞洲(澳門)國際公開大學頒授的工商管理碩士學位。彼於2012年12月獲河北省人力資源與社會保障廳頒授高級工程師資格。於2017年1月，楊先生於中國天津取得河北工業大學頒授的高級管理人員工商管理碩士學位。

於本集團成立之前，楊先生全職任職於邯鄲水利局直轄的公營機構東武仕水庫管理處，自1985年8月起約10年，並由1988年1月擔任東武仕水庫管理處副處長。之後，楊先生努力創業，自邢台旭陽焦化有限公司於1995年5月成立後加入本集團任職總經理，自1996年5月起成為董事長。彼自2012年9月擔任北京奧特美克科技股份有限公司(「北京奧特美克」)董事，北京奧特美克於全國中小企業股份轉讓系統掛牌(股份代號：430245)，主要業務為水利信息項目規劃、諮詢及評估以及軟件及硬件產品開發及服務，楊先生及其一致行動人士擁有該公司49.92%權益。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Over the years, Mr. Yang has taken up leadership roles in a number of industry associations, including those relating to the coking industry. He has been the vice president of CCIA since October 2005, and the president of HBCCIA since January 2006. In February 2008, Mr. Yang was elected and had served as a deputy to the 11th NPC and in February 2013, he was elected as a deputy to the 12th NPC.

Mr. ZHANG Yingwei (張英偉), aged 47, is an Executive Director and a vice president of the Group. He was appointed as an Executive Director in July 2009. He is responsible for the overall management of the Tangshan Production Base and the Cangzhou Production Base.

Mr. Zhang graduated with a bachelor's degree in coal chemistry from Tangshan Institute of Technology (唐山工程技術學院) (now known as North China University of Science and Technology (華北理工大學)) in Tangshan, the PRC in June 1993. He completed a master-level training program in business administration at Hebei University of Economics and Business (河北經貿大學) in Shijiazhuang, the PRC in November 2004. He also obtained a master's degree in metallurgical engineering at Hebei Polytechnic University (河北理工大) (now known as North China University of Science and Technology (華北理工大學)) in Tangshan, the PRC in April 2007. In December 2012, he obtained the senior engineer qualification from the Title Reform Leading Group Office of Hebei Province (河北省職稱改革領導小組辦公室).

Mr. Zhang has over 25 years of experience in iron and steel industry and coal chemical industry. Mr. Zhang worked for Xingtai Metallurgical Machinery and Mill Roll Joint Stock Corporation (邢台冶金機械軋軋股份有限公司) (now known as Sinosteel Xingtai Machinery & Mill Roll Co., Ltd. (中鋼集團邢台機械軋軋有限公司)), whose principal business is the manufacturing of metallurgical machinery and parts for the production of metallurgical rolls and equipment, from September 1993. He then joined the Group in February 1996. He has been serving as a vice president of the Coking Chemistry Sub-committee of the National Technical Committee on Coal Chemical Industry of Standardization Administration of China (全國煤化工標準化技術委員會) since May 2016, an expert on the expert panel of the CCIA since January 2018 and an expert of both the HBCCIA and the Department of Industry and Information Technology of Hebei Province since April 2018.

楊先生多年來於多個行業協會擔任領導職務，包括與焦化行業有關的行業協會。彼自2005年10月起擔任中國煉焦行業協會副會長，自2006年1月起擔任河北省焦化行業協會會長。2008年2月，楊先生當選為第十一屆全國人大代表，於2013年2月，彼當選為第十二屆全國人大代表。

張英偉先生，47歲，本集團執行董事兼副總裁。彼於2009年7月獲委任為執行董事，負責唐山生產園區及滄州生產園區的整體管理。

張先生於1993年6月畢業於中國唐山的唐山工程技術學院(現稱華北理工大學)，獲煤化工學士學位。彼於2004年11月在中國石家莊河北經貿大學完成工商管理碩士培訓課程，彼於2007年4月獲中國唐山河北理工大學(現稱華北理工大學)頒授冶金工程碩士學位。於2012年12月，彼獲河北省職稱改革領導小組辦公室頒授高級工程師資格。

張先生於鋼鐵行業及煤化工行業擁有逾25年經驗。張先生於1993年9月起就職於邢台冶金機械軋軋股份有限公司(現稱中鋼集團邢台機械軋軋有限公司)，主要業務為生產冶金機械，以及冶金軋軋及設備生產的零件。彼其後於1996年2月加盟本集團。彼於2016年5月起擔任全國煤化工標準化技術委員會煤焦化學會技術委員會副主任委員，並於2018年1月起擔任中國煉焦行業協會專家委員會專家，自2018年4月起擔任河北省焦化行業協會及河北省工業和信息化廳專家。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Mr. HAN Qinliang (韓勤亮), aged 45, is an Executive Director and a vice president of the Group. Mr. Han was appointed as an Executive Director in May 2011. He is primarily responsible for the management of the financial, accounting and information systems of the Group.

Mr. Han obtained a diploma in industrial economy administration from Hebei College of Mechanical Engineering (河北機電學院) in Xingtai, the PRC in June 1993 (as a result of a merger, Hebei College of Mechanical Engineering is now part of Hebei University of Science and Technology (河北科技大學)). In December 2001, he obtained a bachelor's degree in accounting from Hebei University of Economics and Business (河北經貿大學) in Shijiazhuang, the PRC. In July 2001, he became a member of Chinese Institute of Certified Public Accountants (中國註冊會計師協會) in the PRC. In December 2003, he obtained the senior accountant qualification from the Title Reform Leading Group Office of Hebei Province (河北省職稱改革領導小組辦公室).

Mr. Han joined the Group in March 2004. Mr. Han has approximately 25 years of experience in steel and coal chemical industry. From September 1993 to April 2004, he was the deputy head of the finance department cost division in Xingtai Machinery and Mill Roll (Group) Corporation (邢台機械軋軋(集團)有限公司) (now known as Sinosteel Xingtai Machinery & Mill Roll Co., Ltd. (中鋼集團邢台機械軋軋有限公司)). In March 2004, Mr. Han joined Xingtai Risun Trading as a general manager assistant.

韓勤亮先生，45歲，為本集團執行董事兼副總裁。彼於2011年5月獲委任為執行董事，主要負責本集團的財務、會計及信息系統管理。

韓先生於1993年6月獲中國邢台河北機電學院(因合併的關係，河北機電學院現為河北科技大學的一部分)頒授工業經濟管理文憑。2001年12月，彼獲中國石家莊河北經貿大學頒授會計學學士學位。2001年7月，彼成為中國註冊會計師協會會員。2003年12月，彼獲河北省職稱改革領導小組辦公室授予高級會計師資格。

韓先生於2004年3月加入本集團。韓先生在鋼鐵及煤化工行業擁有約25年經驗。於1993年9月至2004年4月，彼曾在邢台機械軋軋(集團)有限公司(現稱中鋼集團邢台機械軋軋有限公司)擔任財務部成本分部的副主管。2004年3月，韓先生加入邢台旭陽貿易出任總經理助理。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Mr. WANG Fengshan (王風山), aged 60, is an Executive Director and a vice president of the Group. He was appointed as an Executive Director in September 2018. He is primarily responsible for the procurement and sales management of the Group.

Mr. Wang obtained a diploma in statistics from Hebei University (河北大學) in Baoding, the PRC in June 1989.

Mr. Wang joined the Group in March 2004. Mr. Wang has approximately 30 years of experience in procurement and sales management. From August 1983 to September 1996, he was the sales manager in Hebei Hongxing Automobile Factory Co., Ltd. (河北紅星汽車製造有限公司), a company principally engaged in the automobile and automobile parts manufacturing business, and from October 1996 to October 1998, he was the general manager of Bear Asia Furniture Co., Ltd. (亞泰家具股份有限公司), a company principally engaged in the metal furniture and furnishings manufacturing business. From February 1999 to January 2004, he was a general manager of Xingtai Zhongxing Pharmaceutical Co., Ltd. (邢台中興藥業有限公司), a company principally engaged in the pharmaceutical business. In March 2004, Mr. Wang joined the human resources department of Xingtai Risun Trading and oversaw the human resources and administrative management in CNC Risun Coking from November 2004 to August 2009. He has been overseeing the Group's procurement and sales management since August 2009. Mr. Wang has been a vice president of the HBCCIA since December 2016 and an expert on the expert panel of the CCIA since January 2018.

Mr. WANG Nianping (王年平), aged 56, is an Executive Director and a vice president of the Group. He was appointed as an Executive Director in September 2018. He is primarily responsible for the legal and risk management of the Group.

Mr. Wang obtained a bachelor's degree in law from the Institute of Hubei Finance (湖北財經學院) (now known as Zhongnan University of Economics and Law (中南財經政法大學)) in Wuhan, the PRC in July 1984. He obtained a post-graduate degree in international trade and a juris doctor degree from the University of International Business and Economics (對外經濟貿易大學) in Beijing, the PRC in June 1994 and December 2007, respectively. He was admitted as a qualified lawyer in the PRC in June 1987 and obtained the senior economist qualification issued by the Sinopec Group in November 2004.

王風山先生，60歲，為本集團執行董事兼副總裁，於2018年9月獲委任為執行董事，主要負責本集團的採購及銷售管理。

王先生於1989年6月獲中國保定河北大學頒授統計學文憑。

王先生於2004年3月加入本集團。王先生在採購及銷售管理方面擁有約30年經驗。於1983年8月至1996年9月，彼在河北紅星汽車製造有限公司(主要從事汽車及汽車零件製造業務)擔任銷售經理，而於1996年10月至1998年10月，彼在亞泰家具股份有限公司(主要從事金屬家具及裝設品製造業務)擔任總經理。於1999年2月至2004年1月，彼在邢台中興藥業有限公司(公司主要從事製藥業務)擔任總經理。於2004年3月，王先生加入邢台旭陽貿易的人力資源部並於2004年11月至2009年8月監管中煤旭陽焦化的人力資源及行政管理。彼自2009年8月起已管理本集團的採購及銷售管理。王先生自2016年12月起擔任河北省焦化行業協會副會長，並於2018年1月起擔任中國煉焦行業協會專家委員會專家。

王年平先生，56歲，本集團執行董事兼副總裁，於2018年9月獲委任為執行董事，主要負責本集團的法律及風險管理。

王先生於1984年7月畢業於中國武漢湖北財經學院(現稱中南財經政法大學)，持法律專業學士學位。彼分別於1994年6月及2007年12月獲得中國北京對外經濟貿易大學國際貿易專業研究生學位及法學博士學位。彼於1987年6月接納為中國註冊律師並於2004年11月獲中國石化集團(Sinopec Group)頒授高級經濟師資格。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Mr. Wang joined the Group in February 2011 and prior to joining the Group, he had over 10 years of extensive experience in the petrochemical industry. He was recognized as a third level lawyer in April 1990 by the China National Petroleum Corporation (中國石油天然氣總公司) where he worked. In January 1996, Mr. Wang joined China Petroleum Engineering Construction Corporation, a company whose principal business is building oil and gas infrastructures and undertook various positions including contracts administrator, senior officer of the debt recovery department and deputy manager of the projects department. In May 2001, he joined Sinopec International Petroleum Exploration and Production Corporation ("SIPC"), a company whose principal business is in overseas oil and gas investment and operations, as the deputy manager of the legal department. From November 2004 to December 2008, he served as the vice president of the SIPC's subsidiaries in Kazakhstan and as the deputy general manager of the SIPC's subsidiaries in Syria from January 2009 to October 2010.

Mr. YANG Lu (楊路), aged 28, is an Executive Director and the general manager of Beijing Risun Hongye. He is primarily responsible for the management of the import, export and domestic trading business of the Group. He was appointed as an Executive Director in September 2018.

Mr. Yang Lu graduated with a bachelor's degree in chemical engineering from the Washington University in St. Louis, the United States in May 2012. He obtained the fund management qualification from the Asset Management Association of China in June 2015.

Mr. Yang Lu joined the Group in November 2013. Prior to joining the Group, he was a junior consultant at Roland Berger Management Consultants (Shanghai) Co., Ltd. (羅蘭貝格企業管理(上海)有限公司), a global strategy consulting firm, from September 2012 to September 2013, and from October 2013 to November 2014, he worked in the marketing department of Beijing Automic. Mr. Yang Lu has been the chairman's assistant of Hong Kong Risun since November 2013 and worked in the market research department as deputy manager of Beijing Risun Hongye from December 2014 to May 2016. He then worked in Beijing Risun Fund Management Co., Ltd. (北京旭陽基金管理有限公司), a wholly-owned subsidiary of Xuyang Holding, between June 2016 and September 2018, first as deputy general manager and subsequently as general manager. In September 2018, he rejoined Beijing Risun Hongye as the general manager.

Mr. Yang Lu is the son of Mr. Yang.

王先生於2011年2月加入本集團，在加入本集團前，彼在石化行業擁有超過10年的豐富管理經驗。彼曾於1990年4月在中國石油天然氣總公司工作，並被評為三級律師。於1996年1月，王先生加入中國石油工程建設公司(公司主要業務為建設氣油基建)，擔任多個職位包括合同管理人、變更索賠辦主任及項目管理部副經理。於2001年5月，彼加入中國石化集團國際石油勘探開發公司(「SIPC」)(主要從事海外氣油投資及營運業務)，擔任法律部副經理。於2004年11月至2008年12月，彼擔任SIPC於哈薩克斯坦的附屬公司副總裁及於2009年1月至2010年10月擔任SIPC於敘利亞的附屬公司副總經理。

楊路先生，28歲，為本集團執行董事兼北京旭陽宏業總經理，主要負責本集團的進出口和國內貿易業務管理工作。彼於2018年9月獲委任為執行董事。

楊路先生於2012年5月畢業於美國聖路易華盛頓大學，持化學工程學士學位。彼於2015年6月獲中國證券投資基金業協會頒授基金管理資格。

楊路先生於2013年11月加入本集團。加入本集團前，彼曾於2012年9月至2013年9月在羅蘭貝格企業管理(上海)有限公司(一家全球戰略諮詢公司)擔任初級顧問，2013年10月至2014年11月，彼任職於北京奧特美克市場部。楊路先生自2013年11月起擔任香港旭陽董事長助理並於2014年12月至2016年5月於北京旭陽宏業市場研究部擔任副經理。彼其後於2016年6月至2018年9月任職於北京旭陽基金管理有限公司(旭陽控股的全資附屬公司)，先後擔任副總經理及總經理。於2018年9月，其重新加入北京旭陽宏業擔任總經理。

楊路先生為楊先生之子。

Biographies of Directors and Senior Management 董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. KANG Woon (康洹), aged 56, is an Independent Non-executive Director and also the chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee. He was appointed as an Independent Non-executive Director between November 2011 to September 2015 and re-appointed in September 2018.

Mr. Kang obtained a doctorate of jurisprudence from the University of Texas in Austin, Texas, the United States in May 1990. He has been an attorney-at-law of the Supreme Court of the State of New York since March 1991, and a member of the Law Society of England and Wales since May 1998.

Mr. Kang served as a supervisor from May 2004 to June 2007 and was an independent non-executive director of Anhui Conch Cement Company Limited (安徽海螺水泥股份有限公司), a company principally engaged in cement products manufacturing dually listed on the Main Board of the Stock Exchange and Shanghai Stock Exchange (stock codes: 914 and 600585, respectively), between October 1997 and May 2004 as well as between June 2007 and May 2013. Mr. Kang was an independent non-executive director of China Yurun Food Group Limited (中國雨潤食品集團有限公司), a company whose principal business is manufacturing meat products and listed on the Main Board of the Stock Exchange (stock code: 1068), from April 2005 to January 2010.

Mr. YU Kwok Kuen Harry (余國權), aged 49, is an Independent Non-executive Director and also the chairman of the Audit Committee and member of the Nomination Committee and Remuneration Committee. He was appointed as an Independent Non-executive Director in September 2018.

Mr. Yu obtained a diploma in accountancy from the Morrison Hill Technical Institute, Hong Kong (now known as the Hong Kong Institute of Vocational Education), in August 1991 and a master's degree in business administration through long distance learning awarded by the Manchester Business School in cooperation with the School of Accounting, Banking and Economics at the University of Wales, Bangor (now known as Bangor University) in the United Kingdom in July 2000. He has been a fellow of the Association of Chartered Certified Accountants since July 2001, a fellow of the Hong Kong Institute of Certified Public Accountants since April 2004, a registered accountant in Macau since July 2011 and, a fellow of The Institute of Chartered Accountants in England and Wales since March 2015.

Mr. Yu joined KPMG China in October 1991 and was a partner of KPMG from July 2002 to June 2011. He served Golden Meditech Holdings Limited, an integrated-healthcare enterprise in the PRC and a company listed on the Main Board of the Stock Exchange (stock code: 801) as chief operating officer from August 2011 to June 2016 and acted concurrently as an executive director from September 2012 to June 2016.

獨立非執行董事

康洹先生，56歲，獨立非執行董事，同時亦為薪酬委員會主席及審核委員會成員及提名委員會成員，彼於2011年11月至2015年9月獲委任且於2018年9月再獲委任為獨立非執行董事。

康先生於1990年5月獲得美國德克薩斯州大學奧斯汀分校的法學博士學位。彼自1991年3月起為紐約州最高法院註冊律師，並自1998年5月為英格蘭及威爾士律師公會會員。

康先生於2004年5月至2007年6月擔任聯交所主板和上海證券交易所兩地上市的公司安徽海螺水泥股份有限公司(股份代號分別為914及600585)的監事，並於1997年10月至2004年5月以及2007年6月至2013年5月擔任其獨立非執行董事，該公司主要從事生產水泥產品。康先生亦曾於2005年4月至2010年1月擔任聯交所主板上市公司中國雨潤食品集團有限公司(股份代號：1068)的獨立非執行董事，公司主要從事生產肉類產品。

余國權先生，49歲，獨立非執行董事，同時亦為審核委員會主席及提名委員會及薪酬委員會成員，彼於2018年9月獲委任為獨立非執行董事。

余先生於1991年8月獲香港摩利臣山工業學院(現稱香港專業教育學院)頒授會計專業文憑，並於2000年7月透過遙距學習獲曼徹斯特商學院與英國班戈威爾士大學(現稱班戈大學)會計銀行經濟學院合辦課程頒授工商管理碩士學位。彼自2001年7月成為特許公認會計師公會資深會員，自2004年4月起成為香港會計師公會資深會員，自2011年7月起成為澳門註冊會計師，自2015年3月起成為英格蘭及威爾士特許會計師協會資深會員。

余先生於1991年10月加入畢馬威中國，並於2002年7月至2011年6月成為畢馬威會計師事務所合夥人。彼曾任職於聯交所主板上市公司金衛醫療集團有限公司，為一家中國綜合性醫療集團(股份代號：801)，於2011年8月至2016年6月任職營運總監及於2012年9月至2016年6月兼任執行董事。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Mr. WANG Yinping (王引平), aged 58, is an Independent Non-executive Director and also a member of the Audit Committee and Remuneration Committee. He was appointed as an Independent Non-executive Director in September 2018.

Mr. Wang obtained a bachelor's degree in law from Renmin University of China (中國人民大學) in Beijing, the PRC in July 1985 and a master's degree in business administration from the China Europe International Business School (中歐國際工商學院) in Shanghai, the PRC in November 2004.

Mr. Wang has extensive experience in corporate management. He joined China National Chemical Import & Export Corporation (中國化工進出口總公司) (now known as Sinochem Group Co., Ltd. (中國中化集團有限公司)) ("Sinochem"), a conglomerate offering exploration and production of oil and gas, energy, agriculture, chemical, real estate and financial services, in March 1988 and held various senior positions between March 1988 and March 2014 in Sinochem and its subsidiaries ("Sinochem Group"), including the deputy general manager of the Hainan branch of Sinochem, the general manager of the Pudong branch of Sinochem, the deputy general manager of China Foreign Economic and Trade Trust Company Limited (中國對外經濟貿易信託有限公司) a company principally engaged in microfinance, industrial finance, capital market and wealth management, the general manager of the human resource department of Sinochem Group, the vice president of Sinochem Group, the general manager of Sinochem International Trading Company Limited (now known as Sinochem International Corporation (中化國際(控股)股份有限公司)), a company listed on the Shanghai Stock Exchange (stock code: 600500) and principally engaged in the chemical and rubber business, the chairman of the China Foreign Economic and Trade Trust Company Limited and the chairman of the Sinochem Lantian Co., Ltd. (中化藍天集團有限公司), a company principally engaged in research, production and sale of fluorine chemicals. Mr. Wang also served as chairman of the board of Zhejiang Int'l Group Co., Ltd. (浙江英特集團股份有限公司), a company that produces and sells pharmaceutical and Chinese medicine health products in China and listed on the Shenzhen Stock Exchange (stock code: 000411) from December 2010 to March 2014. From January 2015 to December 2016, Mr. Wang was an executive director of China Pioneer Pharma Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1345) and a comprehensive marketing, promotion and channel management service provider dedicated to imported pharmaceutical products and medical devices in the PRC, and was re-designated and has been serving as a non-executive director since December 2016. He was a director of Western Potash Corp., a company listed on the Toronto Stock Exchange (stock code: WPX) principally engaged in building a potash solution mine in Canada, from September 2015 to September 2016, and was re-appointed and has been serving as a director since April 2017. Mr. Wang has been an independent non-executive director of Yida China Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3639) and an operator of business parks in the PRC since December 2016.

王引平先生，58歲，獨立非執行董事，同時亦為審核委員會及薪酬委員會成員，彼於2018年9月獲委任為獨立非執行董事。

王先生於1985年7月於中國北京獲中國人民大學頒授法學學士學位，並於2004年11月獲中國上海中歐國際工商學院頒授工商管理碩士學位。

王先生擁有豐富的企業管理經驗。彼於1988年3月加入中國化工進出口總公司(現稱中國中化集團有限公司(「中化」))為一家提供勘探及生產石油與天然氣、能源、農業、化工、房地產及金融服務的公司及於1988年3月至2014年3月於中化及其附屬公司(「中化集團」)擔任多個高級職務，包括中化海南分公司副總經理、中化浦東分公司總經理，中國對外經濟貿易信託有限公司(主要從事小額信貸，工業金融，資本市場及財富管理)副總經理、中化集團人力資源部總經理、中化集團副總裁、中化國際貿易有限公司(現稱中化國際(控股)股份有限公司，於上海證券交易所上市，股份代號：600500，公司主要從事化工及橡膠業務)總經理、中國對外經濟貿易信託有限公司董事長及中化藍天集團有限公司(主要從事研發、生產及銷售氟化學物)董事長。王先生亦於2010年12月至2014年3月擔任浙江英特集團股份有限公司(於深圳證券交易所上市，股份代號：000411，主要在中國製造及出售藥物及中藥保健品)董事長。於2015年1月至2016年12月，王先生擔任中國先鋒醫藥控股有限公司(於聯交所主板上市，股份代號：1345，為一家全面營銷、推廣及渠道管理服務供應商，致力於中國的進口醫藥產品及醫療設備)執行董事，並於2016年12月被調任並任職非執行董事。彼於2015年9月至2016年9月擔任西鉀股份有限公司(於多倫多證券交易所上市，股份代號：WPX，主要從事建造加拿大鉀鹽溶解礦)董事，自2017年4月起再度獲委任並一直擔任董事。於2016年12月起，王先生擔任億達中國控股有限公司(於聯交所主板上市，股份代號：3639)獨立非執行董事及中國商業園區的經營者。

Biographies of Directors and Senior Management 董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. JIA Yunshan (賈運山), aged 51, has been a vice president of the Group since December 2004. He is primarily responsible for the financing and cash management of the Group. In July 1990, he completed a program in financial accounting from Hebei Materials Institute (河北物資學校) (now known as Hebei Economy Management School (河北經濟管理學校)) in Shijiazhuang, the PRC. In July 2003, he completed a master-level training program in business administration at Hebei University of Economics and Business (河北經貿大學) in Shijiazhuang, the PRC.

Mr. Jia has approximately 23 years of experience in financing and cash management. Mr. Jia has been employed by the Group since the establishment of Xingtai Risun Trading in May 1995. He has held various management positions in the Group, including financial manager and deputy general manager of Xingtai Risun Trading from May 1995 to November 2004. He has been a director of Beijing Automic since September 2012.

Mr. LI Qinghua (李慶華), aged 55, has been a vice president of the Group since June 2015. He is primarily responsible for the overall management of the Xingtai Production Base. He graduated from the Anhui Economic Management Cadre Institute (安徽經濟管理幹部學院) in Hefei, the PRC in July 1987 with a diploma in industrial enterprise management and obtained a master's degree in economics from the Party School of the Central Committee of the Communist Party of China (中共中央黨校) in Beijing, the PRC in July 2001. He obtained a senior economist qualification from the Title Reform Leading Group Office of Hebei Province (河北省職稱改革領導小組辦公室) in November 1999.

Mr. Li joined the Group in November 2004 as a deputy general manager of Xingtai Risun Trading. He has approximately 24 years of corporate management experience. Prior to joining the Group, he undertook several positions at Hebei Changzheng Automobile Manufacturing Co., Ltd. (河北長征汽車製造有限公司), an automobile manufacturer, from July 1983 to October 2004, including director of the special cars factory from May 1993 to June 1998, deputy director and director of the general factory from June 1998 to September 2002 and deputy general manager of Hebei Changzheng Automobile Manufacturing Co., Ltd. from September 2002 to October 2004.

高級管理層

賈運山先生，51歲，自2004年12月起擔任本集團副總裁，主要負責本集團的融資及現金管理。1990年7月，彼完成中國石家莊河北物資學校(現稱河北經濟管理學校)的金融會計課程。2003年7月，彼於中國石家莊河北經貿大學完成工商管理碩士培訓課程。

賈先生擁有約23年財務及現金管理的經驗。賈先生自1995年5月邢台旭陽貿易成立以來一直受僱於本集團。彼於本集團歷任多個管理職務，包括於1995年5月至2004年11月任職邢台旭陽貿易財務經理及副總經理。彼自2012年9月起一直擔任北京奧特美克的董事。

李慶華先生，55歲，自2015年6月起擔任本集團副總裁，主要負責邢台生產園區的整體管理。彼於1987年7月於中國合肥畢業於安徽經濟管理幹部學院，取得工業企業管理文憑，並於2001年7月獲中國北京中共中央黨校頒授經濟碩士學位。彼於1999年11月獲河北省職稱改革領導小組辦公室頒授高級經濟師資格。

李先生於2004年11月加入本集團擔任邢台旭陽貿易的副總經理。彼擁有約24年企業管理經驗。加入本集團前，彼曾於1983年7月至2004年10月在河北長征汽車製造有限公司(為一家汽車生產商)擔任多項職務，包括於1993年5月至1998年6月擔任特種車廠廠長，於1998年6月至2002年9月擔任總車廠副廠長及廠長以及於2002年9月至2004年10月擔任河北長征汽車製造有限公司副總經理。

Biographies of Directors and Senior Management 董事及高級管理層履歷

Mr. YUAN Xixian (苑希現), aged 56, has been a vice president of the Group since August 2017. He is primarily responsible for management of the Group's strategic investments, production and engineering. He graduated from the Hebei Institute of Mining and Metallurgy (河北礦冶學院) (now known as the North China University of Science and Technology (華北理工大學)) in Tangshan, the PRC in July 1983. He obtained a senior engineer qualification from the Title Reform Leading Group Office of Hebei Province in December 2004.

Mr. Yuan has approximately 35 years of experience in the steel and coke industry. He joined the Group in May 2017. Prior to joining the Group, Mr. Yuan joined Xingtai Iron & Steel Corp., Ltd. (邢台鋼鐵有限責任公司), a high-end, specialized, wire manufacturer in July 1983 and was a deputy general manager, general manager and chairman from June 1998 to October 2016.

Mr. HO Pui Lam Joseph (何沛霖), aged 38, is the company secretary of the Company. He is responsible for the management of corporate governance and company secretarial matters, participation in the making of material business decisions and development of the business strategy. He obtained a bachelor's degree in business administration from the University of Hong Kong in Hong Kong in December 2002. He has been a fellow member of the Hong Kong Institute of Certified Public Accountants since May 2018.

Mr. Ho has approximately 15 years of auditing, financial and company secretarial experience. He joined the Group in September 2017. Prior to joining the Group, he was an audit manager at Deloitte Touche Tohmatsu from September 2002 to November 2009. He also served as the financial controller and company secretary of Renheng Enterprise Holdings Limited, a company principally engaged in the manufacture and sale of tobacco machinery products in the PRC and listed on the Main Board of the Stock Exchange (stock code: 3628), from June 2010 to August 2017.

COMPANY SECRETARY

Mr. HO Pui Lam Joseph (何沛霖) has been the Company's company secretary since September 2017. He has over seven years of extensive experience in providing company secretarial services to a company listed on the Main Board of the Stock Exchange. For Mr. Ho's biography, please refer to the section headed "Biographies of Directors and Senior Management – Senior Management – Mr. HO Pui Lam Joseph (何沛霖)" in this annual report.

Except as disclosed above there, is no other information that needs to be brought to the attention to the Shareholders under Rule 13.51(2) of the Listing Rules.

苑希現先生，56歲，自2017年8月擔任本集團副總裁，主要負責管理本集團的策略投資及生產及工程。彼於1983年7月畢業於中國唐山河北礦冶學院(現稱華北理工大學)。彼於2004年12月獲河北省職稱改革領導辦公室頒授高級工程師資格。

苑先生擁有約35年的鋼鐵及焦炭行業經驗並於2017年5月加入本集團。加入本集團前，苑先生曾於1983年7月加入邢台鋼鐵有限責任公司(一家高端專業化線材生產商)，於1998年6月至2016年10月擔任副總經理、總經理及董事長。

何沛霖先生，38歲，為本公司的公司秘書。彼負責企業管治管理及公司秘書事宜、參與重大業務決策及制定業務策略。彼於2002年12月在香港獲香港大學頒授工商管理學士學位。彼自2018年5月起成為香港會計師公會資深會員。

何先生擁有約15年的審計、財務及公司秘書經驗並於2017年9月加入本集團。加入本集團前，彼於2002年9月至2009年11月擔任德勤•關黃陳方會計師行審計經理。彼亦於2010年6月至2017年8月擔任聯交所主板上市公司仁恒實業控股有限公司(股份代號：3628，主要於中國從事生產及銷售煙草機械產品)財務總監兼公司秘書。

公司秘書

何沛霖先生自2017年9月起擔任本公司的公司秘書。彼曾為一間聯交所主板上市公司提供公司秘書服務，在此方面擁有逾七年豐富經驗。有關何先生的履歷，請參閱本年報「董事及高級管理層履歷—高級管理層—何沛霖先生」一節。

除上文所披露者外，概無其他資料須根據上市規則第13.51(2)條提請股東注意。

Report of the Board of Directors

董事會報告

The Board hereby presents their report together with the Financial Statements for the year ended December 31, 2018 to the Shareholders.

BUSINESS REVIEW

OPERATING ENVIRONMENT AND PROSPECTS

Please refer to “Management Discussion and Analysis – Overview” and “Management Discussion and Analysis – Business Review” in this annual report for details.

LAWS, REGULATORY AND COMPLIANCE MATTERS

Most of the business of the Company (including the production and sale of coke, coking chemicals and refined chemicals and the trading of coal, coke and refined chemical products) shall be in compliance with relevant laws and regulations and industry standards in the PRC and is subject to extensive regulation by the PRC government. The Company's aforementioned business and relevant activities are governed by the regulations in relation to production, sale, operation, transportation, export, energy efficiency and environmental protection. In addition, all operations of the Company in the PRC shall be in compliance with the laws and regulations on foreign investment, taxation and safety.

Industry Policies

On December 16, 2004, the NDRC issued the Entry Conditions of Coking Industry (《焦化行業准入條件》) (the “Entry Conditions”), which was amended by the MIIT on December 19, 2008 and March 3, 2014. The Entry Conditions sets out the conditions to be fulfilled by coking enterprises before production, which include operational layout, technology and equipment, product quality, resources and energy consumption, environmental protection, production safety, occupational health and technical advancement. For example, coking enterprises shall comply with the statutory standard of distance for health protection, possess major equipment that meets the statutory technical standards, and meet the minimum requirement for production capacity with resources or energy consumption below the statutory standards. In addition, the pollutants emitted by coking enterprises shall meet the national and local standards for pollutant emissions and the requirements for total emissions of major pollutants. New construction, renovation and expansion of coking enterprises should meet all entry conditions of the Entry Conditions before the commencement of production and operation in coking industry.

董事會謹此向股東提呈其報告連同截至2018年12月31日止年度的財務報表。

業務回顧

經營環境及展望

詳情請參閱本年報「管理層討論及分析－概覽」及「管理層討論及分析－業務回顧」。

法律、監管及合規事項

本公司大部分業務(包括焦炭、焦化產品及精細化工產品的生產及銷售以及煤炭、焦炭及精細化工產品的貿易)均須遵守中國相關法律法規及行業標準,並受到中國政府的全面監管。本公司的上述業務及相關活動均受到有關生產、銷售、營運、運輸、出口、能源效益及環境保護的法規所規管。此外,本公司於中國的所有業務亦須遵守有關外國投資、稅務及安全的法律及法規。

產業政策

於2004年12月16日,國家發改委頒佈《焦化行業准入條件》(「准入條件」),該准入條件於2008年12月19日及2014年3月3日經工信部修訂,載有焦化企業生產前應當滿足的各項條件,包括生產佈局、工藝與裝備、產品質量、資源及能源消耗、環境保護、安全生產、職業衛生和技術進步。舉例而言,焦化企業應當符合衛生防護距離的法定標準,擁有符合法定技術標準的主要設備,並達到最低產能要求,且資源或能源消耗應低於法定標準。此外,焦化企業排放的污染物應當符合污染物排放的國家及地方標準以及主要排放物的總排放量規定。新建、改建及擴建的焦化企業皆須符合准入條件的所有准入條件,方可開始於煉焦行業投產及營運。

Report of the Board of Directors 董事會報告

On November 23, 2007, the NDRC issued the Coal Industrial Policy (《煤炭產業政策》) (the “Coal Policy”) which took effect on the same day. The Coal Policy regulates the planning of targeted development, industry layout, industry entry requirements, industry structure, industry technology, production safety, transportation, trade, energy efficiency and environmental protection.

According to the Coal Law of the People’s Republic of China (Amended) (《中華人民共和國煤炭法》(修正)) considered and passed at the 24th Meeting of the Standing Committee of the 12th National People’s Congress on November 7, 2016, the PRC government advocates and supports coal enterprises and other enterprises to develop co-generation of coal and electricity, coking, coal chemical, coal construction materials and so forth and to engage in the deep processing and fine finishing of coal.

On March 22, 2017, the NDRC and the MIIT promulgated the Layout Plan for Innovative Development of Modern Coal Chemical Industry (《現代煤化工產業創新發展佈局方案》) (Fa Gai Chan Ye [2017] No. 553), which identified eight major tasks, such as accelerating the integrated development of related industries, exploring the potential of and transforming advantageous enterprises and increasing the efforts in improving the completeness of technical equipment, as well as the following six protective measures:

- tightening the requirements for project construction, standardizing the approval and management procedures and facilitating the reasonable allocation of resources;
- accelerating the amendment and improvement of standards on safety protection, pollutant emission and water resource preservation;
- further enhancing the entry requirements for modern coal chemical projects in terms of safety, environmental protection and water resource preservation;
- guiding enterprises to optimize production techniques, strengthen the selection of equipment models and material, improve design standards and construction quality and strengthen operational management;
- standardizing governance measures and practically implementing the system of simultaneous design, construction and operation of safety and environmental protection facilities and the pollutant emission permit system; and
- requiring enterprises to establish a system of self-monitoring, information disclosure, record keeping and regular reporting.

於2007年11月23日，國家發改委頒佈《煤炭產業政策》(「煤炭政策」)，並於同日生效實施。煤炭政策規管發展目標、產業佈局、產業准入、產業組織、產業技術、安全生產、貿易運輸、節約環保的規劃。

根據於2016年11月7日第12屆全國人民代表大會常務委員會第24次會議審議通過的《中華人民共和國煤炭法》(修正)，中國政府提倡及支持煤炭企業及其他企業發展煤電聯產、煉焦、煤化工、煤建材等，進行煤炭的深加工及精加工。

於2017年3月22日，國家發改委及工信部頒佈《現代煤化工產業創新發展佈局方案》(發改產業[2017]553號)，明確了八大重大任務，包括加快推進產業融合發展、實施優勢企業挖潛改造、大力提升技術裝備成套能力，以及六條保障措施：

- 嚴格項目建設要求、規範審批管理程序及推動資源合理配置；
- 加快修訂完善安全防護、污染物排放、水資源保護等標準；
- 進一步提高現代化煤化工項目在安全、環保、水資源保護方面的准入門檻；
- 引導企業優化生產工藝、強化設備選型選材、提高設計標準及施工質量、強化運行管理；
- 規範治理設施，切實執行安全、環保設施的同時設計、施工及投產使用制度以及排污許可制度；及
- 要求企業建立自行監測、信息披露、台賬記錄、定期報告制度。

Report of the Board of Directors 董事會報告

Environmental Protection

According to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) (the “Environmental Protection Law”) amended on April 24, 2014 and effective from January 1, 2015, in order to prevent environmental pollution and to protect the ecological environment, the competent department of environmental protection of the State Council develops nationwide standards for environmental quality and emissions, and is responsible for supervising the implementation of environmental protection systems in the PRC. The environmental protection authorities at various levels of the PRC Government (at and above the county level) are responsible for environmental protection work within their own jurisdictions.

Local environmental protection authorities have the power to formulate local standards that are more rigorous than national standards, and enterprises must comply with the more rigorous standard as between the national and local environmental protection standards. The Environmental Protection Law provides that any factory entities that may cause pollution or generate other hazardous substances in their operations must adopt environmental protection measures in their operations by creating an environmental protection responsibility mechanism and adopting effective measures to control and properly dispose of exhaust gas, wastewater, waste residue, dust, noise and other wastes.

According to the Law of Environmental Impact Assessment of the PRC (《中華人民共和國環境影響評價法》) amended on July 2, 2016 and effective from September 1, 2016, the PRC government implements classified management for environmental impact assessment of construction projects based on the level of impact on environment from the construction projects. Environmental impact assessment documents of construction projects shall be inspected and approved by the approving authorities in accordance with relevant laws before commencement of construction.

環境保護

根據於2014年4月24日修訂並於2015年1月1日生效的《中華人民共和國環境保護法》(「環境保護法」)，為防止環境污染及保護生態環境，國務院的環境保護主管部門為環境質量及排放物制定全國性標準，並負責監督中國環境保護制度的實施。中國政府的各級環保部門(縣級及以上)負責所屬司法管轄區內的環境保護工作。

地方環保部門有權制定較國家標準嚴格的地方標準，企業須遵守國家與地方環境保護標準之中較嚴格者。環境保護法規定營運過程中造成污染或產生其他危險物質的工廠單位必須在營運過程中採取環境保護措施，方法是建立環境保護責任機制及採取有效措施以控制及妥善處理廢氣、污水、廢渣、塵埃、噪音及其他廢棄物。

根據於2016年7月2日修訂並於2016年9月1日生效的《中華人民共和國環境影響評價法》，中國政府根據建設項目對環境影響的程度，對建設項目環境影響評價實施分類管理。開工建設前，建設項目的環境影響評價文件依法經審批部門審查及批准。

The Law of Prevention of Air Pollution of the PRC (《中華人民共和國大氣污染防治法》), amended on August 29, 2015 and came into effect on January 1, 2016, sets out the supervision, management and prevention measures for air pollution. Emissions of pollutants into the air shall meet the emission standards of air pollutant and the control requirement of total emissions of major air pollutants. Entities that are subject to pollutant emission regulations shall also obtain the pollutant emission permit. Enterprises in steel, construction material, non-ferrous metal, petroleum, chemical, pharmaceutical and mining industries should also strengthen the refined management of air pollutants, adopt the measures of centralized collection and treatment, and strictly control the emission of dust and air pollutants to the environment. According to the Law of Prevention of Solid Waste Pollution to the Environment of the PRC (《中華人民共和國固體廢物污染環境防治法》) amended with immediate effect on November 7, 2016, enterprises are required to utilize the industrial solid waste generated by them, depending on the economic and technical conditions, and for any industrial solid waste that will not be recycled immediately or that cannot be recycled, the enterprises shall, in accordance with the regulations of the administrative department for environmental protection under the State Council, build facilities and premises for storage, classify the waste in different types for safe storage or adopt measures to make innocuous treatment.

According to the Law of Prevention and Control of Water Pollution of the PRC (《中華人民共和國水污染防治法》) amended on June 27, 2017 and effective from January 1, 2018, discharge of water pollutants should be within national or local standards for the discharge of water pollutants and indicators for the total discharge control of major water pollutants. It is prohibited to discharge wastewater to a body of water where a pollutant discharge permit is required without such permit or in breach of a requirement of the permit.

於2015年8月29日修訂並於2016年1月1日生效的《中華人民共和國大氣污染防治法》載明大氣污染的監督、管理及防治措施。向大氣排放污染物的，應當符合大氣污染物排放標準，遵守重點大氣污染物排放總量控制要求。實行排污條例管理的單位應當取得排污許可證。鋼鐵、建材、有色金屬、石油、化工、制藥、礦產開採企業應當加強氣態污染物精細化管理，採取集中收集處理措施，嚴格控制粉塵和環境污染物的排放。根據於2016年11月7日修訂並於同日生效的《中華人民共和國固體廢物污染環境防治法》，企業須視乎經濟、技術條件對其產生的任何工業固體廢物加以利用；對暫時不重用或者不能重用的，按照國務院環境保護行政主管部門的規定建設貯存設施、場所，安全分類存放，或者採取無害化處置措施。

根據於2017年6月27日修訂並於2018年1月1日生效的《中華人民共和國水污染防治法》，排放水污染物，不得超過國家或者地方規定的水污染物排放標準和重點水污染物排放總量控制指標。禁止無排污許可證或者違反排污許可證規定向需要排污許可證的水體排放廢水。

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According to the Law of Environmental Protection Tax of the PRC (《中華人民共和國環境保護稅法》) (the “Law of Environmental Protection Tax”) issued on December 25, 2016 and effective from January 1, 2018, enterprises generating air pollutants, water pollutants, solid waste and noise shall be required to file and pay the environmental protection tax to tax authorities on a quarterly basis based on the List of Items and Amounts of Environmental Protection Tax and the List of Taxable Pollutant and relevant Equivalent under the Environmental Protection Law. The environmental protection tax will be collected and managed by tax authorities in accordance with the Law of Taxation Administration of the PRC and the Law of Environmental Protection Tax. With effect from the implementation of the Law of Environmental Protection Tax, the PRC government started to collect environmental protection tax in accordance with relevant requirements and ceased the collection of pollutant discharge fees.

According to Administrative Measures for Pollutant Discharge Licensing (for Trial Implementation) (《排污許可管理辦法(試行)》) issued on January 10, 2018, the responsibilities of the environmental protection authorities and pollutant discharge entities have been detailed and refined, and specific systems in relation to entities has been stipulated to include their commitment, independent monitoring, ledger records, execution report and information disclosure.

According to Circular of the State Council on Issuing the Three-year Action Plan for Winning the Battle for a Blue Sky (《國務院關於印發打贏藍天保衛戰三年行動計劃的通知》) issued with immediate effect on June 27, 2018, in order to speed up the improvement in ambient air quality, the State Council identified the key regions, including the Beijing-Tianjin-Hebei region and surrounding areas, and focused on the key regions to continue to carry out air pollution prevention and control actions. In autumn and winter, key regions shall formulate peak production plans and implement differentiated management for high-emission industries such as steel, building materials, coking, foundry, non-ferrous metals and chemicals.

根據於2016年12月25日頒佈並於2018年1月1日生效的《中華人民共和國環境保護稅法》(「環境保護稅法」)，企業產生大氣污染物、水污染物、固體廢物和噪音，須依照環境保護法的《環境保護稅稅目稅額表》及《應稅污染物和當量值表》向稅務機關按季申報繳納環境保護稅。環境保護稅由稅務機關依照《中華人民共和國稅收徵收管理法》和《中華人民共和國環境保護稅法》的有關規定徵收管理。環境保護稅法實行後，中國政府已開始按照相關規定徵收環境保護稅，並停止徵收排污費。

根據於2018年1月10日頒佈的《排污許可管理辦法(試行)》，已詳細列出及完善環境保護主管部門及排污單位的責任，並已訂明單位的具體制度，包括彼等義務、自行監測、台賬名錄、執行報告及信息公開。

根據2018年6月27日生效的《國務院關於印發打贏藍天保衛戰三年行動計劃的通知》，為加快改善環境空氣質量，國務院確定京津冀地區及周邊地區等重點區域，關注重點區域繼續開展大氣污染防治工作。在秋冬季節，重點區域應制定高峰生產計劃，對鋼鐵、建材、煉焦、鑄造、有色金屬、化工等高排放行業實行差異化管理。

The main pollutants generated during our production process include smoke, fumes, solid waste, wastewater and dust. We have adopted a number of measures and practices to reduce the environmental impact of our operations. We use appropriate materials to build ground surfaces in our production bases and plants to prevent soil pollution. We dispose of the smoke, fumes, solid waste and wastewater produced in our operations in accordance with PRC laws and regulations. We have installed filtration and absorption equipment, coke oven gas desulphurization units and low pressure dust collectors in our production processes. We have a wastewater and sewage treatment system at each of our production bases for the treatment of fluids consumed and produced during production. We use the treated wastewater for coke quenching and other production processes. We also treat residual gas from our methanol production, which reduces the negative impact on the environment. Each manufacturing entity we manage and operate, including CNC Risun Coking, has been accredited the ISO 14001:2004/ISO 14001:2015 Environmental Management System. In addition, the construction of any new production facility or any improvement or expansion of any existing production project must comply with environmental impact evaluation regulations. We conduct an environmental impact evaluation for each production project and submit an evaluation report for approval by the relevant environmental authority as required by relevant PRC laws and regulations. We have obtained approvals required for the respective stages of construction from local government authorities for our projects under construction. In addition, our production personnel are required to attend mandatory environment protection trainings, which includes contingency plans in various situations of leakages and pollution and regular drills to reduce pollution in the event of an industrial accident.

Production

According to the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》) (the "Work Safety Law") promulgated on June 29, 2002 and amended on August 27, 2009 and August 31, 2014, production and operating entities shall meet the work safety conditions required by the Work Safety Law and other relevant laws, administrative regulations, national standards and industrial standards. Entities that do not meet such work safety conditions shall not engage in production or operating activities. Entities engaged in production, operation and storage of hazardous items shall establish a department to carry out work safety management or designate personnel solely responsible for work safety management. Production and operating entities shall provide their employees with education and training on work safety to ensure that the employees have the necessary knowledge regarding work safety.

我們生產過程中產生的主要污染物包括煙霧、煙氣、固體廢物、廢水及粉塵。我們採取一系列措施和做法，以減少我們運營對環境的影響。我們使用適當的材料在我們的生產園區和工廠中建造地面，以防止土壤污染。我們根據中國法律法規處理運營中產生的煙霧、煙氣、固體廢物及廢水。我們在生產過程中安裝過濾和吸收設備、焦爐煤氣脫硫裝置和低壓除塵器。我們在每個生產園區均有廢水和污水處理系統，用於處理生產過程中消耗和產生的液體。我們使用經處理的廢水進行熄焦及其他生產過程。我們亦處理甲醇生產過程中的殘餘氣體，從而減少對環境的負面影響。我們管理和運營的每個生產實體，包括中煤旭陽焦化，皆已通過ISO 14001:2004/ISO 14001:2015環境管理體系認證。此外，任何新生產設施的建設或任何現有生產設施的改進或擴建必須符合環境影響評價規定。我們對每個生產項目進行環境影響評估，並根據相關中國法律法規的要求提交評價報告，以供相關環境部門批准。我們已經獲得當地政府部門對我們正在建設的項目的各個建設階段的批准。此外，我們的生產人員必須參加強制性環境保護培訓，其中包括各種洩漏和污染情況下的應急計劃以及定期演習，以便在發生工業事故時將污染降低。

生產

根據於2002年6月29日頒佈、2009年8月27日及2014年8月31日修訂的《中華人民共和國安全生產法》(「安全生產法」)，生產經營單位應當具備安全生產法和有關法律、行政法規和國家標準或者行業標準規定的安全生產條件；不具備有關安全生產條件的實體，不得從事生產經營活動。危險物品的生產、經營、儲存單位應當設置安全生產管理機構或配備專職安全生產管理人員。生產經營單位應當對從業人員進行安全生產教育和培訓，保證從業人員具備必要的安全生產知識。

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According to the Regulation on Work Safety Permits (《安全生產許可證條例》) promulgated by the State Council on January 13, 2004 and amended on July 18, 2013 and July 29, 2014, the PRC government implements a work safety permit system for enterprises that engage in the production of hazardous chemicals. An enterprise shall not engage in such production activities without work safety permits.

According to the Regulation on Safety Management of Hazardous Chemicals (《危險化學品安全管理條例》) issued by the State Council on January 26, 2002 and amended on February 16, 2011 and December 7, 2013, the PRC government implements catalogue management for chemicals listed in the catalogue of hazardous chemicals. Entities engaged in production, storage, usage, operation and transportation of hazardous chemicals are required to meet the safety conditions set out by relevant laws, administrative regulations, national standards and industrial standards and obtain relevant permits. For example, enterprises shall obtain a business license for hazardous chemicals before engaging in operations related to hazardous chemicals. New construction, renovations and expansions of construction projects for production and storage of hazardous chemicals shall be subject to inspection of the safety conditions by production safety supervision and management authorities.

According to the Administrative Rules on Registration of Hazardous Chemicals (《危險化學品登記管理辦法》) issued by the State Administration of Work Safety (now known as the Ministry of Emergency Management) on October 8, 2002 and amended on July 1, 2012, the PRC government implements a registration system for hazardous chemicals. Enterprises engaged in production or import of hazardous chemicals listed in the Catalogue of Hazardous Chemicals (《危險化學品目錄》) shall conduct general inspection of their hazardous chemicals, establish records for management of hazardous chemicals, apply for registration of hazardous chemicals with the relevant registration authorities as set out in the requirements, fill in the registration information based on facts and submit the required documents, and receive an inspection from production safety supervision and management authorities as set out in the relevant laws.

根據國務院於2004年1月13日頒佈並於2013年7月18日及2014年7月29日修訂的《安全生產許可證條例》，中國政府對危險化學品生產企業實施安全生產許可證制度。未取得安全生產許可證的企業，不得從事生產活動。

根據國務院於2002年1月26日頒佈並於2011年2月16日及2013年12月7日修訂的《危險化學品安全管理條例》，中國政府對危險化學品目錄所列的化學品實施目錄管理。從事危險化學品生產、儲存、使用、經營和運輸的單位須具備法律、行政法規規定和國家標準、行業標準所載的安全條件，並取得相關許可證。舉例而言，企業應當取得危險化學品營業執照，方可從事危險化學品相關業務。安全生產監督管理部門負責對新建、改建及擴建生產、儲存危險化學品的建設項目進行安全條件審查。

根據國家安全生產監督管理總局(現稱為應急管理部)於2002年10月8日頒佈並於2012年7月1日修訂的《危險化學品登記管理辦法》，中國政府對危險化學品實施登記制度。生產或進口《危險化學品目錄》所列危險化學品的企業應當對危險化學品全面檢驗、建立危險化學品管理記錄、按規定所載向相關登記機構辦理危險化學品登記、如實填寫登記資料及提交所需文件、按相關法律所載接受安全生產監督管理部門的檢查。

According to the Regulation on Administration of Production Permit for Industrial Products (《工業產品生產許可證管理條例》) issued by the State Council on July 9, 2005 and came into effect on September 1, 2005, the PRC government implements a production permit system for important industrial products and other industrial products listed in the Catalogue of Industrial Products under Production Permit System (the "Industrial Product Catalogue"). Enterprises engaged in production of hazardous chemicals listed in the Industrial Product Catalogue shall obtain the production permit for industrial products in accordance with the requirements of such regulation. To obtain a production permit, an enterprise should possess appropriate staffing, production conditions, inspection methods, production techniques, technical documents, effective quality management systems and accountability systems, its products should meet the relevant national standards, industrial standards and other statutory requirements, and the enterprise should comply with national industry policies by not using outdated techniques, having a high consumption of energy, polluting the environment and wasting resources which shall be eliminated and are prohibited from investment by the PRC government.

According to the Administrative Regulations on Precursor Chemicals (《易制毒化學品管理條例》) issued by the State Council on August 26, 2005, came into effect on November 1, 2005 and amended on July 29, 2014, February 6, 2016, and September 18, 2018 the PRC government implements the classified administration and licensing or filing system for production, distribution, purchase, transportation and import and export of precursor chemicals. The precursor chemicals are classified into three categories based the Catalog of Classification and Types of Precursor Chemicals. Category I includes the major materials that can be used for producing drugs. Categories II and III include the chemical agents that can be used for producing drugs.

根據國務院於2005年7月9日頒佈並於2005年9月1日生效的《工業產品生產許可證管理條例》，中國政府對列入生產許可證制度工業產品目錄（「工業產品目錄」）的重要工業產品及其他工業產品實施生產許可證制度。企業生產列入工業產品目錄的危險化學品，應當依照該條例規定取得生產許可證。企業取得生產許可證，應當有適當的人員、生產條件、檢驗手段、生產工藝及技術文件、有效的質量管理制度和責任制度、產品符合有關國家標準、行業標準及其他法定要求，企業亦應當符合國家產業政策的規定，不使用中國政府明令淘汰和禁止投資建設的落後工藝、高耗能、污染環境、浪費資源的情況。

根據國務院於2005年8月26日頒佈及於2005年11月1日生效並於2014年7月29日、2016年2月6日及2018年9月18日修訂的《易制毒化學品管理條例》，中國政府對易制毒化學品的生產、分銷、購買、運輸和進口、出口行為實行分類管理和許可制度。易制毒化學品按《易制毒化學品的分類和品種目錄》分為三類。第一類是可以用於制毒的主要原料。第二類、第三類是可以用於制毒的化學配劑。

Report of the Board of Directors 董事會報告

We have adopted and implemented a number of measures in relation to occupational health and safety. We have implemented systems and procedures for the identification and prevention of accidents and hazardous conditions and procedures relating to emergencies, accidents and other hazardous conditions. We use our MES and control center to control and monitor our production bases and plants, including the pressure and temperature of coke oven gas, the operations of the boilers and the temperature and volume of flammable and volatile materials during production and storage. We also provide safety related training to our employees to increase their awareness of occupational health and work safety matters. We conduct periodic safety checks to help ensure proper operation of our machines and to ensure our employees comply with our safety manual. We reflect any abnormalities noted during the periodic safety checks in our safety records and the responsible departments and/or officers take follow-up remedial action accordingly. Government authorities occasionally conduct safety inspection checks to ensure our operations comply with workplace safety laws and regulations and notify us if our operations do not comply with workplace safety laws and regulations.

On October 12, 2018, an accident occurred in our Dingzhou Production Base. As of the date of this report, to the best of our Directors' knowledge, the investigation by the relevant local authorities was still ongoing. The Directors understand that, if we are held responsible for the accident, pursuant to the Work Safety Law, administrative penalties of more than RMB200,000 but less than RMB500,000 may be imposed upon us. Such amounts would not be material to the Company's business and operations. The amount of administrative penalties, if any, would be subject to the discretion of PRC government authorities. We may also be obligated to pay civil compensation for tort liability. As the local government authorities have not determined liabilities for the accident, it is unclear whether the Company would be responsible for the accident. The Controlling Shareholders have agreed to indemnify the Company for all liabilities arising in conjunction with the accident.

我們亦採取並實施一系列與職業健康和安安全有關的措施。我們已經實施了識別與預防事故與危險情況的制度與流程，以及與緊急情況、事故及其它危險情況相關的流程。我們利用我們的MES及控制中心控制和監控我們的生產園區及工廠，包括焦爐煤氣的壓力和溫度，鍋爐的運行以及生產和儲存過程中易燃和揮發性物質的溫度和體積。我們亦為員工提供安全相關培訓，以提高彼等對職業健康和工作安全事項的意識。我們定期進行安全檢查，以確保我們的機器正常運行，並保證我們的員工遵守我們的安全手冊。我們於安全記錄反映定期安全檢查中發現的任何異常情況，負責部門和／或官員亦會採取相應的後續補救措施。政府部門偶爾會進行安全檢查，以確保我們的營運符合工作場所安全法律法規，倘我們的營運不符合工作場所安全法律法規，政府部門會通知我們。

於2018年10月12日，我們的定州生產園區發生一宗意外。截至本年報日，就董事所知，相關地方當局的調查仍在進行中。董事明悉，倘若我們須為該意外承擔責任，根據安全生產法，我們可能會遭處以多於人民幣200,000元但少於人民幣500,000元的行政處罰。有關金額對本公司的業務及營運而言並不重大。行政處罰(如有)的金額由中國政府部門酌情決定。我們亦可能須就侵權責任支付民事賠償。由於地方政府部門尚未釐定該意外的責任，故未清楚本公司會否就該意外負上責任。控股股東已同意就該意外產生的所有責任向本公司作出彌償。

Overall compliance

As of the date of this report, save as disclosed above, there are no material pending or threatened litigation matters or other proceedings, and the Group is not involved in any litigation or other proceedings that we believe would materially and adversely affect our business, financial condition or results of operations.

Directors have confirmed that during the Reporting Period, the Group had complied with the applicable laws and regulations in all material respects, and did not have any incidents of material non-compliance, and had obtained all relevant permits, approval documents, qualifications, authorizations and approvals upon examination material to our business operations.

SIGNIFICANT SUBSEQUENT EVENTS

Details of significant subsequent events are provided in Note 47 to the Financial Statements.

RELATIONSHIP WITH EMPLOYEES

We recruit new employees based on specific job requirements, our resources and needs from time to time. We provide technical as well as operational training for our employees, and we have tailored specific courses for our management personnel in order to build a competent team.

As of December 31, 2018, we had 3,574 full-time employees. Most of our senior management members and employees are based in Beijing and Hebei province.

We enter into a standard employment contract with each of our full-time employees. Compensation for our employees includes basic wages, variable wages, bonuses and other benefits. For the years ended December 31, 2016, 2017 and 2018 our staff costs totalled RMB261.2 million, RMB314.8 million, and RMB424.0 million, respectively.

The Company's remuneration policy is set out by the Remuneration Committee on the basis of the employees' merit, qualifications and competence. The emoluments of the Directors are set by the Remuneration Committee, having regard to among others, salaries paid by comparable companies as well as time commitment and responsibilities and employment conditions of the Group.

整體合規情況

截至本年報日，除上文所披露者外，本集團並無重大的未決或潛在的訴訟事宜或其他法律程序，本集團也並無涉及任何我們認為會對我們的業務、財務狀況或營運業績產生重大不利影響的訴訟或其他法律程序。

董事已確認，於報告期內，本集團已於所有重大方面遵守中國適用法律法規，並無任何重大不合規事件，且本集團已取得就業務營運而言屬重要的所有相關許可、批文、資格、授權及審批。

重大期後事項

重大期後事項詳情載於財務報表附註47。

與僱員的關係

我們按不時的特定工作要求、資源及需求招聘新僱員。我們向僱員提供技術及運營培訓，且我們已為我們的管理人員定制特別課程以建立一支能幹的團隊。

截至2018年12月31日，我們有3,574名全職僱員。我們大部分高級管理層成員及僱員均位於北京及河北省。

我們與各全職僱員訂立標準僱傭合約。我們僱員的薪酬包括基本工資、浮動工資、花紅及其他福利。截至2016年、2017年及2018年12月31日止年度，我們的員工成本合共分別為人民幣261.2百萬元、人民幣314.8百萬元及人民幣424.0百萬元。

本公司的薪酬政策乃由薪酬委員會按照僱員的功績、資歷及能力制定。董事酬金乃由薪酬委員會視乎（其中包括）可資比較公司支付的薪金、須付出的時間及責任以及本集團的僱用條件釐定。

Report of the Board of Directors 董事會報告

None of the directors waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

The Group has adopted the Share Option Scheme to motivate and reward its Directors and eligible employees. For further details, please refer to the Prospectus and the section headed “Report of the Board of Directors – Share Option Scheme” of this report.

During the Reporting Period, we had not experienced any interruptions to our operations caused by major labor disputes and there were no complaints or claims from our employees which had a material adverse effect on our business. Our Directors believe that we have a good relationship with our employees. During the Reporting Period, the Group had no major labor disputes which might produce significant impact of the normal business and operation of the Group.

RELATIONSHIP WITH CUSTOMERS

We sell our coke primarily to customers in the iron and steel industry in the PRC, and export a portion to overseas customers. We sell our refined chemicals primarily to manufacturers and traders in the chemical industry in the PRC, and export a small portion to customers overseas. Our end customers may purchase directly from us or purchase through their affiliated trading arms. Our customers for trading business are primarily companies in the iron and steel, non-ferrous, coking and chemical industries. During the Reporting Period, we did not adopt any distributorship business models in selling our products.

We maintain long-term cooperative relationships with our major customers. Some of them have maintained business relationships with us for more than five years, of which the customer with the longest relationship has maintained a business relationship with us for 14 years. Furthermore, we have entered into long-term framework agreements with certain of our customers. Our products supplied under such long-term framework agreements mainly include coke, benzene, caprolactam and methanol. As of December 31, 2018, 20 of such customers had entered into long-term framework agreements with us, all of which have a term starting from 2018. Please refer to the Prospectus for the key terms of such long-term framework agreements.

概無董事放棄或同意放棄收取任何薪酬，且本集團概無向任何董事支付任何薪酬作為加入或於加入本集團時的獎勵或作為離職補償。

本集團已採納購股權計劃以激勵及獎勵及董事及合資格僱員。有關進一步詳情，請參與招股章程及本報告「董事會報告－購股權計劃」一節。

報告期內，我們並無因重大勞動糾紛引致的運營中斷，亦無對我們的業務嚴重不利的員工投訴或索償。董事認為我們與僱員的關係良好。報告期內，本集團並無任何重大勞務糾紛對本集團正常業務及營運產生重大影響。

與客戶的關係

我們主要向中國鋼鐵行業的客戶銷售焦炭，並向海外客戶出口部分焦炭。我們主要向中國化工行業的製造商及貿易商銷售精細化工產品，並向海外客戶出口小部分精細化工產品。我們的終端客戶或會直接向我們採購或透過其附屬貿易部門進行採購。我們的貿易業務客戶主要為鋼鐵、有色金屬、煉焦及化工行業企業。於報告期內，我們在銷售產品時並未採用任何分銷業務模式。

我們與主要客戶保持長期合作關係。當中部分與我們保持了超過五年的業務關係，其中具有最長關係客戶已與我們維持14年業務關係。此外，我們已與若干客戶訂立長期框架協議。我們根據此類長期框架協議供應的產品主要包括焦炭、苯、己內酰胺及甲醇。截至2018年12月31日，我們的20名該等客戶已與我們簽訂了長期框架協議，所有該等協議為期自2018年開始。有關該等長期框架協議的主要條款，請參閱招股章程。

During the Reporting Period, the revenue attributable to our top five largest customers was approximately RMB3,900.4 million, accounting for 18.9% of the total revenue of the Group. The revenue attributable to our single largest customer was approximately RMB1,188.6 million, accounting for approximately 5.8% of our total revenue. Except for Cabot Risun Chemicals disclosed in Note 39 to the Financial Statements, our top five customers during the Reporting Period were independent third parties, and none of our Directors, their associates or any Shareholder (who, to the knowledge of our Directors, owned more than 5% of the Company's share capital as of the date of this report) had any interest in any of our top five largest customers during the Reporting Period.

RELATIONSHIP WITH SUPPLIERS

The principal raw material used for our coke and coking chemical production is coking coal. We mainly source our coking coal from external suppliers. The major types of coking coal we purchased included hard coking coal, fat coal, gas coal, 1/3 coking coal and lean coal. We purchased a large proportion of our coking coal from suppliers in Shanxi province and Hebei province. If overseas coking coal is more competitively priced than domestic coking coal, we will source coking coal from countries such as Mongolia and Australia.

For the production of our refined chemicals, the principal raw materials are coking chemicals, which include crude benzene, coal tar and coke oven gas. Coking chemicals are by-products in the coking process. We mainly source such raw materials externally from our suppliers, but also source a portion of such raw materials by utilizing by-products from the coke production facilities at our Dingzhou Production Base and from CNC Risun Coking at our Xingtai Production Base.

We generally enter into annual procurement arrangements with key suppliers. These supply arrangements specify the indicative quantities of raw materials that we plan to purchase in the relevant period and are subject to separate purchase orders to confirm delivery. Our suppliers typically granted us credit terms of 30 to 90 days. Pursuant to these arrangements, our procurement department purchases the required raw materials from suppliers in accordance with production plans prepared by our production department. Generally, purchase prices are based on prevailing market prices at the time of delivery of the raw materials. We make and implement our raw material procurement plans in line with our production plans which are primarily based on periodical review of customers' orders in order to reduce our exposure to market price fluctuations of raw materials. The internal market analysis reports generated by our market department also provide us with a basis for determining procurement prices.

於報告期內，來自我們前五大客戶的收益約為人民幣3,900.4百萬元，佔本集團總收益的18.9%。來自我們單一最大客戶的收益約為人民幣1,188.6百萬元，佔總收益約5.8%。除財務報表附註39所披露的卡博特旭陽化工外，於報告期內，我們的前五大客戶均為獨立第三方，且報告期內，概無董事、其聯繫人士或任何股東（就董事所知，截至本年報日擁有本公司5%以上股本者）於我們的任何前五大客戶擁有任何權益。

與供應商的關係

焦炭及焦化產品生產所用的主要原材料為焦煤。我們主要向外部供應商採購焦煤。我們所採購的主要焦煤種類包括主焦煤、肥煤、氣煤、1/3焦煤及瘦煤。我們大部分焦煤乃採購自山西省及河北省的煤炭供應商。倘海外焦煤較國內焦煤價格更具競爭力，我們將向蒙古及澳洲等國家採購焦煤。

就我們的精細化工產品生產而言，主要原材料為焦化產品，包括粗苯、煤焦油及焦爐煤氣。焦化產品是煉焦過程中的副產品。我們主要從供應商外部採購有關原材料，但亦從定州生產園區的焦炭生產設施及邢台生產園區的中煤旭陽焦化採購部分原材料，以善用副產品。

我們通常與主要供應商訂立年度採購安排。此等供應安排規定我們計劃於相關期間購買的原材料指示數量，並受單獨採購訂單的約束以確認交貨。我們的供應商通常賦予我們30至90天的信貸期。根據此等安排，我們的採購部門根據我們生產部門製定的生產計劃從供應商處採購所需原材料。一般而言，購買價為基於原材料交付時的現行市場價格。我們主要根據客戶訂單的定期檢討制定生產計劃，並按計劃制定及實施原材料採購計劃，以減少我們對原材料市場價格波動的風險。我們的市場部門生成的內部市場分析報告亦為我們提供釐定採購價格的基礎。

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We have a broad base of suppliers and do not depend on any single supplier. For instance, we procured coking coals from over 100 suppliers in the PRC and overseas during the Reporting Period. A broad base of suppliers help enables us to procure a wide range of quality raw materials at competitive prices. Though we did not enter into any long-term agreements with our suppliers of raw materials, we maintained long-term cooperative relationships with our key suppliers. Some of them have maintained business relationships with us for more than five years.

Our subsidiaries engaged in the production business have passed the ISO 9001:2008/ISO 9001:2015 Quality Management System standard which imposes detailed supplier selection and assessment procurement. The selection and assessment of our suppliers include:

- the quality and specifications of the raw materials they offer;
- the size and locality of their operations; and
- their past transaction records and terms of trade with us.

During the Reporting Period, our purchases from our top five suppliers were approximately RMB2,486.3 million, accounting for approximately 14.5% of our cost of sales. Our purchases from our single largest supplier were approximately RMB738.5 million, accounting for approximately 4.3% of our cost of sales. Except for CNC Risun Coking disclosed in Note 39 to the Financial Statements, our top five largest suppliers are independent third parties, and none of Directors, their associates or any Shareholder (to the knowledge of Directors, owned more than 5% of the Company's share capital as of the date of this report) had any interest in any of our top five largest raw material and equipment suppliers during the Reporting Period.

During the Reporting Period, we did not experience any material shortages or delays in the supply of our raw materials, and we do not foresee any material shortages or delays in our procurement of raw materials in the future. We closely monitor the inventory levels of our raw materials, and we adjust our procurement volumes accordingly in anticipation of periods in which we may encounter raw material supply shortages or product demand increases.

我們擁有廣泛的供應商基礎，並不依賴任何單一供應商。例如，於報告期內，我們從超過100名中國及海外的供應商採購焦煤。該等做法有助確保我們能夠以具競爭力的價格採購多種優質的原材料。儘管我們並無與原材料供應商訂立任何長期協議，我們與主要供應商維持長期合作關係。部分供應商與我們保持超過五年的業務關係。

我們從事生產業務的附屬公司通過ISO 9001:2008/ISO 9001:2015質量管理體系標準，該標準詳列供應商的挑選及評估程序。我們對供應商的挑選及評估包括：

- 彼等提供的原材料的品質及規格；
- 彼等經營的規模及地點；及
- 彼等過往與我們的交易記錄及交易條款。

於報告期內，我們自前五大供應商的採購額約為人民幣2,486.3百萬元，約佔銷售成本的14.5%。我們自單一最大供應商的採購額約為人民幣738.5百萬元，約佔銷售成本的4.3%。除財務報表附註39所披露的中煤旭陽焦化外，我們的前五大供應商均為獨立第三方，且於報告期內，概無董事、其聯繫人士或任何股東（就董事所知，截至本年報日擁有本公司5%以上股本者）於我們的任何前五大原材料及設備供貨商擁有任何權益。

於報告期內，我們並無經歷任何重大原材料短缺或原材料供應延誤的情況，且我們預期日後不會出現任何重大原材料短缺或原材料採購延誤的情況。我們密切監察原材料的庫存水準，並因應我們可能面臨原材料供應短缺或產品需求增加的期間相應調整我們的採購量。

BUSINESS PERFORMANCE

The audited results of the Company and its subsidiaries for the year ended December 31, 2018 are stated on page 135 of the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The financial positions of the Company and its subsidiaries as at December 31, 2018 are stated on pages 136 to 137 of the Consolidated Statement of Financial Position. The consolidated cash flows of the Company and its subsidiaries for the year ended December 31, 2018 are stated on page 139 to 141 of the Consolidated Statement of Cash Flow.

The discussion and analysis on the Group's business performance and financial position for the current year are stated under "Management Discussion and Analysis" on pages 16 to 35 of this annual report.

SHARE CAPITAL

As of December 31, 2018, the total issued share capital of the Company was HK\$96,271,852.40 divided into 962,718,524 shares of HK\$ 0.1 each. As of March 15, 2019, upon the Listing, the total issued share capital of the Company increased to HK\$400,000,000.00 divided into 4,000,000,000 shares of HK\$ 0.1 each. As of April 11, 2019, upon the full exercise of the Over-allotment Option, the total issued share capital of the Company further increased to HK\$409,000,000.00 divided into 4,090,000,000 shares of HK\$0.1 each.

PURCHASE, SALE AND REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Company itself did not redeem any of its securities and the Company or any of its subsidiaries did not sell or purchase any of the Company's securities.

Since the end of the Reporting Period, the Company has allotted and issued 2,437,281,476 new Shares to the then existing shareholders pursuant to the capitalization issue for the Global Offering on the Listing Date, has allotted and issued 600,000,000 new Shares pursuant to the Global Offering on the Listing Date, and has allotted and issued 90,000,000 new Shares on April 11, 2019 pursuant to the exercise of the Over-allotment Option.

DEBENTURE ISSUED

The Group has not issued any debentures during the year ended December 31, 2018.

業務表現

本公司及其附屬公司截至2018年12月31日止年度的經審核業績載於綜合損益及其他全面收益表第135頁。本公司及其附屬公司於2018年12月31日的財務狀況載於綜合財務狀況表第136至137頁。本公司及其附屬公司截至2018年12月31日止年度的綜合現金流量載於綜合現金流量表第139至141頁。

有關本集團於本年度的業務表現及財務狀況的討論及分析載於本年報第16至35頁「管理層討論及分析」。

股本

截至2018年12月31日，本公司已發行股本總額為96,271,852.40港元，分為962,718,524股每股面值0.1港元的股份。截至2019年3月15日，於上市後，本公司已發行股本總額增加至400,000,000.00港元，分為4,000,000,000股每股面值0.1港元的股份。截至2019年4月11日，於悉數行使超額配股權後，本公司已發行股本總額進一步增加至409,000,000.00港元，分為4,090,000,000股每股面值0.1港元的股份。

購買、出售及贖回本公司上市證券

於報告期內，本公司本身並無贖回其任何證券，本公司或其任何附屬公司亦無出售或購買本公司的任何證券。

自報告期末起，本公司已於上市日期根據資本化發行就全球發售向當時的現有股東配發及發行2,437,281,476股新股份，已於上市日期根據全球發售配發及發行600,000,000股新股份，及已於2019年4月11日因行使超額配股權配發及發行90,000,000股新股份。

已發行債權證

截至2018年12月31日止年度內，本集團概無發行任何債權證。

Report of the Board of Directors 董事會報告

PRE-EMPTIVE RIGHT TO ACQUIRE

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

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief or exemption available to the shareholders by reason of their holding of the Company's securities.

RESERVE

The details in relation to the changes in the reserve of the Company for the current year are stated under Note 46 of the Financial Statements. The details in relation to the reserve available for distributing to the shareholders are stated under Note 46 of the Financial Statements.

PROPERTY, PLANT AND EQUIPMENT

The Group's property, plant and equipment consist mainly of machinery and equipment. We purchased our machinery and equipment mainly with cash from operations and debt financing from banks and other financial institutions. Machinery and equipment are primarily the various types of machineries and equipment at our production site at our four production bases in Hebei province in China, including Xingtai Production Base, Dingzhou Production Base, Tangshan Production Base and Cangzhou Production Base.

As of December 31, 2018, our property, plant and equipment amounted to approximately RMB9,406.2 million, with a year-to-year growth of 4.8%. This was mainly because of the addition of RMB1,121.1 million in property, plant and equipment partially offset by the depreciation of RMB577.8 million.

優先購買權

組織章程細則或本公司註冊成立的開曼群島適用法律項下並無優先購買權的條文，規定本公司必須向現有股東按其持股比例發售新股。

稅項減免

董事並不知悉有關股東因持有本公司證券而獲減免任何稅項。

儲備

有關本公司於本年度的儲備變動詳情，載於財務報表附註46。有關可供分派予股東的儲備詳情載於財務報表附註46。

物業、廠房及設備

本集團的物業、廠房及設備主要包括機器及設備。我們主要以經營所得現金以及銀行及其他金融機構債務融資購買機器及設備。機器及設備主要為我們在中國河北省的四個生產園區的生產場地的各類機器及設備，包括邢台生產園區、定州生產園區、唐山生產園區及滄州生產園區。

截至2018年12月31日，我們的物業、廠房及設備約為人民幣9,406.2百萬元，按年增長4.8%。這主要由於物業、廠房及設備增加人民幣1,121.1百萬元部分被折舊人民幣577.8百萬元所抵銷。

DIVIDENDS AND DIVIDEND POLICY

We declared dividends of RMB891,148,000 to Texson on April 9, 2018 and the dividends were fully settled as of the date of this report. Save as disclosed above, no dividends were paid, declared or proposed during the years ended December 31, 2016, 2017 and 2018.

The Board recommends the distribution of a final dividend of total amount of RMB626.6 million (dividend amount of each ordinary share is RMB0.1532, after the over-allotment option fully exercised) for the year ended December 31, 2018 to all shareholders, details of which are set out in Note 36 to the Financial Statements. Subject to the approval of the 2018 profit distribution plan at the Annual General Meeting, the final dividend will be distributed on or before August 30, 2019 to the Shareholders whose names appear on the register of Shares of the Company on July 10, 2019. Further announcements will be made by the Company in due course regarding the details of the date of dividend distribution and other specific arrangement.

The recommendation of payment and the amount of any future dividends will be at the absolute discretion of the Board and the amount of any dividends actually distributed to our Shareholders will depend on our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, our future prospects and other factors that our Directors consider important. We expect to distribute no less than 30% of our annual distributable earnings in every subsequent year as dividends.

BANK BORROWINGS AND OTHER BORROWINGS

The details in relation to the bank borrowings and other borrowings of the Company and its subsidiaries as of December 31, 2018 are stated under Note 31 of the Financial Statements.

股息及股息政策

我們於2018年4月9日向泰克森宣派股息人民幣891,148,000元，而有關股息於本年報日前已全數結清。除上述宣派的股息外，於截至2016年、2017年及2018年12月31日止年度，概無支付、宣派或建議股息。

董事會建議向全體股東分派截至2018年12月31日止年度的末期股息總金額為人民幣626.6百萬元（每股普通股的股息金額為人民幣0.1532元，在超額配股權獲全面行使後），其詳情載於財務報表附註36。於2018年溢利分派計劃於股東週年大會獲批准後，本公司將於2019年8月30日或之前向於2019年7月10日名列本公司股份登記冊的股東分派末期股息。有關股息分派日期及其他具體安排的詳情，本公司將於適當時候另行刊發公告。

派付任何未來股息的建議及其金額將由董事會全權酌情決定，實際分派予股東的任何股息金額將視乎我們的經營業績、現金流量、財務狀況、附屬公司向我們支付現金股息、未來前景及董事認為重要的其他因素而定。我們預期在其後每個年度分派不少於年度可供分派盈利的30%作為股息。

銀行借款及其他借款

於2018年12月31日，有關本公司及其附屬公司之銀行借款及其他借款的詳情載於財務報表附註31。

Report of the Board of Directors

董事會報告

DIRECTORS AND SENIOR MANAGEMENT

The Board of Directors currently consists of nine Directors, among whom, six are Executive Directors and three are Independent Non-executive Directors. The Directors have been appointed with a term of three years, after which they may be re-elected.

The information regarding the Company's Directors are set out as follows:

董事及高級管理層

董事會現時由九名董事組成，其中六名為執行董事及三名為獨立非執行董事。董事於其獲選后的任期為三年。

有關本公司董事的資料載列如下：

Name	Age	Position	Roles and Responsibilities	Appointment Date	Date of Joining The Group	Relationship with Other Directors and Senior Management
姓名	年齡	職位	角色及職責	委任日期	加入本集團的日期	與其他董事及高級管理層的關係
Mr. Yang Xuegang (楊雪崗)	54	Executive Director, chairman of the Board and chief executive officer	Overall management and Business development of the Group	November 8, 2007	May 12, 1995	Father of Mr. Yang Lu (楊路)
楊雪崗先生	54	執行董事、董事會主席兼行政總裁	本集團的整體管理及業務發展	2007年11月8日	1995年5月12日	楊路先生的父親
Mr. Zhang Yingwei (張英偉)	47	Executive Director and vice president of the Group	Overall management of the Tangshan Production Base and the Cangzhou Production Base	July 24, 2009	February 5, 1996	N/A
張英偉先生	47	執行董事兼本集團副總裁	唐山生產園區及滄州生產園區的整體管理	2009年7月24日	1996年2月5日	不適用
Mr. Han Qinliang (韓勤亮)	45	Executive Director and vice president of the Group	Management of the financial, accounting and information systems of the Group	May 18, 2011	March 1, 2004	N/A
韓勤亮先生	45	執行董事兼本集團副總裁	本集團的財務、會計及信息系統管理	2011年5月18日	2004年3月1日	不適用
Mr. Wang Fengshan (王風山)	60	Executive Director and vice president of the Group	Management of procurement and sales of the Group	September 29, 2018	March 1, 2004	N/A
王風山先生	60	執行董事兼本集團副總裁	本集團採購及銷售管理	2018年9月29日	2004年3月1日	不適用
Mr. Wang Nianping (王年平)	56	Executive Director and vice president of the Group	Legal and risk management of the Group	September 29, 2018	February 22, 2011	N/A
王年平先生	56	執行董事兼本集團副總裁	本集團法律及風險管理	2018年9月29日	2011年2月22日	不適用
Mr. Yang Lu (楊路)	28	Executive Director	Management of the import, export and domestic trading business of our Group	September 29, 2018	November 1, 2013	Son of Mr. Yang Xuegang(楊雪崗)
楊路先生	28	執行董事	管理本集團的進出口及國內貿易業務	2018年9月29日	2013年11月1日	楊雪崗先生的兒子

Report of the Board of Directors 董事會報告

Name	Age	Position	Roles and Responsibilities	Appointment Date	Date of Joining The Group	Relationship with Other Directors and Senior Management
姓名	年齡	職位	角色及職責	委任日期	加入本集團的日期	與其他董事及高級管理層的關係
Mr. Kang Woon (康洵)	56	Independent Non-executive Director	Oversight of the compliance and corporate governance matters of the Group and provision of independent advice to the Board	September 29, 2018	November 11, 2011(1)	N/A
康洵先生	56	獨立非執行董事	監督本集團的合規及企業管治事宜，並向董事會提供獨立意見	2018年9月29日	2011年11月11日(1)	不適用
Mr. Yu Kwok Kuen Harry (余國權)	49	Independent Non-executive Director	Same as above	September 29, 2018	September 29, 2018	N/A
余國權先生	49	獨立非執行董事	同上	2018年9月29日	2018年9月29日	不適用
Mr. Wang Yinping (王引平)	58	Independent Non-executive Director	Same as above	September 29, 2018	September 29, 2018	N/A
王引平先生	58	獨立非執行董事	同上	2018年9月29日	2018年9月29日	不適用

Table Note:

(1) Mr. Kang Woon (康洵) was appointed as an Independent Non-executive Director from November 2011 to September 2015. He was re-appointed as an Independent Non-executive Director in September 2018.

表格附註：

(1) 康洵先生自2011年11月至2015年9月獲委任為獨立非執行董事，並於2018年9月再次獲委任為獨立非執行董事。

Report of the Board of Directors 董事會報告

The information regarding the Company's senior management are set out as follows: 有關本公司高級管理層的資料載列如下：

Name	Age	Position	Roles and Responsibilities	Appointment Date	Date of Joining The Group	Relationship with Other Directors and Senior Management
姓名	年齡	職位	角色及職責	委任日期	加入本集團的日期	與其他董事及高級管理層的關係
Mr. Jia Yunshan (賈運山) 賈運山先生	51	Vice president of the Group	Financing and cash management of the Group	December 6, 2004	May 12, 1995	N/A
	51	本集團副總裁	本集團的融資及現金管理	2004年12月6日	1995年5月12日	不適用
Mr. Li Qinghua (李慶華) 李慶華先生	55	Vice president of the Group	Overall management of the Xingtai Production Base	June 8, 2015	November 1, 2004	N/A
	55	本集團副總裁	邢台生產園區的整體管理	2015年6月8日	2004年11月1日	不適用
Mr. Yuan Xixian (苑希現) 苑希現先生	56	Vice president of the Group	Management of the Group's strategic investments, production and engineering	August 1, 2017	May 8, 2017	N/A
	56	本集團副總裁	管理本集團的策略投資、生產及工程	2017年8月1日	2017年5月8日	不適用
Mr. Ho Pui Lam Joseph (何沛霖) 何沛霖先生	38	Company secretary	Management of corporate governance and company secretarial matters, participation in the making of material business decisions and development of the business strategy	September 29, 2018	September 20, 2017	N/A
	38	公司秘書	管理公司治理和公司秘書事宜、參與重大業務決策及制定業務策略	2018年9月29日	2017年9月20日	不適用

The Company has received the confirmation of the independence issued by the Independent Non-executive Directors in accordance with Rule 3.13 of the Listing Rules and is of the opinion that all Independent Non-executive Directors are independent of the Company.

本公司已接獲獨立非執行董事根據上市規則第3.13條發出的獨立性確認書，且認為所有獨立非執行董事均獨立於本公司。

Changes to the information of Directors

董事資料的變動

According to Rule 13.51B(1) of the Listing Rules, and as of the date of this report, there is no change made to the information disclosed by Directors pursuant to the provisions of paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules.

根據上市規則第13.51B(1)條，及截至本年報日，董事根據上市規則第13.51(2)條第(a)至(e)段及第(g)段規定披露資料並無變動。

SERVICE CONTRACTS OF DIRECTORS

None of the Directors of the Company has entered into a service contract with the Company or any of its subsidiaries that may not be terminated by the employer within one year without the payment of compensation (other than statutory compensation).

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The details of the remuneration of the Company's Directors and five highest paid individuals are stated under Note 12 in the Financial Statements. The range of remuneration of the senior management are as follows:

Range of Remuneration (HK\$'000) 薪酬範圍 (千港元)	Number of Senior Management 高級管理層人數
0-500	-
500-1,000	-
1,000-1,500	4

INTERESTS OF DIRECTORS (AND THEIR CONNECTED ENTITIES) IN MATERIAL TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

None of the Directors (and their connected entities) is or was materially interested, directly or indirectly, in any transaction, arrangement or contract of significance entered into by the Company or the Controlling Shareholders or any of their respective subsidiaries at any time during the Reporting Period or subsisted at the end of the Reporting Period.

INTERESTS OF DIRECTORS IN COMPETING BUSINESS

During the Reporting Period, none of the Directors nor their associates had any competing interests in such business that is in direct or indirect competition with any of the Group's business.

董事服務合約

概無本公司董事已與本公司或其任何附屬公司訂立不可由僱主於一年內終止而毋須支付賠償(法定賠償除外)的服務合約。

董事及高級管理層的薪酬

本公司董事及五名最高薪人士薪酬的詳情載於財務報表附註12。高級管理層的薪酬範圍如下：

董事(及其關連實體)於重大交易、安排或合約中的權益

概無董事(及其關連實體)現時或曾經於本公司或控股股東或彼等各自的任何附屬公司於報告期內任何時間訂立或於報告期末存續的任何重大交易、安排或合約中直接或間接擁有重大權益。

董事於競爭業務的權益

於報告期內，概無董事或其聯繫人在與本集團業務直接或間接構成競爭的業務中擁有任何競爭權益。

THE INTEREST AND SHORT POSITIONS OF THE DIRECTORS AND SENIOR MANAGEMENT IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

During the Reporting Period, as the Shares of the Company were not listed on the Hong Kong Stock Exchange, the disclosure requirements under relevant laws and regulations of Hong Kong, including Divisions 7 and 8 of Part XV and section 352 of the SFO and the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Hong Kong Listing Rules (the "Model Code"), were not yet applicable to the Company and its Directors and chief executives.

Save as disclosed below, as at the date of this report, none of the Directors and chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which were required, pursuant to the Model Code as set out in the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

董事及高級管理層於股份、相關股份及債券的權益及淡倉

於報告期內，由於本公司的股份尚未於香港聯交所上市，相關香港法律及法規的披露規定（包括證券及期貨條例第XV部第7及第8分部及第352條，以及香港上市規則附錄10上市發行人董事進行證券交易的標準守則（「標準守則」））尚未適用於本公司及其董事以及主要高管。

除下文所披露者外，於本年報日，概無董事及本公司主要高管於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯交所的任何權益或淡倉，或根據證券及期貨條例第352條須記錄於該條所指登記冊的任何權益或淡倉，或根據上市規則所載標準守則須知會本公司及香港聯交所的任何權益或淡倉。

Name of Director	Capacity/Nature of Interest	Number of Shares	Approximate percentage of the total issued share capital of the Company
			(%)
董事姓名	身份／權益性質	股份數目	佔本公司已發行股本總額的概約百分比
Mr. Yang ⁽¹⁾ 楊先生 ⁽¹⁾	Interest in controlled corporation 受控法團權益	3,116,074,928(L) 3,116,074,928(L)	76.2% 76.2%

(L) denotes long positions

(L) 指代好倉

Notes:

(1) Texson is wholly-owned by Mr. Yang. Accordingly, Mr. Yang is deemed to be interested in the Shares held by Texson. In addition, Texson holds 27,469,38308 class A non-redeemable participating shares in First Milestone and as such, is deemed to be interested in the Shares held by First Milestone.

附註：

(1) 泰克森由楊先生全資擁有。因此，楊先生被視為於泰克森持有的股份中擁有權益。此外，泰克森持有First Milestone 27,469,38308股A類不可贖回參與股份，因而被視為於First Milestone所持股份中擁有權益。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN SHARES

During the Reporting Period, as the Shares of the Company were not listed on the Hong Kong Stock Exchange, the disclosure requirements under relevant laws and regulations of Hong Kong, including Divisions 2 and 3 of Part XV and section 336 of the SFO, were not yet applicable to the Company and its Directors and chief executives.

So far as is known to the Directors of the Company, as of the date of this report, the following persons (other than the Directors or chief executives of the Company) had interest and short positions in the Shares, or underlying Shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein, or which had already been notified to the Company and the Hong Kong Stock Exchange:

主要股東於股份的權益

於報告期內，由於本公司的股份尚未於香港聯交所上市，相關香港法律及法規的披露規定（包括證券及期貨條例第XV部第2及第3分部及第336條）尚未適用於本公司及其董事以及主要高管。

就本公司董事所知，於本年報日，下列人士（董事或本公司主要高管除外）於本公司的股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部須知會本公司的權益及淡倉，或根據證券及期貨條例第336條須記錄於該條所指登記冊的權益及淡倉，或已知會本公司及香港聯交所的權益及淡倉。

Name of Shareholder	Nature of interest	Number of Shares (share) ⁽¹⁾	Approximate percentage of the total issued share capital of the Company (%) 佔本公司已發行股本總額的概約百分比 (%)
股東名稱	權益性質	股份數目(股) ⁽¹⁾	(%)
First Milestone ⁽¹⁾⁽²⁾	Beneficial owner	849,408,259(L)	20.8%
First Milestone ⁽¹⁾⁽²⁾	實益擁有人	849,408,259(L)	20.8%
Texson ⁽¹⁾	Beneficial owner	2,266,666,669(L)	55.4%
泰克森 ⁽¹⁾	實益擁有人	2,266,666,669(L)	55.4%
	Interest in controlled corporation	849,408,259(L)	20.8%
	受控法團權益	849,408,259(L)	20.8%
China Cinda Asset Management Co., Ltd. ⁽²⁾⁽³⁾	Interest in controlled corporation	857,816,259(L)	21.0%
中國信達資產管理股份有限公司 ⁽²⁾⁽³⁾	受控法團權益	857,816,259(L)	21.0%
China Cinda (HK) Holdings Company Limited ⁽²⁾⁽³⁾	Interest in controlled corporation	849,408,259(L)	20.8%
中國信達(香港)控股有限公司 ⁽²⁾⁽³⁾	受控法團權益	849,408,259(L)	20.8%
	Beneficial owner	8,408,000(L)	0.2%
	實益擁有人	8,408,000(L)	0.2%

Report of the Board of Directors
董事會報告

Name of Shareholder	Nature of interest	Number of Shares (share) ⁽¹⁾	Approximate percentage of the total issued share capital of the Company (%) 佔本公司已發行股本總額的概約百分比 (%)
股東名稱	權益性質	股份數目(股) ⁽¹⁾	(%)
Sino-Rock Investment Management Company Limited ⁽²⁾	Interest in controlled corporation	849,408,259(L)	20.8%
漢石投資管理有限公司 ⁽²⁾	受控法團權益	849,408,259(L)	20.8%
Cinda Sino-Rock Investment Limited ⁽²⁾	Interest in controlled corporation	849,408,259(L)	20.8%
Cinda Sino-Rock Investment Limited ⁽²⁾	受控法團權益	849,408,259(L)	20.8%
Sinostone Capital Management (Overseas) Company Limited ⁽²⁾	Interest in controlled corporation	849,408,259(L)	20.8%
信石資本管理(海外)有限公司 ⁽²⁾	受控法團權益	849,408,259(L)	20.8%

(L) denotes long positions

(L) 指代好倉

Notes:

附註：

- (1) Texson holds 27,469.38308 class A non-redeemable participating shares in First Milestone and as such, is deemed to be interested in the Shares held by First Milestone.
- (2) Sinostone Capital Management (Overseas) Company Limited holds 100% management shares in First Milestone. Sinostone Capital Management (Overseas) Company Limited is wholly-owned by Cinda Sino-Rock Investment Limited, which in turn is wholly owned by Sino-Rock Investment Management Company Limited. China Cinda (HK) Holdings Company Limited indirectly holds 48.28% interests in Sino-Rock Investment Management Company Limited, and is wholly-owned by China Cinda Asset Management Co., Ltd.. Accordingly, each of Sinostone Capital Management (Overseas) Company Limited, Cinda Sino-Rock Investment Limited, Sino-Rock Investment Management Company Limited, China Cinda (HK) Holdings Company Limited and China Cinda Asset Management Co., Ltd. is deemed to be interested in the Shares held by First Milestone.
- (3) China Cinda (HK) Holdings Company Limited is wholly-owned by China Cinda Asset Management Co., Ltd.. Accordingly, China Cinda Asset Management Co., Ltd. is deemed to be interested in the Shares held by China Cinda (HK) Holdings Company Limited.

- (1) 泰克森持有First Milestone 27,469.38308股A類不可贖回參與股份，因而被視為於First Milestone所持股份中擁有權益。
- (2) 信石資本管理(海外)有限公司持有First Milestone的100%管理股份。信石資本管理(海外)有限公司由Cinda Sino-Rock Investment Limited全資擁有，而Cinda Sino-Rock Investment Limited繼而由漢石投資管理有限公司全資擁有。中國信達(香港)控股有限公司間接持有漢石投資管理有限公司48.28%權益，並由中國信達資產管理股份有限公司全資擁有。因此，信石資本管理(海外)有限公司、Cinda Sino-Rock Investment Limited、漢石投資管理有限公司、中國信達(香港)控股有限公司及中國信達資產管理股份有限公司各自被視為於First Milestone所持股份中擁有權益。
- (3) 中國信達(香港)控股有限公司由中國信達資產管理股份有限公司全資擁有。因此，中國信達資產管理股份有限公司被視為於中國信達(香港)控股有限公司所持股份中擁有權益。

Save as disclosed above, as of the date of this report, the Directors of the Company were not aware of any person (other than the Directors or chief executives of the Company) who had interest or short positions in the Shares or underlying Shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein, or which had already been notified to the Company and the Hong Kong Stock Exchange.

SHARE OPTION SCHEME

On February 21, 2019 (the "Adoption Date"), the shareholders adopted the Share Option Scheme (the "Share Option Scheme"). The terms of the Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules.

PURPOSE

The purpose of the Share Option Scheme is to provide incentives to Participants (as defined in the following paragraph) to contribute to the Company and motivate them to higher levels of performance, and to enable the Company to recruit high caliber employees and attract or retain human resources that are valuable to the Group.

WHO MAY JOIN

The Board may, at its absolute discretion, offer options to subscribe for such number of Shares in accordance with the terms set out in the Share Option Scheme ("Options") to any employee, executive director or non-executive director (including independent non-executive director) of any member of the Group (the "Participants").

除上文所披露者外，於本年報日，本公司董事並不知悉任何人士（董事或本公司主要高管除外）於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部須知會本公司的權益或淡倉，或根據證券及期貨條例第336條須記錄於該條所指登記冊的權益或淡倉，或已知會本公司及香港聯交所的權益或淡倉。

購股權計劃

於2019年2月21日（「採納日期」），股東採納購股權計劃（「購股權計劃」）。購股權計劃的條款符合上市規則第17章的規定。

目的

購股權計劃旨在向參與者（定義見下段）提供鼓勵以向本公司作出貢獻並激勵彼等作出更佳表現，以及使本公司能夠招聘高質素僱員並吸引或挽留對本集團具價值的人力資源。

可參與人士

董事會可全權酌情根據購股權計劃所載的條款向本集團任何成員公司的任何僱員、執行董事或非執行董事（包括獨立非執行董事）（「參與者」）提呈可認購有關數目的股份的購股權（「購股權」）。

MAXIMUM NUMBER OF SHARES

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme (the "Maximum Number of Shares") and any other Share Option Scheme of the Group shall not in aggregate exceed 10% of the total number of Shares in issue immediately upon completion of the Global Offering, however, that, subject to compliance with the Listing Rules:

- (i) the Company may, at any time as the Board may think fit, seek approval from our Shareholders to increase the Maximum Number of Shares, up to a maximum of 10% of the Shares in issue at the date of approval by our Shareholders in general meeting. Options previously granted under the Share Option Scheme or any other scheme of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme or any other scheme of the Company) shall not be counted for the purpose of calculating the new Maximum Number of Shares. The Company will send a circular containing the details and information required under the Listing Rules to the Shareholders;
- (ii) the Company may seek separate approval from the Shareholders in general meeting to permit the granting of Options which will result in the number of Shares in respect of all Options granted exceeding the then Maximum Number of Shares, provided that the Options exceeding the then Maximum Number of Shares are granted only to Participants specifically identified by the Company before Shareholders' approval is sought. The Company will send a circular containing the details and information required under the Listing Rules to the Shareholders;
- (iii) the total maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other options granted and yet to be exercised under another scheme of the Company will not exceed 30% of the Shares in issue from time to time. No options may be granted under the Share Option Scheme and any other share option scheme of the Company if this will result in such limit being exceeded.

最高股份數目

因行使根據購股權計劃及本集團任何其他購股權計劃將予授出的所有購股權而可能發行的最高股份數目（「最高股份數目」），合共不得超過緊隨全球發售完成後的已發行股份總數的10%，惟在遵守上市規則的前提下：

- (i) 本公司可於董事會認為合適的任何時間尋求股東批准增加股份最高股份數目，最多為股東於股東大會批准日期已發行股份的10%。先前根據購股權計劃或本公司任何其他計劃授出的購股權（包括根據購股權計劃或本公司任何其他計劃的條款尚未行使、已取消或失效的購股權）不得計算入新最高股份數目之中。本公司將向股東寄發載有上市規則規定的詳情及資料的通函；
- (ii) 本公司可於股東大會上尋求股東另行批准授出會導致就所有購股權授出的股份數目超出當時最高股份數目的購股權，惟超出當時最高股份數目的有關購股權僅可授予本公司在取得股東批准前已指定的參與者。本公司將向股東寄發載有上市規則規定的詳情及資料的通函；
- (iii) 因悉數行使根據購股權計劃已授出但尚未行使的所有購股權及根據本公司其他計劃已授出但尚未行使的任何其他購股權而可能發行的最高股份總數，不得超過本公司不時已發行股份的30%。倘此將導致超出有關限額，則不會根據購股權計劃及本公司任何其他購股權計劃授出任何購股權。

MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The total number of Shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Company (including both exercised and outstanding options) to each Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as of the date of grant. Any further grant of Options in excess of the 1% limit will be separately approved by the Shareholders in general meeting with such Participant and his associates abstaining from voting. The Company will send a circular to the Shareholders disclosing the identity of the Participant, the number and terms of Options to be granted to the Participant, and containing the details and information required under the Listing Rules. The number and terms (including the subscription price) of Options to be granted to the Participant must be fixed before the approval of the Shareholders and the date of the Board meeting proposing the grant will be taken as the offer date for the purpose of calculating the subscription price of those Options.

GRANTING OPTIONS TO CONNECTED PERSONS

Where any offer of the grant of an Option is proposed to be made to a director (other than an independent non-executive director), chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates, the offer must be approved by the Independent Non-executive Directors (excluding any Independent Non-executive Director who is the grantee of an Option).

Where any grant of Options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (i) representing in aggregate over 0.1% of the Shares in issue; and (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such further grant of Options will be subject to the issue of a circular by the Company and approval by the Shareholders in general meeting at which all connected persons of the Company must abstain from voting in favor at such general meeting and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options will be taken as a poll.

每名參與者享有購股權數目上限

截至授出日期止任何12個月期間，因根據購股權計劃及本公司任何其他購股權計劃向各參與者授出的購股權（包括已行使及尚未行使的購股權）而已發行及將予發行的股份總數，不得超過截至授出日期已發行股份的1%。倘進一步授出購股權會導致超過上述1%上限，須經股東於股東大會上另行批准，而該參與者及其聯繫人不得投票。本公司將向股東寄發通函，披露參與者的身份、授予參與者的購股權數目及條款，並載有上市規則規定的詳情及資料。授予參與者的購股權數目及條款（包括認購價）必須在股東批准前確定，而建議授出的董事會會議日期將作為要約日期，以計算該等購股權的認購價。

向關連人士授出購股權

倘建議向本公司董事（獨立非執行董事除外）、主要高管或主要股東（定義見上市規則）或其各自的任何聯繫人提出授出購股權的要約，要約必須經獨立非執行董事（不包括作為購股權承授人的任何獨立非執行董事）批准。

倘向本公司一名主要股東或獨立非執行董事或彼等各自的任何聯繫人授出購股權，致使因行使直至授出購股權當日（包括該日）止12個月授予及將授予該人士的所有購股權（包括已行使、已註銷及尚未行使的購股權）而已發行及將予發行的股份：(i) 合共超過已發行股份的0.1%；及(ii) 根據各授出日期股份的收市價計算，總值超過5百萬港元，則增授購股權須經本公司發出通函及股東於股東大會上批准，本公司所有關連人士須在有關股東大會上放棄投贊成票，及／或遵守上市規則不時作出的其他規定。任何在大會上批准授予有關購股權的投票將以數票方式進行。

Report of the Board of Directors 董事會報告

PERFORMANCE TARGET AND CONDITIONS FOR VESTING

No performance targets are to be achieved before an Option can be exercised.

SUBSCRIPTION PRICE

The price per Share at which a grantee may subscribe for Shares on the exercise of an Option shall be a price determined by the Board in its absolute discretion and notified to a Participant, which shall be at least the higher of:

- (i) the closing price of the Shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheet on the relevant offer date in respect of such Option;
- (ii) the average closing price of the Shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the relevant offer date in respect of such Options or where the Company has been listed for less than five trading days, the new issue price shall be used as the closing price; or
- (iii) the nominal value of the Shares.

LIFE OF THE SHARE OPTION SCHEME

Subject to the terms of the Share Option Scheme, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, i.e. February 20, 2029, after which period no further Options will be offered but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted before that. Options granted before that but not yet exercised shall continue to be valid and exercisable in accordance with the terms of the Share Option Scheme.

OPTION GRANTED

No option has been granted under the Scheme since the Adoption Date and up to the date of this report.

表現目標及歸屬條件

在行使購股權前，無須達至任何表現目標。

認購價

承授人於行使購股權時可能認購股份的每股股份價格須由董事會全權酌情釐定，並通知參與者，惟認購價應為以下三者中的最高者：

- (i) 股份於有關購股權的相關要約日期在聯交所每日報價表上的聯交所收市價；
- (ii) 緊接有關購股權的相關要約日期前五個交易日股份於聯交所每日報價表上的聯交所平均收市價，或倘本公司上市少於五個交易日，則以新發行價格作為收市價；或
- (iii) 股份面值。

購股權計劃的期限

在購股權計劃條款的規限下，購股權計劃自採納日期（即二零二九年二月二十日）起計10年內有效及生效，其後不得進一步發行購股權，惟購股權計劃的條文仍具有十足效力，並在必要的範圍內生效，以使此前授出的任何購股權行之有效。此前授出但尚未行使的購股權將繼續有效，並可根據購股權計劃的條款行使。

授出的購股權

自採納日期起直至本年報日，概無根據計劃授出任何購股權。

MANAGEMENT CONTRACTS

During the Reporting Period, the Group did not enter into any contracts in respect of the management and administration of all or any significant portion of the business (except for such service contracts entered into with the Group's Directors and all employees) and there existed no such contracts in respect of the management and administration of all or any significant portion of the business (except for such service contracts entered into with the Group's Directors and all employees).

CONNECTED TRANSACTIONS

We have entered into some transactions with connected persons of the Company. In accordance with Chapter 14A of the Listing Rules, such transactions have constituted Continuing Connected Transactions of the Company.

PROJECT SERVICES FRAMEWORK AGREEMENT

The Company entered into a project services framework agreement on February 22, 2019 (the "Project Services Framework Agreement") with Xuyang Holding, pursuant to which Xuyang Group will provide project design, construction management and general contracting services to the Group in relation to our various initiatives to upgrade our energy saving and environmental protection capabilities and improve the efficiency and quality of our existing large-scale production facilities in light of the adoption by the relevant PRC government authorities of more stringent energy saving and environmental protection requirements. Relevant members of Xuyang Group may enter into separate contracts with the Group to set out specific terms and conditions of the relevant services in accordance with the principles provided in the Project Services Framework Agreement. The initial term of the Project Services Framework Agreement and any separate contracts entered into under it will expire on December 31, 2021 and such term can be renewed subject to mutual written consent of the Company and Xuyang Holding and approval in accordance with applicable laws, regulations and the Listing Rules. The Group is free to contract with other independent third parties for the relevant services if Xuyang Group is unable to provide such services or the terms that Xuyang Group offers become less favorable to the Group than those offered by other independent third parties.

管理合約

報告期內，本集團並無就有關全部或任何重大部分業務的管理及行政工作訂立任何合約（與本集團董事及全體僱員訂立的服務合約除外），且概無存在就有關全部或任何重大部分業務的管理及行政工作訂立的任何合約（與本集團董事及全體僱員訂立的服務合約除外）。

關連交易

我們已與本公司關連人士訂立若干交易。根據上市規則第14A章，有關交易已構成本公司的持續關連交易。

項目服務框架協議

本公司於2019年2月22日與旭陽控股訂立項目服務框架協議（「項目服務框架協議」），據此，旭陽集團將就多項舉措向本集團提供項目設計、施工管理及總承包服務，務求因應中國有關政府部門採用更嚴格的節能和環保要求而提升我們的節能和環保能力，以及提高現有大型生產設施的效率及質量。旭陽集團有關成員公司可與本集團按照項目服務框架協議規定的原則，訂立獨立合約，務求列載有關服務的具體條款及條件。項目服務框架協議以及據此訂立的任何獨立合約的初始期限將於2021年12月31日屆滿。而根據適用法律、法規及上市規則，該期限經本公司及旭陽控股共同書面同意及批准，可獲重續。倘旭陽集團無法提供有關服務或其向本集團提供的條款遜於其他獨立第三方所提供者，本集團可自由就有關服務與其他獨立第三方訂立合約。

Report of the Board of Directors 董事會報告

Xuyang Holding is a company wholly-owned by our Controlling Shareholder, Mr. Yang and his spouse. Pursuant to Rule 14A.07(1), Mr. Yang, an Executive Director and our Controlling Shareholder, is a connected person of the Company, and thus, Xuyang Holding is an associate of Mr. Yang and a connected person of the Company.

While the Group could procure independent third parties to provide such services, the Group considers that the Project Services Framework Agreement is beneficial to the Group as:

- (i) the project design and construction management of various chemical production facilities requires certain technical expertise and experience in the design and construction management of coal, coking and refined chemicals systems and facilities which Xuyang Group can provide;
- (ii) Xuyang Group has extensive knowledge of our existing production facilities and our technical and operational requirements, and may thus be more efficient in implementing the projects; and
- (iii) the terms and prices offered by Xuyang Group may be more favorable than what we may obtain from independent third parties.

The Group conducts a public tender process for each project for which we require project design, construction management and general contracting services. Interested bidders would be selected on the bases of the prices proposed, the technical specifications achievable, the business model and background of the bidders, payment terms proposed and the estimated delivery dates, and the bidder offering the best overall terms would be awarded the project. As such, the fees for the services provided by Xuyang Group under the Project Services Framework Agreement would be in line with the prices proposed by Xuyang Group in its submitted bids, and the Group would compare such bids with the bids submitted by other independent third parties.

The amounts of fees charged by Xuyang Group with respect to the project services for the Reporting Period was approximately RMB111.6 million.

Since each of the applicable percentage ratios (other than the profits ratio) for the Project Services Framework Agreement is less than 5%, the transactions under the Project Services Framework Agreement constitute continuing connected transactions for the Company which are subject to the reporting, annual review and announcement requirements but exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

旭陽控股為我們控股股東楊先生及其配偶全資擁有的公司。根據第14A.07(1)條，楊先生（執行董事及我們的控股股東）為本公司的關連人士，因此旭陽控股為楊先生的聯繫人及本公司的關連人士。

雖然本集團可促使獨立第三方提供有關服務，本集團認為項目服務框架協議對本集團有利，因為：

- (i) 各種化工生產設施的項目設計及施工管理需要旭陽集團提供的若干專業技術知識，以及煤炭、焦化及精細化工品系統及設施的設計、施工管理方面的經驗；
- (ii) 旭陽集團在我們現有的生產設施及技術和營運要求方面有廣泛的知識，因此提升實施項目效率；及
- (iii) 旭陽集團所提供之條款及價格較我們可從獨立第三方取得者為優。

本集團為各個需要項目設計、施工管理及總承包服務的項目進行公開招標。本集團將根據建議價格、可實現的技術規格、投標人的業務模式和背景、建議的付款條件、預計交付日期以及投標人就獲授項目提供的最佳總體條款而選取有興趣的投標人。因此，旭陽集團根據項目服務框架協議提供的服務費用將與旭陽集團於投標中提出的價格一致，而本集團將就此類投標與其他獨立第三方提交的投標比較。

旭陽集團於報告期內就項目服務收取的費用金額約為人民幣111.6百萬元。

由於項目服務框架協議之各項適用百分比率（溢利比率除外）低於5%，故項目服務框架協議項下的交易構成本公司的持續關連交易，須遵守申報、年度審閱及公告規定，但獲豁免遵守上市規則第14A章項下有關通函及獨立股東批准的規定。

CONFIRMATION BY THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-executive Directors of the Company have reviewed the aforementioned continuing connected transactions and confirmed that the transactions have been conducted:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) in accordance with relevant agreement governing the relevant transactions, on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

RELATED PARTY TRANSACTIONS

Note 39 to the Financial Statements discloses the related party transactions of the Company in accordance with IFRS. The transactions disclosed therein between the Company and the following parties constitute connected transactions or continuing connected transactions of the Company under Chapter 14A of the Listing Rules: Mr. Yang Xuegang, Ms. Lu Xiaomei, Texson and the entities controlled by Mr. Yang Xuegang. Since the Listing Date, the Company has complied with the requirements under Chapter 14A of the Listing Rules.

COMPLIANCE WITH DEED OF NON-COMPETITION

On February 20, 2019, the Controlling Shareholders have entered into a Deed of Non-competition, pursuant to which each of the Controlling Shareholders agreed that, except for the supply of coal as described above, (i) he or she or it will not engage in, participate in or assist others to engage or participate in any business that competes or is likely to compete, directly or indirectly, with our business within the PRC, Hong Kong or any part of the world in which any member of the Group operates, and will procure its subsidiaries (where applicable) not to engage in any business that competes or is likely to compete, directly or indirectly, with our business (the "Competing Businesses") in the PRC, Hong Kong or any part of the world in which any member of the Group operates; and (ii) he or she or it will inform us of any new business opportunities of the Competing Businesses, and use his or her or its best efforts to procure such opportunities be made available to us.

獨立非執行董事確認

本公司獨立非執行董事已審核上述持續關連交易，並確認該等交易乃：

- (a) 於本集團的一般及日常業務過程中進行；
- (b) 按照一般商業條款或更佳條款訂立；及
- (c) 根據規管有關交易的有關協議進行，而交易條款公平合理，並符合本公司股東的整體利益。

關聯方交易

財務報表附註39乃根據國際財務報告準則披露本公司的關聯方交易。根據上市規則第14A章，當中所披露本公司與以下各方之間的交易構成本公司的關連交易或持續關連交易：楊雪崗先生、路小梅女士、泰克森及楊雪崗先生控制的實體。自上市日期起，本公司一直遵守上市規則第14A章的規定。

遵守不競爭契據

於2019年2月20日，控股股東已訂立不競爭契據，據此，各控股股東同意，除上述煤炭供應外，(i)其不會在中國境內、香港或本集團任何成員公司經營業務的世界任何地方從事、參與或協助他人從事或參與任何與我們的業務直接或間接構成競爭或可能構成競爭的業務，並將促使其附屬公司(如適用)不在中國、香港或本集團任何成員公司經營業務的世界任何地方從事任何與我們的業務直接或間接構成競爭或可能構成競爭的業務(「競爭業務」)；及(ii)其將知會我們競爭業務的任何新業務機會並盡最大努力促成我們獲得有關機會。

Report of the Board of Directors 董事會報告

Each of the Controlling Shareholders have also undertaken in the Deed of Non-competition that during the term of such agreement, he or she or it will not, and will procure its subsidiaries (where applicable) not to:

- directly or indirectly engage in or participate in, or assist others to engage in or participate in, any Competing Businesses in any form (including but not limited to investments, mergers and acquisitions, joint ventures, cooperation agreements, partnerships, contractual arrangements or purchases of shares of listed or private companies) within the PRC, Hong Kong or any part of the world in which any member of the Group operates;
- assist any entity other than the Group to engage in any Competing Businesses within the PRC, Hong Kong or any part of the world in which any member of the Group operates; or
- engage in any Competing Businesses (directly or indirectly) in any manner.

The independent non-executive Directors of the Company are responsible for examining, reviewing, considering and determining whether to adopt and accept the new business opportunities referred to the Company by the Controlling Shareholders.

The Controlling Shareholders have confirmed that up to date of this report, they have complied with the Deed of Non-competition. The independent non-executive Directors of the Company have examined and reviewed the implementation of the Deed of Non-competition up to the date of this report and have confirmed that the Controlling Shareholders have fully complied with the deed and there had no violation of the deed.

RETIREMENT AND EMPLOYEE BENEFIT PLANS

Details of the retirement and employee benefits plans of the Group are set out under Note 37 of the Financial Statements.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Please refer to "Corporate Governance Report – Compliance of the Code" in this annual report for details.

各控股股東亦已於不競爭契據內承諾，於該協議有效期內，其將不會並促使其附屬公司(如適用)不會：

- 在中國境內、香港或本集團任何成員公司經營業務的世界任何地方，直接或間接，以任何形式(包括但不限於投資、併購、合營、合作協議、合夥、承包安排或購買上市或私人公司股票)直接或間接從事或參與或協助從事或參與任何競爭業務；
- 在中國境內、香港或本集團任何成員公司經營業務的世界任何地方支持本集團以外的實體從事競爭業務；或
- 以任何方式從事(直接或間接)競爭業務。

本公司獨立非執行董事負責審查、檢討、考慮及決定是否採納及接受控股股東向本公司轉介的新業務機會。

控股股東已確認直至本年報日，彼等已遵守不競爭契據。本公司獨立非執行董事已審查及檢討不競爭契據於直至本年報日的實行情況並已確認控股股東已全面遵守契據，且並無違反契據。

退休及僱員福利計劃

本集團的退休及僱員福利計劃詳情載於財務報表附註37。

遵守企業管治守則

有關詳情，請參閱本年報「企業管治報告—遵守守則」。

PUBLIC FLOAT

Based on publicly available information and to the knowledge of the Directors, there is sufficient public float of the Company's issued shares since the Listing Date and up to the date of this report, in compliance with the requirements of the Listing Rules.

PERMITTED INDEMNITY PROVISIONS

During the Reporting Period and as of the date of this report, the Company (including but not limited to) had purchased and maintained a group liability insurance for the Directors of the Company and its associated companies (as defined for such term under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)).

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the Financial Statements as for the year ended December 31, 2018 prepared in accordance with IFRS.

AUDITOR

Deloitte Touche Tohmatsu, Certified Public Accountants is appointed as the auditor for the Financial Statements as for the year ended December 31, 2018 prepared in accordance with IFRS. Such Financial Statements prepared in accordance with IFRS as stated herein this annual report have been audited by Deloitte Touche Tohmatsu, Certified Public Accountants and a standard unqualified audit report has been issued.

Since the Listing Date and up to the date of the annual report, there was no change in the auditors of the Company.

Deloitte Touche Tohmatsu will retire at the forthcoming AGM and being eligible offer themselves for reappointment.

By report of
the Board of Directors
Yang Xuegang
Chairman

March 29, 2019

公眾持股量

根據可公開獲得的資料及據董事所知，自上市日期起直至本年報日，本公司擁有佔本公司已發行股份的充足公眾持股量，符合上市規則的規定。

獲准許的彌償條文

於報告期內及於本年報日，本公司(包括但不限於)已為本公司及其有聯營公司(如公司條例(香港法例第622章)下賦予該詞彙的定義)的董事購買及維持一份集體責任保險。

審核委員會

本公司審核委員會已審閱根據國際財務報告準則編製的截至2018年12月31日止年度的財務報表。

核數師

執業會計師德勤•關黃陳方會計師行就根據國際財務報告準則編製的截至2018年12月31日止之年度財務報表獲委任為核數師。本年報內根據國際財務報告準則編製的財務報表已由執業會計師德勤•關黃陳方會計師行審核，並出具標準無保留意見的審核報告。

自上市日期起至年報日期，本公司核數師並無變動。

德勤•關黃陳方會計師行將於應屆股東周年大會上退任，並符合資格膺選連任。

承董事會報告
主席
楊雪崗

2019年3月29日

Corporate Governance Report

企業管治報告

The Board of Directors of the Company has hereby submitted its Corporate Governance Report for the Reporting Period to the Shareholders.

COMPLIANCE OF THE CODE

The Company focuses on maintaining a high standard of corporate governance for purposes of enhancing the value for shareholders and protecting their interests. The Company has adopted such provisions of the Code as stated in the Corporate Governance Code (the “Code”) and Corporate Governance Report provided in Appendix 14 to the Listing Rules. Since the Shares of the Company were not listed on the Stock Exchange during the Reporting Period, the Code did not apply to the Company during the Reporting Period. However, the Company has established and perfected the corporate governance structure in accordance with the Listing Rules and the Code and has set up a series of corporate governance system. The Directors believe that commencing from the Listing Date, the Company has been observing all mandatory provisions of the code as stipulated in the Corporate Governance Code except the provisions of A.2.1 (please refer to below for detailed explanation).

The Board of Directors will examine and review, from time to time, the Company’s corporate governance practices and operation in order to meet the relevant provisions under the Listing Rules and to protect the shareholders’ interests.

SECURITIES TRANSACTIONS CONDUCTED BY DIRECTORS AND THE RELEVANT EMPLOYEES

The Company has adopted the standard code against which the Directors of Listed Issuers conduct securities transactions as provided in Appendix 10 to the Listing Rules (the “Standard Code”), taking such Code against which the Directors of the Company may conduct securities transactions.

Since the Shares of the Company were not listed on the Stock Exchange during the Reporting Period, the Standard Code did not apply to the Company during the Reporting Period.

Upon specific enquiry conducted by the Company, all the Directors have confirmed that commencing from the Listing Date up to the date of this report, they have been fully observing the Standard Code.

本公司董事會謹此向股東提呈其報告期內的企業管治報告。

守則的遵守情況

本公司注重維持高水準的企業管治，以提升股東價值及保障股東的權益。本公司已採納上市規則附錄14所載的企業管治守則（「守則」）及企業管治報告內的守則條文。由於本公司的股份於報告期內並未於聯交所上市，故守則於報告期並不適用於本公司。但本公司已根據上市規則及守則的要求建設和完善企業管治架構，建立一系列企業管治制度。董事認為，自上市日期起，除守則條文第A.2.1條外（詳細解釋請見下文），本公司已遵守企業管治守則所載的一切強制性守則條文。

董事會將不時審查及檢討本公司的企業管治常規及運作，以符合上市規則項下有關規定並保障股東的權益。

董事及相關僱員進行的證券交易

本公司已採納上市規則附錄10所載的上市發行人董事進行證券交易的標準守則（「標準守則」），並將此守則作為本公司董事可能進行證券交易的守則。

由於本公司的股份於報告期內並未於聯交所上市，故標準守則於報告期內並不適用於本公司。

經本公司作出特定查詢後，全體董事均已確認自上市日期起直至本年報日止一直全面遵守標準守則。

BOARD OF DIRECTORS

BOARD OF DIRECTORS

(a) Composition of Board of Directors

The Board comprises nine Directors, including six Executive Directors and three Independent Non-executive Directors. The Directors have been appointed with a term of three years.

The Company has at least three Independent Non-executive Directors (representing at least one-third of the Board), and among whom, at least one Independent Non-executive Director must possess professional qualifications or accounting knowledge or professional knowledge related to finance management in compliance with the provisions of the Listing Rules. Moreover, after taking into consideration of the factors regarding the evaluation of the independence of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules, and the written confirmation of all Independent Non-executive Directors, the Board of Directors believes that all Independent Non-Executive Directors are independent individuals.

The Board of Directors of the Company comprises the following:

Name 姓名	Age 年齡	Sex 性別	Position 職位	Appointment Date 委任日期
Mr. Yang Xuegang 楊雪崗先生	54	M 男	Executive Director, chairman of the Board and chief executive officer 執行董事、董事會主席兼行政總裁	November 8, 2007 2007年11月8日
Mr. Zhang Yingwei 張英偉先生	47	M 男	Executive Director and vice president of the Group 執行董事兼本集團副總裁	July 24, 2009 2009年7月24日
Mr. Han Qinliang 韓勤亮先生	45	M 男	Executive Director and vice president of the Group 執行董事兼本集團副總裁	May 18, 2011 2011年5月18日

董事會

董事會

(a) 董事會組成

董事會由九名董事組成，包括六名執行董事及三名獨立非執行董事。董事已獲委任，任期為三年。

遵照上市規則條文，本公司擁有最少三名獨立非執行董事（佔董事會人數最少三分之一），其中最少一名獨立非執行董事必須具有專業資格或會計知識或有關財務管理的專業知識。此外，根據上市規則第3.13條，經考慮有關獨立非執行董事的獨立性評估因素及所有獨立非執行董事的書面確認後，董事會相信所有獨立非執行董事均為獨立人士。

本公司董事會組成如下：

Corporate Governance Report 企業管治報告

Name 姓名	Age 年齡	Sex 性別	Position 職位	Appointment Date 委任日期
Mr. Wang Fengshan 王風山先生	60	M 男	Executive Director and vice president of the Group 執行董事兼本集團副總裁	September 29, 2018 2018年9月29日
Mr. Wang Nianping 王年平先生	56	M 男	Executive Director and vice president of the Group 執行董事兼本集團副總裁	September 29, 2018 2018年9月29日
Mr. Yang Lu 楊路先生	28 28	M 男	Executive Director 執行董事	September 29, 2018 2018年9月29日
Mr. Kang Woon 康洵先生	56	M 男	Independent Non-executive Director 獨立非執行董事	September 29, 2018 2018年9月29日
Mr. Yu Kwok Kuen Harry 余國權先生	49	M 男	Independent Non-executive Director 獨立非執行董事	September 29, 2018 2018年9月29日
Mr. Wang Yinping 王引平先生	58	M 男	Independent Non-executive Director 獨立非執行董事	September 29, 2018 2018年9月29日

The Directors may, at the Company's expense, seek independent professional advice in appropriate circumstances. The Company will provide separate independent professional advice to Directors upon request to assist the Directors to discharge their duties to the Company.

董事可於適當情況下尋求獨立專業意見，費用由本公司承擔。本公司將按要求向董事提供各項獨立專業意見，以協助董事履行本公司職責。

Before each Board meeting, the senior management will provide relevant information pertaining to matters to be brought before the Board for decision as well as reports relating to the operational and financial performance of the Group. Where any Director requires more information than is supplied by the senior management, each Director has the right to separately and independently communicate with the Company's senior management to make further enquiries.

於每次董事會會議前，高級管理層將提供與提呈董事會決定的事宜有關的資料及有關本集團營運及財務表現的報告。倘任何董事要求的資料較高級管理層所提供者為多，則各董事均有權自行獨立與本公司高級管理層溝通以進一步查詢。

(b) Job Duties and Authority of the Board of Directors

The Board of Directors shall be accountable to the Shareholders and have the duty to report to the General Meeting. The Board of Directors is responsible for convening the General Meeting, implementing the resolutions of the General Meeting, determining the operational plan and investment proposals of the Company, setting up the annual financial budget proposal, final accounts, profit distribution proposal, proposal for increase or decrease of capital and others, deciding on the establishment of the Company's management authority, determining the appointment or dismissal of chief executive officer, chief financial officer and other senior management officers, formulating the basic management system of the Company and determining the establishment of the special committees of the Board of Directors.

(c) Job Duties and Authority of the Senior Management

The senior management is responsible for the specific implementation of the resolutions of the Board of Directors and of the daily business management of the Company, which includes formulating (i) the Company's operating plan and investment proposal, (ii) the plan of establishing the internal management authority, (iii) the basic management system of the Company and (iv) the Company's specific regulations.

(b) 董事會工作職責及職權

董事會對股東負責並有職責向股東大會報告工作。董事會負責召開股東大會，執行股東大會的決議案，決定本公司營運計劃及投資方案，制定年度財政預算方案、年終賬目、溢利分派方案、資本增加或減少方案及其他資料，並決定本公司管理部門成立，決定主要高管、財務總監及其他高級管理層人員的委任或免職事宜，制定本公司基本管理制度及決定董事會專門委員會的成立事宜。

(c) 高級管理層工作職責及職權

高級管理層負責具體執行董事會決議案及本公司的日常業務管理，包括制定(i)本公司的營運計劃及投資方案，(ii)內部管理部門成立計劃，(iii)本公司基本管理制度及(iv)本公司的具體規定。

Corporate Governance Report

企業管治報告

MEETINGS OF BOARD OF DIRECTORS AND MEMBERS

During the Reporting Period and up to the date of this report, the Company convened a total of eight Board meetings and one general meeting. The attendance of the meetings by the Directors is as follows:

Board meetings

董事會會議及成員

於報告期內及直至本年報日，本公司合共召開八次董事會會議及一次股東大會。董事出席會議情況載列如下：

董事會會議

Name	Position	Number of meetings should attend 應出席會議次數	Number of meetings attended 已出席會議次數	Approximate attendance Rate 概約出席率	Times of attendance by alternate 委託出席次數
姓名	職位				
Mr. Yang Xuegang 楊雪崗先生	Executive Director 執行董事	8	8	100%	—
Mr. Zhang Yingwei 張英偉先生	Executive Director 執行董事	8	3	38%	—
Mr. Han Qinliang 韓勤亮先生	Executive Director 執行董事	8	8	100%	—
Mr. Wang Fengshan** 王風山先生**	Executive Director 執行董事	3	3	100%	—
Mr. Wang Nianping** 王年平先生**	Executive Director 執行董事	3	3	100%	—
Mr. Yang Lu** 楊路先生**	Executive Director 執行董事	3	3	100%	—
Mr. Kang Woon** 康洵先生**	Independent Non-executive Director 獨立非執行董事	3	3	100%	—
Mr. Yu Kwok Kuen Harry** 余國權先生**	Independent Non-executive Director 獨立非執行董事	3	3	100%	—
Mr. Wang Yinping** 王引平先生**	Independent Non-executive Director 獨立非執行董事	3	3	100%	—
Mr. Zhang Xinzhi* 張新志先生*	Executive Director 執行董事	5	—	0%	—
Ms. Lu Xiaomei* 路小梅女士*	Non-executive Director 非執行董事	5	—	0%	—

* Resigned on September 29, 2018.

** Appointed on September 29, 2018.

* 於2018年9月29日辭任。

** 於2018年9月29日獲委任。

Corporate Governance Report

企業管治報告

General meeting

股東大會

Name	Position	Number of meetings should attend 應出席會議次數	Number of meetings attended 已出席會議次數	Attendance Rate 出席率	Times of attendance by alternate 委託出席次數
姓名	職位				
Mr. Yang Xuegang 楊雪崗先生	Executive Director 執行董事	1	1	100%	—
Mr. Zhang Yingwei 張英偉先生	Executive Director 執行董事	—	—	—	—
Mr. Han Qinliang 韓勤亮先生	Executive Director 執行董事	—	—	—	—
Mr. Wang Fengshan** 王風山先生**	Executive Director 執行董事	—	—	—	—
Mr. Wang Nianping** 王年平先生**	Executive Director 執行董事	—	—	—	—
Mr. Yang Lu** 楊路先生**	Executive Director 執行董事	—	—	—	—
Mr. Kang Woon** 康洵先生**	Independent Non-executive Director 獨立非執行董事	—	—	—	—
Mr. Yu Kwok Kuen Harry** 余國權先生**	Independent Non-executive Director 獨立非執行董事	—	—	—	—
Mr. Wang Yinping** 王引平先生**	Independent Non-executive Director 獨立非執行董事	—	—	—	—
Mr. Zhang Xinzhi* 張新志先生*	Executive Director 執行董事	—	—	—	—
Ms. Lu Xiaomei* 路小梅女士*	Non-executive Director 非執行董事	—	—	—	—

* Resigned on September 29, 2018.

* 於2018年9月29日辭任。

** Appointed on September 29, 2018.

** 於2018年9月29日獲委任。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Yang is our chairman and chief executive officer. In accordance with Rule A.2.1 of the Corporate Governance Code as provided in Appendix 14 to the Listing Rules, the roles of the chairman and chief executive officer should be separated and should not be held by the same person. The Board of Directors has noticed that there was deviation from Rule A.2.1 of the provisions of the Corporate Governance Code. However, with extensive experience in the coke, coking chemicals and refined chemicals industries, Mr. Yang is responsible for the overall management and business development, the operations of our subsidiaries and their corresponding production facilities and human resources of the Group and has been instrumental to our growth and business expansion since our establishment in 1995. The Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced and high caliber individuals. The Board currently comprises six Executive Directors (including Mr. Yang) and three Independent Non-executive Directors and therefore has a strong independence element in its composition.

APPOINTMENT OF DIRECTORS

In accordance with the provisions of the Articles of Association of the Company, the Directors have been appointed for a term of three years, after which they may be re-elected. The Company has formulated the procedures of such appointment. The Nomination Committee shall be responsible for nominating new Directors and then submitting such nomination to the Board of Directors for review and consideration. All newly nominated Directors must be elected or re-elected at the General Meeting.

TRAINING AND CONTINUING DEVELOPMENT OF DIRECTORS

During the Reporting Period, the Directors of the Company actively participated in seminars on the obligations and responsibilities required to be fulfilled for being the directors of a listed company in Hong Kong, as well as the obligations for the listing compliance of a listed company. All of the Directors of the Company attended the training of Directors on September 29, 2018, for purposes of learning the relevant regulatory provisions in relation to the listing in Hong Kong, and familiarizing themselves with the requirements regarding the compliance requirements of a listed company in Hong Kong.

主席及行政總裁

楊先生為本公司主席兼行政總裁。根據上市規則附錄14企業管治守則第A.2.1條，主席及行政總裁的職務應有區分，且不應由同一人兼任。董事會已注意到有偏離企業管治守則條文第A.2.1條的情況。然而，楊先生擁有豐富的焦炭、焦化及精細化工行業經驗。楊先生負責本集團的整體管理及業務發展、附屬公司及其相應生產設施的營運及人力資源，自本公司於1995年成立以來對我們的業務發展及擴展有著舉足輕重的作用。董事會認為由同一人擔任主席及行政總裁有利於本集團的管理。高級管理層及董事會由具備豐富經驗及才能的人士組成，可確保權力及權限的平衡。董事會現由六名執行董事（包括楊先生）及三名獨立非執行董事組成，因此其組成具備較強的獨立性。

董事委任

根據本公司組織章程細則條文，董事已獲委任，任期三年，其後可能獲重選。本公司已制定有關委任程序。提名委員會負責提名新董事，其後向董事會提呈提名名單以供審閱及考慮。所有新提名董事必須於股東大會上被推選或重選。

董事的培訓及持續發展

於報告期內，本公司董事積極參與有關香港上市公司董事須履行的義務及職責以及上市公司須遵守上市規則責任的研討會。於2018年9月29日，本公司所有董事均已出席董事培訓，以學習有關香港上市規定條文，及熟悉有關香港上市公司的合規要求。

COMPANY SECRETARY AND HIS TRAINING

Mr. Ho Pui Lam Joseph acts as the company secretary and is responsible for overseeing the Group's financial and accounting operations and internal controls, and provides financial and business advice to the Board and senior management of the Group. Mr. Ho shall report significant events to the chairman. The profile of the company secretary is stated in the section of "Profiles of the Directors and Senior Management" of this Report. During the Reporting Period, the company secretary undertook more than 15 hours of professional training to update his skills and knowledge.

MEETINGS OF THE BOARD OF DIRECTORS

Pursuant to the code provision A.1.1 of the Corporate Governance Code, the Board should meet regularly and Board meetings should be held at least four times a year at approximately quarterly intervals. Agenda of board meetings are presented to the Directors for comments and approval. The Board of Directors is provided with adequate, timely and reliable information about the Group's business and developments before each board meeting at which the Directors actively participate and hold informed discussions. A notice of regular board meeting shall be given to all directors at least 14 days before the meeting is convened pursuant to the requirements of the Code, and such notice shall state the date, time and venue of the meeting to be convened and the format to be adopted of such meeting. Other interim board meetings have reasonable notices be delivered to all Directors.

In accordance with the provisions of the Listing Rules, the Company shall publish an announcement at least 7 clear business days in advance of the date fixed for any board meeting at which the declaration, recommendation or payment of a dividend is expected to be decided or at which any announcement of the profits or losses for any year, half-year, quarter-year or other period is to be approved for publication.

The quorum for a board meeting shall be the presence of two Directors. Directors may participate in any meeting of the Board by means of a conference telephone or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person. The company secretary is responsible for preparing and safekeeping the minutes of the board meetings and ensuring that the Directors can enquire about such minutes.

Since the Listing Date, the Company has strictly complied, and will continue to comply, with the provisions in relation to the meetings of the Board of Directors.

公司秘書及其培訓

何沛霖先生擔任公司秘書，負責監督本集團的財務及會計運作情況以及內部控制，並向本集團董事會及高級管理層提供財務及業務建議。何先生須向主席報告重大事件。公司秘書履歷載於本報告「董事及高級管理層履歷」一節。於報告期內，公司秘書已進行超過15小時的專業培訓以更新其技能及知識。

董事會會議

根據企業管治守則的守則條文第A.1.1條，董事會須定期舉行會議及董事會會議須每年最少舉行四次，即約每季一次。董事會會議議程須呈交董事提供意見及批准。有關本集團業務及發展的足夠、及時及可靠資料需於每次董事會會議前提供予董事會，令董事可積極參與及在知情情況下討論。根據守則的規定，董事會定期會議通告會於會議召開當日起計最少14日前向所有董事提供，該通告會載列會議召開日期、時間及地點及該會議將採用的形式。董事會其他臨時會議通告在合理情況下向所有董事發出。

根據上市規則規定，本公司須在任何董事會會議指定舉行日期前至少七個完整營業日刊登公告，於會上預期決定宣派、建議或派付股息，或於會上批准任何年度、半年度、季度或其他期間有關溢利或虧損的公告以供刊登。

出席董事會會議的法定最低人數為兩位董事。董事可透過電話會議或其他通訊設備參與任何董事會會議，據此所有參與會議的人士可以同步即時互相溝通，就計算法定人數而言，有關參與人數也計算在會議出席率，猶如親身出席會議。公司秘書負責擬備及保管董事會會議記錄以及確保董事可查詢有關會議紀錄。

自上市日期起，本公司已嚴格遵守且將繼續遵守有關董事會會議的條文。

BOARD OF DIRECTORS COMMITTEES

The Board of Directors delegates certain responsibilities to various committees. In accordance with relevant laws, regulations and the Articles of Association of the Company, we have formed three board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee.

AUDIT COMMITTEE

The Company has established the Audit Committee in accordance with Rule 3.21 of the Listing Rules and the Corporate Governance Code as set out in Appendix 14 to the Listing Rules and has expressly stated the scope of job duties of such committee in writing. The Audit Committee consists of three members, namely Mr. Yu Kwok Kuen Harry, Mr. Kang Woon and Mr. Wang Jinping. All members of the Audit Committee are Independent Non-executive Directors. Mr. Yu Kwok Kuen Harry is the chairman of the Audit Committee.

The purpose of the Audit Committee is to assist the Board in ensuring that the Company has an effective financial reporting, risk management and internal control system in compliance with the Listing Rules, overseeing the integrity of the financial statements of the Company, selecting, and assessing the independence and qualifications of, the Company's external auditor, as well as ensuring effective communication between the Directors and the internal and external auditors of the Company.

As for the selection, appointment and dismissal of external auditors or resignation of auditors, the Board and the Audit Committee have reached a consensus.

From the Listing Date up to the date of this annual report, one meeting was held by the Audit Committee. The attendance record of each member of the Audit Committee is set out below:

Name of committee members	委員會成員姓名	Number of meetings attended/ should attend 已出席／應出席 會議次數	Attendance rate 出席率
Mr. Yu Kwok Kuen Harry	余國權先生	1/1	100%
Mr. Kang Woon	康洵先生	1/1	100%
Mr. Wang Jinping	王引平先生	1/1	100%

董事會委員會

董事會各個委員會獲委派履行若干職責。根據有關法律、規例及本公司組織章程細則，我們成立三個董事會委員會，分別為審核委員會、薪酬委員會及提名委員會。

審核委員會

本公司已根據上市規則第3.21條及上市規則附錄14所載企業管治守則成立審核委員會，並書面訂明該委員會的職權範圍。審核委員會由三名成員組成，分別為余國權先生、康洵先生及王引平先生。審核委員會所有成員均為獨立非執行董事。余國權先生為審核委員會主席。

審核委員會的目的為協助董事會確保本公司的財務報告、風險管理及內部控制系統有效且符合上市規則，監督本公司財務報表的完整性，選擇本公司的外聘核數師並評估其獨立性及資格，並確保董事與本公司內部及外聘核數師之間的有效溝通。

對於外聘核數師的挑選、委任、罷免外聘核數師或核數師辭任事宜，董事會與審核委員會已達成一致意見。

自上市日期起至本年報日期止，審核委員會已舉行一次會議。審核委員會每名成員的出席記錄載列如下：

The Audit Committee has reviewed the effectiveness of the internal control policy and the risk management and internal control system of the Group as of December 31, 2018. The Audit Committee considered that the internal review and risk management functions of the Company were reasonable, effective and adequate.

Since the Listing Date of the Company, the Audit Committee has performed its duties strictly in accordance with the relevant regulatory requirements, corporate governance rules and the Listing Rules.

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee in accordance with Rule 3.25 of the Listing Rules and the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, and has expressly stated the scope of job duties of such committee in writing. The Remuneration Committee consists of three members, namely Mr. Kang Woon, Mr. Yu Kwok Kuen Harry and Mr. Wang Yinping. All members are Independent Non-executive Directors. Mr. Kang Woon is the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee include establishing and reviewing the Company's policy and structure for the remuneration of the Directors and senior management and making recommendations to the Board on employee benefit arrangements. The Remuneration Committee is also responsible for determining the vesting of the options granted under the Share Option Scheme.

From the Listing Date up to the date of this annual report, one meeting was held by the Remuneration Committee. The attendance record of each member of the Remuneration Committee is set out below:

截至2018年12月31日，審核委員會已審閱本集團內部控制政策、風險管理及內部控制制度的成效。審核委員會認為本公司內部審核及風險管理職能屬合理、有效且足夠。

自本公司上市日期起，審核委員會已根據有關監管要求、企業管治規則及上市規則嚴格履行其職責。

薪酬委員會

本公司已根據上市規則第3.25條及上市規則附錄14所載企業管治守則成立薪酬委員會，並書面訂明該委員會的職權範圍。薪酬委員會由三名成員組成，分別為康洵先生、余國權先生及王引平先生。所有成員均為獨立非執行董事。康洵先生為薪酬委員會主席。

薪酬委員會的主要職責包括制定及審核本公司董事及高級管理層的薪酬政策及架構並就僱員福利安排向董事會提供建議。薪酬董事會亦負責釐定根據購股權計劃授出的購股權歸屬。

自上市日期起至本年報日期止，薪酬委員會已舉行一次會議。薪酬委員會每名成員的出席記錄載列如下：

Name of committee members	委員會成員姓名	Number of meetings attended/ should attend 已出席／應出席 會議次數	Attendance rate 出席率
Mr. Kang Woon	康洵先生	1/1	100%
Mr. Yu Kwok Kuen Harry	余國權先生	1/1	100%
Mr. Wang Yinping	王引平先生	1/1	100%

Corporate Governance Report 企業管治報告

In addition to attending meetings, members maintain close and effective communication amongst themselves through channels such as e-mail and electronic communications to ensure the discharge of their duties.

Since the Listing Date of the Company, the Remuneration Committee has performed its duties strictly in accordance with the relevant regulatory requirements, corporate governance rules and the Listing Rules.

NOMINATION COMMITTEE

The Company has established the Nomination Committee in accordance with the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, and has expressly stated the scope of job duties of such committee in writing. The Nomination Committee consists of three members, namely Mr. Yang Xuegang, Mr. Kang Woon and Mr. Yu Kwok Kuen Harry. Except for Mr. Yang who is an executive Director, all other members are independent non-executive Directors. Mr. Yang is the chairman of the Nomination Committee.

The primary duties of the Nomination Committee include reviewing the structure, size, composition and diversity of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, assessing the independence of the Independent Non-executive Directors to determine their eligibility, and making recommendations to the Board on the appointment, re-election and removal of Directors and succession planning for Directors.

From the Listing Date up to the date of this annual report, one meeting was held by the Nomination Committee. The attendance record of each member of the Nomination Committee is set out below:

Name of committee members	委員會成員姓名	Number of meetings attended/ should attend 已出席／應出席 會議次數	Attendance rate 出席率
Mr. Yang Xuegang	楊雪崗先生	1/1	100%
Mr. Kang Woon	康洵先生	1/1	100%
Mr. Yu Kwok Kuen Harry	余國權先生	1/1	100%

Since the Listing Date of the Company, the Nomination Committee has performed its duties strictly in accordance with the relevant regulatory requirements, corporate governance rules and the Listing Rules.

除出席會議外，成員間通過電郵及電子通訊等渠道保持密切及有效溝通以確保履行其職責。

自本公司上市日期起，薪酬委員會已根據有關監管要求、企業管治規則及上市規則嚴格履行其職責。

提名委員會

本公司已根據上市規則附錄14所載企業管治守則成立提名委員會，並書面訂明該委員會的職權範圍。提名委員會由三名成員組成，分別為楊雪崗先生、康洵先生及余國權先生。除楊先生為執行董事外，所有其他成員均為獨立非執行董事。楊先生為提名委員會主席。

提名委員會的主要職責包括至少每年檢討董事會的架構、規模、組成及多元化，並配合本公司企業策略向董事會提出任何建議變動建議，評估獨立非執行董事的獨立性以確定其資格，以及就委任、重選及罷免董事以及董事繼任計劃向董事會提供建議。

自上市日期起至本年報日期止，提名委員會已舉行一次會議。提名委員會每名成員的出席記錄載列如下：

自本公司上市日期起，提名委員會已根據有關監管要求、企業管治規則及上市規則嚴格履行其職責。

NOMINATION OF DIRECTORS AND BOARD DIVERSITY POLICY

In order to enhance the quality of the performance of the Board and to support the attainment of the Company's strategic objectives and sustainable development, we have adopted a board diversity policy (the "Board Diversity Policy"). Pursuant to the Board Diversity Policy, we seek to achieve Board diversity through the consideration of a number of factors when selecting candidates to the Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural and education background, ethnicity and length of service. Appointments will ultimately be based on merit and the contributions the selected candidates will bring to the Board. The Board believes that such merit-based appointments will best enable the Company to service our Shareholders and other stakeholders.

The Nomination Committee of the Board is responsible for reviewing the structure, number of members, and composition of the Board of Directors. In addition, the Committee makes recommendations to the Board relating to the size and structure of the Board of Directors based on the Company's strategic plans, business operations, asset size and shareholding structure. The Committee also discusses and reviews the selection standard, the nomination and appointment process of relevant Directors, and makes recommendations to the Board of Directors. In identifying candidates, the Company solicits candidates through recruitment agencies, referrals by existing directors, and recommendation by shareholders of the Company in accordance with the Articles of Association. The candidates will be approved by the Board of Directors.

The Board Diversity Policy needs to be followed when the Nomination Committee of the Board makes recommendations on the candidates or when the Board of Directors makes nomination. The Nomination Committee of the Board is responsible for monitoring the implementation of the Board Diversity Policy and reviewing it at the appropriate time to ensure its effectiveness. The Nomination Committee will discuss any amendments when necessary and make recommendations to the Board of Directors for final approval.

董事提名及董事會多元化政策

為了提高董事會的業績質量並支持實現本公司的策略性目標及可持續發展，我們已採納董事會多元化政策（「董事會多元化政策」）。根據董事會多元化政策，我們在選擇董事會人選時考慮多個因素，包括但不限於性別、技能、年齡、專業經驗、知識、文化、教育背景、種族及服務年期，以求實現董事會多元化。最終將按人選的長處及將為董事會提供的及貢獻而作委任。董事會相信唯才是用之原則為讓本公司幫助股東及其他利益相關者向前邁進的最佳方法。

董事會提名委員會負責審閱董事會架構、成員人數及組成。此外，委員會根據本公司的策略計劃、業務營運、資產規模及股權架構向董事會就有關董事會規模及架構提供建議。委員會亦會討論及審查相關董事的甄選標準、提名及委任程序，並向董事會提供建議。在甄選候選人時，本公司根據組織章程細則通過現有董事轉介的招聘機構及本公司股東推薦招募候選人。候選人將由董事會批准通過。

在董事會提名委員會就候選人提供建議或當董事會作出提名時需要遵循董事會多元化政策。董事會提名委員會負責監督董事會多元化政策的實施並適時檢討董事會多元化政策，以確保其有效性。提名委員會將討論任何修訂（倘屬必要）並向董事會提供建議以供最終批准。

Corporate Governance Report 企業管治報告

Our Directors have a balanced mix of knowledge and skills, including in overall management and strategic development, sales and marketing, finance and accounting, law, consulting and corporate governance, as well as experience in the coke industry. Our Directors also obtained degrees in various majors including business administration, coal chemistry, metallurgical engineering, industrial economy administration, accounting, statistics, law, international trade and chemical engineering. The Company has three Independent Non-executive Directors with different industry backgrounds, representing one-third of the members of the Board. Furthermore, the Board has a wide range of age, ranging from 28 years old to 60 years old. Out of the nine Directors, only Mr. Yang Xuegang and Mr. Yang Lu are related. Taking into account our existing business model and specific needs as well as the different backgrounds and abilities of our Directors, the composition of the Board satisfies the Board Diversity Policy, despite the lack of gender diversity.

The Nomination Committee is responsible for reviewing the diversity of the Board. After the Listing, the Nomination Committee will monitor the implementation of the Board Diversity Policy, and review the Board Diversity Policy from time to time to ensure its continued effectiveness. The Nomination Committee will also include in our annual corporate governance report a summary of the Board Diversity Policy together with measurable objectives set for implementing the Board Diversity Policy, the progress made towards achieving those objectives, as well as the Board's composition from a diversity perspective.

During the Reporting Period, the Nomination Committee reviewed the composition of the Board of Directors and concluded that the Company had met the diversification requirements with regard to gender, skills, age, professional experience, knowledge, cultural and education background, ethnicity and length of service. When making the appointment and re-appointment of Directors in the future, the Nomination Committee will nominate new Directors pursuant to the requirements of the Board Diversity Policy to achieve the objective of diversity in Board members.

我們的董事具備不同知識及技能，包括整體管理及戰略發展、銷售及市場推廣、財務及會計、法律、諮詢及企業管治，並擁有焦炭行業經驗。我們的董事亦取得各種專業的學位，包括工商管理、煤化學、冶金工程、工業經濟管理、會計、統計、法律、國際貿易及化學工程。本公司有三名具不同行業背景的獨立非執行董事，佔董事會成員人數的三分之一。此外，董事會年齡範圍廣泛，由28歲至60歲不等。在九名董事中，只有楊雪崗先生與楊路先生有關連。儘管缺乏性別多元化，但考慮到我們現有的業務模式及特定需要，以及董事的不同背景及能力，董事會的組成符合董事會多元化政策。

提名委員會負責審閱董事會多元化。上市後，提名委員會將監督董事會多元化政策的實施，不時檢討董事會多元化政策，以確保其持續有效。提名委員會亦將於年度企業管治報告中載列董事會多元化政策的概要以及就實施董事會多元化政策訂定的可測量目標、實現該等目標的進度，並按多元化角度報告董事會的組成。

於報告期內，提名委員會審閱董事會組成並總結本公司已符合有關性別、技能、年齡、專業經驗、知識、文化及教育背景、種族及服務年期的多元化要求。未來委任及重新委任董事時，提名委員會將根據董事會多元化政策規定提名新董事，以達致董事會成員多元化的目的。

RISK MANAGEMENT AND INTERNAL CONTROL

It is the responsibility of the Board of Directors to ensure that the Company maintains sound and effective internal controls to safeguard our Shareholders' investment and the Group's assets at all times. In order to ensure the internal control operate effectively, the Company has adopted a series of internal control policies, procedures and programmes designed to provide reasonable assurance for achieving objectives including effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations. The Board reviews the risk management and internal controls annually. Highlights of the Company's internal control system include the following:

Code of conduct. Our code of conduct explicitly communicates to each employee our values, acceptable criteria for decision-making and our ground rules for behavior.

Internal audit. Our internal audit team regularly monitors key controls and procedures in order to assure our management and the Board of Directors that the internal control system is functioning as intended. The Audit Committee of the Board of Directors is responsible for supervising our internal audit function.

Compliance with Listing Rules. Our various policies aim to ensure compliance with the Listing Rules, including but not limited to aspects related to corporate governance, connected transactions and securities transactions by the Directors.

Enhanced internal control procedures to prevent the recurrence of non-compliance incidents. The Company also adopted a number of enhanced internal control procedures to prevent the recurrence of noncompliance incidents.

We have established a set of risk management policies and measures to identify, evaluate and manage risks arising from our operations. Our risk management process starts with identifying the major risks associated with our corporate strategy, goals and objectives. Each of our operating departments is responsible for identifying and analyzing risks associated with its function, maintaining a comprehensive risk register, preparing risk mitigation plans, measuring effectiveness of such risk mitigation plans and reporting the status of risk management. Our audit personnel, the Audit Committee of the Board of Directors, and ultimately the Board of Directors supervise the implementation of our risk management policy at the corporate level by bringing together each operating department, such as quality control, research and development and sales, to collaborate on risk issues among different functions.

風險管理及內部控制

董事會有責任確保本公司維持穩健及有效的內部控制，始終保障股東的投資及本集團的資產。為確保內部控制有效運行，本公司已採納一系列內部控制政策、程序及計劃以合理確保實現高效運營、可靠的財務報告並符合適用法律及法規等目標。董事會每年檢討風險管理及內部控制。本公司的內部控制制度概要如下：

*行為守則。*行為守則向各員工切實表明我們的價值、決策的可接受標準及行為基本規則。

*內部審核。*內部審核團隊定期監察主要控制及程序，以向管理層及董事會保證內部控制系統按預期運作。董事會審核委員會負責監管內部審核職能。

*遵守上市規則。*各種政策旨在確保遵守上市規則有關(包括但不限於)企業管治、關連交易及董事進行證券交易的規定。

*加強內部控制程序以防止不合規事件再次發生。*本公司亦已採納多項經加強的內部控制程序，防止不合規事件再次發生。

我們已設立一套風險管理政策及措施，以識別、評估及管理營運產生的風險。風險管理程序始於識別與企業策略、宗旨及目標有關的主要風險。各營運部門負責識別及分析與其職能有關的風險，維持全面的風險記錄、編製風險緩解計劃、計量有關風險緩解計劃的有效性及報告風險管理情況。審核人員、董事會審核委員會及最終董事會監管企業層面風險管理政策的執行情況，透過質量管理、研發及銷售等各營運部門的合作，於不同職能的風險管理事宜上互相配合。

Corporate Governance Report 企業管治報告

The Board of Directors and the senior management are accountable for the overall responsibility in respect of monitoring the implementation of internal control and risk management procedures and other measures in the Group. The Company's risk management and internal control system aims at managing but not eliminating the risk for not being able to achieve the business objective. Moreover, only reasonable but not absolute guarantee is made for materially untrue statement or loss. The Board of Directors will conduct an examination on the Company's risk management and internal control system once per year. The Board of Directors has confirmed that it has examined the effectiveness of the Company's risk management and internal control system as of December 31, 2018. The Board believed that the Company's risk management and internal control system is effective and sufficient. The Company's risk management and internal control system can effectively guide against such risks existing in the operation.

We have appointed and renewed the appointment of external professional advisors (including the auditor, legal or other advisors) for provision of professional suggestions in respect of how we observe all applicable related laws and regulations.

THE DIRECTORS' LIABILITY TO THE FINANCIAL STATEMENTS

The Company has not encountered with any significant and uncertain events and circumstances that might produce significant doubts on the Company's capability of its continuous operation of business. The Board of Directors has confirmed that it is responsible for the preparation of the Group's Financial Statements as of December 31, 2018.

REMUNERATION OF AUDITOR

For the Reporting Period, the Company has appointed Deloitte Touche Tohmatsu, Certified Public Accountants, an international accounting firm, to provide the Company with auditing service in accordance with IFRS and the amounts of remuneration in connection to annual audit service are RMB5.8 million. Moreover, the Company has separately appointed Deloitte Touche Tohmatsu, Certified Public Accountants to be the reporting accountant for the Company's listing in Hong Kong, the Company has paid such accounting firm a remuneration of RMB12.6 million. The responsibilities of Deloitte Touche Tohmatsu as to the Financial Statements are set out on pages 129 and 134 of this annual report.

Non-audit services provided to the Group during the year ended December 31, 2018 of approximately RMB0.53 million represented the fee for the preparation of the environmental, social and governance report of the Company.

董事會與高級管理層就監督及落實本集團的內部控制與風險管理程序以及其他措施承擔整體責任。本公司的風險管理及內部控制制度旨在管理而非消除未能達成業務目標的風險。此外，只能就有重大的失實陳述或損失的陳述作出合理而非絕對的保證。董事會將每年一次就本公司風險管理及內部控制制度進行審查。董事會已確認截至2018年12月31日其已審查本公司的風險管理及內部控制制度的有效性。董事會認為本公司的風險管理及內部控制制度為有效且足夠。本公司的風險管理及內部控制制度可有效指導應對營運中存在的風險。

我們已委任及重新委任外部專業顧問（包括核數師、法律或其他顧問），就我們如何遵守所有適用相關法律及法規提供專業意見。

董事對財務報表承擔的責任

本公司並無面臨可能對本公司持續經營業務能力產生重大疑慮的重大不確定事件及情況。董事會確認其負責編製本集團於2018年12月31日的財務報表。

核數師酬金

於報告期內，根據國際財務報告準則，本公司委任國際會計事務所執業會計師德勤•關黃陳方會計師行為本公司提供審核服務，年度審計服務相關的酬金為人民幣5.8百萬元。此外，本公司另行委任執業會計師德勤•關黃陳方會計師行為本公司香港上市申報會計師，本公司已支付該會計事務所酬金人民幣12.6百萬元。德勤•關黃陳方會計師行就財務報表的職責載於本年報第129至134頁。

截至2018年12月31日止年度，為本集團提供的非審核服務約為人民幣0.53百萬元，指編製本公司的環境、社會及管治報告費用。

SHAREHOLDERS' RIGHTS

SHAREHOLDERS HAVE THE RIGHT TO INITIATE AND CONVENE THE GENERAL MEETING

In accordance with the provisions of the Articles of Association of the Company, the shareholders shall be entitled to the following right: Any one or more shareholder of the Company 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 of the Company, 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 (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) 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.

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

Shareholders are welcomed to suggest proposals relating to the operations, strategy and/or management of the Group at a general meeting. Proposals shall be sent to the Board or the company secretary in writing to the company secretary at the Company's principal place of business in Hong Kong at Suite 2303, COFCO Tower, No. 262 Gloucester Road, Hong Kong.

SHAREHOLDERS ARE ENTITLED TO THE INQUIRY RIGHT

Shareholders are entitled to make enquiries to the Board should by sending written enquiries to the Company at its principal place of business in Hong Kong at Suite 2303, COFCO Tower, No. 262 Gloucester Road, Hong Kong. The Company will deal with all enquiries in a timely and appropriate manner.

股東權利

股東有權提請並召開股東大會

根據本公司組織章程細則的條文，股東應享有以下權利：任何一名或多名本公司股東於提交要求當日持有本公司繳足股本（附有於本公司股東大會上表決的權利）不少於十分之一，於任何時間均有權向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，處理有關要求中指明的任何事項。該大會須於有關要求提交後兩(2)個月內舉行。倘董事會未能於提交要求後二十一(21)日內召開有關大會，而提出要求的人士可按相同方式自行召開大會，而提出要求的人士因董事會未能召開大會而產生的一切合理開支將由本公司向彼等償付。

於股東大會上提呈建議的程序

本集團歡迎股東於股東大會上提出有關本集團業務、策略及／或管理方面的建議。有關建議須以書面方式向董事會或公司秘書提出，並以公司秘書為收件人，郵寄至本公司香港主要營業地點，地址為香港告士打道262號中糧大廈2303室。

股東享有查詢權利

股東可向董事會作出查詢致函至本公司香港主要營業地點，地址為香港告士打道262號中糧大廈2303室。本公司將會及時以適當方式處理所有查詢。

COMMUNICATIONS WITH SHAREHOLDERS

The Company believes that effective communications with Shareholders is essential to enhancement of the relationship with investors and enhancement of investors' understanding of the Company's business and strategies. The Company highly values Shareholders' opinions and suggestions, and actively organizes and conducts various activities related to the relationship with investors in order to keep the communications with Shareholders, and to timely satisfy the reasonable demands of all Shareholders.

To enhance effective communication, the Company maintains its website at <http://www.risun.com> where latest information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access.

The 2018 annual general meeting (the "AGM") of the Company will be held on June 28, 2019. The notice of the AGM will be sent to shareholders at least 20 clear business days before the AGM.

RELATIONSHIP WITH INVESTORS

The Company believes that good relationship with investors may help build more stable and consolidated shareholder base. As a result, since the Listing, the Company has been and will be dedicated to maintaining a higher degree of transparency, observing the Listing Rules and timely providing investors with comprehensive and accurate information, and sustainably performing the obligation of disclosing the information as a listed company. The Company will strengthen its communications with investors and let investors understand corporate strategies and business operation by organizing road shows, participating in investors summit, voluntary information disclosure and others.

The Company will continue to maintain open-up and effective investors communication policies for purposes of timely providing investors with the latest information on the Company's business when the Company is in compliance with the relevant regulatory provisions.

ARTICLES OF ASSOCIATION

The Company has amended the Articles of Association in accordance with the requirements of the Listing Rules. The amended Articles of Association have been effective since the Listing Date. The Articles of Association have been published on the website of the Hong Kong Stock Exchange and the website of the Company. There have been no amendment made thereto the Articles of Association since the Listing Date.

與股東溝通

本公司認為，有效與股東溝通對提升投資者關係及投資者了解本公司的業務及策略非常重要。本公司高度重視股東的意見及建議，積極組織及舉辦各類投資者關係活動與股東保持溝通，及時滿足各股東的合理需求。

為提升有效溝通，本公司設有網站 <http://www.risun.com>，當中載有關本公司的業務營運及發展、財務資料、企業管治常規及其他資料的最新資料，可供公眾人士閱覽。

本公司將於2019年6月28日舉行2018年股東週年大會（「股東週年大會」）。股東週年大會通告將於股東週年大會舉行前最少20個完整營業日寄交股東。

與投資者關係

本公司認為，良好投資者關係有助於建立更穩固的股東基礎，因此，自上市起，本公司一直並將致力維持較高透明度，遵守上市規則並將及時向投資者提供全面、準確的資料，持續履行上市公司資料披露的責任。本公司將透過舉辦路演、參加投資者峰會、自願披露資料等方式加強與投資者之間的溝通，讓投資者了解企業策略及業務營運狀況。

本公司將繼續維持開放、有效的投資者溝通政策，在本公司符合相關監管規定的情況下，及時向投資者提供有關本公司業務的最新資料。

組織章程細則

本公司已根據上市規則規定修訂組織章程細則。經修訂的組織章程細則自上市日期起生效。組織章程細則已於香港聯交所網站及本公司網站上刊載。自上市日期起，概無修訂組織章程細則。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Reporting Period, the Company has complied with the provisions of “Comply or Explain” stated in the Environmental, Social and Governance (“ESG”) Reporting Guide. The Company will separately issue the Environmental, Social and Governance Report.

環境、社會及管治報告

於報告期內，本公司已遵守環境、社會及管治（「ESG」）報告指引載列「不遵守就解釋」的條文。本公司將另行刊發環境、社會及管治報告。

Environmental, Social, and Governance Report

環境、社會及管治報告

RESPONSIBILITY MANAGEMENT

The Group actively fulfills the enterprise social responsibilities and promotes the inclusion of social responsibilities in operations of the Company by establishing the social responsibility management system with the board of directors as the core, actively responding to and meeting the demands of the stakeholders etc.

RESPONSIBILITY MANAGEMENT SYSTEM

The Group establishes an environmental, social, and governance (“ESG”) working group. The board of directors and senior managements are responsible for the environmental, social, and governance strategy and report, periodically review the environmental, social, and governance information and performance, reviewing proposals about ESG such as safety, environment, employees, and investment, and direct, decide, and promote ESG work uniformly; the secretary department of the board of directors, as the leading and coordinating department, is responsible for daily ESG coordination and implementation, and periodically reports to the board of directors and senior management; departments of the headquarter and the subsidiaries (branches) are responsible for implementation of the ESG work according to their own businesses and functions, report the ESG performance and disclose and report the ESG information of each year when necessary.

STAKEHOLDERS COMMUNICATION

The Company kept the communication with stakeholders (including shareholders, customers, partners, employees, community, etc.) during the year working process, and listened to the demands and appeals of the stakeholders and made responses to the opinions of the stakeholders in a timely manner through diversified channels, including the forum with stakeholders. The Company collated and prepared stakeholders communication form from the perspective of sustainable development, and laid a foundation for identification of material topics of the Company.

責任管理

本集團積極履行企業社會責任，通過建立以董事會為核心的社會責任管理體系、持續積極響應並滿足利益相關方要求等舉措，推動社會責任融入企業經營的方方面面。

責任管理體系

本集團設立環境、社會及管治(「ESG」)工作小組。董事會及高級管理層對環境、社會及管治整體策略及彙報負責，並定期檢視環境、社會及管治信息及績效，審議安全、環境、員工、投資等眾多與ESG相關議案，統一指導、決策並推動ESG工作；董事會秘書部作為總牽頭及協調部門，負責日常ESG協調和落實，定期向董事會及高級管理層彙報；總部各部門及各子(分)公司根據自身業務及職能，負責具體ESG工作落實，並在每年根據需要，配合提報ESG績效，進行年度ESG信息披露與彙報。

利益相關方溝通

公司在年度工作過程中持續保持與利益相關方的溝通，涉及股東、客戶、夥伴、員工、社區等，通過利益相關方座談會等多元化溝通渠道，持續聆聽利益相關方期望與要求，並針對利益相關方的意見及時做出回應。公司從可持續發展角度出發，整理並形成利益相關方溝通情況表，為公司實質性議題識別工作提供基礎。

Environmental, Social, and Governance Report

環境、社會及管治報告

Stakeholders 利益相關方	Communication channels 溝通渠道	Topics 關注議題
Shareholders 股東	<ul style="list-style-type: none"> Periodic report and information disclosure 定期報告與信息披露 General meeting 股東大會 Investor questionnaire 投資者調研 Press conference on performance 業績發佈會 Performance roadshow 業績路演 Telephone conference 電話會議 	<ul style="list-style-type: none"> Continue to return value 持續創造價值回報 Corporate governance and risk management 企業管治與風險管理 Right to know and right to make decision 知情權和參與決策權
Government/Community 政府／社區	<ul style="list-style-type: none"> Daily communication 日常溝通 Information bulletin 信息公告 Government and enterprise cooperation 政企合作 Government review 政府審查 Volunteer services 志願者服務 Public charity activities 公益慈善活動 	<ul style="list-style-type: none"> Observe laws and disciplines 遵紀守法 Pay taxes according to the laws 依法納稅 Support economic development 支持經濟發展 Intellectual property protection 知識產權保護 Community public service 社區公益
Customers 客戶	<ul style="list-style-type: none"> Daily service and communication 日常服務溝通 Customer satisfaction investigation 客戶滿意度調研 Portals 門戶網站 	<ul style="list-style-type: none"> Information security and privacy protection 信息安全與隱私保護 Product stability and high efficiency 產品穩定與高效 Service and feedback response guarantee 服務與回饋響應保障 Safeguard customer's rights and interests 客戶權益保障
Partners 合作夥伴	<ul style="list-style-type: none"> Carry out project cooperation 開展項目合作 Daily business communication 日常業務交流 Industry Forum 行業論壇 Online service platform 在線服務平台 	<ul style="list-style-type: none"> Mutual development 共同成長 Share customers with partners 與夥伴共享客戶

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

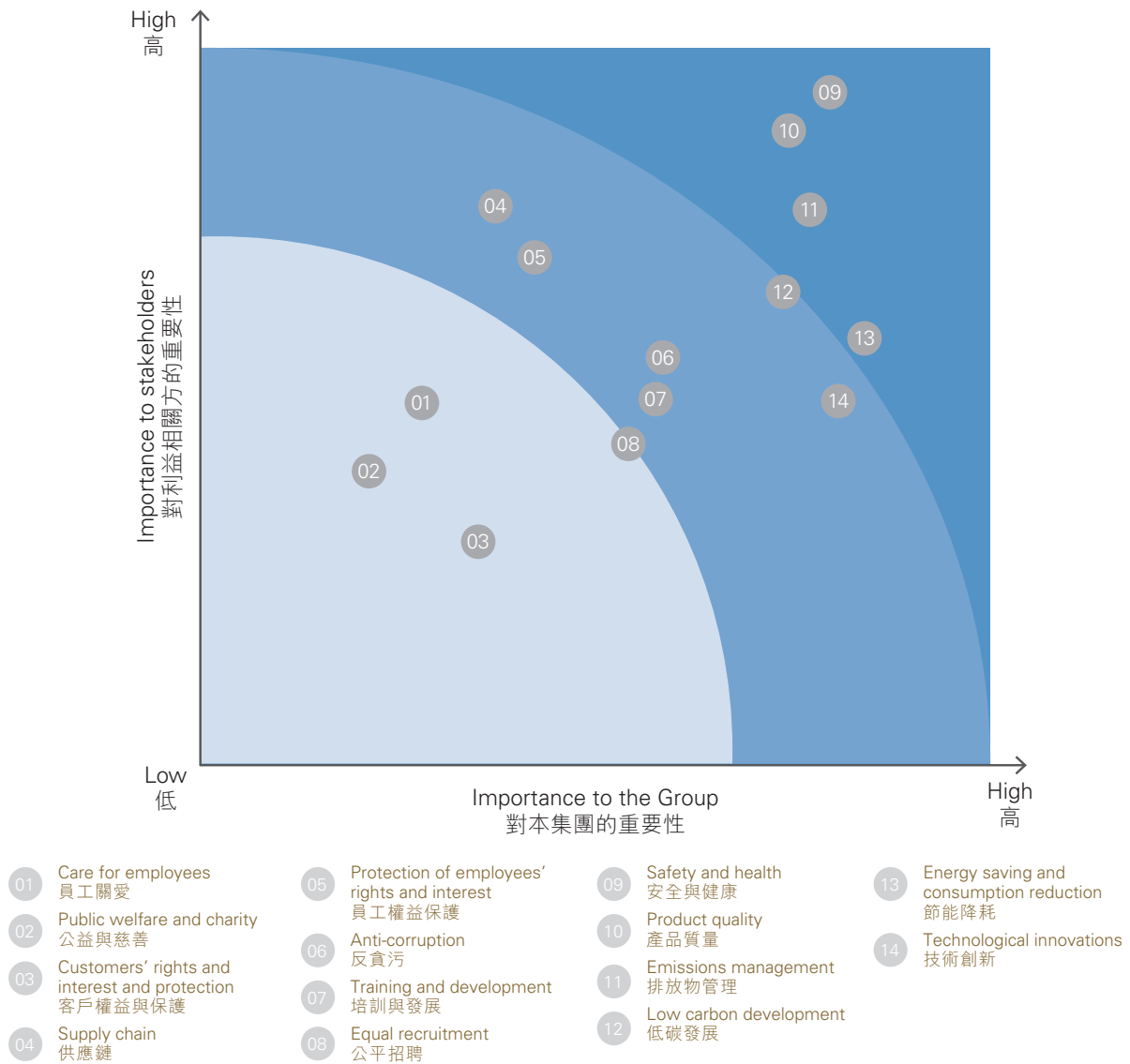
Stakeholders 利益相關方	Communication channels 溝通渠道	Topics 關注議題
Employees 員工	<ul style="list-style-type: none"> • Periodic staff meeting and forum 定期員工大會、座談會 • Employee training 員工培訓 • Enterprise WeChat, 企業微信 • Email, telephone, etc. 郵箱、電話等 • Labor union 工會 	<ul style="list-style-type: none"> • Safeguard legal rights and interests of employees 保障員工合法權益 • Promote occupational development and improvement of skills 推動職業發展與技能提升 • Work-life balance 工作與生活平衡
Environment 環境	<ul style="list-style-type: none"> • Green office 綠色辦公 • Green procurement 綠色採購 • Green transport 綠色運輸 • Environment information disclosure 環境信息披露 • Carry out environmental protection campaign 開展環保宣傳活動 	<ul style="list-style-type: none"> • Energy saving 節約能源使用 • Emission reduction 降低排放

IDENTIFICATION OF MATERIAL TOPICS

With respect to topics concerning the environment, social, and governance, the Company, in accordance with Appendix 27 “Environmental, Social and Governance Reporting Guide” of the securities listing rules of Stock Exchange of Hong Kong Limited, and based on the stakeholder communication and practices of the Company, evaluated and screened important environmental, social, and governance matters concerning business of the Company from the perspective of importance of the topics to the stakeholders and to the environment and society to form a matrix of material topics, as the focus of ESG of the Company and the basis of disclosure.

實質性議題識別

公司依據香港聯合交易所有限公司證券上市規則附錄27《環境、社會及管治相關指引》，針對相關環境、社會及管治議題，基於利益相關方溝通與公司實際情況，從議題對利益相關方的重要性及議題對環境和社會的重要性兩個維度出發，分別對與我們業務相關且重要的環境、社會及管治事宜進行評估，篩選並形成實質性議題矩陣，作為公司ESG關注及披露依據。



GREEN DEVELOPMENT

EMISSIONS MANAGEMENT

We are dedicated to reduce the impact of pollutant emissions during the coke and chemical production on environment, actively implement the green development idea, and stringently comply with the environmental protection laws and regulations and standards, such as the PRC Environmental Protection Law, the PRC Law on Prevention and Control of Water Pollution, the PRC Law on Prevention and Control of Air Pollution, the PRC Law on Prevention and Control of Environmental Pollution by Solid Waste, and the Emission Standard of Pollutants for Coking Chemical Industry. During the reporting period, the Group was not aware of any action and punishment due to environmental problems.

綠色發展

排放物管理

我們致力於減少焦炭及化工生產過程排放的污染物對環境造成的影響，積極踐行綠色發展理念，嚴格遵守《中華人民共和國環境保護法》《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》《煉焦化學工業污染物排放標準》等相關環保法律法規及標準。報告期內，本集團未知悉發生因環境問題違規而導致重大訴訟或相應處罰的事件。

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

The Group continues to strengthen the environment management system, improve the internal systems, and carry out ability training.

- Establish a complete environment management system: The Group established an environment management system with the environmental management committee as the highest management agency and the production technology department as the daily management department. All subsidiaries established the environmental management organizational structure specifying clear responsibilities and objectives for all levels of posts, and ensured continuous improvement of the system running by assessment and incentives;
- Establish complete environment management appraisal systems, such as the Administrative Measures for Pollutant Discharge Report Management, the Administrative Measures for Environmental Monitoring, the Management System for Environmental Protection Facilities, and the Environmental Protection Responsibility System;
- Stabilize the operation of environmental protection facilities and equipment and reduce fluctuations during the process to ensure up-to-standard discharge;
- Actively carry out trainings related to environmental protection laws and regulations, emergency plans, operation of environmental protection equipment and facilities to improve the professional level.

The exhaust gas arising from coke and chemical production process of our group mainly consists of particle smoke, sulfur dioxide, nitric oxide and greenhouse gas, and the solid wastes mainly consist of tar residue, waste catalyst, waste activated carbon and the coal dust collected by the dust collection facilities, sludge from the waste water treatment plant, and domestic wastes. Waste water arising from production was recycled for production after treatment to reduce the impact of discharge on the environment. We stringently controlled the discharges to ensure effective treatment of discharges, and took various measures to reduce greenhouse gas emission and various wastes. Hebei Risun Coking and CNC Risun Coking (joint venture), with their excellent performance in environmental protection, were honored as National Green Plants.

本集團不斷強化環境管理體系，完善內部制度，並開展能力培訓：

- 建立完善的環境管理體系：本集團形成以環境管理委員會為最高管理機構、以生產技術部為日常管理部門，各子公司設環境管理組織架構，各層級崗位責任明確，目標清晰，並通過設立考核激勵機制確保體系運行持續改善；
- 建立了完善的環境管理考核制度，如《排污申報管理辦法》《環境監測管理辦法》《環保設施管理制度》《環保責任制度》；
- 穩定運行環保設施設備，減少工藝過程波動，確保達標排放；
- 積極開展環保法律法規、應急預案、環保設備設施運行等相關培訓，提升專業水平。

本集團在焦炭及化工生產過程中產生的廢氣主要包括煙塵顆粒物、二氧化硫、氮氧化物及溫室氣體，固體廢物主要包括焦油渣、廢催化劑、廢活性炭以及除塵設施收集的煤塵、廢水處理站產生的污泥和生活垃圾等，生產過程產生的廢水經處理後回用於生產，為了降低排放物對環境產生的影響，我們嚴格管理排放物，確保排放物得到有效處置，並採取多種舉措減少溫室氣體排放及各類廢棄物的產生。憑著在環保工作上表現出色，附屬公司河北旭陽焦化及合營公司中煤旭陽焦化獲評國家級綠色工廠。



Exhaust Gas
Management
廢氣管理



Sewage Management
廢水管理



Solid Waste
Management
固廢管理

- Establish supporting enclosed coal storage facilities and the dust suppression and removal facilities such as coal transport, coal pulverizing, coal loading, coke pushing, coke quenching, coke screening, and ammonium sulphate drying to reduce dust pollution;
配套建設全封閉儲煤設施以及煤轉運、煤粉碎、裝煤、推焦、熄焦、篩焦、硫鉍乾燥等抑塵、除塵設施，減少揚塵污染；
- Adopt advanced and stable desulfurization, denitration, and dust removal technologies to purify tail gas, including coke oven smoke and reduce pollutant discharge;
採用工藝先進、運行穩定的脫硫、脫硝、除塵工藝，淨化焦爐煙氣等工藝尾氣，減少污染物的排放；
- Collect odorous gas arising from the sewage treatment station with sealing measures and treat it with biological purification technology to reduce the impact on the surroundings.
污水處理站產生的廢氣經加蓋密閉措施收集後採用生物淨化技術，減少對周圍環境的影響。
- Construct sewage treatment and recycling facilities such as the sewage treatment station, phenol-cyanogen sewage treatment station, and advanced treatment station, and recycle up-to-standard water for the production system ;
建設污水處理站、酚氰污水處理站、深度處理站等污水處理及回用設施，出水水質達標回用於生產系統；
- Construct multi-directional comprehensive sewage recycling pipe network, and optimize "water resource" dispatching by serial recycling and classified utilization to realize comprehensive utilization.
建設多向性污水綜合回用管網，通過串級回用、分級利用等方式優化調度「水資源」，實現綜合利用。
- Materials with certain heat or necessary for production such as coal dust, coke dust, tar residue, acid tar oil, and waste activated carbon are returned to the production system for comprehensive utilization to prevent the impact of hazardous wastes discharge on environment;
煤塵、焦塵、焦油渣、酸焦油、廢活性炭等具備一定熱量或為生產所需的原料，返回生產系統綜合利用，防止危險廢物排放造成對環境的影響；
- Waste lubricant is delivered to a qualified third party for compliant treatment;
廢潤滑油交由有資質的第三方合規處置；
- Waste catalyst is returned to the plant for treatment or handled in compliance with the regulations by a qualified third party;
廢催化劑返廠回收處置或交由有資質的第三方合規處置；
- Domestic wastes are collected uniformly and periodically delivered to the urban garbage treatment plant for treatment.
生活垃圾統一收集定期送至城市垃圾處理場處置。

Environmental, Social, and Governance Report

環境、社會及管治報告

With respect to emissions in 2018, the performance is as below: 2018年排放物方面的績效如下：

Category of Emission 排放物種類	Unit 單位	2018 2018年
Total SO ₂ emission SO ₂ 排放總量	Ton 噸	374.59
SO ₂ emission density SO ₂ 排放密度	kg/RMB 10 thousand 千克／萬元	0.19
Total NO _x emission NO _x 排放總量	Ton 噸	2,488.66
NO _x emission density NO _x 排放密度	kg/RMB 10 thousand 千克／萬元	1.29
Total particle emission 顆粒物排放總量	Ton 噸	340.52
Particle emission density 顆粒物排放密度	kg/RMB 10 thousand 千克／萬元	0.18
Total emission of greenhouse gas emission 溫室氣體排放總量	Ton of CO ₂ e 噸 CO ₂ e	2,949,395.23
Greenhouse gas emission density 溫室氣體排放密度	Ton of CO ₂ e/ RMB 10 thousand 噸 CO ₂ e／萬元	1.53
Total sewage discharge 污水排放總量	Ton 噸	1,515,245.01
Total COD discharge COD排放總量	Ton 噸	47.40
Total ammonia nitrogen discharge 氨氮排放總量	Ton 噸	2.74
Sewage discharge density 污水排放密度	Ton/RMB 10 thousand 噸／萬元	0.79
Generation of hazardous waste 有害廢棄物產生量	Ton 噸	32,070.79
Density of hazardous waste generation 有害廢棄物產生密度	Ton/RMB 10 thousand 噸／萬元	0.02
Treatment rate of hazardous waste 有害廢棄物處理率	% %	100
Generation of non-hazardous waste 無害廢棄物產生量	Ton 噸	148,204.19
Density of non-hazardous waste generation 無害廢棄物產生密度	Ton/RMB 10 thousand 噸／萬元	0.08
Treatment rate of non-hazardous waste 無害廢棄物處理率	% %	100

Note:

1. Density refers to the amount of discharge/production divided by business income.

附注：

1. 密度是指排放量／產生量除以營業收入。

Example
案例

“GREEN PLANT” PRACTICE OF HEBEI RISUN COKING
河北旭陽焦化「綠色工廠」實踐



Hebei Risun Coking, actively responding to the national, provincial, and municipal calls, has been making efforts in such fields as energy saving, environmental protection, circular economy, and low carbon with green environmental protection as the guide, and has been improving the environmental quality and ensuring environmental safety to creating a green ecological enterprise with blue sky, green land, clear water, and fresh air, making it one of the First Green Plants in 2017.

With respect to environmental protection, Hebei Risun Coking adhered to the general thought of “Up-to-standard Pollutant Discharge, Effective Amount Control, Controlling Environmental Risks, Constructing Compliant Projects, Clean Production Process, and Recycling Resources”, focusing on advanced treatment of pollution source and improving essential up-to-standard discharge and emphasizing on the optimization and improvement of environmental protection facilities under the support of technology, process, and management innovation, and through multiple environmental protection reconstruction projects, such as enclosure of the coal yard, advanced treatment of coking wastewater, and dry quenching, by replacing the high-efficiency dust remover in the whole plant, to promote cleaner production in all sectors.

With respect to resources utilization, Hebei Risun Coking fully implemented the energy management modular construction with the energy management center as the platform and taking the requirements of quality, environmental protection, and safety under the premises of compliance with national and governmental laws and regulations and standards, incorporating lean management into the energy management system and promoting the implementation of the energy diagnosis project under the guideline of energy system diagnosis and energy saving plan. Hebei Risun Coking will emphasize on the dry quenching project and study and promote the implementation of the ascending pipe waste head utilization project to improve the utilization efficiency of such energy as waste heat and waste energy, coal gas, steam, electricity and water, maximizing the energy value.

With respect to recycling economy, Hebei Risun Coking kept improving the processes and technologies and carrying out resources saving work to further reduce the main resource consumption indicators, increase the resource utilization efficiency, and reduce wastes discharge based on the idea of green, low-carbon, and recycling development.

為積極響應國家和省、市號召，多年以來河北旭陽焦化以綠色環保為先導，在節能、環保、循環經濟、低碳等領域繼續投入力量，不斷改善環境質量、確保環境安全，創建天藍、地綠、水清、氣淨的綠色生態企業，2017年被評為首批綠色工廠。

在環境保護方面，河北旭陽焦化繼續秉持「污染排放達標、總量控制有效、環境風險受控、建設項目合規、生產過程清潔、資源循環利用」的總體思路，進一步著眼於污染源深度治理、本質化達標提升，以技術、工藝、管理創新為支撐，突出環保設施優化完善，全廠通過替換高效除塵器，實施煤場全封閉、焦化廢水深度處理、乾熄焦等多個環保改造項目，全面推行清潔生產。

在能源利用方面，以能源管理中心為平台，綜合考慮質量、環保、安全等方面要求，在滿足國家政府法律法規和標準要求條件下，全面實施能源管理模塊化建設，將精益管理融入能源管理體系，以能源系統診斷、節能規劃為綱，推進實施能源診斷項目，下一步將重點實施乾熄焦項目，研究推進上升管余熱利用項目實施等，不斷提高余熱余能、煤氣、蒸汽、電、水等能源利用效率，實現能源價值最大化。

在循環經濟方面，按照綠色、低碳、循環發展理念，持續進行工藝技術優化和開展資源節約工作，進一步降低煉焦煤消耗和水資源消耗等主要資源消耗指標，提高資源利用效率和減少廢棄物的排放。

RESOURCES SAVING

The Group adheres to the clean development philosophy and actively implements relevant policies and guidelines such as the Law of the People's Republic of China on Conserving Energy to develop recycling economy and realize efficient resources utilization. The Group promotes the research and development and application of new energy, new technology, and new equipment in the course of the coke and chemical production, and is dedicated to the construction of the "Ecological Chemical" project to reduce energy consumption and cost. The Group also actively promotes green office, ensuring efficient resources utilization by implementing a series of green office actions.

Green Production

- Establish the energy management center to plan, monitor, and analyze the balance of consumption of energy, such as coke oven gas, steam, water and electricity of the production units through the MES system (Manufacturing Execution System);
- Formulate management systems in connection with energy saving, such as the Energy Saving Management System, the Rated Energy Consumption Management System, the Detailed Energy Management Appraisal Rules, to ensure efficient energy management;
- Actively apply the dry quenching technology to reduce water consumption of wet quenching;
- Strengthen water recycling, such as recycling production wastewater after advanced treatment to reduce water consumption;
- Adopt advanced energy saving technology and measures to reduce coal gas, steam, and electricity consumption, such as using frequency converter to regulate speed of the motor of the production system to reduce electricity consumption, and the full heat exchange of the technological units to realize graded use of energy to reduce steam consumption.

節約資源

本集團秉承清潔發展理念，積極貫徹《中華人民共和國節約能源法》等相關節能政策與方針，發展循環經濟，實現資源有效利用。在焦炭及化工生產過程中推進新能源、新技術、新設備的研發和應用，致力於「生態化工」工程的打造，以實現節能降耗。同時，本集團還積極推廣綠色辦公，通過落地實施一系列的綠色辦公行動，保證資源高效利用。

綠色生產

- 成立能源管理中心，借助MES系統（生產製造執行系統），統籌監控分析各生產單元焦爐煤氣、蒸汽、水、電等能耗平衡；
- 制定節能相關管理制度，如《能源節約管理制度》《能源定額消耗管理制度》《能源管理考核細則》等保障能源管理有效運行；
- 積極應用乾熄焦技術，降低濕法熄焦對水資源的消耗；
- 加強水的重復利用，如生產廢水經深度處理後回用，減少水資源的消耗；
- 採用先進的節能技術與措施，減少煤氣、蒸汽以及電的消耗，如生產系統電機採用變頻器調速減少耗電，各工藝單元充分換熱實現能量的梯級利用，減少蒸汽的消耗。

Green office

- Formulate office lamp lighting instructions, requiring lights off when leaving;
- Reconstruct energy saving of the office by using the voice control, light control and solar energy and other energy-saving lamps;
- Promote the OA paperless office system;
- Promote the remote conference system;
- Promote the use of durable goods and minimize the procurement of disposable goods;
- Regulate public vehicle management and promote one car for multipurpose.

綠色辦公

- 制定辦公室燈光照明使用說明，要求人走燈關；
- 對辦公區域進行節能改造，使用聲控、光控以及太陽能等節能燈具；
- 推行OA無紙化辦公系統；
- 推行遠程會議系統；
- 倡導使用耐用品，盡量減少一次性用品的購買；
- 規範公車管理，倡導一車多用。

With respect to resources consumption in 2018, the performance is as below:

2018年度，資源消耗方面的績效如下：

257,481.00	Ton 噸	Coal 煤炭	935,696.52	MWh 兆瓦時	Net purchased electricity 淨外購電力	4,810,671.28	Ton of standard coal 噸標煤	Comprehensive energy consumption 綜合能耗	941.65	Ten thousand tons 萬噸	Total fresh water consumption 新鮮水用水總量
1,300.20	Ton 噸	Diesel 柴油	-332,125.76	GJ 吉焦	Net purchased heat 淨外購熱力	2.49	Ton of standard coal/ RMB ten thousand 噸標煤/萬元	Comprehensive energy consumption density 綜合能耗消耗密度	4.88	Ton/RMB 10 thousand 噸/萬元	Fresh water consumption density 新鮮水用水密度
37.43	Ton 噸	Gasoline 汽油									

2018

Notes:

1. Except for production, the rest of the heat generated by the Group is supplied to third parties, so the net purchased heat is negative;
2. Density is the total energy consumption/water consumption except business income.

附註：

1. 本集團產生的熱力除用於生產外，其餘部分外供第三方，因此淨外購熱力為負值；
2. 密度是綜合能耗/用水總量除以營業收入。

ENVIRONMENT AND NATURAL RESOURCES PROTECTION

The Group, giving full consideration to resource endowment and environmental bearing capacity, adheres to the principle of coordinating resources development with environmental protection, gradually increases the input in environmental protection, carries out multiple measures to protect the ecological environment for improving the overall ecological quality and realizing organic combination of environmental benefit, ecological benefit, and economic benefit, and focuses on the construction of green and clean plants and the construction of “Beautiful Risun”.

- For management of environment emergencies, the Group establishes the environment emergencies management organization; prepares the environment emergencies response plan and reports to the environmental protection department for record; carries out drills of the environment emergencies response plan to ensure the environmental safety in case of accident risk;
- Take effective measures for the production, use, storage, transportation, recycling, disposal, and discharge of poisonous and hazardous substances to prevent their leakage, loss, and scattering and soil pollution;
- Monitor the surroundings periodically to prevent environmental risks timely.

環境及天然資源保護

本集團充分考慮資源秉賦和環境承載能力，堅持資源開發與環境保護相協調的原則，不斷加大環保投入力度，開展多項舉措保護生態環境，提升整體生態質量，實現環境效益、生態效益和經濟效益三者有機結合，著力打造綠色、清潔工廠，全力建設「美麗旭陽」。

- 突發環境事件应急管理，建立了突發環境事件应急管理機構；編制突發環境事件應急預案，按規定報環保部門備案；開展環境應急預案演練，確保事故風險情況下的環境安全；
- 在生產、使用、貯存、運輸、回收、處置、排放有毒有害物質等環節採取有效措施，防止有毒有害物質滲漏、流失、揚散，避免土壤受到污染；
- 定期開展周邊環境檢測，及時防範環境風險。

Example
案例

TANGSHAN RISUN CHEMICALS CARRIED OUT DRILLS OF HAZARDOUS CHEMICALS LEAKAGE EMERGENCIES TO IMPROVE THE ABILITY TO HANDLE ENVIRONMENT EMERGENCIES

唐山旭陽化工開展危化品洩漏應急演練，提高突發環境事件應急處置能力



TO IMPROVE THE ABILITY TO HANDLE ENVIRONMENT EMERGENCIES

提高突發環境事件
應急處置能力

In June, 2018, Tangshan Risun Chemicals for further improving the ability to prevent environment emergencies, organized and carried out the drills of environment emergencies to simulate environment emergencies caused by fire arising from leakage of benzene tank: Upon the occurrence of leakage, notified the employees to evacuate immediately and cut off the drain value of clean sewage timely; the rescue crew put on protective clothes and oxygen respirator and entered the site for leaking stoppage and handling, put out the fire timely and started the valve of the pool in accident finally and delivered the leakage collected to the pool in accident to prevent the impact of liquid leakage on the environment. The emergency drill improved the ability to handle environment emergencies, which ensures the environmental safety of the surroundings.

為進一步提高突發環境事件應急防範能力，2018年6月唐山旭陽化工組織開展突發環境事件應急演練，模擬苯罐洩漏引發的火災造成突發環境事件情景：洩漏發生後，緊急通知人員撤離疏散，及時切斷公司清淨下水的排放閥，搶險救災組穿戴好防護服、氧氣呼吸器進入現場堵漏處理，及時撲滅火災，最後啓動事故水池閥門，將收集的洩漏液打至事故池，防止液體外溢對環境造成的影響。此次應急演練提高了對突發環境事件應急處置能力，確保維護周邊地區環境安全。

HEALTH AND SAFETY SAFETY PRODUCTION

Safety production is the foundation of sustainable development of the Group. We stringently complying with laws and regulations in connection with safety production, such as the Law of the People's Republic of China on Production Safety, the Regulation on Work Safety Permits of the People's Republic of China, and the Regulation on Production Safety of Hebei province, laid a solid foundation for management, improved the safety risk prevention and control level, promoted the standardization of safe production, carried out safety production inspection, and dedicated to promoted a long-term mechanism for safety production to improve the safety production management level by improving the safety management system and institutional system.

During the reporting period, the Group input RMB 62.78 million to safety production in total, and the 5 production companies were enterprises of above grade II of National Standard of Production Safety.

Safe Operation Management

- Establish safety production committee, implement safety production laws and regulations, periodically organize and hold safety session, and coordinate problems of the subsidiaries in the course of safety production;
- Establish the safety production responsibility system for all posts of all subsidiaries, levels, departments, and employees with the person in charge as the core, and fulfill the responsibilities of the leaders, departments and all employees, specifying the persons in charge of all posts, scope of responsibility, list of responsibilities, and formulate appraisal standards and reward as well as punishment systems for various safety responsibilities, such as, The Safety Production and Environmental Assessment Ban, The Safety and Environmental Protection Risk Mortgage Management Measures;
- Formulate the management system for safety production objectives, specifying the objectives and indicators of the preparation, division, implementation and appraisal etc.

健康與安全 安全生產

安全生產是本集團可持續發展的根本。我們嚴格遵守《中華人民共和國安全生產法》《中華人民共和國安全生產許可證條例》《河北省安全生產條例》等有關安全生產法律法規，夯實管理基礎，通過完善安全管理體系和制度體系，提升安全風險防控水平，推行安全生產標準化建設，落地安全生產檢查，致力於推進安全生產長效機制，全面提高安全生產管理水平。

報告期內，本集團安全生產投入總金額為6,278萬元，5家生產型公司為國家安全生產標準化二級以上企業。

安全運營管理

- 設立安全生產委員會，貫徹安全生產法律法規並定期組織召開安全專題會，協調解決各子公司安全生產過程中存在的問題；
- 建立了以主要負責人為核心的覆蓋各子公司、各層級、各部門、各類人員的全員崗位安全生產責任制，全面落實領導責任、部門責任和全員責任，明確各崗位的責任人員、責任範圍、責任清單，制定各類安全責任的考核標準及獎懲制度，如《安全生產和環保考核禁令》《安全環保風險抵押金管理辦法》；
- 建立安全生產目標的管理制度，明確目標與指標的制定、分解、實施、考核等環節內容；

- Regulate the production operations, identify dangerous behaviors of the employees, dangerous status of the equipment, and dangerous environmental conditions in the course of production operations, and work out corresponding control measures, such as implementing the license system and work permit system for dangerous fire work and work in confined space; periodically inspect and repair the facilities and equipment to ensure safe operation;
- Accomplish safety monitoring, make use of the MES (Manufacturing Execution System) and control center to control and monitor the operation of the facilities and equipment of the production bases and the plants, such as the pressure and temperature of the coke oven gas, and the temperature and volume of the inflammable and volatile substances during operation of the boilers and in the course of production and storage, and ensure safe and stable operation of the production system;
- Implement hidden risk identification and control, organize and carry out hidden risk identification of the subsidiaries daily, weekly, and monthly, and make analysis and assessment to determine the grade of hidden risk and take effective control measures to accomplish closed-loop management;
- Implement three level of safety training and education in 100%;
- Set up warning signs at workplaces and equipment with great hazards for danger indication and warning, stating the type of danger, consequence, and emergency measures etc.
- 規範生產作業行為，對生產作業過程中人的不安全行為、設備的不安全狀態以及環境的不安全條件進行辨識，並制定相應的控制措施，如對危險性大的動火作業、受限空間作業等實行許可制、工作票制；定期檢維修設施設備，保證安全運行；
- 做好安全監控，利用MES（生產製造執行系統）及控制中心控制和監控生產園區及工廠設施設備運行情況，如焦爐煤氣的壓力和溫度，鍋爐的運行以及生產和儲存過程中易燃和揮發性物質的溫度和體積，保障生產系統安全穩定運行；
- 落實隱患排查治理，每日、每周、每月各子公司開展隱患排查工作，並進行分析評估確定隱患等級，及時採取有效的治理措施，做到閉環管理；
- 100% 落實三級安全培訓教育；
- 設置安全警示標誌，在有較大危險因素的作業場所和設備設置安全警示標誌進行危險提示、警示，告知危險的種類、後果及應急措施等。

Emergency Support

- Establish a safety production emergency management agency equipped with full-time and part-time rescue teams;
- Formulate the safety production emergency plan, and formulate emergency response plans or measures for key posts to form a safety production emergency system;
- Carry out regular inspections, maintenance, and services of the emergency equipment and materials to ensure their completeness and reliability;
- Organize drills of safety production emergencies, assess the effect of drills, revise and improve the emergency plan and improve the emergency management based on the assessment results.

應急保障

- 建立安全生產應急管理機構，配備了專兼職應急救隊伍；
- 制定生產安全事故應急預案，並針對重點作業崗位制定應急處置方案或措施，形成安全生產應急預案體系；
- 進行經常性的檢查、維護、保養應急設備及物資確保完好、可靠；
- 組織生產安全事故應急演練，並對演練效果進行評估，並根據評估結果，修訂、完善應急預案，改進應急管理工作。

Example
案例

XINGTAI RISUN CHEMICALS CO., LTD. CARRIED OUT EMERGENCY RESCUE DRILL
邢台旭陽化工開展事故應急救援演練

Xingtai Risun Chemicals taking the opportunity of the safety month of the year, actively carried out various safety activities, including organizing employees to learn various accident cases, taking part in the competition of safety skills of Xingtai Production Base and the emergency rescue drill. Xingtai Risun Chemicals also specially organized the emergency rescue drill of carbon monoxide poisoning. The whole process of drill was closely connected and carried out orderly. Upon completion of the drill, Xingtai Risun Chemicals emphasized the importance of emergency rescue drill and required all employees participating the drill to make a summary carefully and learn useful theoretical knowledge about safety from relevant accident cases, so as to get necessary safety skills and provide strong support for building "Safe Plants".

邢台旭陽化工以今年安全月為契機，積極開展各項安全活動，包括組織人員學習各種事故案例、參加邢台生產園區安全技能比武和應急救援演練等。此外，還專門組織了針對煤氣中毒事故的應急救援演練。整個演練過程銜接緊密，有條不紊。演練結束後，重點強調了應急救援演練的重要性，並要求全體參演員工將演練進行認真總結，同時多學習有關的事故案例，從中汲取有用的安全理論知識，不斷充實必備的安全技能，從而為打造「安全工廠」提供有力保障。

“SAFE PLANTS”
「安全工廠」



OCCUPATIONAL HEALTH AND TRAINING

The Group, adhering to the guideline of “focusing on prevention and combining prevention with control” and stringently complying with relevant laws and regulations such as the Production Safety Law of the People’s Republic of China and the Law of the People’s Republic of China on Prevention and Control of Occupational Diseases, strengthens the occupational health and safety management system, strengthens the occupational diseases prevention and control measures, and periodically organizes physical examination for employees to ensure the occupational health of the employees. We also continue to improve the safety education and propaganda, fully explore the potential of human resources and implement tiered, multi-channel, and targeted safety training to improve the safety awareness of the employees and cultivate the safety philosophy of the employees, so as to improve the safety technical quality of the employees and lay a solid foundation for safety production.

Occupational Health Management

The Group evaluates the hazard factors of occupational diseases in the workplace dynamically, organizes the identification and detection of occupational disease hazard factors covering all workplaces, finding out the occupational hazard intensity or concentration meeting the national standards and industrial standards, and informs the employees of the results; strengthens the monitoring of key steps, key posts, and key groups specifically, carries out special treatment of occupational hazards of key posts, implements source control and process management, strengthen health monitoring, and shift the work and post timely in case of any suspicious symptoms to reduce the incidence of occupational diseases according to the characteristics of the coking industry and the types of occupational diseases of the Group; with respect to personal protection of employees, the Group provides labor protective supplies and carries out periodic maintenance or replacement to ensure their normal use based on different occupational disease hazard factors of different posts; for workers engaged in operations exposed to occupational disease hazards, the Group organizes pre-work, on-the-post, and off-post occupational health examinations stringently in accordance with the provisions of the safety production supervision and management department and the health administrative department of the State Council and inform the employees of the results in writing.

During the reporting period, the Group had no occupational disease.

職業健康與培訓

本集團始終堅持「預防為主、防治結合」的方針，嚴格遵守《中華人民共和國安全生產法》《中華人民共和國職業病防治法》等相關法律法規，夯實職業健康安全管理體系，強化職業病危害防治措施，定期組織員工體檢，確保員工職業健康。同時，我們持續完善安全教育與宣傳工作，充分挖掘人力資源潛能，實施分層次、多渠道、有針對性的安全培訓，提升員工安全意識，培育員工安全理念，有效提高了員工的安全技術素質，為安全生產奠定了堅實基礎。

職業健康管理

本集團動態評估作業場所職業病危害因素，組織開展覆蓋所有作業場所的職業病危害因素識別與檢測工作，職業危害強度或濃度符合國家標準、行業標準，並將檢測結果向員工告知；同時根據焦化行業特點和企業職業病的發病類型，有針對性地加強對重點環節、重點崗位、重點人群的監測監控，開展重點崗位職業危害專項治理，實施好源頭控制和過程管理，加強健康監護，發現可疑症狀，及時調換工作崗位，減少職業病的發生；在職工個體防護方面，針對不同崗位涉及的職業病危害因素不同，按要求配備勞保用品，並進行定期維護或更換，確保正常使用；對從事接觸職業病危害的作業的勞動者，本集團嚴格按照國務院安全生產監督管理部門、衛生行政部門的規定組織上崗前、在崗期間和離崗時的職業健康檢查，並將檢查結果書面告知員工。

報告期內，本集團未發生職業病病例。



Xingtai Risun Coal Chemicals Organized Special Training on
“Correct Use and Wearing of Labor Protective Supplies”
邢台旭陽煤化工組織「正確使用和佩戴勞動防護用品」專項培訓

Safety Training

The Group formulates the Management System for Safety Education and Training, periodically identifies the demands for safety education and training, and formulates and stringently implements and executes the safety training plans for safety management personnel, special operation personnel, employees, and new employees, respectively. The persons in charge and safety production management personnel of the subsidiaries receive safety production knowledge and management ability trainings periodically as required by relevant national laws and only those passing the examination can hold the posts; operators periodically receive safety education and production skill training to get familiar with relevant safety production rules and regulations and safe operation procedures and to ensure that their abilities meet the requirements of the posts, and those not receiving safety education and training or failing the examination cannot hold the posts; new employees and job-transfer staff must receive three-level safety education and training before work; special operation personnel can only hold the posts after obtaining special operation certificate.

During the reporting period, the Group carried out 722 safety trainings.

安全培訓

本集團制定了《安全教育培訓管理制度》，定期識別安全教育培訓需求，分別制定了安全管理人員、特種作業人員、從業人員以及新入職員工的安全培訓計劃，並嚴格落實執行。各子公司主要負責人、安全生產管理人員，定期按照國家相關法律要求進行安全生產知識和管理能力的培訓，經考核合格後方可任職；操作崗位人員定期進行安全教育和生產技能培訓，使其熟悉有關的安全生產規章制度和安全操作規程，並確認其能力符合崗位要求，未經安全教育培訓，或培訓考核不合格的從業人員，不得上崗作業；新入廠及轉崗人員在上崗前必須經過三級安全教育培訓；從事特種作業的人員應取得特種作業操作資格證書，方可上崗作業。

報告期內，本集團組織開展安全培訓722次。

Example
案例

HEBEI RISUN COKING CARRIED OUT SAFETY TRAINING AND EDUCATION FOR EMPLOYEES BY MULTIPLE CHANNELS
河北旭陽焦化多途徑開展員工安全培訓教育

Safety awareness
安全意識

Safety knowledge
安全知識

Safety skills
安全技能

During the safety month of 2018, Hebei Risun Coking with the theme of "Life Foremost and Safe Development", actively carried out various safety education and training campaigns to improve the safety quality of the employees from three aspects, including safety awareness, safety knowledge, and safety skills. Hebei Risun Coking strengthened the philosophy of "There is no trifle for safety" by accident parties sharing their views, combination of theory with operation, organizing the crew the watching dynamic pictures of safety accidents, carrying out safety knowledge competition, making safety to be a habit and promoting employees to form the safety behavioral habit consciously.

2018年安全月期間，河北旭陽焦化以「生命至上，安全發展」為主題，從安全意識，安全知識，安全技能三方面，積極開展多種安全教育培訓活動，提升員工的安全素質。通過事故當事人現身說法講安全、理論與操作結合、組織全員觀看的安全事故動圖、開展安全知識競賽等方式，強化安全無小事的理念，讓安全成為一種習慣，促使員工自覺養成安全的行為習慣。



EMPLOYEE COHESION

BUILDING A DIVERSIFIED TEAM

We fully comply with the national laws and regulations such as the PRC Labor Law, the PRC Labor Contract Law, and the Minor Protection Law of the People's Republic of China etc., safeguarding the rights and interests of employees on such aspects of recruitment, dismissal, promotion, working hours, holiday, salary and benefits, diversity, discrimination prevention, and equal opportunities by signing official labor contract with the employees, maintaining the right to know, right to participate, and right of supervision of the employees, and rejecting child labor and forced labor in any form, committing to build an equal and diversified team.

During the reporting period, the Group was not aware of any violation of laws due to use of child labor and forced labor, nor subjected to any action due to employment.

Equal Employment

We focus on the diversity of employees, assessing the qualification of professionals from compliance, attitude, performance and ability, assuring equal employment opportunities for all employees, and preventing any discrimination based on gender, age and other factors. We adopt a multi-channel recruitment system. Our recruitment channels include campus recruitment, social recruitment and internal recruitment. We offer equal opportunities to all applicants in the course of recruitment, without discriminative condition based on gender, health, and other factors and advocating the diversity of employees.

Working Hour, Holiday, Salary and Benefits

We, stringently executing national provisions for working hour, holiday and salary, safeguard the right to rest and vocation of the employees, providing day off and statutory holidays in accordance with the national labor laws, advocating employees to have all holidays as far as possible, and providing additional paid leave other than the statutory holidays to employees.

We have formulated a scientific and reasonable remuneration system and determined salaries of the employees based on such factors as level, order, business line, and region of the employees. In order to attract, retain and motivate talents of the Group, we will organize occupational health examination once a year to ensure the basic health of the employees; and will provide welfares to employees during holidays such as the Mid-Autumn Day, Chinese New Year and International Working Women's Day. We will also organize many recreational and sports activities for the employees, including travel and birthday parties, enabling the employees to blend in the big family of Risun and enjoy the warmth of home.

聚力員工

建設多元化團隊

我們全面遵守《中華人民共和國勞動法》《中華人民共和國勞動合同法》《中華人民共和國未成年人保護法》等國家法律法規，通過與員工簽訂正式勞動合同，在員工招聘、解雇、升職、工作時長、休假、薪酬福利、多樣性、防止歧視、平等機會等多方面充分保障員工權益，維護員工的知情權、參與權和監督權，反對任何形式的童工與強制勞工，致力於打造平等、多元化的員工團隊。

報告期內，本集團未知悉發生使用童工及強制勞工等違規情況，也未發生因僱傭問題導致的訴訟事件。

平等僱傭

我們注重員工多元化構成，從合規性、態度、績效和能力等方面評估專業人員的任職資格，保障所有員工享有平等的就業機會，堅決杜絕任何基於性別、年齡等因素的歧視。我們採取多通道的招聘制度，招聘管道包括校園招聘、社會招聘及內部推薦等。在招聘流程中我們一視同仁，未設置針對性別、健康程度等因素的歧視性條件，倡導員工多樣性。

工時、假期與薪酬福利

我們嚴格執行國家關於工時、假期和薪酬的有關規定，全力保障員工休息休假的權益，員工的休息日及法定節假日與國家勞動法規一致，提倡員工做到應休盡休，並給予在法定節假日之外的額外帶薪假期。

我們制定了科學合理的薪酬體系，並根據員工的職位等級、所在序列、所在業務線、所在地域等多方面因素為員工制定薪酬。為了吸引、保留和激勵公司人才，我們會組織一年一次指定職業健康體檢，為員工保障基本健康；在中秋節、春節、三八婦女節等節假日，我們會發放員工福利。另外，我們還會組織許多的員工文體活動，包括旅遊、員工生日派對等，讓員工融入旭陽大家庭，感受到家一樣的溫暖。

Preventing Child Labor and Forced Labor

The Group stringently complies with the Provisions on Prohibition of Child Labor issued by the State Council and formulates the Management Provisions for Anti-Forced Labor to stringently prevent child labor, forced labor and other illegal labor. The Group adheres to the legal working hours of eight hours a day or forty hours a week and sets up the overtime and holiday system to prevent forced or compulsory labor and ensure reasonable working hour of the employees.

With respect to employment in 2018, the performance is as below:

杜絕童工及強制勞工

本集團嚴格遵守國務院頒布的《禁止使用童工的規定》，同時制定了《反強制勞動管理規定》，嚴格避免童工、強制勞動及其他非法用工現象，堅持每日八小時或每週四十小時的法定工作時間，並設置加班調休制度，避免強迫或強制勞動，保證員工合理工時。

2018年度，員工雇傭方面的績效如下：

2018

Number of employees 員工總數	3,574 (Person 人)
Percentage of Male Employees 男性員工比例	85%
Percentage of Female Employees 女性員工比例	15%
Percentage of employees with senior titles 高級職稱員工比例	1.06%
Percentage of employees with medium titles 中級職稱員工比例	9.04%
Percentage of employees with junior titles 初級職稱員工比例	22.89%
Percentage of contract labor 合同工員工比例	100%
Percentage of outsourcing labor 勞務派遣員工比例	0%
Percentage of employees under 30 years old 30歲以下員工比例	31.14%
Percentage of employees from 31 to 40 years old 31-40歲員工比例	48.07%
Percentage of employees from 41 to 50 years old 41-50歲員工比例	15.98%
Percentage of employees above 50 years old 50歲以上員工比例	4.81%
Percentage of employees from Hebei Province 河北省內地區員工比例	93.2%
Percentage of employees from regions outside Hebei Province 河北省以外地區員工比例	6.8%
Percentage of minority employees 少數民族員工所佔比例	1.85%
Annual turnover rate of employees 員工年度流失比率	9.43%

PROMOTING DEVELOPMENT OF EMPLOYEES

The Group, under the guidance of “Building the Talent Team of Risun and Accelerate the Growth of Talent”, enriched the training contents and innovated the training methods by established a multi-level comprehensive training management system for the purpose of providing training and learning throughout the whole career path of the employees, reserving knowledge and experience for the growth and development of the employees and improving comprehensive quality of the employees to meet the ever-changing job requirements and adapt to long-term development of the Group. We also continues to improve the employee development and promotion mechanism to provide a smooth path for the development of employees and build an equal and just talent development platform, so as to motivate employees to achieve self-value, post value and social value and build a high-quality talent team.

Employee Promotion

The Group formulates such policies as the Administrative Measures for Cadres Selection and Promotion and the Administrative Measures for Employee Career Path etc. to improve the employee development system and specify the qualification standards for professionals. We have established the “dual-channel” development mechanism for employees taking the management route and professional route. The employees can choose a development path suitable for their post according to the post grading system and based on their own abilities and wills.

Employee training

We have formulated the Training Management System and established a training system combining internal training with external training to foster the growth and development of the employees. The Group provides corresponding study programs for different levels, professional demands and talent characteristics, and further strengthens the construction of the talent team by organizing trainings for new middle-level cadres, trainings for reserve cadres, trainings for new employees and internship programs, apprenticeship programs, foreman trainings, and technical trainings for every post.

We have established the learning platform of “Risun University” to carry out multi-level training for employees of different orders and levels according to the development strategy and the results of training demand investigation, provided trainings on occupational qualities and standards, professional knowledge and regulations, general technology and ability, and leadership to help the employees with their study and growth.

促進員工發展

本集團以「塑造旭陽人才梯隊，加快人才成長」為指引，通過建立多層次、全方位的培訓管理體系，豐富培訓內容，創新培訓方式，努力將培訓學習貫穿於員工職業生涯全過程，為員工成長髮展儲備知識和經驗，提升員工綜合素質，以匹配不斷變化的職位能力要求，適應公司長遠發展。同時，公司還持續完善員工成長和晉升機制，為人才成長暢通管道，搭建公平公正的人才發展平台，激發員工實現自我價值、崗位價值和社會價值，努力建設一支高素質的人才隊伍。

員工晉升

本集團制定《幹部選拔晉升管理辦法》《員工職業發展通道管理辦法》等政策，完善員工發展體系，明確專業人員任職資格標準。我們建立了管理路線與專業路線的員工「雙通道」發展機制，員工可以依據員工職位職級體系，並結合自己的能力和意願，選擇適合自己職位的發展通道。

員工培訓

我們制定了《培訓管理制度》，建立了內部培訓和外部培訓兩種形式相結合的培訓體系，助力員工的成長與發展。針對不同層級、不同專業類別的需求和人才特點，匹配相應的學習項目，並通過組織新任職中層幹部培訓項目、後備幹部培訓項目、新員工培訓及實習項目、師帶徒項目、班長培訓項目、員工崗位技術練兵等進一步夯實了人才梯隊建設。

我們搭建了「旭陽大學」學習平台，根據公司發展戰略和培訓需求調研結果，為不同序列與職級的員工開展分層培訓，提供有關職業素質與規範、專業知識與法規、通用技術與能力、領導力等方面的培訓，幫助員工學習成長。

We engages external professional instructors for employee training and dispatches employees to non-academic professional ability training. And we also actively cooperate with universities, such as Hebei University of Science & Technology, Xingtai University, North China University of Science and Technology and Shenyang Ligong University, to promote on-the-job education such as the “bachelor class” and “master class”, helping the employees to improve their theoretical quality, professional quality, comprehensive skill, and cutting-edge technology.

我們聘請外部專業導師為員工開展培訓，並派遣員工參加非學歷教育的專業能力培訓，同時，我們與河北科技大學、邢台學院、華北理工大學、瀋陽理工大學等高校積極開展合作，推出「本科班」、「碩士班」等在職教育，幫助員工提升理論素質、專業素養、綜合技能以及前沿技術。

EMPLOYEE TRAINING SYSTEM OF THE GROUP 本集團員工培訓體系

Management 管理層

- Implement learning programs of role transformation, management ability improvement, performance management improvement, team building and empowerment for new cadres, enabling them adapt to the new posts quickly and promote the team to carry out businesses and realize achievements.
針對新提職幹部定期實施角色轉換、管理能力提升、改善績效管理、團隊建設賦能等學習項目，使新提職幹部快速適應新的崗位並推動團隊開展業務、實現績效。

Reserve Cadres 儲備幹部

- Carry out studies and trainings from unification of cultural values, improvement of front-line management skills, and strengthening professional knowledge and complete the assessment and promotion of a certain percentage of reserve cadres.
從統一文化價值觀、提升一線管理技能、強化專業知識等方面開展學習培養，實現一定比例的儲備幹部的考評和晉升。

Foreman 班組長

- Keep promoting the training of foreman and the standard and visual management of crews, absorbing advanced management methods and actively promoting construction of the crews and laying a solid foundation for the production system.
持續推進班組長的培養和班組標準化、可視化管理工作，吸收先進的管理方法，積極推進班組建設，夯實生產體系的根基。

Front-line Employees 基層員工

- Carry out study and education of various forms through assessment, competition, practice, one point lessen, morning meetings, regular meetings and handover meetings;
通過評比、競賽、練兵、一點課、晨會例會交接會開展多種形式的學習教育；
- Implement operational skill certification system for key posts and advocate employee of one post to master multiple skills to promote the workplace learning atmosphere of all front-line operators and create an environment of training talents on the post.
關鍵崗位實行操作技能認證制度，並倡導一崗多能，推進全體一線操作員工崗位學習的氛圍，營造立足崗位成才的環境。

New Employees 新入職員工

- Realize all-around and systematic directions from mindset shift, cultural integration, instructions to posts, internship, and apprenticeship.
從心態轉變、文化融入、崗位應知應會、崗位見習、師帶徒等方面實現全方位、系統性引導。

Example
案例

XINGTAI PRODUCTION BASE HELD THE CADRES TRAINING CLASS JOINTLY
WITH XINGTAI POLYTECHNIC COLLEGE

邢台生產園區與邢台職業技術學院聯合舉辦幹部培訓班



For promoting the construction of the cadres team of Xingtai Production Base, effectively improving the management ability of assistant cadres, and motivating the learning enthusiasm, Xingtai Production Base held the assistant cadres training class jointly with Xingtai Polytechnic College. The training class adopted the training form integrated with theory teaching, interactive training, and sand table simulation to make assistant cadres to keep in mind the "Two Hows", fully realize the importance of the study and put them into action, proposing good suggestions on management of the department and playing the role of mainstay in practice, being able to undertake tasks alone and making new contributions to the development of the Group.

為促進邢台生產園區幹部梯隊建設，有效提升助理級幹部管理能力，激發學習活力，邢台生產園區聯合邢台職業技術學院合作開辦了助理級幹部培訓班。培訓班採用理論講授，互動培訓，沙盤模擬於一體的培訓形式，旨在使助理級幹部牢記旭陽「兩個如何」，充分認識到本次學習的重要性，並且做到學以致用，對部門管理工作提出好的建議意見，切實在實際工作中發揮中流砥柱的作用，獨當一面，為本集團發展做出新的貢獻。

With respect to employee training in 2018, the performance is as below: 2018年度·員工培訓方面的績效如下：

2018

Number of employees trained 受訓員工數	3,574 (Person 人)
Percentage of employees trained 受訓員工百分比	100%
Percentage of male employees trained 男性員工受訓比例	85%
Percentage of female employees trained 女性員工受訓比例	15%
Total employee training sessions 培訓員工總場次	4,450 (Times 次)
Total number of employees trained 培訓員工總人次	60,410 (Person 人次)
Amount of training expenditures 培訓經費支出金額	56.57 (Ten thousand 萬元)
Total training hours of employees 員工培訓總時長	9,436 (Hour 小時)
Average training time per employee 員工受訓平均時數	2.97 (Hour 小時/person 人)
Total training hours of senior employees and above 高級及以上員工受訓總時長	399 (Hour 小時)
Average training hours of senior employees and above 高級及以上員工受訓平均時數	4.69 (Hour 小時/person 人)
Total training hours of middle-level employees 中級員工受訓總時長	1,725.5 (Hour 小時/person 人)
Average training time per middle-level employee 中級員工受訓平均時數	12.69 (Hour 小時/person 人)
Total training hours of junior employees 初級員工受訓總時長	7,311.5 (Hour 小時/person 人)
Average training time per junior employee 初級員工受訓平均時數	2.3 (Hour 小時/person 人)

ENHANCING CARE FOR EMPLOYEES

The Group attaches great importance to and cares for the work and life of the employees and pays attention to humanistic care, actively solving practical difficulties of the employees, carrying out warmth projects, and caring about the life of the employees. For example, the Group made donation to sick employees in hospital, expressed regards to employees with difficulties in life, helped employees in difficulties with the education of their children, expressing sincere regards of the Company, helping employees to overcome difficulties and face their life bravely with positive and optimistic attitude, and improving the sense of happiness and belonging of the employees. We also organized various recreational and sport activities, providing opportunities to employees to show their talents and relieve their stress in happiness, so that they can continue their work and life better and more vigorously.

Assistance to Employees

We provide assistance to employees in difficulties, try our best to relieve their life stress, express our regards to employees in poor family in special holidays, help employees in difficulties with the education of their children, and donating to employees' family member with serious disease.

增進員工關愛

本集團極其重視關心員工的工作與生活，重視人文關懷，積極主動的為員工解決實際困難，大力開展送溫暖活動，切實關心職工生活。例如，捐助生病住院職工、慰問生活困難職工、幫扶困難職工子女教育，展現公司對員工的誠摯關愛，幫助員工走出陰霾，以積極樂觀的精神面貌，勇敢面對生活，提升員工幸福感和歸屬感。同時我們組織豐富多彩的員工文體活動，給員工展現不同才能的機會，在快樂中減壓，更好更投入的繼續工作生活。

員工幫扶

我們對困難員工開展幫扶，盡全力減輕員工的生活壓力，在重要節日慰問特困家庭員工，幫扶困難職工家庭子女上學、捐款救助員工重疾家屬。



The Labor Union of Hebei Risun Coking organized a visit to employees in extremely poor families and retired employees before the Chinese New Year
河北旭陽焦化工會春節前慰問特困員工家庭和退休員工



Hebei Risun Coking Held the Summer Karaoke Grand Prix of 2018
河北旭陽焦化舉辦2018年消暑卡拉OK大獎賽



Cangzhou Risun Chemical Limited. Organized the "Infinite Chess Delight" Competition of 2018
滄州旭陽化工有限公司組織2018「棋樂無窮」象棋比賽

Recreational and Sports Activities

To encourage employees to keep the healthy life style, the Group periodically organizes and holds various recreational and sport activities, including basketball, badminton, table tennis, and chess and card to enrich the spare time of employees, promote communication among employees, increase employee cohesion, and hold team competitions which are good for physical and mental health during the anniversary of the Company, National Day, and New Year, such as mountain climbing, basketball, long-distance running, tug-of-war, rope skipping and fun activities, enriching the spare time life of the employees and improving the team cohesion and centripetal force.

文體活動

為了鼓勵員工保持健康的生活方式，本集團定期組織開展包含籃球、羽毛球、乒乓球、棋牌等各類文體活動，豐富員工業餘生活，促進員工溝通交流、增加員工凝聚力，在司慶日、國慶節、元旦等節日舉辦登山、籃球、長跑、拔河、跳繩、趣味活動等有益身心的團體比賽，豐富了員工的業餘文化生活，增加團隊的凝聚力和向心力。

HIGH-QUALITY PRODUCTS

The Group stringently complies with the laws and regulations such as the Law of the People's Republic of China on Product Quality and has established the awareness of "Quality First" and carries out the whole-process quality management to improve the quality of products and services. We adhere to the principle of honesty, and identify labels of the coal chemical products with true and accurate information as required. We adhere to the operation philosophy of "Market Oriented and Customer First", actively get to know problems of the customers in procurement and use of the coke and chemical products and provide solutions to customers timely. Regulate customer data management and attach importance to the protection of customer privacy.

During the reporting period, we did not receive any complaints from customers concerning products and services.

PRODUCT QUALITY MANAGEMENT

The Group continues to improve the quality management system, strengthens product research and development and design, strictly controls raw material procurement, implement standard operations, realizes whole-process quality control, and keeps improving the quality management work. The Group stringently executes and complies with relevant industrial standards for coke and chemical products, such as the Coke for Metallurgy (GB/T1996-2017), the Coal Tar (YB/T5075-2010), the Crude Benzene (YB/T5022-2016), and Industrial Methanol (GB338-2011).

During the reporting period, the customer satisfaction of coke and chemical products of the Group reached 100%.

- Formulate the ISO9001 quality management system covering all subsidiaries;
- Formulate a complete quality management and control and appraisal system, such as the Regulations on Product Quality Management and Control, the Quality Control Points and Appraisal Methods;
- Stringently control the input indicators of raw and auxiliary materials, increase the inspection frequencies of incoming raw and auxiliary materials. and accept by concession or return those failing the random inspection and test according to the test results;
- Set up the quality management file for coal suppliers to monitor the coals supplied by the coal suppliers, ranking the suppliers every month and eliminating disqualified suppliers ;

優質產品

本集團嚴格遵守《中華人民共和國產品質量法》等法律法規，樹立「質量第一」的意識，深入開展全過程質量管理，提高產品和服務質量。我們堅持誠實守信原則，煤化工等產品卷標按要求規範標識，信息真實準確。我們堅持「以市場為導向，以客戶為中心」的經營理念，主動瞭解客戶在採購和使用焦炭、化工產品過程中出現的問題，及時向客戶回饋解決方法。規範客戶數據管理，注重保護客戶隱私。

報告期內，我們未收到與產品及服務相關的用戶投訴。

產品質量管理

本集團不斷完善質量管理體系，加強產品研發設計，嚴控原材料採購，實施標準化作業，實現全過程質量控制，使質量管理工作精益求精，焦炭及化工產品嚴格執行並滿足《冶金焦炭(GB/T1996-2017)》《煤焦油(YB/T5075-2010)》《粗苯YB/T5022-2016》《工業甲醇GB338-2011》等行業相關標準。

報告期內，本集團焦炭及化工產品客戶滿意率達到100%。

- 建立了覆蓋各子公司的ISO9001質量管理體系；
- 制定了完善的質量管控考核制度，如《產品質量管控規定》、《質量控制點及考核辦法》；
- 嚴格把控原輔材料進場指標，提高入廠原輔材料的抽檢頻次，若抽檢、化驗結果不合格，則根據化驗結果確定讓步接收或退貨；
- 建立供煤客戶質量管理檔案，對供煤客戶所供煤種進行監控，每月排名，強制淘汰不符合要求的供應客戶；

- Regulate the technological operations to ensure smooth operations and stable quality of the products and intermediate products.
 - Stringently comply with relevant operation procedures during the production, establish the management systems and strengthen the examination of steady process operation.
 - Organize quality control point inspections periodically and issue notice of rectification for hidden quality risks which may cause quality risks and supervise the rectification, accomplishing closed-loop management。
- 規範工藝操作，保證操作環節平穩，產品和中間產品質量穩定。
 - 生產過程嚴格按照相關操作規程執行同時制定管理制度，加強對工藝操作平穩的考核；
 - 定期組織質量控制點檢查，發現質量隱患易造成質量風險的，下發質量隱患整改通知單，並督察整改，做到閉環管理。

AFTER-SALE SERVICE AND PROTECTION OF CONSUMERS' RIGHTS AND INTERESTS

The Group stringently complies with relevant laws and regulations such as the Law of the People's Republic of China on Protecting Consumers' Rights and Interests and formulates the Rules for Customer Service and Internal Requirements to ensure high-quality product and after-sale service. We appoint professional customer service team to visit the production bases of major customers and collect feedback about the products and services, get to know the operation and demands of the customers timely, so as to provide better services and meet specific demands of the customers.

INTELLECTUAL PROPERTY AND BRAND PROTECTION

The Group attaches great importance to intellectual property and patent protection. Our trademarks, patents, trade secrets and other intellectual properties are important properties of the Company. During the reporting period, the Group was not subjected to any dispute, claim and action concerning intellectual property and brand protection.

產品售後及消費者權益保護

本集團嚴格遵守《中華人民共和國消費者權益保護法》等相關法律法規，同時制定了《客戶服務及對內要求細則》，確保產品售後服務的高質量。在主要客戶生產園區，我們派駐專業客戶服務團隊拜訪客戶，並收集獲取產品和服務的回饋，及時瞭解客戶的營運和需求，以提供更好的服務，符合客戶的特定要求。

知識產權及品牌保護

本集團重視知識產權及專利保護，我們的商標、專利、業務機密數據及其他知識產權屬於公司的重要資產。報告期內，本集團未發生涉及知識產權及品牌保護方面的糾紛、索賠與訴訟。

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

– Intellectual property protection

The Group abides by patent application, management and utilization fully in accordance with the policies and laws concerning patent and copyright, protects patent assets, and promotes inventions and innovations. We also formulate the Patent Management System to specify the patent management responsibilities, the application and handling procedures, and the requirements for licensed use and protection; with respect to technical confidentiality, we formulate the Confidentiality Management System to keep the data and information about research and development, technical import, and technical innovation confidential, requiring maintaining the confidentiality of secrets arising from the production, research and development, design, scientific exchange, and technological introduction and keep such secrets in accordance with the File Administrative Measures.

– Brand protection

The Group formulates the Visual Image Recognition System Handbook and the Brand VI Manual for uniform planning and management of advertisements and trademarks in accordance with relevant national regulations such as the Company Law, the Trademark Law, and the Advertising Law of the People's Republic of China, so as to keep enhancing the brand value and give full play to the marketing functions to make brand management and marketing more scientific and standard and protect the enterprise, product and service reputations.

ANTI-CORRUPTION

The Group carefully fulfills the anti-corruption responsibilities stringently in accordance with relevant laws and regulations such as the Criminal Law of the People's Republic of China, the Company Law of the PRC, and the Interim Provisions for Prohibiting Commercial Bribery, and carries out multi-level anti-corruption and pro-cleanness education and obtains excellent achievements in anti-corruption by improving the supervision system, deepening the system construction, and upgrading risk prevention and control measures.

During the reporting period, the Group was not aware of nor received notices of cases involving violation of laws and regulations due to commercial bribery, blackmail, fraud or money laundering.

– 知識產權保護

本集團全面遵守有關專利、著作權方面相關的政策及法律，規範專利申請、管理和利用，保護專利資產，促進發明創造。同時我們制定了《專利管理制度》明確專利管理職責，申請和办理流程，對外許可使用及保護的要求；在技術保密方面，我們制定了《保密管理制度》，對研發、技術引進、技術創新等方面的數據與信息的保密進行了規定，要求對生產、研發、設計、科技交流、技術引進中產生的秘密事項進行保密，並按《檔案管理辦法》保管。

– 品牌保護

本集團根據中華人民共和國《公司法》《商標法》和《廣告法》等國家有關法規，制定《視覺形象識別系統手冊》《品牌VI手冊》對廣告、商標統一規劃和管理，不斷提升品牌價值，充分發揮市場營銷職能，使品牌管理和市場營銷工作更加科學化、規範化，保護企業、產品與服務信譽。

反貪污

本集團嚴格遵守《中華人民共和國刑法》《中華人民共和國公司法》《關於禁止商業賄賂行為的暫行規定》等相關法律法規，認真落實反腐敗責任，通過完善監督體制，深化制度建設，升級風險防控措施，開展多層次的反腐倡廉教育，公司反腐敗工作取得良好成效。

報告期內，本集團未知悉及收到發生商業賄賂、勒索、欺詐及洗黑錢等違法違紀案件的通知。

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

- Strengthen the institutional systems and formulate 22 systems such as the Honesty and Self-discipline System, Provisions for Basic Behavioral Red Line of Employees, the Full Whistle Blowing and Reasonable Proposal System etc. to provide powerful institutional guarantee for the anti-corruption work of the Company;
- Employees on key posts sign on the honesty responsibility agreement, requiring employees to comply with the basic principles of honesty and trustworthiness, equality and justice, compliance with regulations, making no personal gain, interest-based disqualification, and information privacy, and prohibiting any form of bribery, blackmailing, fraud, and money laundering;
- Enter into the Anti-Commercial Bribery Agreement with the suppliers to regulate business cooperation prevent and prohibit commercial bribery and unfair competition and protect mutual legal rights and interests;
- Clear the whistle blowing channel, provide whistle blowing channels by email, telephone, and interview. The supervision and audit department verifies relevant information immediately upon receipt of the whistle blowing and carries out investigations or special audit as the case may be, and handles in accordance with relevant provisions of the internal audit system if facts about corruption are identified;
- Carry out anti-corruption education and carry out anti-corruption warning education and training during the induction training of employees, weekly dispatching meeting and monthly regular meeting to raise the awareness of anti-corruption of the employees by multiple means such as internal case sharing.
- 夯實制度體系，制定了《廉潔自律制度》《員工基本行為紅線規定》《全員舉報和合理化建議制度》等22項制度，為公司反貪污工作提供了有力的制度保障；
- 重要崗位員工簽署廉潔責任書，要求員工在對內和對外的活動過程中遵循誠實守信、平等公正、符合法規、不謀私利、利益回避和信息保密等基本原則，嚴禁任何形式的賄賂、勒索、欺詐及洗黑錢行為；
- 規範商務合作，與供貨商簽署簽訂《反商業賄賂協議》，預防、制止商業賄賂和不正当競爭行為，保護雙方的合法權益；
- 暢通舉報管道，提供郵件、電話和面談溝通的舉報管道，監察審計部收到舉報信息後，第一時間覈實相關信息，並視情況進行調查或開展專項審計，如認定有貪腐等事實將根據內部審計制度相關規定進行處理；
- 開展反貪腐教育，在員工入職培訓、周調會、月度例會開展反貪腐警示教育培訓，通過內部案例分享等多種形式，以此來不斷提高員工反貪污意識。

SUPPLY CHAIN MANAGEMENT

The Group attaches great importance to green supply chain management and selects the suppliers and contractors of the supply chain in accordance with prudent principles and strict standards, not only giving consideration to product quality, service ability and enterprise reputation, but also the philosophy and actions in assuming social responsibilities such as execution of the QHSE standards and labor standards. We adheres to the philosophy of “Win-Win Cooperation and Mutual Development”, implements centralized, uniform, classified and level-to-level supplier management, strengthens training and supervision, optimizes performance appraisal, and implements whole-process and dynamic management of the supply chain from admission to exit to ensure normal performance of the economic contracts.

SUPPLIER MANAGEMENT

We have formulated the Administrative Measures for Supplier Assessment, the Supplier Dynamic Assessment System, and other management systems to specify the introduction, approval and maintenance, assessment, screening process and punishment for violations of suppliers, so as to ensure performance of the businesses under the principle of safety and green. We attach great importance to the environmental protection during the production and transportation of purchased products and terminate the contract timely according to the laws if the supplier is found to breach social and environmental policies during execution of the contract, so as to avoid environmental and social risks in the supply chain. For suppliers engaged in misconducts, the Company will give a warning or criticize in a circulated notice and impose a fine according to the circumstances; in case of gross violation, the Company will disqualify the supplier permanently and investigate legal responsibilities when necessary. We will also organize forums and business analysis meeting to train the suppliers, so as to improve the quality of the suppliers.

SUPPLIER SCREENING AND APPROVAL

The Group investigates the qualification, safety, environmental protection and other aspects of the suppliers in the course of screening, and classifies the suppliers. We requires employees to give priority to the suppliers in the supplier database in case of procurement.

供應鏈管理

本集團注重綠色供應鏈管理，採取審慎的原則和嚴格的標準來選擇供應鏈中的供貨商和承包商，不僅看重其產品質量、服務能力和企業信譽，更看重其執行QHSE標準和勞工標準等履行社會責任的理念和行動。我們秉承「合作共贏、共同發展」的理念，全面實施集中統一、分類分級供貨商管理，加強培訓和監督，優化績效考核，實現供應鏈從准入到退出的全過程、動態管理，確保經濟合同的正常履約。

供貨商管理

我們制定了《供貨商評價管理辦法》《供貨商動態評價體系》等管理制度，對於供貨商的引進、審批與維護，評估、篩選流程以及違規處罰等方面均進行了明確的規定，確保雙方在安全、綠色的原則下開展各項業務。我們注重採購產品在生產和運輸過程中的環境保護，對於在合同執行過程中發現違反社會及環境政策的供貨商將及時依法終止合同，避免在供應鏈環節發生環境及社會風險。對於發生違規行為的供貨商，經查實後，公司視情節輕重對供貨商給予警告或通報批評，並處以罰款；情節嚴重的，將永久性取消合格供貨商資質，必要時追究相關法律責任。同時，我們會定期組織座談會、經營分析會對供貨商進行培訓，以提升供貨商的供應質量。

供貨商篩選與審核

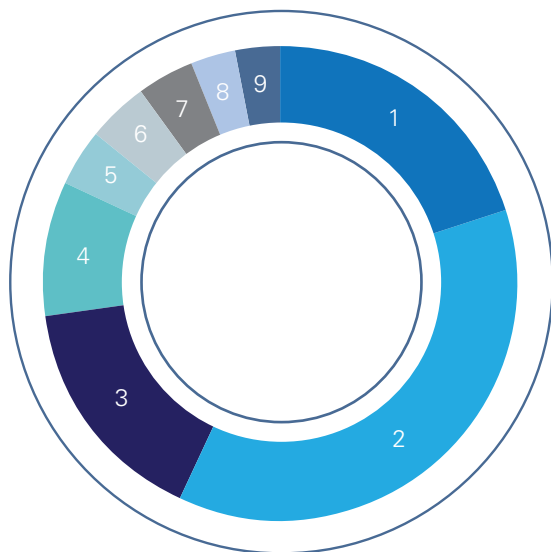
本集團在進行供貨商篩選的過程中對企業資質、安全、環保等多方面考察，並對供貨商進行分類，發生採購業務時，我們要求員工首選供貨商信息庫中的供貨商進行合作。

The Group organizes annual review of the suppliers of the previous year at the beginning of each year, assessing and scoring the technical indicators, price, quality, delivery time, and service of the suppliers, and classifies the suppliers by the final scores into: disqualified supplier, qualified supplier, and excellent supplier. During the reporting period, the Group had about 850 suppliers which all comply with the supplier screening procedures and requirements of the Group.

本集團每年初對上一年度的供貨商組織年度評審工作，對供貨商根據技術指針、價格、質量、貨期、服務等多方面進行評價打分，將供貨商根據最終分數劃分為：不合格供貨商，合格供貨商和優秀供貨商。報告期內，本集團供應商總數約850家，均遵循本集團對供應商的篩選程序及要求。

DISTRIBUTION OF SUPPLIERS IN DIFFERENT REGIONS

不同地區供應商分佈



1. Other provinces 其他省份	20%
2. Hebei Province 河北省	37%
3. Shanxi Province 山西省	16%
4. Shandong Province 山東省	9%
5. Tianjin 天津	4%
6. Beijing 北京	4%
7. Jiangsu Province 江蘇省	4%
8. Liaoning Province 遼寧省	3%
9. Zhejiang Province 浙江省	3%

附註：不同地區供應商分佈基於供應商註冊地統計。

Note: The distribution of suppliers in different regions is based on supplier registration statistics.

COMMUNITY INVESTMENT

The Group, starting from and aiming to “Returning What is Taken from the Society to the Society”, carried out charity and public benefit activities in helping and supporting the poor, donating and supporting education, and earthquake relief work, and actively organized employees to take part in the volunteer activities and public welfare activities to establish harmonious and win-win relationship with the society and realize the unification of social interests and economic interests.

社區投資

本集團以「取之社會，回報社會」為出發點和落腳點，在扶貧幫困、捐資助教、抗震救災等多方面開展慈善公益活動，積極組織員工參與志願活動和公益行動，與社會建立和諧共贏的關係，實現社會效益與經濟效益的統一。



Xingtai Production Base Supported the Poverty Alleviation Work of Dongtun Village
邢台生產園區助力東屯扶貧

CARRYING OUT PRECISE POVERTY ALLEVIATION SOLIDLY

The Group, fully complying with the requirements of the spirit of precise poverty alleviation of the Central Party Committee and the State Council, actively assumes social responsibilities and takes part in the poverty alleviation. In 2018, Xingtai Production Base responding to the Implementation Program of Precise Poverty Alleviation of "100 Enterprises Helping 100 Villages" of Xingtai City issued by Xingtai Municipal Federation of Industry and Commerce and Xingtai Municipal Poverty Relief Office, became a pair with Dongtun Village, Dongzhao Town, Guangzong County. On the basis of sufficient investigation and study, combined with actual situation of the base, solving the problems in square, drainage, dike, swag, adjustment of planting structure which were closely connected with the villagers but restricted the development for a long time and could not be solved by villagers, and seeking for welfares for the villagers.

DONATING AND SUPPORTING EDUCATION WIDELY

We attach great importance to the development of the educational business, caring for the growth of the next generation and actively donating and supporting the education. In 2018, the Group purchased teaching materials and stationeries for Jiaohua Primary School and Maying Primary School of Dingzhou City; Xingtai Production Base carried out the "Gold Autumn Education Assisting" activity which had raised RMB 80 thousand in total in four years and assisted 40 students from the poor families of the community to go to college.

扎實開展精準扶貧

為全面貫徹落實黨中央、國務院關於精準扶貧精神要求，本集團積極履行社會責任，參與脫貧攻堅。2018年，邢台生產園區積極響應邢台市工商聯、邢台市扶貧辦《邢台市「百企幫百村」精準扶貧活動實施方案》，與廣宗縣東召鄉東屯村結成幫扶對子，在充分的調研基礎上，結合園區實際，重點解決廣場、排水、河堤、坑塘、種植結構調整等與村民息息相關，卻長期制約發展自身無力解決的老大難問題，為村民謀福利。

廣泛開展捐資助教

我們高度重視地區教育事業發展，關愛下一代成長，積極開展捐資助教活動，2018年，本集團為定州市焦化小學、馬營小學，購買了教學物資，添置了學習文具；邢台生產園區開展「金秋助學」活動，已連續四年累計籌集助學金8萬元，資助了40名社區寒門學子圓了大學夢。

ACTIVELY CARRYING OUT COMMUNITY PUBLIC SERVICE

For raising the safety and environmental protection awareness of the community residents, improving the ability of the community residents to handle emergencies and their self-defensive abilities, and creating a green and harmonious community environment, Xingtai Production Base organized a volunteer service team which carried out public service publicity of safety and environmental protection in the community and improved the safety and environmental protection awareness of the locals by banners, posters and on-site explanations.

積極開展社區公益

為增強社區居民的安全及環保意識，提高社區居民處置應變能力、自我保護能力，營造綠色和諧的社區環境，邢台生產園區組建志願服務隊伍，積極開展安全、環保進社區公益宣傳活動，通過拉條幅、張貼宣傳畫及現場講解等方式，提升當地居民的安全與環保意識。

Example 案例

XINGTAI PRODUCTION BASE ASSISTED THE CONSTRUCTION OF LOCAL COMMUNITY 邢台生產園區助力當地社區建設

An enterprise cannot survive and develop without the support of good relationship with the mass. In recent years, Xingtai Production Base of the Group adhered to the win-win cooperation with private enterprises and returned to the locals through the government, extending the development dividend to the people around and of the counties of Xingtai City. Xingtai Production Base actively took part in local special and economic construction from the "719" flood-fighting and emergency rescues to helping and supporting the poor, and from road hardening and landscaping to village resettlement. On the eve of the Chinese New Year of 2018, Xingtai Production Base, cared for the poor people such as the old party members, military vet, "NINA" and people with serious disease of nearby villages, and organized a visit to them and sent rice, oil and other necessities to them.

企業的生存發展離不開良好群眾關係的支撐。近年來，本集團邢台生產園區堅持民企共贏，依託政府回饋於民，將發展的紅利惠及到周邊乃至邢台縣市人民，從「719」抗洪搶險到幫扶救困，從道路硬化、環境美化到村莊搬遷，邢台生產園區積極參與當地社會經濟建設。2018年春節前夕，邢台生產園區惦念周邊村莊老黨員、退役老兵、「雙無」、重病等家庭生活困難群眾，特組織走訪慰問活動為他們送去米、油等生活必需品。



TO THE SHAREHOLDERS OF CHINA RISUN GROUP LIMITED
(incorporated in the Cayman Islands with limited liability)

致中國旭陽集團有限公司全體股東
(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of China Risun Group Limited (formerly known as "China Risun Coal Chemicals Group Limited", the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 135 to 274, which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs") issued by the IASB. 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for 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

吾等已審計第135至274頁所載的中國旭陽集團有限公司(前稱為「中國旭陽煤化工集團有限公司」,「貴公司」)及其附屬公司(以下統稱為「貴集團」)的綜合財務報表,該綜合財務報表包括於2018年12月31日的綜合財務狀況表及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註,包括主要會計政策概要。

吾等認為,綜合財務報表已根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」)真實而公平地反映 貴集團於2018年12月31日的綜合財務狀況及 貴集團截至該日止年度的綜合財務表現及綜合現金流量,並已按照香港公司條例的披露規定妥為編製。

意見的基礎

吾等已根據國際會計準則理事會頒佈的國際審計準則(「國際審計準則」)進行審計。吾等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。根據國際會計師專業操守理事會頒佈的專業會計師道德守則(「守則」),吾等獨立於 貴集團,並已履行守則中的其他道德責任。吾等相信,吾等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吾等的專業判斷,認為對本期綜合財務報表的審計最為重要的事項。該等事項是在吾等審計整體綜合財務報表及出具意見時已處理的,而吾等不會對該等事項提供單獨的意見。

KEY AUDIT MATTERS (Continued)

關鍵審計事項 (續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

吾等的審計如何處理關鍵審計事項

Revenue recognition from contracts with customers
客戶合約收益確認

We identified revenue recognition from contracts with customers as a key audit matter because the amount is significant to the consolidated statement of profit or loss and other comprehensive income. Furthermore, revenue from contracts with customers is a key performance indicator of the Group and therefore there is a high inherent risk of misstatement.

吾等確定客戶合約收益確認為一項關鍵審計事項，因為客戶合約收益相對綜合損益及其他全面收益表金額重大。此外，客戶合約收益乃貴集團的關鍵績效指標，因此，存在錯誤陳述的較高固有風險。

As disclosed in note 6 to the consolidated financial statements, the Group recognized revenue from contracts with customers of RMB20,583,079,000 for the year ended December 31, 2018.

誠如綜合財務報表附註6所披露，貴集團確認截至2018年12月31日止年度的客戶合約收益為人民幣20,583,079,000元。

Our audit procedures in relation to revenue recognition from contracts with customers included:

吾等就客戶合約收益確認的審計程序包括：

- Assessing the key controls relevant to revenue recognition from contracts with customers;
- 評估與客戶合約收益確認相關的關鍵控制；
- Performing analytical procedures to assess the reasonableness of the unit sales price, gross profit margin, production volume, material and power consumption, and production utilization rate;
- 執行分析程序評估單位售價、毛利率、產量、材料及電耗及產能利用率的合理性；
- Obtaining confirmations for the sales to the major customers;
- 就對主要客戶的銷售獲取函證；
- Checking, on a sample basis, the recorded transactions by examining the underlying supporting evidences such as invoices, receipt notes, final settlements and other documents;
- 抽樣檢查所入賬交易，核對相關支持證明（如發票、收貨單、最終結算及其他文件等）；
- Performing cutoff procedures by selecting samples of sales recognized close to the year end, agreeing the date of revenue recognition to third party support, such as receipt notes, to confirm sales are recognized according to contract terms.
- 選擇接近年末已確認的銷售樣本執行截止程序，按照第三方支持單據（如收貨單）核對收益確認日期與合同約定的銷售確認條款一致。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事須對其他資料負責。其他資料包括年報所載資料，但不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式的鑒證結論。

就吾等對綜合財務報表的審計，吾等的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或吾等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。基於吾等已執行的工作，如果吾等認為該其他資料存在重大錯誤陳述，吾等需要報告該事實。在這方面，吾等沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定，編製真實而公平地的綜合財務報表，並對董事認為為使綜合財務報表的編製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。

編製綜合財務報表時，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。

治理層負責監督 貴集團的財務報告過程。

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 solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgment 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

吾等的目標，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，並出具包括吾等意見的核數師報告。吾等僅向閣下（作為整體）按照協定委聘條款報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照國際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。錯誤陳述可能由欺詐或錯誤引起，如果合理預期錯誤陳述單獨或滙總起來可能影響該等綜合財務報表使用者依賴綜合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。

在根據國際審計準則進行審計的過程中，吾等運用了專業判斷及保持專業懷疑態度。吾等亦：

- 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該等風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。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。

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 those charged with governance 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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，確定是否存在可能對貴集團的持續經營能力產生重大疑慮的事項或情況的重大不確定性。如果吾等認為存在重大不確定性，則有必要在核數師報告中提醒使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則吾等應當發表非無保留意見。吾等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公平呈列相關交易和事件。
- 就貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。吾等負責貴集團審計的方向、監督和執行。吾等為審計意見承擔全部責任。

除其他事項外，吾等與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括吾等在審計中識別出內部控制的任何重大缺陷。

吾等還向治理層提交聲明，說明吾等已符合有關獨立性的相關道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

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

(Continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for 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 the independent auditor's report is Yam Siu Man.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
March 29, 2019

核數師就審計綜合財務報表承擔的責任(續)

從與治理層溝通的事項中，吾等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。吾等在核數師報告中描述該等事項，除非法律法規不允許公開披露該等事項，或在極端罕見的情況下，如果合理預期在吾等報告中溝通某事項造成的負面後果超過產生的公眾利益，吾等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任紹文。

德勤•關黃陳方會計師行
執業會計師

香港
2019年3月29日

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 December 31, 2018 截至2018年12月31日止年度

		Notes 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合約收益	6	20,583,079	18,658,278
Cost of sales and services	銷售及服務成本		(17,173,159)	(16,653,039)
Gross profit	毛利		3,409,920	2,005,239
Other income	其他收入	7	162,099	212,639
Other gains and losses	其他收益及虧損	8	119,252	(34,551)
Net impairment losses reversed (recognized)	已撥回(已確認)減值虧損淨額	9	49,705	(3,196)
Selling and distribution expenses	銷售及分銷開支		(727,833)	(700,264)
Administrative expenses	行政開支		(369,050)	(283,861)
Listing expenses	上市開支		(24,562)	(11,694)
Profit from operations	經營溢利		2,619,531	1,184,312
Finance costs	融資成本	10	(596,765)	(624,238)
Share of results of associates	分佔聯營公司業績		89,150	60,350
Share of results of a joint venture	分佔一家合營企業業績		548,455	225,519
Profit before taxation	除稅前溢利	11	2,660,371	845,943
Income tax expense	所得稅開支	13	(533,358)	(80,370)
Profit for the year	年度溢利		2,127,013	765,573
Other comprehensive (expense) income	其他全面(開支)收益			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>			
Exchange differences arising on translating foreign operations	換算海外業務產生的匯兌差額		(17,711)	21,311
Other comprehensive (expense) income for the year	年度其他全面(開支)收益		(17,711)	21,311
Total comprehensive income for the year	年度全面收益總額		2,109,302	786,884
Profit for the year attributable to:	應佔年度溢利：			
Owners of the Company	本公司擁有人		2,088,668	754,674
Non-controlling interests	非控股權益		38,345	10,899
			2,127,013	765,573
Total comprehensive income for the year attributable to:	應佔年度全面收益總額：			
Owners of the Company	本公司擁有人		2,070,957	775,985
Non-controlling interests	非控股權益		38,345	10,899
			2,109,302	786,884
Basic earnings per share (RMB yuan)	每股基本盈利(人民幣元)	14	0.63	0.24

Consolidated Statement of Financial Position

綜合財務狀況表

At December 31, 2018 於2018年12月31日

			2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
	Notes 附註			
Non-current assets		非流動資產		
Property, plant and equipment	15	物業、廠房及設備	9,406,195	8,976,237
Prepaid lease payments	16	預付租賃款項	1,099,735	1,116,206
Goodwill	17	商譽	31,808	31,808
Intangible assets	18	無形資產	74,425	52,775
Interests in associates	19	於聯營公司的權益	451,311	380,161
Interests in a joint venture	20	於一家合營企業的權益	853,486	671,677
Available-for-sale ("AFS") financial assets	21	可供出售金融資產	-	23,000
Financial assets at fair value through profit or loss ("FVTPL")	22	按公允價值計入損益的金融資產	76,017	93,288
Other long term receivables and prepayments	23	其他長期應收及預付款項	63,060	108,403
Deferred tax assets	24	遞延稅項資產	289,249	340,481
Restricted bank balances	27	受限制銀行結餘	128,000	313,140
Amounts due from related parties	39(c)	應收關聯方款項	-	286,720
			12,473,286	12,393,896
Current assets		流動資產		
Inventories	25	存貨	1,009,035	807,490
Income tax prepayments		預付所得稅	3,787	5,406
Trade and other receivables	26	貿易及其他應收款項	1,021,464	3,629,797
Trade and bills receivables measured at fair value through other comprehensive income ("FVTOCI")	26	按公允價值計入其他全面收益計量的貿易應收款項及應收票據	3,179,295	-
Prepaid lease payments	16	預付租賃款項	27,378	27,100
Amounts due from related parties	39(c)	應收關聯方款項	675,244	1,529,982
AFS financial assets	21	可供出售金融資產	-	31,220
Financial assets at FVTPL	22	按公允價值計入損益的金融資產	286	11,118
Restricted bank balances	27	受限制銀行結餘	3,453,297	2,803,055
Cash and cash equivalents	28	現金及現金等價物	759,037	599,987
			10,128,823	9,445,155
Current liabilities		流動負債		
Financial liabilities at FVTPL	22	按公允價值計入損益的金融負債	448	68
Trade and other payables	29	貿易及其他應付款項	6,528,943	6,646,553
Contract liabilities	30	合約負債	1,074,689	1,117,645
Income tax payable		應付所得稅	388,842	104,159
Bank and other loans	31	銀行及其他貸款	7,618,022	7,348,790
Obligations under finance leases	32	融資租賃款項	23,616	31,917
Amounts due to related parties	39(c)	應付關聯方款項	779,512	702,146
			16,414,072	15,951,278
Net current liabilities		流動負債淨值	(6,285,249)	(6,506,123)
Total assets less current liabilities		總資產減流動負債	6,188,037	5,887,773

Consolidated Statement of Financial Position

綜合財務狀況表

At December 31, 2018 於2018年12月31日

		Notes	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
		附註		
Non-current liabilities	非流動負債			
Bank and other loans	銀行及其他貸款	31	1,272,195	2,431,422
Obligations under finance leases	融資租賃款項	32	936	24,659
Deferred income	遞延收入	33	68,703	47,999
Trade and other payables	貿易及其他應付款項	29	68,314	218,192
Deferred tax liabilities	遞延稅項負債	24	64,866	55,792
			1,475,014	2,778,064
NET ASSETS	資產淨值		4,713,023	3,109,709
CAPITAL AND RESERVES	資金及儲備			
Share capital	股本	34	87,123	80,600
Reserves	儲備	35	4,516,717	2,935,790
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		4,603,840	3,016,390
Non-controlling interests	非控股權益		109,183	93,319
TOTAL EQUITY	總權益		4,713,023	3,109,709

The consolidated financial statements on pages 135 to 274 were approved and authorised for issue by the board of directors on March 29, 2019 and are signed on its behalf by:

第135至274頁所載綜合財務報表經董事會於2019年3月29日批准及授權刊發並由以下人士代表簽署：

Yang Xuegang

楊雪崗

DIRECTOR

董事

Han Qinliang

韓勤亮

DIRECTOR

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended December 31, 2018 截至2018年12月31日止年度

Attributable to owners of the Company 本公司擁有人應佔

		Attributable to owners of the Company							Non-controlling interests	Total equity	
		Share capital	Share premium	Merger reserve	Reserve fund	Safety fund	Foreign currency translation reserve	Retained profits			
		股本	股份溢價	合併儲備	儲備基金	安全基金	匯兌儲備	保留溢利	總計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 34)	(Note 35)	(Note 35)	(Note 35)	(Note 35)	(Note 35)	(Note 35)	(Note 35)	(Note 35)	(Note 35)
		(附註34)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)
Balance at January 1, 2017	於2017年1月1日結餘	80,600	70,433	773,726	151,608	25,134	(42,086)	1,569,847	2,629,262	82,420	2,711,682
Profit for the year	年度溢利	-	-	-	-	-	-	754,674	754,674	10,899	765,573
Other comprehensive income	其他全面收益	-	-	-	-	-	21,311	-	21,311	-	21,311
Deemed distribution to the immediate holding company (note a)	視作向直接控股公司的分派(附註a)	-	-	(388,857)	-	-	-	-	(388,857)	-	(388,857)
Net transfer to safety fund	淨轉移至安全基金	-	-	-	-	9,872	-	(9,872)	-	-	-
Transfer to reserve fund	轉移至儲備基金	-	-	-	56,308	-	-	(56,308)	-	-	-
Balance at December 31, 2017	於2017年12月31日結餘	80,600	70,433	384,869	207,916	35,006	(20,775)	2,258,341	3,016,390	93,319	3,109,709
Adjustments (note 3)	調整(附註3)	-	-	-	-	-	-	(4,398)	(4,398)	-	(4,398)
Balance at January 1, 2018	於2018年1月1日結餘	80,600	70,433	384,869	207,916	35,006	(20,775)	2,253,943	3,011,992	93,319	3,105,311
Profit for the year	年度溢利	-	-	-	-	-	-	2,088,668	2,088,668	38,345	2,127,013
Other comprehensive expense	其他全面開支	-	-	-	-	-	(17,711)	-	(17,711)	-	(17,711)
Ordinary shares issued	已發行普通股	6,523	405,516	-	-	-	-	-	412,039	-	412,039
Capital contribution from a non-controlling shareholder	一名非控股股東注資	-	-	-	-	-	-	-	-	2,250	2,250
Net transfer to safety fund	淨轉移至安全基金	-	-	-	-	(28)	-	28	-	-	-
Transfer to reserve fund	轉移至儲備基金	-	-	-	14,352	-	-	(14,352)	-	-	-
Dividends to the immediate holding company (note 36)	向直接控股公司的股息分派(附註36)	-	-	-	-	-	-	(891,148)	(891,148)	-	(891,148)
Dividends to a non-controlling shareholder	向一名非控股股東的股息分派	-	-	-	-	-	-	-	-	(24,731)	(24,731)
Balance at December 31, 2018	於2018年12月31日結餘	87,123	475,949	384,869	222,268	34,978	(38,486)	3,437,139	4,603,840	109,183	4,713,023

Note:

a. The amounts were accounted for as deemed contribution received from and distribution made to the immediate holding company under merger basis of accounting as set out in note 2.

附註:

a. 該金額按合併會計基準入賬列為自直接控股公司收取的視作出資及向直接控股公司作出的分派，誠如附註2所載。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended December 31, 2018 截至2018年12月31日止年度

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Operating activities	經營活動		
Profit before taxation	除稅前溢利	2,660,371	845,943
Adjustments for:	就以下各項調整：		
Finance costs	融資成本	596,765	624,238
Interest income	利息收入	(130,066)	(184,183)
Share of results of associates	分佔聯營公司業績	(89,150)	(60,350)
Share of results of a joint venture	分佔一家合營企業業績	(548,455)	(225,519)
Net impairment losses reversed (recognized)	已撥回(已確認)減值虧損淨額	(49,705)	3,196
Depreciation of property, plant and equipment	物業、廠房及設備折舊	569,752	537,187
Amortization of prepaid lease payments	預付租賃款項攤銷	24,552	26,735
Amortization of intangible assets	無形資產攤銷	8,207	7,523
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	(1,364)	(1,987)
Gain on disposal of prepaid lease payments	出售預付租賃款項的收益	(41,838)	-
Gain on disposal of subsidiaries	出售附屬公司的收益	-	(92)
Government grants released to profit or loss	釋出至損益的政府補助	(3,792)	(3,792)
Change in fair value of financial assets/liabilities at FVTPL	按公允值計入損益的金融資產／負債的公允值變動	(17,713)	(5,587)
Loss on disposal of AFS financial assets	出售可供出售金融資產的虧損	-	293
Foreign exchange loss (gain)	匯兌虧損(收益)	14,628	(762)
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	2,992,192	1,562,843
Increase in inventories	存貨增加	(201,545)	(46,322)
(Increase)/decrease in amounts due from related parties	應收關聯方款項(增加)／減少	(5,615)	31,591
(Decrease)/increase in amounts due to related parties	應付關聯方款項(減少)／增加	(390,167)	306,149
Increase in trade and other receivables	貿易及其他應收款項增加	(184,050)	(438,289)
Increase in trade and bills receivables measured at FVTOCI	按公允值計入其他全面收益計量的貿易應收款項及應收票據增加	(260,445)	-
Increase in trade and other payables	貿易及其他應付款項增加	518,266	913,785
(Decrease)/increase in contract liabilities	合約負債(減少)／增加	(42,956)	253,195
Decrease in other long-term prepayments	其他長期預付款項減少	8,406	4,338
Cash generated from operations	經營所得現金	2,434,086	2,587,290
Income tax paid, net of tax refunded	已付所得稅，扣除退稅	(186,903)	(124,693)
Net cash generated from operating activities	經營活動所得現金淨額	2,247,183	2,462,597

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended December 31, 2018 截至2018年12月31日止年度

	Note	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
	附註		
Investing activities			
Purchase of property, plant and equipment		(1,090,401)	(776,587)
Proceeds from disposal of property, plant and equipment		71,613	19,837
Purchase of prepaid lease payments		(86,841)	(6,909)
Proceeds from disposal of prepaid lease payments		92,137	–
Purchase of intangible assets		(29,860)	(1,894)
Purchase of financial assets at FVTPL		–	(100,841)
Proceeds from disposal of AFS financial assets		–	30,063
Proceeds from disposal of financial assets at FVTPL		95,910	–
Interest received		72,276	165,995
Government grants received		26,051	1,133
Dividends received from a joint venture		275,459	28,756
Dividends received from associates		18,000	–
Disposal of subsidiaries	38	–	30,000
Placement of restricted bank deposits		(9,262,610)	(7,086,825)
Withdrawal of restricted bank deposits		8,797,508	7,363,088
Decrease in amounts due from related parties		161,267	66,975
Net cash used in investing activities		(859,491)	(267,209)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended December 31, 2018 截至2018年12月31日止年度

		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financing activities	融資活動		
Capital contribution from a non-controlling shareholder	一名非控股股東的注資	2,250	—
Dividend paid to controlling shareholder	向控股股東的股息分派	(81,200)	—
Dividend paid to a non-controlling shareholder	向一名非控股股東的股息分派	(17,168)	—
Interest paid	已付利息	(612,710)	(640,325)
Proceeds from issue of shares	股份發行所得款項	412,039	—
Proceeds from new interest-bearing borrowings	新計息借款所得款項	7,291,316	9,442,748
Repayment of interest-bearing borrowings	償還計息借款	(8,192,753)	(10,262,775)
Repayment of obligations under finance leases	償還融資租賃款項	(32,024)	(29,181)
Decrease in amounts due to related parties	應付關聯方款項減少	—	(261,378)
Net cash used in financing activities	融資活動所用現金淨額	(1,230,250)	(1,750,911)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	157,442	444,477
Cash and cash equivalents at the beginning of the year	年度初現金及現金等價物	599,987	156,575
Effect of foreign exchange rate changes	匯率變動的影響	1,608	(1,065)
Cash and cash equivalents at the end of the year	年度末現金及現金等價物	759,037	599,987

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended December 31, 2018 截至2018年12月31日止年度

1. GENERAL INFORMATION

China Risun Group Limited (the “Company”) was incorporated in the Cayman Islands on November 8, 2007 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. On July 23, 2018, the Company changed its name from China Risun Coal Chemicals Group Limited to China Risun Group Limited. The shares of the Company have been successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on March 15, 2019. The respective addresses of the registered office and the principal place of business of the Company are stated in the section headed “Corporate Information” section to the annual report.

The ultimate holding company and immediate holding company of the Company is Texson Limited (“Texson”, the “Ultimate Holding Company”), a company incorporated in the British Virgin Islands (the “BVI”), and ultimately controlled by Mr. Yang Xuegang (the “Ultimate Controlling Shareholder”), hereinafter they are referred to as “Controlling Shareholders”.

The Company’s operating subsidiaries are engaged in the production, sale and distribution of coke, coking chemicals and refined chemicals (the “Core Business”). The consolidated financial statements of the Company and its subsidiaries (collectively referred to the “Group”) are presented in Renminbi (“RMB”), which is the same as the functional currency of the Company.

1. 一般資料

中國旭陽集團有限公司(「本公司」)於2007年11月8日根據開曼群島公司法第22章(1961年第3號法例,經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。於2018年7月23日,本公司的名稱由中國旭陽煤化工集團有限公司更改為中國旭陽集團有限公司。於2019年3月15日,本公司股份已於香港聯合交易所有限公司(「聯交所」)主板成功上市。本公司註冊辦事處及主要營業地點地址載於年報「公司資料」一節。

本公司的最終控股公司及直接控股公司為泰克森有限公司(「泰克森」,「最終控股公司」),其為一家於英屬處女群島(「英屬處女群島」)註冊成立的公司,並由楊雪崗先生(「最終控股股東」)最終控制,以下簡稱「控股股東」。

本公司所經營的附屬公司從事生產、銷售及分銷焦炭、焦化產品及精細化工產品(「核心業務」)。本公司及其附屬公司(統稱「本集團」)綜合財務報表以人民幣(「人民幣」)呈列,與本公司功能貨幣相同。

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL INFORMATION

THE GROUP REORGANIZATION (THE "GROUP REORGANIZATION")

To rationalize the corporate structure in preparation for the listing of the Company's shares on the Stock Exchange, the Company underwent the Group Reorganization as described below.

On December 22, 2017, the Group acquired additional 46.57% equity interests, adding to its then interest of 43.35%, in Cangzhou Risun Chemicals Limited ("Cangzhou Risun") which was accounted for as a joint venture of the Group prior to June 8, 2016, for a consideration of RMB388,857,100 from Xuyang Holding Limited ("Xuyang Holding"), a fellow subsidiary controlled by the Controlling Shareholders. Pursuant to a capital injection, the Controlling Shareholders obtained its control on Cangzhou Risun on June 8, 2016 upon the amendment of Cangzhou Risun's article and association on that date. In this regard, the Group, Xuyang Holding and Cangzhou Risun are all under common control before and after the 46.57% acquisition, and that control is not transitory. Accordingly, the Group and Cangzhou Risun are regarded as continuing entities as at June 8, 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended December 31, 2017 have been prepared using the principles of the merger accounting as if the group structure under the group reorganization had been in existence throughout the year ended December 31, 2017.

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Going concern

At December 31, 2018, the Group had net current liabilities of RMB6,285,249,000. The directors of the Company (the "Directors") are of the opinion that, taking into consideration the net proceeds from the global offering of initially an aggregate of 600,000,000 shares of the Company and the availability of unutilized banking facilities of the Group amounting to RMB4,531,213,000 at the report date, of which RMB2,000,000,000 is with conditions to be determined by a bank, and the assumption that approximately 60% of bank loans and other bank facilities at December 31, 2018 will be successfully renewed upon maturity, the Group has sufficient financial resources to meet its capital expenditure requirements and liabilities as and when they fall due for the foreseeable future. Accordingly, the consolidated financial statements are prepared on a going concern basis.

2. 綜合財務資料的編製基準

集團重組 (「集團重組」)

為簡化企業架構以準備本公司股份於聯交所上市，本公司進行集團重組，詳述如下。

於2017年12月22日，本集團向旭陽控股有限公司 (「旭陽控股」)，由控股股東控制的同系附屬公司) 收購滄州旭陽化工有限公司 (「滄州旭陽」) 額外46.57% 股權，加入其當時的43.35% 權益，於2016年6月8日前作為本集團的合營企業入賬，代價為人民幣388,857,100元。根據注資，控股股東於2016年6月8日修訂滄州旭陽細則及章程後，於同日獲得滄州旭陽的控制權。就此而言，本集團、旭陽控股及滄州旭陽於該46.57% 權益收購前後均受共同控制，而該控制並非暫時性。因此，本集團及滄州旭陽於2016年6月8日被視為持續實體，截至2017年12月31日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表乃採用合併會計原則編製，猶如集團重組下的集團架構於截至2017年12月31日止整個年度一直存在。

綜合財務報表的編製基準

持續經營

於2018年12月31日，本集團流動負債淨值為人民幣6,285,249,000元。本公司董事 (「董事」) 認為，經考慮首次全球發售本公司合共600,000,000股股份的所得款項淨額及本集團於報告日期未動用銀行融資人民幣4,531,213,000元的可用性 (其中人民幣2,000,000,000元附帶由銀行釐定的條件)，並假設於2018年12月31日約60% 銀行貸款及其他銀行融資於到期時將成功重續，本集團擁有充足財務資源應付其資本開支需求及於可見將來到期的負債。因此，綜合財務報表乃按持續經營基準編製。

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

For the purpose of preparing and presenting the consolidated financial statements for the reporting period, the Group has consistently applied IFRSs, which are effective for the accounting period beginning on January 1, 2018 throughout the reporting period, including IFRS 15 “Revenue from Contracts with Customers”, except that the Group applied IFRS 9 “Financial Instruments” from January 1, 2018. The accounting policies for financial instruments which conform with IFRS 9 that are applicable from January 1, 2018 onwards and IAS 39 “Financial Instruments: Recognition and Measurement” which are applicable for year ended December 31, 2017, are set out in note 4 below.

The Group has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9, i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognized as at January 1, 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognized as at January 1, 2018. The difference between carrying amounts as at December 31, 2017 and the carrying amounts as at January 1, 2018 are recognized in the retained profits as at January 1, 2018, without restating the financial information for the year ended December 31, 2017.

3. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）

就編製及呈列報告期的綜合財務報表而言，本集團已於整個報告期貫徹應用於2018年1月1日開始的會計期間生效的國際財務報告準則（包括國際財務報告準則第15號「客戶合約收益」），惟本集團自2018年1月1日採用國際財務報告準則第9號「金融工具」除外。符合自2018年1月1日起適用的國際財務報告準則第9號的金融工具及截至2017年12月31日止年度適用的國際會計準則第39號「金融工具：確認及計量」的金融工具會計政策載列於下文附註4。

本集團已根據國際財務報告準則第9號所載的過渡條文應用國際財務報告準則第9號，即就2018年1月1日（首次應用日期）尚未終止確認的工具追溯應用分類及計量的規定（包括減值），而並未就已於2018年1月1日終止確認的工具應用有關規定。2017年12月31日的賬面值與2018年1月1日的賬面值之差額於2018年1月1日的保留溢利中確認，但並無重列截至2017年12月31日止年度的財務資料。

Notes to the Consolidated Financial Statements
綜合財務報表附註

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

The table below illustrates the impact on classification and measurement of financial assets and financial liabilities under IFRS 9 and IAS 39 at the date of initial application, January 1, 2018.

3. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

下表說明於首次應用日期2018年1月1日根據國際財務報告準則第9號及國際會計準則第39號的金融資產及金融負債分類及計量的影響。

	Notes	AFS financial assets	Financial assets at FVTPL	Amortized cost previously classified as loans and receivables	Trade and bills receivables at FVTOCI	Deferred tax assets/liabilities	Retained profits
	附註	可供出售金融資產 RMB'000 人民幣千元	按公允價值計入損益的金融資產 RMB'000 人民幣千元	按攤銷成本計量 先前分類為貸款及應收款項 RMB'000 人民幣千元	按公允價值計入其他全面收益的貿易應收款項及應收票據 RMB'000 人民幣千元	遞延稅項資產/負債 RMB'000 人民幣千元	保留溢利 RMB'000 人民幣千元
Original carrying amount at December 31, 2017 under IAS 39	於2017年12月31日根據國際會計準則第39號的原始賬面值	54,220	104,406	8,196,125	-	284,689	2,258,341
Effect arising from initial application of IFRS 9:	首次應用國際財務報告準則第9號產生的影響：						
Reclassification from AFS financial assets	重新分類 自可供出售金融資產	a (54,220)	54,220	-	-	-	-
from loans and receivables	自貸款及應收款項	b -	-	(2,918,850)	2,918,850	-	-
Remeasurement from cost less impairment to fair value	重新計量 自成本減去減值至公允值	a -	2,000	-	-	(500)	1,500
from amortized cost to fair value less impairment under expected credit loss (“ECL”) model	按預期信貸虧損模式自攤銷成本至公允值減去減值	c -	-	(2,621)	(5,243)	1,966	(5,898)
New carrying amount at January 1, 2018 under IFRS 9	於2018年1月1日根據國際財務報告準則第9號的新賬面值	-	160,626	5,274,654	2,913,607	286,155	2,253,943

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

Notes:

- a. AFS financial assets
From AFS equity investments to financial assets at FVTPL

At the date of initial application of IFRS 9, the Group's unquoted equity investments previously stated at cost less impairment of RMB23,000,000 were reclassified from AFS financial assets to financial assets at FVTPL.

The fair value of the non-current equity investments at January 1, 2018 amounted to RMB25,000,000. Accordingly, as at January 1, 2018, the fair value increase of RMB2,000,000 was recognized in the financial assets at FVTPL and the corresponding deferred tax liability of RMB500,000 was recognized as non-current liabilities on the consolidated statement of financial position and the net gain of RMB1,500,000 was recognized in retained profits.

From AFS debt investments to financial assets at FVTPL

At the date of initial application of IFRS 9, the Group's structured trust product with a fair value of RMB31,220,000 were reclassified from AFS financial assets to financial assets at FVTPL. This is because even though the Group's business model is to hold financial assets in order to collect contractual cash flows, the cash flows of these investments do not meet solely payments of principal and interest on the principal amount outstanding.

- b. Loans and receivables
As part of the Group's cash flow management, the Group has the practice of discounting and endorsing some of the bills receivable to financial institutions and suppliers before the bills are due for payment and derecognizes bills discounted or endorsed on the basis that the Group has transferred substantially all risks and rewards to the relevant counterparties. Accordingly, the trade and bills receivables of the Group amounting to RMB2,918,850,000 were considered as within the hold to collect contractual cash flows and to sell business model, and reclassified to debt instruments at FVTOCI as at January 1, 2018.
- c. Impairment under ECL model
An additional impairment loss allowance of RMB7,864,000 and the resulting deferred tax asset of RMB1,966,000 were recognized with the corresponding adjustment of RMB5,898,000 made to retained profits as at January 1, 2018. Details are set out in note 41.

3. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

附註：

- a. 可供出售金融資產
自可供出售股權投資至按公允價值計入損益的金融資產
於首次應用國際財務報告準則第9號之日，過往以成本減去減值人民幣23,000,000元列賬的本集團非上市股權投資由可供出售金融資產重新分類至按公允價值計入損益的金融資產。

非流動股權投資於2018年1月1日的公允價值為人民幣25,000,000元。因此，於2018年1月1日，公允價值增加人民幣2,000,000元已於按公允價值計入損益的金融資產中確認，而相應的遞延稅項負債人民幣500,000元於綜合財務狀況表中確認為非流動負債，淨收益人民幣1,500,000元則於保留溢利中確認。

自可供出售債務投資至按公允價值計入損益的金融資產

於首次應用國際財務報告準則第9號之日，本集團公允價值人民幣31,220,000元的結構性信託產品自可供出售金融資產重新分類至按公允價值計入損益的金融資產。此乃由於即使本集團的業務模式為持有金融資產以收取合約現金流量，但該等投資的現金流量並不僅用於支付本金及未償還本金的利息。

- b. 貸款及應收款項
作為本集團現金流量管理的一部分，本集團的做法為於票據到期前向金融機構及供應商貼現及背書部分應收票據，並於本集團將幾乎所有的風險及回報轉移至相關交易方時，終止確認該等已貼現或背書票據。因此，本集團貿易應收款項及應收票據的人民幣2,918,850,000元被視為收取合約現金流量及出售業務模式的持有，並於2018年1月1日重新分類至按公允價值計入其他全面收益的債務工具。
- c. 預期信貸虧損模式中的減值
額外減值虧損撥備為人民幣7,864,000元，由此產生的遞延稅項資產人民幣1,966,000元已獲確認，於2018年1月1日的保留溢利相應調整人民幣5,898,000元。詳情載於附註41。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

NEW AND REVISED IFRSs IN ISSUE BUT NOT YET EFFECTIVE

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 16	Leases ¹
IFRS 17	Insurance Contracts ³
IFRIC 23	Uncertainty over Income Tax Treatments ¹
Amendments to IFRS 3	Definition of a Business ⁴
Amendments to IFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to IAS 1 and IAS 8	Definition of Material ⁵
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures ¹
Amendments to IFRSs	Annual Improvements to IFRS Standards 2015–2017 Cycle ¹

¹ Effective for annual periods beginning on or after January 1, 2019

² Effective for annual periods beginning on or after a date to be determined

³ Effective for annual periods beginning on or after January 1, 2021

⁴ Effective for business combinations and assets acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after January 1, 2020

⁵ Effective for annual periods beginning on or after January 1, 2020

3. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂國際財務報告準則

本集團並無提早採納以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則：

國際財務報告準則第16號	租賃 ¹
國際財務報告準則第17號	保險合約 ³
國際財務報告詮釋委員會 詮釋第23號	所得稅處理的不確定性 ¹
國際財務報告準則第3號 （修訂本）	業務的定義 ⁴
國際財務報告準則第9號 （修訂本）	負補償的預付款項功能 ¹
國際財務報告準則第10號 及國際會計準則第28號 （修訂本）	投資者與其聯營公司或合營企業之間的資產出售或注資 ²
國際會計準則第1號及國際會計準則第8號 （修訂本）	重大的定義 ⁵
國際會計準則第19號 （修訂本）	計劃修改、縮減或結算 ¹
國際會計準則第28號 （修訂本）	於聯營公司及合營企業的長期權益 ¹
國際財務報告準則 （修訂本）	國際財務報告準則2015年至2017年週期的年度改進 ¹

¹ 於2019年1月1日或之後開始的年度期間生效

² 於有待確定日期或其後開始的年度期間生效

³ 於2021年1月1日或之後開始的年度期間生效

⁴ 於收購日為2020年1月1日或之後開始的企業合併及資產收購的首個年度期間或之後開始生效

⁵ 於2020年1月1日或之後開始的年度期間生效

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

NEW AND REVISED IFRSs IN ISSUE BUT NOT YET EFFECTIVE (Continued)

IFRS 16 Leases

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede IAS 17 “Leases” and the related interpretations when it becomes effective.

IFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognized for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use while other operating lease payments are presented as operating cash flows. Upon application of IFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group, upfront prepaid lease payments will continue to be presented as investing or operating cash flows in accordance to the nature, as appropriate.

3. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號租賃

國際財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。國際財務報告準則第16號於生效時將取代國際會計準則第17號「租賃」及相關詮釋。

國際財務報告準則第16號根據所識別資產是否由客戶控制區分租賃及服務合約。經營租賃(資產負債表以外)及融資租賃(資產負債表以內)的差異自承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代，惟短期租賃及低價值資產租賃則除外。

使用權資產初步按成本計量，其後按成本(有若干例外情況)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。租賃負債初步按未付租賃款項當日有關租賃款項的現值計量。其後，租賃負債就(其中包括)利息、租賃款項及租約修訂的影響作出調整。就現金流量分類而言，本集團現時將預付租賃款項呈列為與自用租賃土地有關的投資現金流量，而其他經營租賃款項則呈列為經營現金流量。於應用國際財務報告準則第16號後，有關租賃負債的租賃款項將分為本金及利息部分，並會呈列為本集團的融資現金流量，預付租賃款項將按適用情況繼續根據性質呈列為投資或經營現金流量。

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

NEW AND REVISED IFRSs IN ISSUE BUT NOT YET EFFECTIVE (Continued)

IFRS 16 Leases (Continued)

Under IAS 17, the Group has already recognized an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of IFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

Other than certain requirement which are also applicable to lessor, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by IFRS 16.

As at December 31, 2018, the Group has non-cancellable operating lease commitments of RMB2,457,000. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of IFRS 16, the Group will recognize a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

3. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂國際財務報告準則（續）

國際財務報告準則第16號租賃（續）

根據國際會計準則第17號，本集團已就融資租賃安排確認一項資產及一項相關融資租賃負債並已就本集團作為承租人的租賃土地確認預付租賃付款。應用國際財務報告準則第16號可能導致該等資產的分類發生潛在變動，視乎本集團是否單獨或於倘擁有資產時將予以呈列相應有關資產的同一項目內呈列使用權資產而定。

除亦適用於出租人的若干規定外，國際財務報告準則第16號大致保留國際會計準則第17號的出租人會計處理方法的規定，及繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，國際財務報告準則第16號要求作出更詳盡的披露。

本集團於2018年12月31日擁有不可撤銷經營租賃承擔人民幣2,457,000元。初步評估顯示，此等安排將符合租賃的定義。於應用國際財務報告準則第16號時，本集團將確認使用權資產，以及與所有此等租賃有關的相應負債，除非有關項目符合低價值或短期租賃的資格。

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

NEW AND REVISED IFRSs IN ISSUE BUT NOT YET EFFECTIVE (Continued)

IFRS 16 Leases (Continued)

In addition, the Group currently considers refundable rental deposits paid of RMB279,000 as rights under leases to which IAS 17 applies. Based on the definition of lease payments under IFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortized cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the practical expedient to apply IFRS 16 to contracts that were previously identified as leases applying IAS 17 and IFRIC-Int 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease applying IAS 17 and IFRIC-Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group intends to elect the modified retrospective approach for the application of IFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained profits without restating comparative information.

The Directors anticipate that the application of IFRS 16 will have no material impact on the financial performance and financial positions and/or on the disclosures of the Group in future financial statements.

In addition, the Directors anticipate that the application of all other new and revised IFRSs, will have no material impact on the financial performance and financial positions and/or on the disclosures of the Group in future financial statements.

3. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂國際財務報告準則（續）

國際財務報告準則第16號租賃（續）

此外，本集團目前將已支付的可退還租賃按金人民幣279,000元視為國際會計準則第17號適用的租賃下的權利。根據國際財務報告準則第16號下租賃款項的定義，有關按金並非與相關資產使用權有關的款項，因此，該等按金的賬面值可能會調整為攤銷成本。對已支付的可退還租賃按金作出的調整被視為額外租賃款項，將計入使用權資產的賬面值中。

應用新的規定或會導致上文所述計量、呈列及披露變動。本集團擬選擇實際權宜方式來將國際財務報告準則第16號應用於過往定性為租賃的合約（採用國際會計準則第17號及國際財務報告詮釋委員會－詮釋第4號「斷定安排是否包含租賃」），且不會將此準則應用於過往未定性為包含租賃的合約（採用國際會計準則第17號及國際財務報告詮釋委員會－詮釋第4號）。因此，本集團不會重新評估合約是否屬或是否包含於首次採用日期前已存在的租賃。此外，本集團作為承租人，擬選擇經修訂追溯法來採用國際財務報告準則第16號，並將在重列比較資料的情況下確認在期初保留溢利首次採用的累計效應。

董事預期，採用國際財務報告準則第16號將不會對本集團的財務表現及財務狀況及／或日後財務報表的披露造成重大影響。

此外，董事預計應用所有其他新訂及經修訂國際財務報告準則不會對本集團的財務表現及財務狀況及／或日後財務報表的披露產生重大影響。

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements has been prepared in accordance with IFRSs issued by IASB. In addition, the consolidated financial statements includes applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17 "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 "Inventories" or value in use in IAS 36 "Impairment of Assets".

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial instruments which are transferred at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the results of the valuation technique equals the transaction price.

4. 主要會計政策

綜合財務報表乃根據國際會計準則理事會頒佈的國際財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例規定的適用披露。

綜合財務報表乃按歷史成本基準編製，惟若干金融工具如下文載列的會計政策所述於各報告期末以公允值計量除外。

歷史成本通常基於換取商品及服務交易所付出代價的公允值。

公允值是於計量日期由市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公允值時會考慮該等特點。綜合財務報表中作計量及／或披露用途的公允值乃按此基準釐定，惟屬於國際會計準則第17號「租賃」範圍內的租賃交易，以及與公允值有部份相若地方但並非公允值的計量，譬如國際會計準則第2號「存貨」內的可變現淨值或國際會計準則第36號「資產減值」的使用價值除外。

非金融資產的公允值計量須計及一名市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生經濟利益的能力。

按公允值轉讓的金融工具，凡於其後期間應用以不可觀察輸入數據計量公允值的估值方法，估值方法應予校正，以使估值方法的結果相等於交易價格。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporates the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

4. 主要會計政策(續)

此外，就財務申報而言，公允值計量根據公允值計量的輸入數據可觀察程度及輸入數據對公允值計量整體的重要性分類為第一級、第二級或第三級，其載述如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察的輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

所採納的主要會計政策載於下文。

綜合基準

綜合財務報表包含本公司及本公司控制的實體及其附屬公司的財務報表。本公司於以下情況擁有控制權：

- 可對投資對象行使權力；
- 因參與投資對象之營運而承受所得浮動回報之風險或享有回報之權利；及
- 能行使權力影響回報。

倘有事實及情況顯示上述三個控制因素其中一個或以上有變，本集團會重新評估其是否控制投資對象。

本集團在取得附屬公司的控制權時開始將該附屬公司綜合入賬，並於失去該附屬公司的控制權時終止綜合入賬。具體而言，於年內所收購或出售的附屬公司的收入及開支由本集團取得控制權當日開始計入綜合損益及其他全面收益表，直至本集團不再控制該附屬公司當日為止。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF CONSOLIDATION (Continued)

Profit or loss and each item of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognized. A gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39/IFRS 9 (as applicable) or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4. 主要會計政策 (續)

綜合基準 (續)

損益及其他全面收益各項目乃歸屬予本集團擁有人及非控股權益。附屬公司的全面收益總額乃歸屬予本公司擁有人及非控股權益，即使此舉導致非控股權益出現虧絀結餘。

如有需要，將對附屬公司的財務報表作出調整，使其會計政策與本集團的會計政策相符。

所有與本集團成員公司之間的交易有關的集團內公司間資產及負債、權益、收入、開支以及現金流量均於綜合時全數抵銷。

本集團於現有附屬公司的擁有權益變動

倘本集團失去對一間附屬公司的控制權，該附屬公司的資產及負債及非控股權益（如有）將終止確認。收益或虧損於損益確認，並按 (i) 所收取代價公允值及任何保留權益公允值的總額與 (ii) 本公司擁有人應佔附屬公司的資產（包括商譽）及負債賬面值之間的差額計算。早前於其他全面收益確認的與該附屬公司相關的所有金額將以假設本集團已直接出售該附屬公司的相關資產或負債的方式入賬（即按適用國際財務報告準則所訂明／允許而重新分類至損益或轉撥至另一權益類別）。於失去控制權當日仍保留於前附屬公司的任何投資公允值，則根據國際會計準則第39號／國際財務報告準則第9號（如適用）於其後入賬時視為初步確認的公允值，或（如適用）於聯營公司或合營企業的投資的初步確認成本。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

BUSINESS COMBINATIONS

Acquisitions of non-common control businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits" respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-based Payment" at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

4. 主要會計政策(續)

業務合併

非共同控制業務收購會採用收購法入賬。業務合併中轉讓的代價會以公允價值計量，而公允價值乃根據本集團在收購日期轉讓資產的公允價值、本集團向被收購方的前擁有人承擔負債以及本集團為換取被收購方控制權而發行的股本權益的公允價值總額計算。與收購有關的成本一般會於發生時在損益確認。

於收購日期，已收購的可識別資產及負債應按其公允價值予以確認，但以下各項除外：

- 遞延所得稅資產或負債及僱員福利安排的相關負債或資產應分別遵循國際會計準則第12號「所得稅」及國際會計準則第19號「僱員福利」予以確認和計量；
- 與被收購方以股份為基礎的付款安排，或本集團訂立以取代被收購方者的以股份為基礎的付款安排有關的負債或股權工具，應於收購日期遵循國際財務報告準則第2號「以股份為基礎的付款」予以計量；及
- 按照國際財務報告準則第5號「持有待售的非流動資產和終止經營」劃歸為持有待售的資產（或出售組）應遵循該準則予以計量。

商譽應按所轉讓的代價、在被收購方的任何非控股權益金額以及收購方先前在被收購方持有的股權（如有）的公允價值的總額與收購日期所取得的可識別資產和所承擔的負債相抵後的淨額之間的差額進行計量。如評估後，所取得的可識別資產和所承擔的負債淨額超過所轉讓的代價、在被收購方的任何非控股權益金額及收購方先前在被收購方持有的權益（如有）的公允價值的總額，超出的差額立即作為廉價收購收益計入損益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

BUSINESS COMBINATIONS (Continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

MERGER ACCOUNTING FOR BUSINESS COMBINATIONS INVOLVING ENTITIES UNDER COMMON CONTROL

The consolidated financial statements incorporates the financial statement items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling parties' perspective. No amount is recognized in respect of goodwill or bargain purchase gain at the time of common control combination.

The consolidated statements of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period.

4. 主要會計政策 (續)

業務合併 (續)

非控股權益屬現時擁有權權益且於清盤時讓持有人有權按比例分佔相關附屬公司資產淨值，以非控股權益分佔被收購方可識別資產淨值的已確認金額或公允值比例初始計量。計量基準可按個別交易選擇。

倘業務合併分階段完成，本集團將於收購日期將先前所持於被收購方之權益重新計量至公允值，而所產生之收益或虧損(如有)於損益內確認。於收購日期前因於被收購方之權益而產生且先前於其他全面收益中確認之金額重新分類至損益，且該處理方法在該權益已被出售之情況下屬適當。

涉及共同控制實體業務合併的合併會計法

綜合財務報表納入出現共同控制合併的合併實體或業務的財務報表項目，猶如該等合併實體或業務自首次受控制方控制當日起已合併入賬。

合併實體或業務的資產淨值按控制方的現有賬面值綜合入賬。概不會就商譽或於共同控制合併時的廉價收購收益確認任何金額。

綜合損益及其他全面收益表包括各合併實體或業務自所呈列的最早日期或自合併實體或業務開始受共同控制當日(以較短期間者為準)的業績。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

INTERESTS IN ASSOCIATES AND JOINT VENTURES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

4. 主要會計政策(續)

於聯營公司及合營企業的權益

聯營公司是指本集團有重大影響力的實體。重大影響力指有權參與被投資方的財務及經營政策決定但非控制或共同控制該等政策。

合營企業為一種合營安排，據此，對安排擁有共同控制權的訂約方對合營安排的淨資產享有權利。共同控制權指按合約協定共享對安排的控制權，僅於與相關活動有關的決策須獲共享控制權的訂約方一致同意時存在。

聯營公司或合營企業的業績與資產及負債，乃採用權益會計法列入綜合財務報表。聯營公司及合營企業用於權益會計處理的財務報表按與本集團於類似情況就同類交易及事件所遵循者一致的會計政策編製。根據權益法，於一間聯營公司或一間合營企業的投資初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔該聯營公司或合營企業的損益及其他全面收益作出調整。聯營公司／合營企業淨資產（損益及其他全面收益除外）的變動除非導致本集團持有的擁有權益有變，否則不予入賬。當本集團應佔一間聯營公司或合營企業的虧損超出本集團於該聯營公司或合營企業的權益（包括實質上構成本集團於該聯營公司或合營企業投資淨額一部分的任何長遠權益）時，本集團會終止確認其應佔的進一步虧損。僅於本集團產生法定或推定責任或代表該聯營公司或合營企業付款時，方會確認額外虧損。

於一間聯營公司或一間合營企業的投資自被投資方成為聯營公司或合營企業當日起使用權益法入賬。收購於一間聯營公司或一間合營企業的投資時，投資成本超出本集團應佔被投資方可識別資產與負債公允淨值的差額會確認為商譽，並計入該投資的賬面值。本集團應佔可識別資產與負債的公允淨值超出投資成本的任何差額，於重新評估後即時於收購投資期間的損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

INTERESTS IN ASSOCIATES AND JOINT VENTURES (Continued)

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss be recognized in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of IAS 39/IFRS 9 (as applicable), the Group measures the retained interest at fair value on the date it lost significant influence or joint control over the investee and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing of a partial interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

4. 主要會計政策 (續)

於聯營公司及合營企業的權益 (續)

本集團評估是否有客觀證據證明於一間聯營公司或一間合營企業的投資可能出現減值虧損。如有任何客觀證據存在，投資（包括商譽）的全部賬面值會按照國際會計準則第36號「資產減值」作為單一資產進行減值測試，方法是將其可收回金額（即使用價值與公允值減出售成本的較高者）與賬面值作比較。任何已確認的減值虧損構成投資的賬面值一部分。該減值虧損的任何撥回於該項投資的可收回金額其後增加時根據國際會計準則第36號確認。

當本集團不再對聯營公司擁有重大影響力或對合營企業擁有共同控制權時，會入賬列作出售於被投資方的全部權益，所產生的盈虧於損益確認。當本集團保留於前聯營公司或合營企業的權益，且該保留權益為國際會計準則第39號／國際財務報告準則第9號（如適用）範圍內的金融資產時，本集團會於其失去對被投資方的重大影響力或共同控制權當日按公允值計量保留權益，而該公允值會視為於初步確認時的公允值。聯營公司或合營企業的賬面值與任何保留權益及出售聯營公司或合營企業部分權益的任何所得款項的公允值之間的差額，會於釐定出售聯營公司或合營企業的盈虧時計算在內。此外，本集團會將過往於其他全面收益內該聯營公司或合營企業確認的所有金額按該聯營公司或合營企業直接出售相關資產或負債所用的相同基準入賬。因此，倘該聯營公司或合營企業過往於其他全面收益確認的盈虧會於出售相關資產或負債時重新分類至損益，則本集團會於出售／部分出售相關聯營公司或合營企業時將該盈虧由權益重新分類至損益（作為重新分類調整）。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

INTERESTS IN ASSOCIATES AND JOINT VENTURES (Continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When a group entity transacts with an associate or a joint venture of the Group, profits or losses resulting from the transactions with the associate or joint venture are recognized in the consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

REVENUE RECOGNITION

Revenue is recognized to depict the transfer of a product or service to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those products or services. Specially, the Group uses a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Group recognizes revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the products or services underlying the particular performance obligation is transferred to the customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

4. 主要會計政策 (續)

於聯營公司及合營企業的權益 (續)

當於一間聯營公司的投資成為於一間合營企業的投資或於一間合營企業的投資成為於一間聯營公司的投資時，本集團會繼續採用權益法。於擁有權益出現變動時不會重新計量公允值。

當集團實體與本集團一間聯營公司或一間合營企業進行交易時，與該聯營公司或合營企業交易所產生的損益會於綜合財務報表確認，惟僅以該聯營公司或合營企業與本集團無關的權益所涉者為限。

收益確認

確認以描述向客戶轉移產品或服務的收益金額，反映實體預期就交換該等產品或服務有權獲得的代價。具體而言，本集團使用確認收益的5個步驟：

步驟1：識別與客戶訂立的合約

步驟2：識別合約內的履約責任

步驟3：釐定交易價

步驟4：將交易價分配至合約內的履約責任

步驟5：於實體完成履約責任時(或就此)確認收益

本集團於完成履約責任時(或就此)確認收益，即於特定履約責任相關的產品或服務的「控制權」轉讓予客戶時。

履約責任指一個明確貨品或服務(或一批明確貨品或服務)或一系列大致相同的明確貨品或服務。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

REVENUE RECOGNITION (Continued)

Control of the products or services may be transferred over time or at a point in time. Control of the products or services is transferred over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the products or services transfers over time, revenue is recognized over the period of the contract by reference to the progress toward complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the products or services.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Revenue from the sales of products (mainly including coke and chemicals products) directly to customers, is recognized when control of the goods has transferred, being when the products are accepted by the customers in the customer's specific location (delivery) or the Group's plants. The customers have full discretion over the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. A receivable is recognized by the Group when the goods are delivered to the customers as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Customers have no right to return the products purchased once accepted.

Revenue from the management service provided to customers is recognized when services are provided.

4. 主要會計政策 (續)

收益確認 (續)

產品或服務控制權可能隨著時間或某一時點轉移。產品或服務控制權將經過一段時間轉移，倘：

- 於本集團履約時，客戶同時取得並耗用實體履約所提供的利益；
- 本集團的履約創造及增強一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未創造讓本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

倘產品或服務的控制權在一段時間內轉移，本集團按在合約期間已完成履約責任的進度進行收益確認。否則，收益於客戶獲得產品或服務的控制權的時點確認。

合約負債指本集團向客戶轉移本集團已向客戶收取代價(或應收取代價金額)的貨品或服務的責任。

直接向客戶銷售產品(主要包括焦炭及化工產品)的收益於貨品控制權已轉讓時確認，即產品由客戶於客戶的指定地點(交付)或本集團廠房接收時。有關客戶就產品全權控制，並概無可影響客戶接受產品而尚未達成的責任。本集團於貨品交付至客戶時確認應收款項，原因是收取代價的權利於這時間點變為無條件，僅須待時過去便可收取付款。所購買的產品一經接受，客戶無權退回。

向客戶提供管理服務而產生的收益乃於提供服務時予以確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

REVENUE RECOGNITION (Continued)

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognizes revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

LEASING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating lease is recognized in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized as an expense on a straight-line basis over the lease term.

4. 主要會計政策(續)

收益確認(續)

委託人與代理人

當另一方從事向客戶提供貨品或服務，本集團釐定其承諾之性質是否為提供指定貨品或服務本身之履約責任(即本集團為委託人)或安排由另一方提供該等貨品或服務(即本集團為代理人)。

倘本集團在向客戶轉讓貨品或服務之前控制指定貨品或服務，則本集團為委託人。

倘本集團之履約責任為安排另一方提供指定的貨品或服務，則本集團為代理人。在此情況下，在將貨品或服務轉讓予客戶之前，本集團不控制另一方提供的指定貨品或服務。當本集團為代理人時，應就為換取另一方安排提供的指定貨品或服務預期有權取得之任何費用或佣金之金額確認收益。

租賃

當租賃條款已將所有權絕大部分風險及回報轉移至承租人時，租賃分類為融資租賃。其他所有租賃分類為經營租賃。

本集團作為出租人

經營租賃的租金收入於相關租約租期內以直線法於損益中確認。磋商及安排經營租約產生的初始直接成本，計入出租資產的賬面值，並以直線法在租賃年期確認為開支。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

LEASING (Continued)

The Group as lessee

Assets held under finance leases are recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs (see the accounting policy below). Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the term of the relevant lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis.

LEASEHOLD LAND AND BUILDINGS

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases, in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition. When the payments cannot be allocated reliably between the leasehold and building elements, the entire payment is generally classified as a finance lease and accounted for as property, plant and equipment.

4. 主要會計政策 (續)

租賃 (續)

本集團作為承租人

根據融資租賃持有的資產按其於租約訂立時的公允值或(如較低)最低租賃付款的現值確認為本集團資產。結欠出租人的相應負債在綜合財務狀況表內列為融資租賃款項。

租賃付款按比例於財務費用與租賃款項減少之間作出分配，從而使該負債餘額的息率固定。財務費用即時於損益確認，除非直接計入合資格資產內，在該情況下財務費用依據本集團有關借款成本之一般政策(見下文會計政策)撥充資本。或然租金乃於其產生的期間確認為開支。

經營租賃付款於相關租約租期內以直線法確認為開支。

倘就訂立經營租約獲得租賃優惠，則該等優惠確認為負債。優惠利益總額乃按直線法確認為租金開支的扣減。

租賃土地及樓宇

倘本集團就物業權益(包括租賃土地及樓宇成份)付款，本集團按各成份擁有權所附帶的絕大部份風險及回報會否轉移至本集團的評估，分開評估各成份的分類，惟兩部份均屬經營租賃則除外，在此情況下，整項物業入賬為經營租賃。具體而言，全部代價(包括任何一筆過首期付款)會按初始確認時土地部份與樓宇部份租賃權益之相關公允值比例於租賃土地及樓宇部份間分配。倘無法在租賃土地與樓宇部份之間可靠地分配要素付款，則其一般整體分類為融資租賃並呈列為物業、廠房及設備。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

LEASEHOLD LAND AND BUILDINGS (Continued)

To the extent the allocation of the relevant lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortized over the lease term on a straight-line basis.

FOREIGN CURRENCIES

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are recognized in profit or loss in the period in which they arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e., RMB) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case, the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve (attributed to non-controlling interests as appropriate). Such accumulated differences are reclassified to profit or loss in the period in which the foreign operation is disposed of.

4. 主要會計政策(續)

租賃土地及樓宇(續)

倘相關租賃付款能可靠分配，則以經營租賃入賬的租賃土地權益在綜合財務狀況表中列為「預付租賃付款」，且於租期內按直線法攤銷。

外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)列值的交易按交易日期的現行匯率確認。於各報告期末，以外幣列值的貨幣項目均按當日的現行匯率重新換算。按公允值以外幣列值的非貨幣項目則按釐定公允值當日的現行匯率重新換算。以歷史成本計量的以外幣列值的非貨幣項目不予重新換算。

結算貨幣項目及重新換算貨幣項目時產生的匯兌差額於其產生期間在損益內確認。

就呈列綜合財務報表而言，本集團海外業務的資產及負債均採用於各報告期末的現行匯率換算為本集團的呈列貨幣(即人民幣)。收入及支出項目均按期間的平均匯率換算，除非匯率於期內大幅波動，在此情況下，則使用於交易日期的匯率換算。所產生的匯兌差額(如有)均於其他全面收益內確認，並於外幣換算儲備一項下於權益內累計(歸屬於非控股權益，倘適用)。該等累計差額乃於海外業務被出售的期間內重新分類至損益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

BORROWING COSTS

Borrowing costs directly attributable to the acquisition of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

GOVERNMENT GRANTS

Government grants are not recognized until there is a reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

RETIREMENT BENEFIT SCHEME CONTRIBUTION

Payable to the Mandatory Provident Fund Scheme and the retirement funds scheme managed by local social security bureau in accordance with the government regulations in Hong Kong and of the People's Republic of China (the "PRC"), are recognized as an expense when employees have rendered service entitling them to the contributions.

4. 主要會計政策(續)

借款成本

直接歸屬於收購合資格資產(指必須經一段長時間處理以作其預定用途或銷售的資產)的借款成本,加入該等資產的成本內,直至資產大致上備妥供其預定用途或銷售為止。

所有其他借款成本於產生期內的損益中確認。

政府補助

政府補助在可合理保證本集團將遵守補助所附帶條件且將接獲補助時方予確認。

政府補助乃就本集團確認的有關開支(預期補助可予抵銷成本的開支)期間按系統化的基準於損益中確認。具體而言,以要求本集團購買、建造或收購非流動資產為主要條件的政府補助乃於綜合財務狀況表確認為遞延收入,並於相關資產的可用年期內基於系統合理基準轉撥至損益中。

作為補償已產生開支或虧損的應收款項或為本集團提供即時財務資助(不涉及未來相關成本)的政府補助於成為應收款項期間於損益內確認。

退休福利計劃供款

本集團應向強制性公積金計劃支付的供款及根據香港及中華人民共和國(「中國」)政府規例應支付予由地方社會保障局管理退休福利計劃的供款於僱員已提供使其有權享有該等供款的服務時作為開支確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

SHORT-TERM EMPLOYEE BENEFIT

Short-term employee benefits are recognized at the undiscounted amount of the benefits to be paid as and when employees rendered the service. All short-term employee benefits are recognized as expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognized for benefits accruing to employees (such as wages, salaries and annual leave) after deducting any amount already paid.

TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

4. 主要會計政策(續)

短期僱員福利

短期僱員福利乃按僱員提供服務時應支付福利的未貼現金額予以確認。所有短期僱員福利均確認為開支，除非另有國際財務報告準則規定或允許將福利計入資產成本。

對僱員產生的福利(如工資、薪金及年假)於扣減任何已支付的金額後確認負債。

稅項

所得稅開支指現時應付的稅項及遞延稅項總額。現時應付的稅項乃以年內的應課稅溢利為基準。應課稅溢利與綜合損益及其他全面收益表中呈報的除稅前溢利有別，因其不包括在於其他年度應課稅或可扣除的收入或開支項目以及永不課稅或不可扣除的項目。本集團有關即期稅項的負債按各報告期末前已頒佈或大致上已頒佈的稅率計算。

遞延稅項指就按照於綜合財務報表呈列資產及負債賬面值與根據用作計算應課稅溢利的相關稅基間所確認的暫時差異。遞延稅項負債一般就所有應課稅暫時差異確認。遞延稅項資產則一般在應課稅溢利可能將用作抵銷可動用的應扣除暫時差異時確認所有應扣除暫時差異。倘因初步確認交易中資產與負債(業務合併除外)而引起暫時差異或對應課稅溢利或會計溢利均無影響時，將不會確認該等遞延稅項資產與負債。此外，倘暫時差異產生自商譽初步確認，則不會確認遞延稅項負債。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

TAXATION (Continued)

Deferred tax liabilities are recognized for taxable temporary difference associated with investments in subsidiaries and interests in associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognized in profit or loss, except when it relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項負債乃按與於附屬公司的投資及於聯營公司和合營企業的權益相關的應課稅暫時差異而確認，惟本集團有能力控制暫時差異的轉撥及暫時差異將可能不會於可見將來轉撥除外，而因與該等投資及權益有關的應扣除暫時差異而產生的遞延稅項資產，僅在可能有足夠應課稅溢利以動用暫時差異利益及預期於可見將來轉撥時確認。

遞延稅項資產賬面值乃於各報告期末審閱，並減至再無足夠應課稅溢利以收回全部或部分資產。

遞延稅項資產及負債乃以預期於償付負債或變現資產的期間應用的稅率，根據於各報告期末已頒佈或實質上已頒佈的稅率(及稅法)計算。

遞延稅項負債及資產的計算結果反映本集團於各報告期末預期就收回或償付資產及負債賬面值可能引致的稅務後果。

如有法定可執行權利將即期稅項資產抵銷即期稅項負債，而遞延稅項資產及負債與同一稅務部門徵收的所得稅有關，且本集團有意按淨額基準結算其即期稅項資產及負債，則可抵銷遞延稅項資產及負債。

即期及遞延稅項於損益中確認，惟與其他全面收益或直接於權益確認的項目相關者除外，於該情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益確認。倘因對業務合併進行初始會計處理而產生即期稅項或遞延稅項，則稅務影響計入業務合併的會計處理內。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below), are stated in the consolidated statements of financial position at cost, less subsequent accumulated depreciation and accumulated impairment losses, if any.

Properties in the course of construction for production, supply of goods or services, or for administrative purposes are carried at cost, less any recognized impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized so as to write off the costs (other than properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the profit or loss in the period which the item is derecognized.

4. 主要會計政策(續)

物業、廠房及設備

持作生產或供應貨品或服務或行政用途的物業、廠房及設備(下述在建物業除外)乃按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表中列賬。

在建作生產或供應貨品或服務或行政用途的物業乃按成本減任何已確認減值虧損列賬。成本包括專業費用及為合資格資產而根據本集團的會計政策資本化的借款成本。當完工及可作預期用途時，此等物業適當地分類為物業、廠房及設備類別。當資產可作預期用途時，此等資產開始按與其他物業資產相同的基準折舊。

折舊的確認旨在將成本(除在建物業外)，於扣除其剩餘價值後，以直線法按可使用年期撇銷。估計可使用年期、剩餘價值及折舊方法於各報告期末進行審閱，而任何估計變動的影響按預期基準入賬。

物業、廠房及設備項目於出售或預期日後當持續使用有關資產而不會產生經濟利益時終止確認。任何因出售或報廢物業、廠房及設備項目而產生的收益或虧損均按該資產的出售所得款項淨額及賬面值間之差額決定並於項目終止確認期間於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

INTANGIBLE ASSETS

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortization and any accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below). Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the profit and loss in the period when the asset is derecognized.

IMPAIRMENT LOSSES ON TANGIBLE AND INTANGIBLE ASSETS

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of tangible and intangible assets are estimated individually, when it is not possible to estimate the recoverable amount of an individually, the Group estimates the recoverable amount of the cash-generating unit (the "CGU") to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

4. 主要會計政策(續)

無形資產

獨立收購的無形資產

獨立收購及擁有固定使用年期的無形資產乃以成本減累計攤銷及任何累計減值虧損列賬(見下文關於有形及無形資產減值虧損的會計政策)。攤銷按直線基準於估計可使用年期確認。估計可使用年期及攤銷方法於各報告期末進行審閱,而任何估計變動的影響按預期基準入賬。獨立收購及擁有無限可使用年期的無形資產乃以成本減任何其後累計減值虧損列賬。

無形資產於出售或當預期使用或出售該資產不會帶來未來經濟利益時終止確認。終止確認無形資產產生的收益及虧損按資產出售所得款項淨額與賬面值間之差額計算,並於終止確認資產的期間在損益確認。

有形及無形資產的減值虧損

於各報告期末,本集團會審閱其有形及無形資產的賬面值,以釐定有否跡象顯示該等資產出現減值虧損。倘有任何有關跡象存在,則估計相關資產的可收回金額,以釐定減值虧損(如有)的程度。

有形及無形資產的可收回金額將單獨估計,倘不能估計單一可收回金額,則本集團會估計該資產所屬現金產生單位(「現金產生單位」)的可收回金額。如於可識別合理和一貫分配基準的情況下,企業資產亦會被分配到個別現金產生單位,否則或會被分配到可合理地及按一貫分配基準而識別的最小現金產生單位組別中。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

IMPAIRMENT LOSSES ON TANGIBLE AND INTANGIBLE ASSETS (Continued)

Recoverable amount is the higher of 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 (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if applicable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro-rata to the other assets of the unit. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or a CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

INVENTORIES

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined using weighted average cost formula. Net realizable value represents the estimated selling price for inventories less all estimated costs to completion and the costs necessary to make the sale.

4. 主要會計政策 (續)

有形及無形資產的減值虧損 (續)

可收回金額為公允值減出售成本與使用價值之間的較高者。於評估使用價值時，估計未來現金流量會採用反映現時市場對貨幣時間價值及資產（或現金產生單位）（並未調整估計未來現金流量）特殊風險的評估的稅前貼現率，貼現至其現有價值。

倘估計資產（或現金產生單位）的可收回金額低於其賬面值，則該項資產（或現金產生單位）的賬面值會調減至其可收回金額。於分配減值虧損時，將首先分配減值虧損，以減少任何商譽（如適用）的賬面值，其後以單位各項資產的賬面值為基準，按比例分配至其他資產。資產的賬面值不會調減至低於公允值減出售成本（如適用）、使用價值（如可釐定）及零的數值（以最高者為準）。原應已分配至資產的減值虧損將按比例分配至單位的其他資產。減值虧損即時於損益確認。

倘減值虧損於其後撥回，則該項資產（或現金產生單位）的賬面值會調高至其可收回金額的經修訂估計值，增加後的賬面值不得超過於過往年度並無就該項資產（或現金產生單位）確認減值虧損而釐定的賬面值。所撥回的減值虧損會即時於損益確認。

存貨

存貨乃按成本及可變現淨值兩者中較低者列賬。存貨成本按加權平均成本公式計算。可變現淨值指存貨估計銷售價格減去完成時的所有估計成本及進行銷售所需的成本。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR AFTER JANUARY 1, 2018)

Financial assets and financial liabilities are recognized in the statement of financial position of a group entity when the group entity becomes a party to the contractual provisions of the instrument.

Recognized financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

Financial assets

All financial assets are recognized and derecognized on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at financial assets FVTPL. Transaction costs directly attributable to the acquisition of financial assets classified as at FVTPL are recognized immediately in profit or loss.

Trade receivables arising from contracts with customers are initially measured in accordance with IFRS 15.

All recognized financial assets that are within the scope of HKFRS 9 are subsequently measured at amortized cost or fair value, including unquoted equity investments measured at cost less impairment under HKAS 39.

4. 主要會計政策(續)

金融工具(於2018年1月1日或之後根據國際財務報告準則第9號)

當集團實體成為工具合約條文之訂約方，則會於集團實體的財務狀況表確認金融資產及金融負債。

已確認金融資產及金融負債初步按公允值計量。收購或發行金融資產及金融負債(除按公允值計入損益的金融資產及金融負債以外)直接應佔的交易成本於初步確認時計入金融資產或金融負債(按適用情況)的公允值或於其中扣除。收購按公允值計入損益的金融資產或金融負債直接應佔的交易成本於損益即時確認。

金融資產

所有金融資產於交易日確認及終止確認，買賣金融資產須根據合約條款要求在有關市場訂立的時限內交付金融資產，初步按公允值計量加交易成本計量，惟該等分類為按公允值計入損益的金融資產除外。收購分類為按公允值計入損益的金融資產直接應佔之交易成本即時於損益確認。

客戶合約產生之貿易應收款項初始根據國際財務報告準則第15號計量。

所有屬香港財務報告準則第9號範圍內的已確認金融資產其後均須按攤銷成本或公允值計量，包括根據香港會計準則第39號，按成本減去減值計量的非上市股權投資。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR AFTER JANUARY 1, 2018) (Continued)

Financial assets (Continued)

Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 "Business Combinations" applies.

In addition, the Group may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

4. 主要會計政策(續)

金融工具(於2018年1月1日或之後根據國際財務報告準則第9號) (續)

金融資產(續)

符合下列條件之債務工具其後按攤銷成本計量：

- 該金融資產於一種經營模式下持有，目的為持有金融資產以收取合約現金流量；及
- 金融資產之合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

符合以下條件的債務工具其後按公允價值計入其他全面收益計量：

- 該金融資產於一種經營模式下持有，目的為同時收取合約現金流量及出售金融資產；及
- 金融資產之合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

所有其他金融資產其後按公允價值計入損益計量，但在首次應用／首次確認金融資產之日，倘該股本投資並非持作買賣，亦非由於收購方在國際財務報告準則第3號「業務合併」所適用的業務合併中確認的或然代價，本集團可不可撤銷地選擇於其他全面收益（「其他全面收益」）呈列股本工具的其後公允價值變動。

此外，本集團可不可撤銷地指定符合攤銷成本或按公允價值計入其他全面收益準則的債務投資為按公允價值計入損益計量（倘若此舉可消除或顯著減少會計錯配）。

**4. SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR
AFTER JANUARY 1, 2018) (Continued)**

Financial assets (Continued)

Receivables classified as at FVTOCI

Subsequent changes in the carrying amounts for receivables classified as at FVTOCI as a result of interest income calculated using the effective interest method, are recognized in profit or loss. All other changes in the carrying amount of these receivables are recognized in OCI and accumulated under the heading of investment revaluation reserve. Impairment allowance are recognized in profit or loss with corresponding adjustment to OCI without reducing the carrying amounts of these receivables. The amounts that are recognized in profit or loss are the same as the amounts that would have been recognized in profit or loss if these receivables had been measured at amortized cost. When these receivables are derecognized, the cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value, with any fair value gains or losses recognized in profit or loss. The net gain or loss recognized in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

4. 主要會計政策 (續)

**金融工具 (於2018年1月1日或之後
根據國際財務報告準則第9號)
(續)**

金融資產 (續)

分類為按公允值計入其他全面收益的
應收款項

分類為按公允值計入其他全面收益的應收款項的賬面值其後變動因使用實際利率法計算的利息收入於損益確認。該等應收款項賬面值的所有其他變動於其他全面收益確認並於投資重估儲備項下累計。減值撥備於損益確認，並對其他全面收益作出相應變動，而不會減少該等應收款項的賬面值。於損益確認的該等金額與當該等應收款項按攤銷成本計量時將於損益確認的金額相同。當取消確認該等應收款項時，先前於其他全面收益確認的累計收益或虧損重新分類至損益。

按公允值計入損益的金融資產

並不符合按攤銷成本或按公允值計入其他全面收益計量的準則的金融資產乃按公允值計入損益計量。

按公允值計入損益的金融資產按公允值計量，而任何公允值收益或虧損均於損益內確認。於損益內確認的淨收益或虧損並不包括就該金融資產所賺取的任何股息或利息，並計入「其他收益及虧損」項目內。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR AFTER JANUARY 1, 2018) (Continued)

Financial assets (Continued)

Impairment under ECL model

The Group recognizes a loss allowance for ECL on financial assets which are subject to impairment under IFRS 9 (including other receivables, trade and bills receivables measured at FVTOCI, amounts due from related parties and bank balances) and financial guarantee contracts. The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the end of each reporting period. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the end of each reporting period as well as the forecast of future conditions.

The Group always recognizes lifetime ECL for trade receivables and amounts due from related parties arising from contracts with customers. The ECL on these assets are assessed collectively using a provision matrix with appropriate groupings except that significant balances are assessed individually.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood of risk of a default occurring since initial recognition.

4. 主要會計政策(續)

金融工具(於2018年1月1日或之後根據國際財務報告準則第9號) (續)

金融資產(續)

預期信貸虧損模式下減值

本集團就受限於國際財務報告準則第9號項下減值之金融資產(包括其他應收款項、按公允值計入其他全面收益計量的貿易應收款項及應收票據、應收關聯方款項及銀行結餘)及財務擔保合約相關的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告期末予以更新,以反映信貸風險自初始確認以來的變動。

全期預期信貸虧損指於相關工具預期年期內發生的所有可能違約事件所導致的預期信貸虧損。與此相對,12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於各報告期末後12個月內可能發生的違約事件所導致的部分全期預期信貸虧損。評估根據本集團過往信貸虧損經驗進行,並根據應收賬款特定因素、整體經濟狀況以及於各報告期末對當前狀況及未來狀況預測的評估而作出調整。

本集團始終就貿易應收款項及與客戶簽訂合約產生的應收關聯方款項確認全期預期信貸虧損。該等資產的預期信貸虧損使用具有適當分組的撥備矩陣進行集體評估(重大結餘個別評估除外)。

就所有其他工具而言,本集團計量虧損撥備等於12個月預期信貸虧損,除非當信貸風險自初始確認以來顯著上升,則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃根據自初始確認以來發生違約風險的可能性顯著上升。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR AFTER JANUARY 1, 2018) (Continued)

Financial assets (Continued)

Impairment under ECL model (Continued)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the end of each reporting period with the risk if a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

4. 主要會計政策(續)

金融工具(於2018年1月1日或之後根據國際財務報告準則第9號) (續)

金融資產(續)

預期信貸虧損模式項下減值(續)

信貸風險大幅增加

於評估信貸風險是否自初始確認以來大幅增加時，本集團比較金融工具於各報告期末出現違約的風險與該金融工具於初始確認日期出現違約的風險。作此評估時，本集團會考慮合理及有理據的定量及定性資料，包括歷史經驗及毋須花費不必要成本或精力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外界市場指標的重大惡化，例如信貸息差大幅增加、債務人的信貸違約掉期價；
- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期重大惡化；
- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR AFTER JANUARY 1, 2018) (Continued)

Financial assets (Continued)

Impairment under ECL model (Continued)

Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of each reporting period. A financial instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the counterparty; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4. 主要會計政策(續)

金融工具(於2018年1月1日或之後根據國際財務報告準則第9號) (續)

金融資產(續)

預期信貸虧損模式項下減值(續)

信貸風險大幅增加(續)

無論上述評估結果如何，本集團假定合約付款逾期超過30日時，信貸風險自初始確認以來已大幅增加，除非本集團有合理及可靠資料證明可予收回則當別論。

儘管有上述規定，若於各報告期末金融工具被判定為具有較低信貸風險，本集團會假設債務工具的信貸風險自首次確認以來並未顯著上升。在以下情況下，金融工具會被判定為具有較低信貸風險：(i) 金融工具具有較低違約風險；(ii) 借款人有很強的能力履行近期的合約現金流義務及經濟及商業環境的長期不利變動有可能但未必會降低借款人履行合約現金流義務的能力。

就財務擔保合約而言，本集團成為不可撤銷承諾訂約方之日期被視為初始確認日期，以評估金融工具的減值。於評估財務擔保合約之信貸風險自初步確認以來是否顯著增加時，本集團會考慮特定債務人將就合約發生違約風險的變動。

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，因為過往經驗表明符合以下任何一項條件的應收款項一般無法收回：

- 交易對手違反財務契諾；或
- 內部產生或獲取自外部來源的資料表明，債務人不太可能向債權人(包括本集團)全額還款(未計及本集團持有的任何抵押品)。

倘該工具已逾期超過90日，則本集團認為已產生違約，除非本集團有合理及可靠資料證明較寬鬆的違約標準更為適用則當別論。

**4. SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR
AFTER JANUARY 1, 2018) (Continued)**

Financial assets (Continued)

Impairment under ECL model (Continued)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtors or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Interest income 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 amortized cost of the financial asset.

4. 主要會計政策 (續)

**金融工具 (於2018年1月1日或之後
根據國際財務報告準則第9號)
(續)**

金融資產 (續)

預期信貸虧損模式項下減值 (續)

預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率 (即存在違約時的違約損失程度) 及違約風險的函數。違約概率及違約損失率乃基於根據前瞻性資料調整的歷史數據評估。

一般而言，預期信貸虧損估計為本集團根據合約應收的所有合約現金流量與本集團預計收取的所有現金流量之間的差額，並按初始確認時釐定的實際利率貼現。

就財務擔保合約而言，本集團須僅在債務人違反保證文書條款的情況下作出付款。因此，預期虧損是償還持有人信貸損失的預期付款的現值，該信貸損失減去本集團預期從持有人、債務人或任何其他方獲得的任何金額。

就無法釐定實際利率的財務擔保合約的預期信貸虧損而言，本集團將採納反映目前對貨幣時間價值的市場評估及該現金流特定風險的貼現率，惟僅限於風險按調整貼現率而非調整所貼現的現金不足納入考慮時。

利息收入根據金融資產的賬面值總額計算，惟金融資產為信貸減值的情況除外，於此情況下，利息收入根據金融資產的攤銷成本計算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR AFTER JANUARY 1, 2018) (Continued)

Financial assets (Continued)

Impairment under ECL model (Continued)

Measurement and recognition of ECL (Continued)

Except for trade and bill receivables measured at FVTOCI and financial guarantee contract, the Group recognizes an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of other receivables where the corresponding adjustment is recognized through a loss allowance account. For trade and bill receivables measured at FVTOCI, the loss allowance is recognized in OCI and accumulated in the investments revaluation reserve without reducing the carrying amounts of these debt receivables. For financial guarantee contracts, the loss allowances are recognized at the higher of the amount of the loss allowance determined in accordance with IFRS 9; and the amount initially recognized less, where appropriate, cumulative amount of income recognized over the guarantee period.

Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay all amounts due in accordance with the contractual terms.

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4. 主要會計政策(續)

金融工具(於2018年1月1日或之後根據國際財務報告準則第9號) (續)

金融資產(續)

預期信貸虧損模式下減值(續)

預期信貸虧損的計量及確認(續)

除了按公允值計入其他全面收益之貿易應收款項及應收票據及財務擔保合約外，本集團通過調整所有金融工具的賬面值於損益確認彼等之減值收益或虧損，惟其他應收款項除外，此種情況下透過虧損撥備賬確認相應調整。就按公允值計入其他全面收益之貿易應收款項及應收票據而言，虧損撥備於其他全面收益中確認並於投資重估儲備中累計而不會減少該等應收債務之賬面值。就財務擔保合約而言，損失撥備按照國際財務報告準則第9號確定的損失撥備金額；與在適當情況下，初始確認的金額減去在擔保期內確認的累計收入金額中的較高者確認。

違約的定義

就內部信貸風險管理而言，當內部產生或獲取自外部來源的資料表明，債務人不太可能根據合約條款支付所有到期款項時，本集團認為構成違約事件。

倘金融資產已逾期超過90日，則本集團認為已產生違約，除非本集團有合理及可靠資料證明較寬鬆的違約標準更為適用則當別論。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR AFTER JANUARY 1, 2018) (Continued)

Financial assets (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Derecognition of financial assets

The Group derecognizes a financial asset only when the rights to receive cash flows from the assets expire, or when it transfers the financial assets and substantially all the risks and rewards of ownership of the assets to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred financial asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the consideration received and receivable is recognized in profit or loss.

4. 主要會計政策 (續)

金融工具 (於2018年1月1日或之後根據國際財務報告準則第9號) (續)

金融資產 (續)

撇銷政策

當有資料顯示對手方陷入嚴重財務困難，且並無實際收回的可能之時 (例如對手方已清算或進入破產程序)，本集團會撇銷金融資產。已撇銷的金融資產仍可根據本集團的收回程序實施強制執行，在適當情況下考慮法律意見。任何收回款項會於損益中確認。

終止確認金融資產

本集團僅在自資產收取現金流量之權利屆滿或其將金融資產及擁有有關資產的絕大部份風險及回報轉讓予另一方時終止確認金融資產。倘本集團既不轉讓亦不保留擁有金融資產的絕大全部風險及回報，並繼續控制已轉讓的金融資產，本集團會就其可能需要支付的金額確認其於資產及相關負債的保留權益。倘本集團保留已轉讓金融資產所有權的絕大部份風險及回報，本集團繼續確認金融資產，並就已收取之所得款項確認有抵押借貸。

一旦終止確認金融資產，資產的賬面值與已收及應收代價的差額會在損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR AFTER JANUARY 1, 2018) (Continued)

Financial liabilities and equity

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non-derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities "at FVTPL" or "at amortized cost".

4. 主要會計政策(續)

金融工具(於2018年1月1日或之後根據國際財務報告準則第9號) (續)

金融負債及權益

所發行的債務及股本工具根據所訂立合約安排的內容分類為金融負債或權益。

金融負債為在可能不利於本集團的條件下交付現金或其他金融資產或與另一實體交換金融資產或金融負債的合約責任，或將於或可能以本集團自身股本工具結算的合約並為本集團已經或可能有義務交付可變數量的自有股本工具的衍生工具合約，或除將於或可能以固定現金(或另一金融資產)交換定額本集團自身股本工具結算的自有股本的衍生合約。

股本工具

股本工具為證明實體於扣除其所有負債後之剩餘資產權益之任何合約。本集團發行之股本工具按所收取之所得款項扣減直接發行成本確認。

金融負債

金融負債分類為「按公允值計入損益」金融負債或「按攤銷成本計量」金融負債。

**4. SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR
AFTER JANUARY 1, 2018) (Continued)**

Financial liabilities and equity (Continued)

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading, or (ii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire hybrid (combined) contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains/losses arising on remeasurement recognized in profit or loss to the extent that they are not part of a designated hedging relationship.

4. 主要會計政策 (續)

**金融工具 (於2018年1月1日或之後
根據國際財務報告準則第9號)
(續)**

金融負債及權益 (續)

按公允值計入損益的金融負債

倘金融負債為(i)持作買賣或(ii)指定為按公允值計入損益，則分類為按公允值計入損益。

金融負債可於下列情況下分類為持作買賣：

- 其產生的主要目的為於短期內購回；或
- 於初步確認時，其為本集團共同管理，且具有短期獲利的最近實際模式的已識別金融工具組合的一部分；或
- 其為並非指定為有效對沖工具的衍生工具。

金融負債(持作買賣的金融負債除外)可於下列情況下於初步確認時指定為按公允值計入損益：

- 該指定消除或大幅減少可能會出現的計量或確認方面的一致性；或
- 該金融負債構成一組金融資產或金融負債或金融資產及金融負債組合的一部分，而根據本集團制定的風險管理或投資策略，該項負債的管理及表現乃以公允值為基準進行評估，且有關分組的資料乃按此基準向內部提供；或
- 其構成包含一項或多項嵌入式衍生工具的合約的一部分，而國際財務報告準則第9號允許將整個混合(合併)合約指定為按公允值計入損益。

按公允值計入損益的金融負債及於損益確認因重新計量產生的任何收益／虧損於不屬指定對沖關係部分的情況下以公允值呈列。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (UNDER IFRS 9 ON OR AFTER JANUARY 1, 2018) (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at amortized cost

Financial liabilities at amortized cost, including trade and other payables, amounts due to related parties and bank and other loans, are initially measured at fair value, net of transaction costs. Financial liabilities at amortized cost are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, canceled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

4. 主要會計政策(續)

金融工具(於2018年1月1日或之後根據國際財務報告準則第9號) (續)

金融負債及權益(續)

按攤銷成本計量的金融負債

按攤銷成本計量的金融負債(包括貿易及其他應付款項、應付關聯方款項以及銀行及其他貸款)初步按公允值計量,扣除交易成本。按攤銷成本計量的金融負債其後使用實際利率法按攤銷成本計量。

實際利率法是計算金融負債的攤銷成本和在相關期間分配利息開支的方法。實際利率是透過金融負債的預期年限(或在適當情況下以較短期間為準)將估計未來現金付款準確貼現至初始確認的賬面淨值的利率。

終止確認金融負債

本集團於且僅於本集團義務已履行、撤銷或到期時終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價之間的差額於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (BEFORE THE ADOPTION OF IFRS 9 AS AT JANUARY 1, 2018)

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

Financial assets

The Group's financial assets are classified into the following specified categories: financial assets at FVTPL, AFS financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant reporting periods. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

4. 主要會計政策(續)

金融工具(於2018年1月1日採納 國際財務報告準則第9號前)

當集團實體成為工具合約條文之訂約方，則會確認金融資產及金融負債。

金融資產及金融負債初步按公允值計量。收購或發行金融資產及金融負債(除按公允值計入損益的金融資產及金融負債以外)直接應佔的交易成本於初步確認時計入金融資產或金融負債(按適用情況)的公允值或於其中扣除。收購按公允值計入損益的金融資產或金融負債直接應佔的交易成本於損益即時確認。

金融資產

本集團的金融資產分為下列指定類別：按公允值計入損益的金融資產、可供出售金融資產以及貸款及應收款項。分類取決於金融資產的性質及目的，並於初步確認時予以釐定。所有常規金融資產買賣均按交易日期基準確認及終止確認。常規買賣為須按市場規管或慣例確立之時限內交付資產的金融資產購買或出售。

實際利率法

實際利率法是一種計算相關報告期內金融資產的攤銷成本以及分配利息收入的方法。實際利率為於金融資產的預期存續期或(如適用)更短期間內能夠精確計算預計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收費用及點數、交易成本及其他溢價或折讓)貼現至初步確認時賬面淨值的利率。

利息收入乃就債券工具按實際利率基準確認，惟分類為按公允值計入損益的金融資產除外。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (BEFORE THE ADOPTION OF IFRS 9 AS AT JANUARY 1, 2018) (Continued)

Financial assets (Continued)

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial assets is (i) held for trading; (ii) it is designated as at FVTPL; or (iii) contingent consideration that may be received by an acquirer as part of a business combination to which IFRS 3 applies.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial assets and is included in the “other gains and losses” line item. Fair value is determined in the manner described in note 41.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from related parties, restricted bank deposits and cash and cash equivalents) are measured at amortized cost using the effective interest method, less any identified impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

4. 主要會計政策(續)

金融工具(於2018年1月1日採納 國際財務報告準則第9號前)(續)

金融資產(續)

按公允值計入損益的金融資產

倘金融資產為(i)持作買賣；(ii)指定按公允值計入損益；或(iii)收購方可能收取作為業務合併一部分而國際財務報告準則第3號適用的或然代價，該等金融資產被分類為按公允值計入損益的金融資產。

倘屬以下情況，金融資產被分類為持作買賣：

- 其獲收購主要目的為在短期內出售；或
- 於初步確認時屬本集團所合併管理的已識別金融工具組合的一部份，且近期出現實際短期獲利模式；或
- 其為並非指定及實際可作對沖工具的衍生工具。

按公允值計入損益的金融資產以公允值呈列，而因重新計量產生的任何收益或虧損於損益中確認。於損益中確認的收益或虧損淨額包括金融資產賺取的任何股息或利息，並計入「其他收益及虧損」項目。公允值乃按附註41所述方式釐定。

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款的非衍生金融資產，且並無活躍市場報價。於初步確認後，貸款及應收款項(包括貿易及其他應收款項、應收關聯方款項、受限制銀行存款以及現金及現金等價物)採用實際利率法按攤銷成本減任何已識別減值計量。

利息收入採用實際利率確認，惟確認利息影響不大的短期應收款項除外。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (BEFORE THE ADOPTION OF IFRS 9 AS AT JANUARY 1, 2018) (Continued)

Financial assets (Continued)

AFS financial assets

AFS financial assets are non-derivatives that are either designated as or not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

Equity and debt securities held by the Group that are classified as AFS financial assets and are measured at fair value at the end of each reporting period except for unquoted equity investments whose fair value cannot be measured reliably. Changes in the carrying amount of AFS debt instruments relating to interest income calculated using the effective interest method recognized in profit or loss. Dividends on AFS equity are recognized in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of AFS financial assets are recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see accounting policy on impairment loss on financial assets below).

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured at cost less any identified impairment losses at the end of the reporting period.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For an AFS equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

4. 主要會計政策(續)

金融工具(於2018年1月1日採納 國際財務報告準則第9號前)(續)

金融資產(續)

可供出售金融資產

可供出售金融資產為指定為或並無歸類為(a)貸款及應收款項；(b)持有至到期投資；或(c)按公允值計入損益之金融資產之非衍生工具。

於各報告期末，由本集團持有並分類為可供出售金融資產的股權及債務證券將按公允值計量，惟公允值不能可靠計量的無報價股本投資除外。可供出售債務工具之賬面值有關採用實際利率法計算利息收入的變動於損益確認。可供出售權益的股息於本集團有權收取股息時於損益確認。可供出售金融資產的賬面值之其他變動於其他全面收益確認，並於投資重估儲備項下累計。當出售投資項目或投資項目釐定為出現減值，先前在投資重估儲備中累計的累計收益或虧損將重新分類至損益(見下文關於金融資產減值虧損之會計政策)。

於報告期末，於活躍市場上並無市場報價且其公允值不能可靠計量的可供出售股本投資，均以成本減任何已識別減值虧損計量。

金融資產減值

除按公允值計入損益者外，金融資產於各報告期末被評估是否有減值跡象。倘有客觀證據顯示，投資的估計未來現金流量因於初步確認金融資產後發生的一項或多項事件而受到影響時，則金融資產會被視為減值。

就可供出售股本投資而言，該項投資之公允值嚴重或長期低於其成本乃被視為減值之客觀證據。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (BEFORE THE ADOPTION OF IFRS 9 AS AT JANUARY 1, 2018) (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial reorganization.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, amounts due from related parties, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance accounts are recognized in profit or loss. When a trade and other receivables, amounts due from related parties is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account.

4. 主要會計政策(續)

金融工具(於2018年1月1日採納 國際財務報告準則第9號前)(續)

金融資產(續)

金融資產減值(續)

就所有其他金融資產，減值的客觀證據包括：

- 發行人或對手方出現重大財務困難；或
- 違約，如逾期支付或拖欠利息或本金；或
- 借款人有可能宣告破產或財務重組。

應收款項組合的客觀減值證據可能包括本集團的過往收款經驗、組合內超過30天的平均信貸期的延遲付款數目增加以及可影響應收款項拖欠情況之國家或地方經濟狀況出現明顯變動。

就以攤銷成本列賬的金融資產而言，確認之減值虧損金額為資產賬面值與按金融資產之原實際利率貼現計算其估計未來現金流量現值間之差額。

按成本列賬之金融資產之減值虧損金額按資產之賬面值與就換取類似金融資產以現行市場利率貼現估計未來現金流量現值間之差額計算。有關減值虧損不會於往後期間撥回。

金融資產賬面值會直接按所有金融資產之減值虧損扣減，惟貿易及其他應收款項、應收關聯方款項除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內之賬面值變動會於損益中確認。當貿易及其他應收款項及應收關聯方款項被視為不可收回時，其將於撥備賬內撇銷。其後收回先已撇銷的款項，均計入撥備賬內。

**4. SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**FINANCIAL INSTRUMENTS (BEFORE THE ADOPTION
OF IFRS 9 AS AT JANUARY 1, 2018) (Continued)**

Financial assets (Continued)

Impairment of financial assets (Continued)

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortized cost, if, in a subsequent reporting period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of AFS equity investments, impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt investment, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

4. 主要會計政策 (續)

**金融工具 (於2018年1月1日採納
國際財務報告準則第9號前) (續)**

金融資產 (續)

金融資產減值 (續)

倘可供出售金融資產被視為出現減值，先前於其他全面收益確認之累計收益或虧損將於期間重新分類至損益。

就按攤銷成本計量之金融資產而言，倘於其後報告期，減值虧損金額減少，而有關減少客觀而言與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值，不得超過未確認減值時之已攤銷成本。

就可供出售股本投資而言，先前於損益確認之減值虧損並不會透過損益予以撥回。倘公允值於確認減值虧損後出現任何增加，則於其他全面收益內確認及於投資重估儲備項下累計。就可供出售債務投資而言，倘該項投資之公允值增加可客觀地與確認減值虧損後發生之事項有關，減值虧損將透過損益予以撥回。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL INSTRUMENTS (BEFORE THE ADOPTION OF IFRS 9 AS AT JANUARY 1, 2018) (Continued)

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant reporting periods. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition. Interest expense is recognized on an effective interest basis.

Financial liabilities at amortized cost

Financial liabilities (including trade and other payables, amounts due to related parties and bank and other loans) are subsequently measured at amortized cost, using the effective interest method.

4. 主要會計政策 (續)

金融工具 (於2018年1月1日採納 國際財務報告準則第9號前) (續)

金融負債及股本工具

由集團實體發行的債務及股本工具乃根據合同安排的性質以及金融負債及股本工具的定義分類為金融負債或股本。

股本工具

股本工具為證明實體扣除其所有負債後資產剩餘權益的任何合約。本公司發行的股本工具以已收所得款項扣除直接發行成本後確認。

購回本公司本身的股本工具乃直接於權益確認及扣除。並無因購買、出售、發行或註銷本公司本身的股本工具引致的收益或虧損於損益內確認。

實際利率法

實際利率法為計算金融負債攤銷成本及於相關報告期間分配利息開支的方法。實際利率乃按金融負債的預計年期或適用的較短期間，將估計日後現金付款 (包括構成實際利率不可或缺部份之一切已付或已收費用及點數、交易成本及其他溢價或折讓) 確切貼現至初步確認時的賬面淨值的利率。利息開支按實際利率基準確認。

按攤銷成本計量的金融負債

金融負債 (包括貿易及其他應付款項、應付關聯方款項以及銀行及其他貸款) 其後採用實際利率法按攤銷成本計量。

**4. SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**FINANCIAL INSTRUMENTS (BEFORE THE ADOPTION
OF IFRS 9 AS AT JANUARY 1, 2018) (Continued)**

Derivative financial instruments

Derivatives are initially recognized at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derecognition

The Group derecognizes a financial asset only when the rights to receive cash flows from the assets expire or, when it transfers the financial assets and substantially all the risks and rewards of ownership of the assets to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred financial asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the consideration received and receivable is recognized in profit or loss.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

4. 主要會計政策 (續)

**金融工具 (於2018年1月1日採納
國際財務報告準則第9號前) (續)**

衍生金融工具

衍生工具初步按衍生工具合約訂立日期之公允值確認，其後於報告期末按公允值重新計量。所產生之收益或虧損即時於損益確認，除非衍生工具被指定且為有效對沖工具，在此情況下，於損益確認之時間視乎對沖關係之性質而定。

終止確認

本集團僅在自資產收取現金流量之權利屆滿或其將金融資產及擁有有關資產的絕大部分風險及回報轉讓予另一方時終止確認金融資產。倘本集團既無轉移亦無保留已轉移資產所有權的絕大部分風險及回報，並繼續控制所轉移金融資產，本集團將確認於該資產之保留權益及可能須支付之相關負債。倘本集團保留已轉讓金融資產所有權的絕大部分風險及回報，本集團繼續確認金融資產，並就已收取之所得款項確認有抵押借款。

一旦終止確認金融資產，資產的賬面值與已收及應收代價的差額會在損益中確認。

本集團只有在責任獲免除、取消或終止時，方會終止確認金融負債。獲終止確認之金融負債之賬面值與已付及應付代價間差額會於損益確認。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the Directors are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates 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.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The following is the critical judgement, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Revenue recognition

Application of various accounting principles related to the measurement and recognition of revenue requires the Group to make judgments and estimates. Specifically, significant judgments include determining whether the Group is acting as the principal in a transaction. The Group is a principal in a transaction if the Group obtains control of the products sold or services provided before they are transferred to customers. If control is unclear, when the Group is primarily obligated in a transaction, is subject to inventory risk, has latitude in establishing prices and selecting suppliers, or has several but not all of these indicators, the Group records revenues on a gross basis. Otherwise, the Group records the net amount earned as commissions from products sold or services provided.

5. 重大會計判斷及估計不確定性的主要來源

於應用附註4所載的本集團會計政策時，董事須就未能自其他來源清楚顯示的資產及負債的賬面值作出估計及假設。估計及相關假設根據過往經驗及被認為相關的其他因素作出。實際結果或與該等估計不符。

估計及相關假設按持續經營基準審閱，就會計估計作出的修訂於對估計作出修訂的期間內確認（倘有關修訂只影響該期間），或於修訂的期間及日後期間確認（倘有關修訂影響當期及日後期間）。

應用會計政策時的重大判斷

以下為董事在應用本集團的會計政策過程中作出的重大判斷（不包括涉及估計的重大判斷（見下文）），該等判斷對於綜合財務報表中確認的金額有極重大影響。

收益確認

應用與計量及確認收益相關的各項會計原則要求本集團作出判斷及估計。具體而言，重大判斷包括決定本集團是否作為交易的主理人。倘本集團向客戶轉讓產品或服務前控制所售出的產品或提供的服務，則本集團為交易的主理人。若不能確定控制權，於本集團在交易中承擔主要責任、承擔存貨風險、可自由訂立價格及選擇供應商或擁有若干但非全部該等指標時，本集團收益按總額入賬。否則，本集團將所賺取淨額入賬列為出售產品或提供服務的佣金。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve months are as follows:

Useful life and impairment of property, plant and equipment

In determining whether an asset is impaired, the management requires an estimation of recoverable amount of an individual asset or the cash-generating units to which the asset belongs, and has to exercise judgement and make significant degree of estimation in determining the recoverable amount of the assets, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset's value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the assets belongs.

Changing the assumptions selected by management to determine the level of impairment, including product price, volume of sales and growth rate, gross profit ratio or discount rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test.

The carrying amount of property, plant and equipment less accumulated depreciation and accumulated impairment losses as at December 2018 were RMB9,406,195,000 (2017: RMB8,976,237,000).

5. 重大會計判斷及估計不確定性的主要來源 (續)

估計不確定性的主要來源

於各報告期末關於日後的主要假設及估計不明確因素的其他主要來源，該等假設及不明確因素構成大幅調整未來十二個月的資產及負債賬面值的重大風險如下：

物業、廠房及設備的可使用年期及減值

於釐定資產是否減值時，管理層須估計資產所屬個別資產或現金產生單位的可收回金額，並須於釐定資產可收回金額時進行判斷及大量估計，尤其評估：(1) 是否有事件已發生或有任何指標可能影響資產淨值；(2) 資產賬面值是否能夠以可收回金額（如為使用價值）支持，即按照持續使用資產估計的未來現金流量的淨現值；及(3) 將應用於估計可收回金額的適當關鍵假設（包括現金流量預測及適當的貼現率）。當無法估計個別資產的可收回金額時，本集團估計資產所屬現金產生單位的可收回金額。

更改管理層就用以釐定現金流量預測的減值水平，包括產品價格、銷量及增長率，毛利率或貼現率假設，可顯著影響減值測試所採用淨現值。

於2018年12月，物業、廠房及設備減累計折舊及累計減值虧損的賬面值為人民幣9,406,195,000元（2017年：人民幣8,976,237,000元）。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Impairment of interest in associates

The Group assesses whether there is any objective evidence of impairment of interest in associates at the end of each reporting period. Test for impairment is required when there is any objective evidence that the carrying amount may not be recoverable. For the interest in associates, an impairment exists when its carrying value exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation for the interest in associates requires the Group to estimate the future cash flows expected to arise from the associates and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows, a material impairment loss/further impairment loss may arise. The carrying amount of interest in associates as at December 2018 were RMB451,311,000 (2017: RMB380,161,000).

Estimated impairment of doubtful receivables

Prior to January 1, 2018, when there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition, where applicable). Where the actual future cash flows are less than expected, or being revised downward due to the change in facts and circumstances, a material impairment loss/further impairment loss may arise. As at December 31, 2017, the carrying amounts of trade receivables were RMB137,189,000, after deducting allowance for doubtful debts of RMB104,592,000.

5. 重大會計判斷及估計不確定性的主要來源(續)

估計不確定性的主要來源(續)

於聯營公司的權益減值

本集團於各報告期末評估是否有於聯營公司的權益的減值客觀證據。當有任何客觀證據顯示可能無法收回賬面值，則需要進行減值測試。就於聯營公司的權益而言，當其賬面值超出其可收回金額時(即其公允值減出售成本與其使用價值兩者中的較高者)，則存在減值。就於聯營公司的權益計算使用價值需要本集團估計預期來自聯營公司的未來現金流量及合適貼現率以計算現值。倘實際的未來現金流量低於預期，或事實及情況變化導致向下修訂未來現金流量，則可能產生重大減值虧損/進一步減值虧損。於2018年12月，於聯營公司的權益的賬面值為人民幣451,311,000元(2017年：人民幣380,161,000元)。

呆賬應收款項的估計減值

於2018年1月1日前，倘出現減值虧損之客觀證據，則本集團會考慮對未來現金流量之估計。減值虧損數額乃按資產賬面值與估計未來現金流量(不包括尚未產生的未來信貸虧損)按金融資產之原實際利率(即初步確認時用於計算之實際利率，如適用)貼現之現值間之差額計算。倘實際未來現金流量少於預期，或因事實及情況變動而下調，則可能出現重大減值虧損/進一步減值虧損。於2017年12月31日，貿易應收款項的賬面值為人民幣137,189,000元，已扣除呆賬撥備人民幣104,592,000元。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment of doubtful receivables (Continued)

Starting from January 1, 2018, the Group recognizes lifetime ECL for trade receivables, using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at end of the reporting period. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise. As at December 31, 2018, the carrying amount of trade receivable is RMB186,555,000, after deducting allowance for doubtful debts of RMB86,834,000.

Taxation

Determining tax provisions involves judgement on the future tax treatments of certain transactions. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account of all changes in tax legislations.

The recognition of deferred tax assets require formal assessment by the Group of the future profitability of related operations. In making this judgement, the Group evaluates, amongst other factors, the forecast financial performance, changes in technology and future assessable profits or taxable temporary differences. Where the expectations are different from the original estimates, a reversal or further recognition of deferred tax assets may arise, which would be recognized in profit or loss for the period in which such estimates are changed. Further details are included in note 24.

5. 重大會計判斷及估計不確定性的主要來源 (續)

估計不確定性的主要來源 (續)

呆賬應收款項的估計減值 (續)

自2018年1月1日起，本集團使用根據本集團過往信貸虧損經驗計算的撥備矩陣確認貿易應收款項的全期預期信貸虧損，並就債務人的特定因素、整體經濟狀況及對於報告期末的現時狀況及預測動向的評估作出調整。基於預期信貸虧損模式的減值虧損金額乃根據合約應付本集團的所有合約現金流量與本集團預期將收取的所有現金流量的差額計量，並按初步確認時釐定的實際利率貼現。倘未來現金流量少於預期，或因事實及情況變動而需下調，則可能產生重大減值虧損。於2018年12月31日，貿易應收款項的賬面值為人民幣186,555,000元（扣除呆賬撥備人民幣86,834,000元）。

稅項

釐定稅項撥備涉及對若干交易的未來稅務處理的判斷。本集團仔細評估交易的稅務影響，因應設定稅項撥備。此類交易的稅務處理會定期重新考慮，以考慮稅法的所有變化。

遞延稅項資產的確認需要本集團對有關業務的未來盈利能力作出正式評估。本集團作出此判斷前須評估（其中包括）預測財務表現、科技的改變及未來應評稅利潤或應課稅暫時性差異。倘預期與原先估計不同，可撥回或進一步確認遞延稅項資產，並於估計變動期間在損益中確認。進一步詳情載於附註24。

6. REVENUE AND SEGMENT INFORMATION

During the reporting period, the Group's revenue represents the amount received and receivable from the sales of goods to external customers arising from the coke and coking chemicals, refined chemicals, trading and management services. The revenue is recognized at a point in time when the customers obtain control of the goods delivered or management services provided.

All sales/trading are for period of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Information reported to the executive directors, being the chief operating decision maker (the "CODM"), for the purposes of resource allocation and assessment of segment performance, focuses on types of goods or services delivered or provided. Specifically, the Group's reportable segments under IFRS 8 are as follows:

- Coke and coking chemicals segment: the production and sale of coke and a series of coking chemicals from externally sourced coking coals processed at the Group's coking facilities;
- Refined chemicals segment: the purchase of coking chemicals from the Group's coke and coking chemicals segment and third parties, and processing such coking chemicals into refined chemical products, as well as marketing and selling such refined chemicals; and
- Trading segment: the sourcing of coke, coking chemicals and refined chemicals from third parties and the marketing, sale and distribution of such coal chemicals.

The CODM reviews operating results and financial information for each operating company separately. Accordingly, each operating company, including associates and a joint venture held by the relevant operating company, is identified as an operating segment. Those operating companies are aggregated into coke and coking chemicals segment, refined chemicals segment and trading segment respectively for segment reporting purpose after taking into account that those operating companies are operating in similar business model with similar target group of customers, similar products and similar methods used to distribute their products. The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 4.

6. 收益及分部資料

於報告期內，本集團的收益指焦炭及焦化產品、精細化工產品、貿易及管理服務，並向外部客戶銷售該等產品所收取的金額及應收款項。收益在客戶獲得對交付貨物或提供管理服務的控制權的時間點確認。

所有銷售／貿易均為一年期或更短時間。根據國際財務報告準則第15號所允許，分配至該等未履行合約的交易價格並未披露。

為進行資源分配及分部業績評估而向執行董事（即主要經營決策者（「主要經營決策者」））呈報的資料乃以所交付的貨品類型或所提供的服務為基礎。具體而言，本集團根據國際財務報告準則第8號的可呈報分部如下：

- 焦炭及焦化產品分部：於本集團的焦化設施從加工外購焦煤生產及銷售焦炭及一系列焦化產品；
- 精細化工產品分部：從本集團焦炭及焦化產品生產分部及第三方購買焦化產品，並將該等焦化產品加工至精細化工產品，以及營銷及銷售該等精細化工產品；及
- 貿易分部：從第三方採購焦炭、焦化產品及精細化工產品，營銷、銷售及分銷該等煤化產品。

主要經營決策者單獨審核各營運公司的經營業績及財務資料。因此，各營運公司（包括相關營運公司持有的聯營公司及合營企業）被確認為經營分部。經計及該等營運公司以類似目標客戶群體的類似業務模式、經營類似產品以及類似分銷產品方法，就分部報告目的而言，該等營運公司分類為焦炭及焦化產品分部、精細化工產品分部及貿易分部。該等可呈報分部的會計政策與附註4所述本集團的會計政策相同。

6. REVENUE AND SEGMENT INFORMATION (Continued)

SEGMENT RESULTS, ASSETS AND LIABILITIES

The CODM monitors the results, assets and liabilities attributable to each reporting 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 amortization of assets attributable to those segments.

All assets are allocated to segment assets other than unallocated head office and corporate assets. All liabilities are allocated to segment liabilities other than unallocated head office and corporate liabilities.

The measure used for reporting segment profit is “segment results”. To arrive at segment results, the Group’s earnings are adjusted for unallocated head office and corporate expenses and listing expenses which are not specifically attributable to individual segments.

In addition to receiving segment information concerning segment results, management is provided with segment information concerning revenue (including inter segment sales and share of losses/profits of associates and a joint venture), depreciation, amortization and additions to non-current segment assets used by the segments in their operations.

Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

6. 收益及分部資料(續)

分部業績、資產及負債

主要經營決策者按以下基準監測各呈報分部的業績、資產及負債：

收益及開支乃參照分部產生的銷售及開支或因分部應佔的資產折舊或攤銷而產生者，分配至可呈報分部。

所有資產均分配至分部資產，惟其他未分配的總辦事處及公司資產除外。所有負債均分配至分部負債，惟其他未分配的總辦事處及公司負債除外。

用於計量呈報分部溢利的方法為「分部業績」。為達至分部業績，本集團的盈利乃對並非特定歸屬於個別分部的未分配總辦事處及公司開支及上市開支作出調整。

除收到有關分部業績的分部資料外，管理層獲提供有關收益(包括分部間銷售及分佔聯營公司及一家合營企業虧損／溢利)、折舊、攤銷及分部添置用於經營的非流動分部資產的分部資料。

分部間銷售的定價乃參考其他外在人士類似的訂單價格。

**6. REVENUE AND SEGMENT INFORMATION
(Continued)**

**SEGMENT RESULTS, ASSETS AND LIABILITIES
(Continued)**

The following is an analysis of the Group's results, assets and liabilities by reportable segments:

6. 收益及分部資料(續)

分部業績、資產及負債(續)

以下為本集團可呈報分部業績、資產及負債分析：

		Year ended/as at December 31, 2018 截至2018年12月31日止年度/於該日			
		Coke and coking chemicals	Refined chemicals	Trading	Total
		焦炭及 焦化產品	精細化工 產品	貿易	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Sales of goods to external customers	向外部客戶銷售貨品				
Sale of coke and coking chemicals	銷售焦炭及焦化產品	9,838,550	-	-	9,838,550
Sale of refined chemicals	銷售精細化工產品	-	8,149,009	-	8,149,009
Trading	貿易	-	-	2,572,220	2,572,220
Management services	管理服務	-	-	23,300	23,300
		9,838,550	8,149,009	2,595,520	20,583,079
Inter-segment revenue	分部間收益	826,874	90,927	-	917,801
Reportable segment revenue	可呈報分部收益	10,665,424	8,239,936	2,595,520	21,500,880
Reportable segment profit	可呈報分部溢利	1,986,094	695,855	94,818	2,776,767
Reportable segment assets (including interests in associates and a joint venture)	可呈報分部資產 (包括於聯營公司及 一家合營企業的權益)	8,936,922	9,239,372	4,339,127	22,515,421
Reportable segment liabilities	可呈報分部負債	7,155,304	6,251,067	3,983,065	17,389,436
Other information:	其他資料：				
Additions to non-current segment assets during the year	年內添置非流動分部資產	1,075,963	180,540	6,405	1,262,908
Share of results of associates	分佔聯營公司業績	5,160	83,990	-	89,150
Share of result of a joint venture	分佔一家合營企業業績	548,455	-	-	548,455
Depreciation and amortization for the year	年度折舊及攤銷	223,950	379,825	6,828	610,603

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6. REVENUE AND SEGMENT INFORMATION
(Continued)

SEGMENT RESULTS, ASSETS AND LIABILITIES
(Continued)

6. 收益及分部資料(續)

分部業績、資產及負債(續)

Year ended/as at December 31, 2017
截至2017年12月31日止年度/於該日

		Coke and coking chemicals 焦炭及 焦化產品 RMB'000 人民幣千元	Refined chemicals 精細化工 產品 RMB'000 人民幣千元	Trading 貿易 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Sales of goods to external customers	向外部客戶銷售貨品				
Sale of coke and coking chemicals	銷售焦炭及焦化產品	7,875,610	–	–	7,875,610
Sale of refined chemicals	銷售精細化工產品	–	8,375,447	–	8,375,447
Trading	貿易	–	–	2,407,221	2,407,221
		7,875,610	8,375,447	2,407,221	18,658,278
Inter-segment revenue	分部間收益	928,598	78,906	–	1,007,504
Reportable segment revenue	可呈報分部收益	8,804,208	8,454,353	2,407,221	19,665,782
Reportable segment profit/(loss)	可呈報分部溢利/(虧損)	457,973	555,279	(103,461)	909,791
Reportable segment assets	可呈報分部資產				
(including interests in associates and a joint venture)	(包括於聯營公司及一家合營企業的權益)	7,046,493	9,516,281	5,063,929	21,626,703
Reportable segment liabilities	可呈報分部負債	6,024,912	7,654,113	5,044,524	18,723,549
Other information:	其他資料:				
Additions to non-current segment assets during the year	年內添置非流動分部資產	652,784	177,443	8,912	839,139
Share of results of associates	分佔聯營公司業績	(6,367)	66,717	–	60,350
Share of result of a joint venture	分佔一家合營企業業績	225,519	–	–	225,519
Depreciation and amortization for the year	年度折舊及攤銷	185,764	379,410	6,786	571,960

**6. REVENUE AND SEGMENT INFORMATION
(Continued)**

**SEGMENT RESULTS, ASSETS AND LIABILITIES
(Continued)**

Reconciliations of reportable segment revenue, results, assets and liabilities.

6. 收益及分部資料(續)

分部業績、資產及負債(續)

可呈報分部收益、業績、資產及負債的對賬。

		Year ended/as at December 31, 截至 12 月 31 日止年度 / 於該日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收益		
Reportable segment revenue	可呈報分部收益	21,500,880	19,665,782
Elimination of inter-segment revenue	抵銷分部間收益	(917,801)	(1,007,504)
Consolidated revenue	綜合收益	20,583,079	18,658,278
Results	業績		
Reportable segment profit	可呈報分部溢利	2,776,767	909,791
Listing expenses	上市開支	(24,562)	(11,694)
Unallocated head office and corporate expenses	未分配總辦事處及公司開支	(91,834)	(52,154)
Consolidated profit before taxation	除稅前綜合溢利	2,660,371	845,943
Assets	資產		
Reportable segment assets	可呈報分部資產	22,515,421	21,626,703
Unallocated head office and corporate assets	未分配總辦事處及公司資產	86,688	212,348
Consolidated total assets	綜合資產總額	22,602,109	21,839,051
Liabilities	負債		
Reportable segment liabilities	可呈報分部負債	17,389,436	18,723,549
Unallocated head office and corporate liabilities	未分配總辦事處及公司負債	499,650	5,793
Consolidated total liabilities	綜合負債總額	17,889,086	18,729,342

Geographic information

Substantially of the Group's revenue and profit were derived from PRC sales and all principal assets employed by the Group are located in the PRC during the reporting period.

Major customers

No individual customer had transactions exceeding 10% of the Group's turnover for each of the reporting period. Details of concentrations of credit risk are set out in note 41.

地區資料

於報告期內，本集團大部分收益及溢利乃來自中國銷售，而本集團使用的所有主要資產均位於中國。

主要客戶

於各報告期內，概無個別客戶進行的交易超過本集團營業額10%。有關信貸風險的集中詳情載列於附註41。

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7. OTHER INCOME

7. 其他收入

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income	利息收入	130,066	184,183
Production waste sales	生產廢料銷售	1,320	4,543
Government grants (note)	政府補助(附註)	18,748	14,761
Others	其他	11,965	9,152
		162,099	212,639

Note: Government grants were received from several local government authorities as subsidies for the Group's contribution to the environmental protection, energy conservation recycling resources, relocation, purchase of land use rights and infrastructure construction.

附註：本集團因對環境保護、節約能源資源回收作出貢獻及搬遷、購買土地使用權及基礎建設而獲多個地方政府機構發放政府補助。

8. OTHER GAINS AND LOSSES

8. 其他收益及虧損

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Fair value gain (loss) of financial assets/liabilities at FVTPL:	按公允值計入損益的金融資產／負債的公允值收益(虧損)：		
- Futures contracts (note 22a)	- 期貨合約(附註22a)	98,481	(12,504)
- Listed equity securities (note 22b)	- 上市股本證券(附註22b)	17,728	(2,712)
- Held-for-trading non-derivative financial assets	- 持作買賣非衍生金融資產	(15)	58
Loss on foreign exchange, net	外匯虧損淨額	(29,508)	(11,307)
Gain (loss) on disposal of:	出售以下各項的收益(虧損)：		
- property, plant and equipment	- 物業、廠房及設備	1,364	1,987
- prepaid lease payments	- 預付租賃款項	41,838	-
- subsidiaries (note 38)	- 附屬公司(附註38)	-	92
- AFS financial assets	- 可供出售金融資產	-	(293)
Others	其他	(10,636)	(9,872)
		119,252	(34,551)

9. NET IMPAIRMENT LOSSES REVERSED (RECOGNIZED)

9. 已撥回(已確認)減值虧損淨額

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net impairment losses reversed (recognized) in respect of:	就以下各項已撥回(已確認)的減值虧損淨額：		
Trade and other receivables (note 26)	貿易及其他應收款項(附註26)	48,122	(3,196)
Amounts due from related parties	應收關聯方款項	1,583	-
		49,705	(3,196)

10. FINANCE COSTS

10. 融資成本

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest on bank loans	銀行貸款利息	303,666	290,476
Interest on other loans	其他貸款利息	75,720	87,410
Finance expenses on bills receivable discounted	已貼現應收票據的財務費用	231,641	253,314
Finance charges on obligations under finance leases	融資租賃款項的財務費用	2,858	5,594
		613,885	636,794
Less: Amount capitalized under construction in progress (note)	減：在建工程項下資本化的金額(附註)	(17,120)	(12,556)
		596,765	624,238

Note: The finance costs were capitalized at annual rates of 4.79%–8.86% per annum during the year ended December 31, 2018 (2017: 4.57%–8.86%).

附註：截至2018年12月31日止年度，融資成本已按年率4.79%至8.86%（2017年：4.57%至8.86%）予以資本化。

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11. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

11. 除稅前溢利

除稅前溢利經扣除：

		Year ended December 31,	
		截至 12 月 31 日止年度	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Staff costs (including directors' remuneration)	員工成本(包括董事薪酬)		
Salaries, wages and other benefits	薪金、工資及其他福利	394,339	288,312
Contributions to retirement benefits scheme	退休福利計劃供款	29,622	26,438
Total staff costs	員工成本總額	423,961	314,750
Capitalized in construction in progress	在建工程資本化	(13,252)	(15,736)
Capitalized in inventories	存貨資本化	(230,643)	(184,894)
		180,066	114,120
Other items	其他項目		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	577,844	537,702
Amortization of prepaid lease payments	預付租賃款項攤銷	24,552	26,735
Amortization of intangible assets	無形資產攤銷	8,207	7,523
Total depreciation and amortization	折舊及攤銷總額	610,603	571,960
Capitalized in inventories	存貨資本化	(534,547)	(506,148)
Capitalized in construction in progress	在建工程資本化	(8,092)	(515)
		67,964	65,297
Auditors' remuneration	核數師薪酬	6,937	3,675
Cost of inventories recognized as an expense	確認為開支的存貨成本	17,237,592	16,659,886

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

12. 董事、主要高管及僱員酬金

		Year ended December 31, 2018 截至2018年12月31日止年度				
		Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement benefits scheme contributions	Total	
		薪金、津貼 及實物福利	酌情花紅	退休福利 計劃供款	總計	
		Directors' fees				
		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	
Executive directors	執行董事					
Yang Xuegang*	楊雪崗*	-	2,982	600	3,641	
Zhang Yingwei	張英偉	-	700	500	1,259	
Han Qinliang	韓勤亮	-	700	500	1,259	
Wang Fengshan**	王風山**	-	244	349	595	
Wang Nianping**	王年平**	-	234	445	693	
Yang Lu**	楊路**	-	176	400	585	
Zhang Xinzhi***	張新志***	-	-	-	-	
Subtotal	小計	-	5,036	2,794	8,032	
Non-executive director	非執行董事					
Lu Xiaomei***	路小梅***	-	651	-	651	
Subtotal	小計	-	651	-	651	
Independent non-executive directors	獨立非執行董事					
Wang Yinping****	王引平****	-	63	-	63	
Yu Kwok Kuen Harry****	余國權****	-	63	-	63	
Kang Woon****	康洵****	-	63	-	63	
Subtotal	小計	-	189	-	189	
Total	總計	-	5,876	2,794	8,872	

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12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

12. 董事、主要高管及僱員酬金(續)

		Year ended December 31, 2017 截至2017年12月31日止年度				
		Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement benefits scheme contributions	Total	
		薪金、津貼及 實物福利	酌情花紅	退休福利 計劃供款	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	
Executive directors	執行董事					
Yang Xuegang*	楊雪崗*	–	1,931	100	2,082	
Zhang Yingwei	張英偉	–	499	71	621	
Han Qinliang	韓勤亮	–	499	71	621	
Subtotal	小計	–	2,929	242	3,324	
Non-executive director	非執行董事					
Lu Xiaomei	路小梅	–	524	–	524	
Subtotal	小計	–	524	–	524	
Total	總計	–	3,453	242	3,848	

* Yang, Xuegang was appointed as an executive director and chief executive officer on November 8, 2007.

** Wang Fengshan, Wang Nianping and Yang Lu were appointed as executive directors on September 29, 2018.

*** Zhang Xinzhi and Lu Xiaomei were resigned as executive director or non-executive director on September 29, 2018.

**** Wang Yinping, Yu Kwok Kuen Harry and Kang Woon were appointed as independent non-executive directors on September 29, 2018.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The emoluments of non-executive directors and independent non-executive directors shown above were for their services as directors of the Company.

Directors are entitled to bonus payments which are determined based on the duties and responsibilities of the Directors as well as the operating results of the Group.

Neither the chief executive nor any of the directors waived any emoluments during the reporting period.

* 楊雪崗於2007年11月8日獲委任為執行董事及行政總裁。

** 王風山、王年平及楊路於2018年9月29日獲委任為執行董事。

*** 張新志及路小梅於2018年9月29日辭任執行董事或非執行董事。

**** 王引平、余國權及康浣於2018年9月29日獲委任為獨立非執行董事。

上述執行董事酬金為彼等就管理本公司及本集團事務提供服務的酬金。

上述非執行董事及獨立非執行董事酬金為彼等擔任本公司董事的酬金。

董事有權收取按董事職務及責任以及本集團經營業績釐定的花紅付款。

於報告期內，行政總裁或任何董事均未放棄任何酬金。

12. DIRECTORS' CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group during the year ended December 31, 2018 included four Directors (2017: three Directors), whose emoluments are disclosed above. The emoluments in respect of the remaining highest paid individuals during the reporting period are as follows:

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries and other emoluments	薪金及其他酬金	1,780	1,140
Retirement scheme contributions	退休福利計劃供款	104	102
		1,884	1,242

The remunerations of the five highest paid employees (including Directors) are within the following bands:

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		Number of employees	Number of employees
		僱員人數	僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	–	4
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	–
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–	1
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至4,500,000港元	1	–

During the reporting period, no amount was paid or payable by the Group to the Directors or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

12. 董事、主要高管及僱員酬金(續)

五名最高薪人士

截至2018年12月31日止年度，本集團五名最高薪人士包括四名董事(2017年：三名董事)，彼等酬金於上文披露。於報告期內，有關餘下最高薪人士的酬金如下：

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries and other emoluments	薪金及其他酬金	1,780	1,140
Retirement scheme contributions	退休福利計劃供款	104	102
		1,884	1,242

五名最高薪人士(包括董事)的薪酬介乎以下組別：

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		Number of employees	Number of employees
		僱員人數	僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	–	4
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	–
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–	1
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至4,500,000港元	1	–

於報告期內，本集團並無向董事或任何五名最高薪人士支付或應付款項作為誘使加入或於加入本集團時的獎勵或離職時的補償。

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13. INCOME TAX EXPENSE

13. 所得稅開支

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current tax	即期稅項		
PRC income tax for the year	年度中國所得稅	453,581	160,463
Land appreciation tax ("LAT")	土地增值稅	18,005	-
Deferred tax charge/(credit) (note 24)	遞延稅項支出/(抵免) (附註24)	61,772	(80,093)
		533,358	80,370

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group did not earn any income subject to any income tax in these jurisdictions during the reporting period.

根據開曼群島及英屬處女群島的規則及規例，本集團於報告期內並無賺取須繳納該等司法管轄區所得稅的任何收入。

No provision for taxation is made for the years ended December 31, 2018 and 2017 as the Group had no assessable profits in Hong Kong for those years.

截至2018年及2017年12月31日止年度並無作出稅項撥備，乃由於本集團於該等年度並無香港應課稅溢利。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate applicable for PRC group entities is 25% for the reporting period.

根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法實行條例，中國集團實體於報告期內的適用稅率為25%。

Certain subsidiaries of the Company operating in the PRC are eligible for tax holiday and concession. Pursuant to the relevant tax rules and regulation in PRC, revenue from comprehensive utilization of resources ("資源綜合利用") is eligible for additional tax deduction.

本公司於中國營運的若干附屬公司符合資格享有免稅期及稅項減免。根據中國相關稅務規則及法規，自資源綜合利用產生之收益合資格獲得額外稅項扣減優惠。

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progress rates of the appreciation value, with certain allowable exemptions and deductions.

土地增值稅撥備乃按有關中國稅務法律及法規所載的規定作出估計。土地增值稅已就增值價值的遞增稅率作出撥備（附帶若干許可的豁免及減免）。

13. INCOME TAX EXPENSE (Continued)

Income tax expense for the year can be reconciled to the profit before taxation per the consolidated statements of profit or loss and other comprehensive income as follows:

13. 所得稅開支(續)

本年度的所得稅開支與綜合損益及其他全面收益表的除稅前溢利的對賬如下：

		Year ended December 31,	
		截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit before taxation	除稅前溢利	2,660,371	845,943
Tax at the PRC tax rate of 25%	按中國稅率25%計算的稅項	665,093	211,486
Tax effect on:	以下各項的稅務影響：		
Share of results of associates and a joint venture	分佔聯營公司及一家合營企業業績	(159,401)	(71,467)
Non-deductible expenses	不可扣除開支	6,506	3,268
Non-taxable income	毋須課稅收入	-	(768)
Unused tax losses and temporary differences not recognized	未確認未動用稅項虧損及暫時差額	17,007	46,859
Utilisation of tax losses previously not recognized	動用過往未確認的稅項虧損	(1,671)	(23,378)
PRC tax concessions	中國稅項減免	(23,234)	(21,785)
Recognition of deferred tax assets on unused tax losses and deductible temporary differences previously not recognised	確認遞延稅項資產的未動用稅項虧損及過往未確認的可抵扣暫時差額	-	(76,622)
Withholding tax on undistributed profit of PRC entities	中國實體未分派溢利的預扣稅	11,053	-
Withholding tax on gain arising from a reorganization activity within the Group (note a)	本集團內重組活動產生的收益的預扣稅(附註a)	-	12,777
LAT (note b)	土地增值稅(附註b)	18,005	-
Income tax expense for the year	年度所得稅開支	533,358	80,370

Note :

- a. The amount represents the withholding tax of 10% on gain arising from the equity transfer relating to a subsidiary of the Group from a Hong Kong subsidiary to a PRC subsidiary during the year ended December 31, 2017.
- b. The amount represents the LAT on gain arising from a land transferred within the Group during the year ended December 31, 2018.

附註：

- a. 有關金額與本集團之附屬公司股權轉讓有關，於截至2017年12月31日止年度由香港附屬公司向中國附屬公司股權轉讓所產生收益的10%預扣稅。
- b. 有關金額指於截至2018年12月31日止年度由本集團內轉讓土地所產生收益的土地增值稅。

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14. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the ordinary shareholders of the Company is based on the following data:

BASIC EARNINGS PER SHARE

Basic earnings per share for the years ended December 31, 2018 and 2017 are calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year on the assumption that the capitalization issue as set out in note 47 had been effective on January 1, 2017.

		Year ended December 31, 截至12月31日止年度	
		2018 2018年	2017 2017年
Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔溢利 (人民幣千元)	2,088,668	754,674
Weighted average number of ordinary shares	普通股加權平均數	3,293,008,315	3,116,074,928
Basic earnings per share (RMB yuan)	每股基本盈利(人民幣元)	0.63	0.24

No diluted earnings per share for the reporting period was presented as there were no potential ordinary shares in issue during the reporting period.

14. 每股盈利

本公司普通股股東應佔每股基本盈利乃按下列數據計算：

每股基本盈利

截至2018年及2017年12月31日止年度，每股基本盈利乃按本公司擁有人應佔溢利除以年內已發行普通股加權平均數計算，假設附註47所載的資本化發行已於2017年1月1日生效。

於報告期內，並無潛在已發行普通股，故並未呈列報告期內每股攤薄盈利。

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Leasehold land and buildings 租賃土地 及樓宇 RMB'000 人民幣千元	Machinery and equipment 機器 及設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本						
At January 1, 2017	於2017年1月1日	3,881,965	6,549,483	43,693	40,186	313,726	10,829,053
Additions	添置	11,707	35,658	8,816	1,156	779,907	837,244
Transfer from construction in progress	轉撥自在建工程	48,159	227,784	–	1,235	(277,178)	–
Disposals	出售	(18,221)	(73)	(10,734)	(235)	–	(29,263)
At December 31, 2017	於2017年12月31日	3,923,610	6,812,852	41,775	42,342	816,455	11,637,034
Additions	添置	–	30,268	11,318	5,195	1,074,331	1,121,112
Transfer from construction in progress	轉撥自在建工程	521,912	778,846	–	–	(1,300,758)	–
Disposals	出售	(45,961)	(7,662)	(9,787)	(913)	(68,115)	(132,438)
At December 31, 2018	於2018年12月31日	4,399,561	7,614,304	43,306	46,624	521,913	12,625,708
Depreciation and impairment	折舊及減值						
At January 1, 2017	於2017年1月1日	683,640	1,390,843	29,439	30,586	–	2,134,508
Depreciation	折舊	134,794	395,426	5,359	2,123	–	537,702
Disposals	出售	(5,066)	–	(6,263)	(84)	–	(11,413)
At December 31, 2017	於2017年12月31日	813,368	1,786,269	28,535	32,625	–	2,660,797
Depreciation	折舊	159,348	408,058	7,877	2,561	–	577,844
Disposals	出售	(7,846)	(1,999)	(9,059)	(224)	–	(19,128)
At December 31, 2018	於2018年12月31日	964,870	2,192,328	27,353	34,962	–	3,219,513
Carrying amounts	賬面值						
At December 31, 2018	於2018年12月31日	3,434,691	5,421,976	15,953	11,662	521,913	9,406,195
At December 31, 2017	於2017年12月31日	3,110,242	5,026,583	13,240	9,717	816,455	8,976,237

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, other than construction in progress, after taking into account their estimated residuals, are depreciated on a straight-line basis as follows:

Leasehold land and buildings	Over the shorter of 30 years or the term of the leases
Machinery and equipment	5–30 years
Motor vehicles	3–12 years
Office equipment	2–15 years

As at December 31, 2018, the carrying amounts of equipment and other machinery held under finance leases of the Group were RMB117,104,000 (2017: RMB126,053,000).

Details of the pledged property, plant and equipment are set out in note 44.

As at December 31, 2018 and 2017, all leasehold land and buildings were located in the PRC.

During the current year, the Group was in the progress of relocating one of its plants between locations in Dingzhou City pursuant to the local government's arrangement. The old plant was shut down and began dismantling after the new plant completed and operated in November 2018. The compensation agreed by the local government was determined on the basis of the assessed value of all relevant property, plant and equipment in the affected plant as well as the market value of the land use right recalled and to be publicly auctioned. The compensation would be finalised and settled after the public auction of the land use right.

Certain portion of the land use right and relevant building with carrying amounts of RMB21,943,000 and RMB9,515,000 respectively were taken over by the local government in November 2018. The Group recognised an expected compensation receivable amounting to RMB71,374,000 and a gain on disposal amounting to RMB39,916,000 at the disposal date. Subsequent to the end of the reporting period, the public auction of the land use right was finalised and the compensation of RMB71,374,000 was received.

15. 物業、廠房及設備(續)

除在建工程外，上述物業、廠房及設備項目於計及其估計剩餘價值後按以下以直線法折舊：

租賃土地及樓宇	30年或租期 (以較短者為準)
機器及設備	5至30年
汽車	3至12年
辦公室設備	2至15年

於2018年12月31日，本集團根據融資租賃持有的設備及其他機器的賬面值為人民幣117,104,000元(2017年：人民幣126,053,000元)。

已抵押物業、廠房及設備的詳情載於附註44。

於2018年及2017年12月31日，所有租賃土地及樓宇均位於中國。

於本年度，本集團正按照地方政府的安排，在定州市不同地點之間搬遷其中一間廠房。新廠房2018年11月完工後，舊廠房關閉並開始拆除。地方政府同意的補償乃根據受影響廠房所有相關物業、廠房及設備的評估價值以及被收回和公開拍賣的土地使用權的市值釐定。補償將於公開拍賣土地使用權後落實及結算。

賬面值分別為人民幣21,943,000元及人民幣9,515,000元的部分土地使用權及相關建築物已由地方政府於2018年11月接管。本集團確認預期應收補償為數人民幣71,374,000元及於出售日期的出售收益為數人民幣39,916,000元。於報告期末後，土地使用權的公開拍賣已獲落實及人民幣71,374,000元的補償已獲收取。

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

As at December 31, 2018, the carrying amounts of the remaining land and property, plant and equipment in the old plant are amounting to RMB18,243,000 and RMB190,384,000 respectively. These land and property, plant and equipment will be taken over successively by the local government according to the progress of dismantling which is expected to be over one year. The Directors are of the opinion that the compensation to be received would be higher than the carrying amounts of these land and property, plant and equipment and therefore no impairment has been made as at December 31, 2018.

16. PREPAID LEASE PAYMENTS

Movements in the prepaid lease payments, which represent land use rights in the PRC, during the reporting period are analyzed as follows:

		Year ended December 31,	
		截至 12 月 31 日止年度	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At the beginning of the reporting period	於報告期初	1,143,306	1,170,041
Additions	添置	111,939	-
Released to profit or loss	轉至損益	(24,552)	(26,735)
Disposals	出售	(103,580)	-
At the end of the reporting period	於報告期末	1,127,113	1,143,306
Analyzed for reporting purpose as:	分析作呈報用途：		
Non-current asset	非流動資產	1,099,735	1,116,206
Current asset	流動資產	27,378	27,100
		1,127,113	1,143,306

Details of pledged prepaid lease payments are set out in note 44.

15. 物業、廠房及設備(續)

於2018年12月31日，舊廠房的餘下土地及物業、廠房及設備的賬面值分別為人民幣18,243,000元及人民幣190,384,000元。該等土地及物業、廠房及設備將由地方政府根據拆遷進度(預期超過一年)先後接管。董事認為將收取的補償高於該等土地及物業、廠房及設備的賬面值，故於2018年12月31日概無作出減值。

16. 預付租賃付款

於報告期內，預付租賃付款(即於中國的土地使用權)變動分析如下：

已抵押預付租賃付款的詳情載於附註44。

17. GOODWILL

Goodwill on the consolidated statement of financial position as of December 31, 2018 and 2017 represents goodwill arising on an acquisition of Cangzhou Risun and is carried at cost as established on June 8, 2016, being the date of Cangzhou Risun becoming a subsidiary of the Group, less accumulated impairment losses. At the end of each reporting period, goodwill has been allocated to a cash-generating unit for the purpose of impairment testing. No impairment has been recognized during the reporting period.

As of December 31, 2018, the Group prepared cash flow projection for Cangzhou Risun based on financial budgets approved by management covering a 5-year period, and pre-tax discount rate of 12.5% (2017: 12.2%). The cash flow beyond the 5-year period was a steady 3% growth rate. Other key assumptions for the value in use calculations related to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on Cangzhou Risun's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of Cangzhou Risun to exceed the aggregate recoverable amount of Cangzhou Risun.

18. INTANGIBLE ASSETS

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost:	成本：		
At the beginning of the reporting period	於報告期初	108,697	106,802
Additions	添置	29,857	1,895
At the end of the reporting period	於報告期末	138,554	108,697
Accumulated amortization and impairment:	累計攤銷及減值：		
At the beginning of the reporting period	於報告期初	55,922	48,399
Charge for the year	年內支出	8,207	7,523
At the end of the reporting period	於報告期末	64,129	55,922
Carrying amounts:	賬面值：		
At the end of the reporting period	於報告期末	74,425	52,775

The intangible assets are mainly patented use rights of techniques. The intangible assets are amortized on a straight-line basis over the patented periods ranging from 5 to 10 years, based on the shorter of the period of their contractual rights or expected useful life.

17. 商譽

截至2018年及2017年12月31日綜合財務狀況表的商譽指收購滄州旭陽所產生的商譽，乃按2016年6月8日（即滄州旭陽成為本集團附屬公司的日期）確定的成本減累計減值虧損計算。於各報告期末，商譽已分配至現金產生單位以進行減值測試。於報告期內並無確認減值。

截至2018年12月31日，本集團根據管理層批准的5年期間的財務預算編製了滄州旭陽的現金流量預測，並按12.5%（2017年：12.2%）的稅前貼現率推算得出。超過5年期間的現金流量乃使用3%的穩定增長率推算得出。使用價值計算的其他主要假設與現金流入／流出的估計相關，包括預算銷售額和毛利率，此類估計基於滄州旭陽過往表現及管理層對市場發展的預期。管理層認為，任何該等假設的任何合理可能變動均不會導致滄州旭陽的總賬面值超過滄州旭陽的總可收回金額。

18. 無形資產

無形資產主要包含專利技術使用權。無形資產按合約權利期限或預期可使用年期兩者中較短者於5至10年的專利期間內以直線法攤銷。

19. INTERESTS IN ASSOCIATES

19. 於聯營公司的權益

		As at December 31, 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of investments	投資成本	535,272	535,272
Share of post-acquisition profits and other comprehensive income, net of dividend received and receivable	扣除已收及應收股息的分佔收購後溢利及其他全面收益	112,947	41,797
Less: impairment (note)	減：減值(附註)	(196,908)	(196,908)
		451,311	380,161

Note: Before the reporting periods, impairment of RMB196,908,000 was recognized against 30% equity interest in Yangmei Group Shouyang Jingfu Coal Co., Ltd. ("Jingfu Coal") held by the Group mainly due to the insufficient utilization rate and the coal price below the expectation at the initial investment.

附註：於報告期前，減值人民幣 196,908,000 元就本集團於陽煤集團壽陽景福煤業有限公司(「景福煤業」)持有的 30% 股權確認，主要由於利用率不足及煤炭價格低於初始投資的預期。

Details of the associates at December 31, 2018 and 2017 were as follows:

於 2018 年及 2017 年 12 月 31 日聯營公司詳情如下：

Name of entity 實體名稱	Country of incorporation/ registration 註冊成立/註冊國家	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團持有的 擁有權益比例		Proportion of voting rights held by the Group 本集團持有的 投票權比例		Principal activity 主要業務
			2018 2018 年	2017 2017 年	2018 2018 年	2017 2017 年	
Hebei Jinniu Risun Chemicals Limited ("Jinniu Risun Chemicals") (河北金牛旭陽化工有限公司)(note)	The PRC/ March 28, 2008	The PRC	50%	50%	50%	50%	Production of refined chemicals 生產精細化工產品
河北金牛旭陽化工有限公司 (「金牛旭陽化工」)(附註)	中國/ 2008年3月28日	中國					
Cabot Risun Chemicals (Xingtai) Co. Ltd. ("Cabot Risun Chemicals") (卡博特旭陽化工(邢台)有限公司)(note)	The PRC/ June 23, 2011	The PRC	40%	40%	40%	40%	Production of carbon black 生產炭黑
卡博特旭陽化工(邢台)有限公司 (「卡博特旭陽化工」)(附註)	中國/ 2011年6月23日	中國					
Jingfu Coal (陽煤集團壽陽景福煤業有限公司)(note)	The PRC/ June 27, 1992	The PRC	30%	30%	30%	30%	Mining of coal 煤礦開採
陽煤集團壽陽景福煤業有限公司 (「景福煤業」)(附註)	中國/ 1992年6月27日	中國					
Cangzhou Senxu Port Co. Ltd. (滄州森旭港務有限公司)(note)	The PRC/ May 9, 2016	The PRC	35%	35%	35%	35%	Port transportation 港口運輸
滄州森旭港務有限公司(附註)	中國/ 2016年5月9日	中國					

Note: The English translation of the name of the above associates is for reference only. The official name of the entity is in Chinese.

附註：上述聯營公司名稱的英文翻譯僅供參考。實體的正式名稱為中文。

Notes to the Consolidated Financial Statements 綜合財務報表附註

19. INTERESTS IN ASSOCIATES (Continued)

In the opinion of the Directors, none of the associates principally affected the results or net assets of the Group. To give further details of the associates of the Group would, in the opinion of the Directors, result in particulars of excessive length.

The associates are accounted for using the equity method in the consolidated financial statements.

Aggregate information of associates that are not individually material:

19. 於聯營公司的權益(續)

董事認為，概無聯營公司對本集團的業績或資產淨值有主要影響。董事認為，進一步提供本集團聯營公司的資料將導致資料過於冗長。

聯營公司於綜合財務報表中採用權益法列賬。

非個別重大聯營公司的總體資料：

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit and total comprehensive income for the year	年度溢利及全面收益總額	201,426	132,045
Group's share of profit of associates for the year	本集團分佔年度聯營公司溢利	89,150	60,350
Dividends declared by associates for the year	年內聯營公司宣派的股息	18,000	137,000

20. INTERESTS IN A JOINT VENTURE

Cost of investments

Share of post-acquisition profits and other comprehensive income, net of dividend received and receivable

20. 於一家合營企業的權益

As at December 31,
於12月31日

2018

2018年

RMB'000

人民幣千元

		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of investments	投資成本	45,000	45,000
Share of post-acquisition profits and other comprehensive income, net of dividend received and receivable	扣除已收及應收股息的分佔收購後溢利及其他全面收益	808,486	626,677
		853,486	671,677

20. INTERESTS IN A JOINT VENTURE (Continued)

Details of the joint venture as at December 31, 2018 and 2017 were as follows:

Name of entity 實體名稱	Country of incorporation/ registration 註冊成立/註冊國家	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團持有的 擁有權益比例		Proportion of voting rights held by the Group 本集團持有的 投票權比例		Principal activity 主要業務
			2018 2018年	2017 2017年	2018 2018年	2017 2017年	
Hebei China Coal Risun Coking Limited ("CNC Risun Coking") (河北中煤旭陽焦化有限公司) (note a)	The PRC	The PRC	45%	45%	45%	45%	Production of coke and coking chemicals
河北中煤旭陽焦化有限公司 (「中煤旭陽焦化」)(附註a)	中國	中國					生產焦炭及焦化產品

Notes:

- a. The Group, China Coal and Coke Holding Limited ("CNC Coke"), an independent third party, and another independent third party, hold 45%, 45% and 10% equity interest in CNC Risun Coking, respectively. Pursuant to the agreement dated January 1, 2007, the Group has the right to appoint two out of five directors which is responsible for making decisions on the financial and operating activities of CNC Risun Coking, where these decisions require a minimum resolution of two-third of the voting right of the board of directors. Accordingly, the Group and CNC Coke who is also entitled to appoint two directors share joint control over CNC Risun. In this regard, CNC Risun Coking is accounted for as a joint venture of the Group.
- b. The English translation of the name of the above joint venture is for reference only. The official name of the entity is in Chinese.

附註：

- a. 本集團、一名獨立第三方中煤焦化控股有限責任公司(「中煤焦化」)，以及另一名獨立第三方，分別持有中煤旭陽焦化的45%股權、45%股權及10%股權。根據2007年1月1日訂立的協議，本集團有權委任五名董事中的兩名，負責就中煤旭陽焦化的財務及經營活動作出決定，而此等決定需由董事會中至少三分之二有投票權成員決議通過。因此，本集團及同樣有權委任兩名董事的中煤焦化共同控制中煤旭陽。就此而言，中煤旭陽焦化列為本集團的合營企業。
- b. 上述合營企業名稱的英文翻譯僅供參考。實體的正式名稱為中文。

20. 於一家合營企業的權益(續)

於2018年及2017年12月31日合營企業詳情如下：

SUMMARIZED FINANCIAL INFORMATION OF CNC RISUN COKING

中煤旭陽焦化的財務資料概要

		As at December 31, 於12月31日	
		2018 2018年	2017 2017年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Non-current assets	非流動資產	3,303,368	3,158,907
Current assets	流動資產	1,117,105	1,526,476
Non-current liabilities	非流動負債	325,895	781,125
Current liabilities	流動負債	2,197,942	2,411,643
Net assets	資產淨值	1,896,636	1,492,615

Notes to the Consolidated Financial Statements
綜合財務報表附註

20. INTERESTS IN A JOINT VENTURE (Continued)
**SUMMARIZED FINANCIAL INFORMATION OF CNC
RISUN COKING (Continued)**

The above amounts of assets and liabilities include the following:

20. 於一家合營企業的權益(續)
中煤旭陽焦化的財務資料概要(續)

上述資產及負債金額包括以下：

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents	現金及現金等價物	408,261	70,182
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債(不包括貿易及其他應付款項及撥備)	295,054	507,746
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債(不包括貿易及其他應付款項及撥備)	296,321	447,914
		Year ended December 31,	
		截至 12 月 31 日止年度	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收益	8,134,525	8,274,596
Profit and total comprehensive income for the year	年度溢利及全面收益總額	1,218,788	501,153
Dividends received from the joint venture	收取自合營企業的股息	275,459	28,756
The above profit for the year includes the following:	上述年度溢利包括以下：		
Depreciation and amortization	折舊及攤銷	217,106	206,188
Interest income	利息收入	3,522	5,139
Interest expense	利息開支	41,663	63,038
Income tax expense	所得稅開支	408,831	181,799

20. INTERESTS IN A JOINT VENTURE (Continued)

SUMMARIZED FINANCIAL INFORMATION OF CNC RISUN COKING (Continued)

Reconciliation of the above summarized financial information to the carrying amount of the interest in CNC Risun Coking recognized in the consolidated financial statements:

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net assets of CNC Risun Coking	中煤旭陽焦化的資產淨值	1,896,636	1,492,615
Proportion of the Group's ownership interest in CNC Risun Coking	本集團於中煤旭陽焦化的擁有權權益比例	45%	45%
Carrying amount of the Group's interest in CNC Risun Coking	本集團於中煤旭陽焦化的權益賬面值	853,486	671,677

21. AFS FINANCIAL ASSETS

20. 於一家合營企業的權益(續)

中煤旭陽焦化的財務資料概要(續)

上述財務資料概要與於綜合財務報表內確認的中煤旭陽焦化權益賬面值的對賬：

21. 可供出售金融資產

		As at December 31, 2017 於 2017 年 12 月 31 日 RMB'000 人民幣千元
Unlisted equity investments at cost (note a)	非上市股本投資，按成本列賬(附註a)	35,000
Provision for impairment (note a)	減值撥備(附註a)	(12,000)
		23,000
Structured trust product, at fair value (note b)	結構性信託產品，按公允值列賬(附註b)	31,220
Total	總計	54,220
Analyzed as:	分析為：	
Non-current assets	非流動資產	23,000
Current assets	流動資產	31,220
		54,220

Notes to the Consolidated Financial Statements

綜合財務報表附註

21. AFS FINANCIAL ASSETS (Continued)

Notes:

- a. The unlisted equity investments represent equity investments in unlisted entities established in the PRC. They were measured at cost less impairment at December 31, 2015, 2016 and 2017 before adoption of IFRS 9 because these investments did not have a quoted market price in an active market and their fair value could not be reliably measured. Upon the adoption of IFRS 9 on January 1, 2018, the unlisted equity investment was subsequently mandatorily measured at FVTPL as stated in note 22.

Before year 2015, impairment of RMB12,000,000 was recognized against 5% equity interests in 西甘鐵路有限責任公司 ("Xi Gan Railway Limited") amounted to RMB35,000,000 held by the Group mainly due to the insufficient utilization rate in the railway operations of Xi Gan Railway Limited.

In September 2017, the Group disposed of an unlisted investment with the carrying amount of RMB1,000,000 to a third party at a consideration of RMB707,000, resulting in a loss of RMB293,000 recognized in the profit or loss for the year ended December 31, 2017.

- b. In 2015, the Group subscribed for a structured trust product from a licensed financial institution. The structured trust product is not principal-protected, carrying an expected annual return at rates of 6.5% per annum. As at December 31, 2017, the Group's bank loans of RMB60,000,000 were secured by the structured trust product. The Group redeemed aggregate principal amount of such of RMB31,220,000 during the year ended December 31, 2018 (2017: RMB29,356,000), which was mandatorily measured at FVTPL upon the adoption of IFRS 9 on January 1, 2018 as stated in note 3.

21. 可供出售金融資產 (續)

附註：

- a. 非上市股本投資指於中國成立的非上市實體的股本投資，於2015年、2016年及2017年12月31日採納國際財務報告準則第9號前乃按成本減去減值計量，原因為該等投資在活躍市場上並無市場報價且其公允值不能可靠計量。於2018年1月1日採納國際財務報告準則第9號後，非上市股本投資其後強制按公允值計入損益計量（誠如附註22所述）。

在2015年前，減值人民幣12,000,000元乃計入本集團所持有的西甘鐵路有限責任公司（「西甘鐵路有限責任公司」）5%股權（為數人民幣35,000,000元），主要由於西甘鐵路有限責任公司的鐵路營運使用率不足所致。

於2017年9月，本集團出售賬面值為人民幣1,000,000元的非上市投資予一名第三方，代價為人民幣707,000元，導致虧損人民幣293,000元，已於截至2017年12月31日止年度的損益中確認。

- b. 於2015年，本集團向一間持牌金融機構認購結構性信託產品。該結構性信託產品並非保本，預期年回報率為每年6.5%。於2017年12月31日，本集團的銀行貸款人民幣60,000,000元已以該結構性信託產品作抵押。本集團於截至2018年12月31日止年度合共贖回本金人民幣31,220,000元（2017年：人民幣29,356,000元），其於2018年1月1日採納國際財務報告準則第9號後強制按公允值計入損益計量（誠如附註3所述）。

22. FINANCIAL ASSETS/LIABILITIES AT FVTPL

AFTER ADOPTION OF IFRS 9

22. 按公允值計入損益的金融資產／負債

採納國際財務報告準則第9號後

		As at December 31, 2018 於2018年 12月31日 RMB'000 人民幣千元
Non-current assets	非流動資產	
Listed equity securities (note b)	上市股本證券(附註b)	51,017
Unlisted equity investment (note d)	非上市股本投資(附註d)	25,000
		76,017
Current assets	流動資產	
Held-for-trading non-derivative financial assets	持作買賣非衍生金融資產	286
Current liabilities	流動負債	
Futures contracts (note a)	期貨合約(附註a)	(448)

**22. FINANCIAL ASSETS/LIABILITIES AT FVTPL
(Continued)**

BEFORE ADOPTION OF IFRS 9

**22. 按公允值計入損益的金融資產
／負債(續)**

採納國際財務報告準則第9號前

As at
December 31,
2017
於2017年
12月31日
RMB'000
人民幣千元

Futures contracts (note a)	期貨合約(附註a)	6,059
Listed equity securities (note b)	上市股本證券(附註b)	33,288
Wealth management product (note c)	財富管理產品(附註c)	60,000
Held-for-trading non-derivative financial assets	持作買賣非衍生金融資產	4,991
		104,338
Analyzed for reporting purpose as:	分析作呈報用途：	
Non-current assets	非流動資產	93,288
Current assets	流動資產	11,118
Current liabilities	流動負債	(68)
		104,338

Notes:

- a. During the years ended December 31, 2018 and 2017, the Group entered into certain futures contracts of coke, coking coal, and chemical products with licensed futures trading companies to mitigate its risk associated with the prices of its coke, coking coal, and chemical products sold without applying hedge accounting, and recognized a gain of RMB 98,481,000 and a loss of RMB12,504,000 arising on changes in fair value of these financial instruments in the profit or loss during the years ended December 31, 2018 and 2017 (note 8).
- b. On September 22, 2017, the Group subscribed for 13,000,000 H shares of Henan Jinma Energy Company Limited as a cornerstone investor with six months lock-in period through a subscriber-directed structured trust product issued by a qualified institutional investing company. The initial investment principal amounted to RMB36,000,000. The fair value was RMB51,017,000 as at December 31, 2018(2017: RMB33,288,000), and a gain of RMB17,728,000 and a loss of RMB2,712,000 arising on change in fair value of the instrument in the listed equity securities during the years ended December 31, 2018 and 2017 (note 8).
- c. On December 21, 2017, the Group subscribed for a non principal-protected wealth management product from a licensed asset management company due on December 20, 2022, which invests mainly in coke-related futures contracts. The initial investment principal amounted to RMB60,000,000, of which RMB40,000,000 was financed by a borrowing secured by a structured trust product subscribed by the Group from a licensed financial institution bearing total expected return at 6% per annum and due on September 21, 2022. The Group early redeemed the wealth management product in full in December 2018.
- d. These financial assets at FVTPL were reclassified and remeasured on January 1, 2018 and details are included in note 3.

附註：

- a. 截至2018年及2017年12月31日止年度，本集團與持牌期貨買賣公司訂立若干焦炭、焦煤及化工產品期貨合約以減輕其有關所出售焦炭、焦煤及化工產品價格的風險(並無應用套期會計)，及截至2018年及2017年12月31日止年度於損益確認該等金融工具公允值變動產生的收益人民幣98,481,000元及虧損人民幣12,504,000元(附註8)。
- b. 於2017年9月22日，本集團透過合資格機構投資公司發行的認購人指示結構性信託產品，作為基石投資者認購河南金馬能源股份有限公司的13,000,000股H股，禁售期為六個月。初始投資本金為人民幣36,000,000元。於2018年12月31日，公允值為人民幣51,017,000元(2017年：人民幣33,288,000元)，而於截至2018年及2017年12月31日止年度，由於上市股本證券的工具公允值變動而產生的收益為人民幣17,728,000元及虧損為人民幣2,712,000元(附註8)。
- c. 於2017年12月21日，本集團向一家持牌資產管理公司認購2022年12月20日到期的非保本財富管理產品，主要投資於焦炭相關的期貨合約。初始投資本金為人民幣60,000,000元，其中人民幣40,000,000元由本集團向一間持牌金融機構認購的結構性信託產品作為抵押的借款撥付，該產品預計總回報率為每年6%，於2022年9月21日到期。本集團已於2018年12月提早悉數贖回該財富管理產品。
- d. 該等按公允值計入損益的金融資產於2018年1月1日已重新分類及重新計量，詳情載於附註3。

Notes to the Consolidated Financial Statements
綜合財務報表附註

23. OTHER LONG TERM RECEIVABLES AND PREPAYMENTS

23. 其他長期應收款項及預付款項

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amount due from an investee (note)	應收被投資方款項(附註)	25,000	25,000
Prepayments for property, plant and equipment	物業、廠房及設備的預付款項	7,905	19,744
Deposits for prepaid lease payments	預付租賃付款的按金	3,056	28,154
Others	其他	27,099	35,505
		63,060	108,403

Note: The amount due from an investee represents a capital reduction receivable from an unlisted equity investment recognized as AFS financial assets (note 21) before adoption of IFRS 9 on January 1, 2018 and financial assets at FVTPL (note 22) after adoption of IFRS 9, arising from a capital reduction resolution passed in the shareholder meeting of the unlisted equity investment before 2015. The amount is unsecured and its interest is to be negotiated.

附註：應收被投資方款項為應收非上市股本投資(於2018年1月1日採納國際財務報告準則第9號前(附註21)的可供出售金融資產及採納國際財務報告準則第9號後(附註22)按公允值計入損益的金融資產確認)的削減股本款項，乃因2015年前該非上市股本投資的股東大會通過削減股本決議案而產生。該金額為無抵押，利息有待磋商。

24. DEFERRED TAX

24. 遞延稅項

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Deferred tax assets	遞延稅項資產	289,249	340,481
Deferred tax liabilities	遞延稅項負債	(64,866)	(55,792)
		224,383	284,689

Notes to the Consolidated Financial Statements 綜合財務報表附註

24. DEFERRED TAX (Continued)

The components of deferred tax assets/(liabilities) recognized in the consolidated statements of financial position and the movements during the reporting period are as follows:

		Impairment losses on receivables	Temporary differences on property, plant and equipment and intangible assets	Unused tax loss	Impairment loss on interest in an associate	Fair value adjustment on acquisition of a subsidiary (note)	Others	Total
		應收款項的減值虧損	物業、廠房及設備及無形資產暫時差額	未動用的稅項虧損	於一家聯營公司權益的減值虧損	收購一家附屬公司的公允值調整(附註)	其他	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At January 1, 2017	於2017年1月1日	46,296	78,266	60,082	49,227	(37,865)	8,590	204,596
(Charged)/credited to profit or loss	(扣除自)/計入損益	(7,059)	71,303	22,907	-	768	(7,826)	80,093
At December 31, 2017	於2017年12月31日	39,237	149,569	82,989	49,227	(37,097)	764	284,689
Effect arising from initial application of IFRS 9 (note 3)	首次應用國際財務報告準則第9號產生的影響(附註3)	1,966	-	-	-	-	(500)	1,466
(Charged)/credited to profit or loss	(扣除自)/計入損益	(12,427)	27,022	(78,530)	-	768	1,395	(61,772)
At December 31, 2018	於2018年12月31日	28,776	176,591	4,459	49,227	(36,329)	1,659	224,383

Note: Deferred tax liabilities of fair value adjustment recognized by the Group represented the fair value adjustment on prepaid lease payments arising from the business acquisitions.

24. 遞延稅項(續)

於報告期內綜合財務狀況表確認的遞延稅項資產/(負債)組成部分及變動如下:

附註: 本集團確認的公允值調整遞延稅項負債指對業務收購產生的預付租賃付款的公允值調整。

Notes to the Consolidated Financial Statements 綜合財務報表附註

24. DEFERRED TAX (Continued)

As at the end of each reporting period, the Group has unused tax losses available for offsetting against future profits as follows:

		As at December 31, 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Unused tax losses	未動用稅項虧損	732,346	1,115,123
Less: recognized deferred asset	減：已確認遞延資產	(17,838)	(331,955)
Unrecognized tax losses (note)	未確認稅項虧損(附註)	714,508	783,168

Note: The use of these tax losses is subjected to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the PRC. The unrecognized tax losses will expire in five years after they are incurred. No deferred tax has been recognized due to the unpredictability of future tax profit streams. The unrecognized tax losses declared will expire in the following years:

24. 遞延稅項(續)

於各報告期末，本集團未動用稅項虧損可抵銷未來溢利如下：

附註：使用該等稅項虧損須經稅務機關同意並遵守中國稅法的若干規定。未確認稅項虧損將於產生後五年內到期，並確認無遞延稅項，乃由於未來稅項溢流的不可預測性。未確認稅項虧損將於以下年度到期：

		As at December 31, 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
2018	2018 年	–	76,681
2019	2019 年	20,125	23,681
2020	2020 年	286,168	286,168
2021	2021 年	209,202	209,202
2022	2022 年	187,436	187,436
2023	2023 年	11,577	–
		714,508	783,168

As at December 31, 2018, the Group has other deductible temporary differences of approximately RMB78,234,000 (2017: RMB21,783,000), which are mainly arising from unrealised profits arising from a land transferred within the Group and impairment of trade and other receivables of certain subsidiaries. No deferred tax asset has been recognized in relation to such other deductible temporary differences as it is not probable that taxable profit will be available for offset against which the deductible temporary differences can be utilized.

於 2018 年 12 月 31 日，本集團有其他可扣減暫時差額約人民幣 78,234,000 元(2017 年：人民幣 21,783,000 元)，主要產生自本集團內土地轉讓所得的未變現溢利及若干附屬公司的貿易及其他應收款項減值。並無就其他可扣減暫時差額確認遞延稅項資產，乃由於應課稅溢利不大可能抵銷可動用的可扣減暫時差額。

24. DEFERRED TAX (Continued)

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from January 1, 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to retained profits of the PRC subsidiaries amounting to RMB4,289,199,000 as at December 31, 2018 (2017: RMB3,041,509,000), except for the deferred taxation amounting to RMB11,053,000 provided for the dividends declared of the PRC subsidiaries amounting to RMB221,053,000 on January 10, 2019, as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

25. INVENTORIES

Raw materials	原材料
Finished goods	製成品
Trading stocks	貿易存貨

Details of the pledged inventories are set out in note 44.

24. 遞延稅項(續)

根據中國企業所得稅法，自2008年1月1日起就中國附屬公司所購取的溢利宣派的股息徵收預扣稅。於2018年12月31日，於綜合財務報表並無就中國附屬公司累計溢利應佔暫時差額人民幣4,289,199,000元（2017年：人民幣3,041,509,000元）計提遞延稅項撥備，惟就於2019年1月10日中國附屬公司所宣派的股息人民幣221,053,000元計提的遞延稅項撥備人民幣11,053,000元除外，乃由於本集團能夠控制撥回暫時差額的時間，而暫時差額可能不會在可見未來撥回。

25. 存貨

		As at December 31, 於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	564,484	451,400
Finished goods	製成品	191,726	99,223
Trading stocks	貿易存貨	252,825	256,867
		1,009,035	807,490

已抵押存貨的詳情載於附註44。

Notes to the Consolidated Financial Statements
綜合財務報表附註

26. TRADE AND OTHER RECEIVABLES/TRADE AND BILLS RECEIVABLES MEASURED AT FVTOCI

26. 貿易及其他應收款項／按公允價值計入其他全面收益計量的貿易應收款項及應收票據

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables	貿易應收款項	273,389	241,781
Less: impairment	減：減值	(86,834)	(104,592)
		186,555	137,189
Bills receivable	應收票據	2,992,740	2,781,661
Prepayments for raw materials	原材料的預付款項	797,252	507,778
Other deposits, prepayments and other receivables	其他按金、預付款項及其他應收款項	188,250	80,246
Deductible input Value Added Tax and prepaid other taxes and charges	可扣減輸入增值稅及預付其他稅項及費用	84,976	197,058
Less: impairment	減：減值	(49,014)	(74,135)
		4,200,759	3,629,797
Analyzed for reporting purpose as:	分析作呈報用途：		
Trade and other receivables	貿易及其他應收款項	1,021,464	3,629,797
Trade and bills receivables measured at FVTOCI	按公允價值計入其他全面收益計量的貿易應收款項及應收票據	3,179,295	-
		4,200,759	3,629,797

As at 1 January 2017, trade receivables from contracts with customers amounted to RMB308,349,000.

於 2017 年 1 月 1 日，來自客戶合約的貿易應收款項為人民幣 308,349,000 元。

26. TRADE AND OTHER RECEIVABLES/TRADE AND BILLS RECEIVABLES MEASURED AT FVTOCI (Continued)

The customers usually settle the sales by cash or bills. The credit period granted to the customers who settle in cash is usually no more than 30 days, interest free with no collateral. Aging of trade receivables net of allowance for credit losses/doubtful debts based on invoice dates, which approximated the respective revenue recognition dates, are as follows:

Within one month	一個月內
1 to 3 months	1至3個月
3 to 6 months	3至6個月
6 to 12 months	6至12個月
1-2 years	1至2年
2-3 years	2至3年

No credit period is offered for sales to be settled by bills, carrying interest at market rates. Bills receivable are bank acceptance notes and the average aging based on the maturity date is from 90 days to 360 days. The Directors believes that no impairment allowance on bills receivable is necessary as there is no significant change in credit quality and the balances are still considered fully recoverable.

Details of the pledged trade and other receivables are set out in note 44.

Starting from January 1, 2018, the Group applied the expected credit losses prescribed by IFRS 9, and the impairment methodology of ECL model is set out in note 41.

26. 貿易及其他應收款項／按公允價值計入其他全面收益計量的貿易應收款項及應收票據(續)

客戶通常以現金或票據結算有關銷售。本公司給予以現金結算的客戶的信貸期通常不超過30日(免息及並無抵押品)。按發票日期呈列的貿易應收款項(扣除信貸虧損/呆賬撥備)賬齡(與相應收益確認日期相若)如下:

As at December 31,	
於 12 月 31 日	
2018	2017
2018 年	2017 年
RMB'000	RMB'000
人民幣千元	人民幣千元
177,022	108,472
3,485	4,626
961	366
5,087	22,715
-	177
-	833
186,555	137,189

概無為按市場利率計息以票據結算的銷售提供信貸期。應收票據為銀行承兌票據，且基於到期日的平均賬齡一般由90天至360天，董事認為毋須就應收票據計提減值撥備，原因為信貸質素並無重大變動且該等結餘仍被視為可悉數收回。

有關抵押貿易及其他應收款項的詳情載於附註44。

自2018年1月1日起，本集團採用國際財務報告準則第9號所規定的預期信貸虧損，而預期信貸虧損模式的減值方法載於附註41。

Notes to the Consolidated Financial Statements
綜合財務報表附註

26. TRADE AND OTHER RECEIVABLES/TRADE AND BILLS RECEIVABLES MEASURED AT FVTOCI (Continued)

The movements in the impairment for prepayments and allowance for doubtful debts under IAS 39 during the year ended December 31, 2017 are as follows:

		Year ended December 31, 2017 截至2017年 12月31日 止年度 RMB'000 人民幣千元
At the beginning of the reporting period	於報告期初	206,964
Impairment losses recognized	已確認的減值虧損	10,279
Impairment losses reversed	已撥回的減值虧損	(7,083)
Amounts written off during the year	年內撇銷的款項	(31,433)
At the end of the reporting period	於報告期末	178,727

The table below is analysis of trade receivables as at December 31, 2017 under IAS 39:

下表為根據國際會計準則第39號於2017年12月31日的貿易應收款項的分析：

		As at December 31, 2017 於2017年 12月31日 RMB'000 人民幣千元
Not past due and not impaired (note a)	未逾期且並未減值(附註a)	108,472
Past due but not impaired (note b)	已逾期但未減值(附註b)	28,717
Total trade receivables	貿易應收款項總額	137,189

26. TRADE AND OTHER RECEIVABLES/TRADE AND BILLS RECEIVABLES MEASURED AT FVTOCI (Continued)

Notes:

- a. There has not been a significant change in credit quality of these trade receivables that are not past due and not impaired.
- b. Included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB28,717,000 which are past due as at December 31, 2017, for which the Group has not provided for impairment loss. The Group has assessed the recoverability of trade receivables with reference to the debt aging, historical settlement experience, subsequent settlements, future expected settlement plan, business relationship with the customers and credit assessment of customers, and considered that there has not been a significant change in credit quality and the balances are still considered fully recoverable, and accordingly no impairment has been provided. No collateral over these balances is held. Age of these trade receivables that are past due but not impaired is analyzed as follows:

		As at December 31, 2017 於 2017 年 12 月 31 日 RMB'000 人民幣千元
Less than 3 months past due	逾期少於 3 個月	4,626
3 to 6 months past due	逾期 3 至 6 個月	366
More than 6 months past due	逾期超過 6 個月	23,725
		28,717

The following bills receivable as at December 31, 2018 and 2017 were transferred to banks or suppliers by discounting, pledging to banks or endorsing those receivables on a full recourse basis. As the Group has not transferred substantially all the risks and rewards relating to these receivables, it continues to recognize the full carrying amounts of the receivables and the corresponding liabilities are included in secured borrowings or trade payables, whichever is appropriate. These financial assets are carried at amortized cost under IAS 39 and reclassified as FVTOCI under IFRS 9 since January 1, 2018 in the Group's consolidated statement of financial position.

26. 貿易及其他應收款項／按公允價值計入其他全面收益計量的貿易應收款項及應收票據(續)

附註：

- a. 該等未逾期且未減值的貿易應收款項的信貸質素並無重大變動。
- b. 本集團的貿易應收款項結餘包括於 2017 年 12 月 31 日逾期的總賬面值為人民幣 28,717,000 元的應收款項，而本集團尚未計提減值虧損撥備。本集團已參考債務賬齡、過往結算經驗、後續結算、未來預期結算計劃、與客戶的業務關係及客戶信貸評估，評估貿易應收款項的可收回性，並認為信貸質素未有出現重大變動，結餘仍視為可全數收回，因此未有計提減值撥備。概無就該等結餘持有抵押品。該等已逾期但未減值的貿易應收款項的賬齡分析如下：

以下為於 2018 年及 2017 年 12 月 31 日透過按附有全面追索權基準貼現、抵押該等應收款項予銀行或背書該等應收款項而轉讓予銀行或供應商的應收票據。由於本集團並無轉讓該等應收款項的絕大部分風險及回報，其繼續確認應收款項的全額賬面值及相關負債計入有抵押借款或貿易應付款項（以適用者為準）。該等金融資產根據國際會計準則第 39 號按攤銷成本入賬，並自 2018 年 1 月 1 日起根據國際財務報告準則第 9 號於本集團綜合財務狀況表內重新分類為按公允價值計入其他全面收益。

		As at December 31, 於 12 月 31 日 2018 2018 年 RMB'000 人民幣千元	2017 2017 年 RMB'000 人民幣千元
Carrying amount of transferred assets	已轉讓資產賬面值	2,765,994	2,708,274
Carrying amount of associated payables to suppliers (note 29)	相關應付供應商款項賬面值 (附註 29)	(2,596,558)	(2,534,042)
Carrying amount of associated loans (note 31)	相關貸款賬面值 (附註 31)	(169,436)	(174,232)
		-	-

26. TRADE AND OTHER RECEIVABLES/TRADE AND BILLS RECEIVABLES MEASURED AT FVTOCI (Continued)

At December 31, 2018 and 2017, bills receivable issued among subsidiaries of the Group for intra-group transactions have been discounted with full recourse to secure bank borrowings amounting RMB3,109,052,000 and RMB3,133,972,000 respectively, and these bills receivable have been eliminated in these consolidated financial statements (note 31).

During the reporting period, the Group has transferred substantially all the risks and rewards relating to certain bills receivable discounted to banks or endorsed to suppliers even if the banks and suppliers have the right of recourse. The Group's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of the default in payment of the endorsed and discounted bills receivable is remote because all endorsed and discounted bills receivable are issued and guaranteed by reputable banks in the PRC. As a result, the relevant assets and liabilities were derecognized and no longer included in the consolidated financial statements. The maximum exposure to the Group that may result from the default of these endorsed and discounted bills receivable at the end of each reporting period are as follows:

26. 貿易及其他應收款項／按公允價值計入其他全面收益計量的貿易應收款項及應收票據(續)

於2018年及2017年12月31日，本集團附屬公司之間就集團內公司間交易發行的應收票據按附有全面追索權基準貼現以為分別為人民幣3,109,052,000元及人民幣3,133,972,000元的銀行借款作抵押，而該等應收票據已於該等綜合財務報表內對銷(附註31)。

於報告期內，本集團已轉讓有關若干貼現予銀行或背書予供應商的應收票據的絕大部分風險及回報(即使銀行和供應商有追索權)。本集團對相應交易對手的義務已按照中國商業慣例解除，已背書及已貼現應收票據的付款違約風險為微乎其微，因為所有已背書及已貼現應收票據乃由中國具信譽的銀行發行及擔保。因此，相關資產及負債已終止確認且不再包括於綜合財務報表中。於各報告期末，本集團因該等已背書及已貼現應收票據違約可能導致的最大風險如下：

		As at December 31,	
		於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Discounted bills for raising cash	已貼現票據以籌集現金	881,059	961,047
Endorsed bills for settlement of payables to suppliers	已背書票據以償付應付供應商款項	2,444,176	2,682,130
Outstanding endorsed and discounted bills receivable with recourse	具有追索權的尚未到期已背書及已貼現應收票據	3,325,235	3,643,177

The outstanding endorsed and discounted bills receivable will be matured within 12 months from each reporting date.

尚未到期的已背書及已貼現應收票據將自各報告日期起12個月內到期。

27. RESTRICTED BANK BALANCES

The carrying amounts of the Group's restricted bank balances placed to secure various liabilities of the Group are as follows:

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Restricted bank balances to secure:	擔保的受限制銀行結餘：		
Bills payable (note)	應付票據(附註)	2,505,852	2,368,758
Letters of credit	信用證	239,656	114,555
Futures contracts	期貨合約	148,158	78,776
Bank loans	銀行貸款	661,972	554,106
Other loans	其他貸款	25,659	-
		3,581,297	3,116,195

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Analyzed for reporting purpose as:	分析作呈報用途：		
Non-current assets	非流動資產	128,000	313,140
Current assets	流動資產	3,453,297	2,803,055
		3,581,297	3,116,195

Note: Certain restricted bank balance were placed to secure bills issued among subsidiaries of the Group for intra-group transactions which have been discounted with full recourse to secure bank borrowings of RMB3,109,052,000 and RMB3,133,972,000 as at December 31, 2018 and 2017 respectively. Further details of which are set out in notes 26 and 31.

Restricted bank balances are deposited with banks mainly in the PRC and the remittance of these funds out of the PRC is subject to the exchange restrictions imposed by the PRC government. These bank deposits carry interest at market rates ranging from 0.30% to 2.10% per annum as at December 31, 2018(2017: 0.30% to 1.75%).

27. 受限制銀行結餘

用於擔保本集團各項負債的本集團受限制銀行結餘的賬面值如下：

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Restricted bank balances to secure:	擔保的受限制銀行結餘：		
Bills payable (note)	應付票據(附註)	2,505,852	2,368,758
Letters of credit	信用證	239,656	114,555
Futures contracts	期貨合約	148,158	78,776
Bank loans	銀行貸款	661,972	554,106
Other loans	其他貸款	25,659	-
		3,581,297	3,116,195

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Analyzed for reporting purpose as:	分析作呈報用途：		
Non-current assets	非流動資產	128,000	313,140
Current assets	流動資產	3,453,297	2,803,055
		3,581,297	3,116,195

附註：部分受限制銀行結餘用於抵押本集團附屬公司就集團內公司間交易發出的票據，該等票據已予貼現，附有全面追索權，以於2018年及2017年12月31日分別抵押獲取人民幣3,109,052,000元及人民幣3,133,972,000元的銀行借款。其進一步詳情載於附註26及31。

受限制銀行結餘主要存放於中國的銀行，而匯出中國的資金須受中國政府施加的匯兌限制所規限。該等銀行存款按市場利率計息，於2018年12月31日的年利率介乎0.30%至2.10% (2017年：0.30%至1.75%)。

28. CASH AND CASH EQUIVALENTS

Bank balances, included bank deposits, carried interest at market interest rate ranging from 0.35% to 0.40% per annum as at December 31, 2018 and 2017. Bank balances and cash as at December 31, 2018 and 2017 were mainly denominated in RMB which is not a freely convertible currency in the international market and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the PRC government.

Denominated in the currency other than the functional currency of relevant group entities:

28. 現金及現金等價物

於2018年及2017年12月31日，銀行結餘(包括銀行存款)按市場利率介乎每年0.35%至0.40%計息。於2018年及2017年12月31日的銀行結餘及現金主要以人民幣計值，人民幣並非在國際市場上自由兌換的貨幣，而該等資金匯出中國須受中國政府施加的匯兌限制。

以相關集團實體的功能貨幣以外的貨幣計值：

		As at December 31,	
		於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
United States Dollars ("USD")	美元(「美元」)	29,089	36,695
Hong Kong Dollars ("HKD")	港元(「港元」)	2,040	801
Others (note)	其他(附註)	198	14
		31,327	37,510

Note: Others mainly contain Euro ("EUR"), Australian Dollars ("AUD") and Renminbi.

附註：其他主要包括歐元(「歐元」)、澳元(「澳元」)及人民幣。

29. TRADE AND OTHER PAYABLES

29. 貿易及其他應付款項

		As at December 31, 於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables	貿易應付款項	1,276,180	1,485,760
Payables to be settled by the endorsed bills receivable (note 26)	由背書應收票據償還的應付款項(附註26)	2,596,558	2,534,042
Bills payable	應付票據	1,504,737	1,219,217
Payables for construction in progress	在建工程應付款項		
– interest-bearing (note)	– 計息(附註)	96,910	641,254
– non-interest-bearing	– 不計息	613,017	666,343
Other payables and accruals	其他應付款項及應計費用	509,855	318,129
		6,597,257	6,864,745
Analyzed for reporting purposes as:	分析作呈報用途：		
Current liabilities	流動負債	6,528,943	6,646,553
Non-current liabilities	非流動負債	68,314	218,192
		6,597,257	6,864,745

Note: Amount represents payables to two independent construction companies carrying contractual interest rates of 5.80% and 6.2% per annum, respectively, charged and chargeable on outstanding payments after construction progress verification of the corresponding projects. They are measured at amortized cost and will be settled by instalments by June 30, 2019 and December 31, 2021 respectively. The payables to one of the independent construction companies are secured by property, plant and equipment under the related projects with carrying amount of nil as at December 31, 2018(2017: RMB756,861,000).

附註：金額代表應付兩家獨立建築公司的款項，其合約利率分別為每年5.80%及6.2%，在相應項目的施工進度核實後收取未付款項。該等款項按攤銷成本計量，並將分別於2019年6月30日及2021年12月31日前分期結算。應付一家獨立建築公司的款項乃以相關項目的物業、廠房及設備作抵押，其於2018年12月31日的賬面值為人民幣零元（2017年：人民幣756,861,000元）。

Except for certain payables for construction in progress above due after more than one year, all trade and other payables are due within one year. The average credit period on purchases of goods is 30 to 90 days.

除上述於逾一年後到期的若干在建工程應付款項外，所有貿易及其他應付款項將於一年內到期。購買商品的平均信貸期為30至90天。

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29. TRADE AND OTHER PAYABLES (Continued)

The following is an aging analysis of trade payables based on the invoice date at the end of each of the reporting period:

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 3 months	3 個月內	967,908	1,187,143
3 to 6 months	3 至 6 個月	88,071	162,952
6 to 12 months	6 至 12 個月	135,241	56,929
1–2 years	1 至 2 年	50,109	36,973
2–3 years	2 至 3 年	2,324	35,852
More than 3 years	3 年以上	32,527	5,911
		1,276,180	1,485,760

30. CONTRACT LIABILITIES

Contract liabilities primarily represent advance from customers when the Group receives payments in advance of the delivery of products, and are expected to be settled within one year. For the contract liabilities as at January 1, 2017 and December 31, 2017, the entire balances were recognized as revenue to profit or loss in the next reporting year.

29. 貿易及其他應付款項(續)

以下乃於各報告期末按發票日期的貿易應付款項賬齡分析：

30. 合約負債

合約負債主要包括本集團就交付產品預收付款時來自客戶的墊款並預期於一年內結算。對於2017年1月1日及2017年12月31日的合約負債，全部結餘在下一個報告年度於損益中確認為收益。

31. BANK AND OTHER LOANS

The analysis of the carrying amount of bank and other loans is as follows:

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank loans	銀行貸款		
Secured	已抵押	3,201,500	4,644,993
Unsecured	無抵押	1,334,499	578,935
Other loans	其他貸款		
Secured	已抵押	815,730	1,042,080
Unsecured	無抵押	260,000	206,000
Discounted bills financing (note 26)	貼現票據融資(附註26)		
– Discounted bills receivable from third parties	– 來自第三方的貼現應收票據	169,436	174,232
– Discounted bills receivable from subsidiaries of the Company	– 來自本公司附屬公司的貼現應收票據	3,109,052	3,133,972
		8,890,217	9,780,212

At the end of each of the reporting period, the bank and other loans were repayable as follows:

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 year	1 年內	7,618,022	7,348,790
After 1 year but within 2 years	1 年以上但 2 年內	1,191,352	1,488,498
After 2 years but within 5 years	2 年以上但 5 年內	80,843	942,924
		8,890,217	9,780,212
Analyzed for reporting purpose as:	分析作呈報用途：		
Current liabilities	流動負債	7,618,022	7,348,790
Non-current liabilities	非流動負債	1,272,195	2,431,422
		8,890,217	9,780,212

31. 銀行及其他貸款

銀行及其他貸款賬面值分析如下：

於各報告期末，銀行及其他貸款須予償還情況如下：

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31. BANK AND OTHER LOANS (Continued)

Bank and other borrowings denominated in currencies other than the functional currencies of respective entities are set out below:

		As at December 31, 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
USD	美元	375,915	325,005
EUR	歐元	117,396	116,444

The carrying amount of the bank and other borrowings and the range of interest rates are as below:

		As at December 31, 於 12 月 31 日			
		2018	2017		
		2018 年	2017 年		
		RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%
Fixed rate bank and other borrowings	定息銀行及其他借款	5,861,040	1.50-12.00	5,541,374	1.50-12.00
Floating rate bank and other borrowings	浮息銀行及其他借款	3,029,177	4.35-11.81	4,238,838	3.49-12.40
		8,890,217		9,780,212	

The secured other loans represent mortgage loans from the licensed finance lease companies secured by property, plant and equipment and prepaid lease payments, as well as loans from licensed financial institutions secured by the Group's bank deposits.

Details of the assets pledged for securing the banking facilities of the Group are set out in Note 44.

Except for the bank and other loans guaranteed by the related parties as detailed in note 39(d), a Group's bank loan of RMB30,000,000 as at December 31, 2018 is fully guaranteed by an independent guarantee company, and in the meantime, the Group provides counter guarantee to the independent guarantee company for this bank loan.

31. 銀行及其他貸款(續)

以各實體的功能貨幣以外的貨幣計值的銀行及其他借款載列如下：

		As at December 31, 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
USD	美元	375,915	325,005
EUR	歐元	117,396	116,444

銀行及其他借款的賬面值及利率範圍如下：

		As at December 31, 於 12 月 31 日			
		2018	2017		
		2018 年	2017 年		
		RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%
Fixed rate bank and other borrowings	定息銀行及其他借款	5,861,040	1.50-12.00	5,541,374	1.50-12.00
Floating rate bank and other borrowings	浮息銀行及其他借款	3,029,177	4.35-11.81	4,238,838	3.49-12.40
		8,890,217		9,780,212	

已抵押其他貸款指以物業、廠房及設備及預付租賃付款作抵押的持牌融資租賃公司按揭貸款，以及以本集團銀行存款作抵押的持牌金融機構貸款。

本集團為取得銀行融資而作抵押的資產詳情載於附註44。

除關聯方擔保的銀行及其他貸款(詳情載於附註39(d))外，於2018年12月31日的本集團銀行貸款人民幣30,000,000元由一家獨立擔保公司全部擔保，同時，本集團就該銀行貸款向獨立擔保公司提供反擔保。

32. OBLIGATIONS UNDER FINANCE LEASES

32. 融資租賃款項

		As at December 31,	
		於12月31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Analyzed for reporting purposes as:	分析作呈報用途：		
Current liabilities	流動負債	23,616	31,917
Non-current liabilities	非流動負債	936	24,659
		24,552	56,576

The Group entered into several finance leases with the licensed financial institutions for its equipment during the years ended December 31, 2018 and 2017, respectively. The average lease term for those finance leases entered is 5 years. Interest rates underlying all obligations under finance leases are fixed at the respective contract dates ranging from 9.2% to 9.6% per annum as at December 31, 2018 and 2017, respectively. The Group has the options to purchase the equipment at immaterial consideration.

本集團分別於截至2018年及2017年12月31日止年度就其設備與持牌金融機構訂立數項融資租賃。該等融資租賃的平均租賃期為5年。於2018年及2017年12月31日，融資租賃下的所有款項的相關利率乃於各相關合約日期確定，介乎每年9.2%至9.6%。本集團有權選擇以極低代價購買設備。

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**32. OBLIGATIONS UNDER FINANCE LEASES
(Continued)**

The Group has obligations under finance leases repayable as follows:

32. 融資租賃款項 (續)

本集團的融資租賃款項須予償還情況如下：

		As at December 31, 於 12 月 31 日			
		2018 2018 年	2017 2017 年		
		Present value of the minimum lease payments 最低租賃 付款現值 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元	Present value of the minimum lease payments 最低租賃 付款現值 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元
Within 1 year	1 年內	23,616	24,503	31,917	35,726
After 1 year but within 2 years	1 年以上但 2 年內	936	838	23,723	24,609
After 2 years but within 5 years	2 年以上但 5 年內	-	-	936	838
		24,552	25,341	56,576	61,173
Less: Total future interest expenses	減：未來利息開支 總額		(789)		(4,597)
Present value of lease obligations	租賃款項現值		24,552		56,576

33. DEFERRED INCOME

33. 遞延收入

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Government grant related to assets at the beginning of the year	於年初與資產有關的 政府補助	51,791	54,450
Additions	添置	26,051	1,133
Released to profit or loss	轉至損益	(3,792)	(3,792)
At the end of the year	於年末	74,050	51,791
Analyzed for reporting purposes as:	分析作呈報用途：		
Current liabilities (included in other payables)	流動負債(包括於其他應 付款項)	5,347	3,792
Non-current liabilities	非流動負債	68,703	47,999
		74,050	51,791

Deferred income arising from government grants relating to assets represents the government subsidies obtained in relation to the purchase of the land use rights and the infrastructure construction, which was included in the consolidated statements of financial position as deferred income and credited to the consolidated statements of profit or loss and other comprehensive income on a straight-line basis over the expected useful life of the relevant depreciable assets.

與資產有關的政府補助產生的遞延收入指有關購買土地使用權及基礎設施建設所獲政府補貼，於綜合財務狀況表入賬列為遞延收入，以直線基準按有關可折舊資產的預計可使用年期計入綜合損益及其他全面收益表。

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34. SHARE CAPITAL

34. 股本

		As at December 31, 於 12 月 31 日		As at December 31, 於 12 月 31 日	
		2018 2018 年	2017 2017 年	2018 2018 年	2017 2017 年
		Number of shares 股份數目	Number of shares 股份數目	HKD '000 千港元	HKD '000 千港元
Shares of HKD0.10 each	每股0.10港元的股份				
Authorized ordinary shares:	法定普通股：				
At beginning of the year	年初	9,815,418,172	9,815,418,172	981,542	981,542
Conversion (note a)	轉換(附註a)	184,581,828	–	18,458	–
At end of the year	年末	10,000,000,000	9,815,418,172	1,000,000	981,542
Authorized Series A shares:	法定A系列股份：				
At beginning of the year	年初	184,581,828	184,581,828	18,458	18,458
Conversion (note a)	轉換(附註a)	(184,581,828)	–	(18,458)	–
At end of the year	年末	–	184,581,828	–	18,458
Issued and fully paid of ordinary shares:	已發行及繳足普通股：				
At the beginning of the year	年初	697,742,600	697,742,600	69,774	69,774
Conversion (note a)	轉換(附註a)	184,581,828	–	18,458	–
Share issued (note b)	已發行股份(附註b)	80,394,096	–	8,040	–
At the end of the year	年末	962,718,524	697,742,600	96,272	69,774
Issued and fully paid of Series A shares:	已發行及繳足A系列股份：				
At the beginning of the year	年初	184,581,828	184,581,828	18,458	18,458
Conversion (note a)	轉換(附註a)	(184,581,828)	–	(18,458)	–
At the end of the year	年末	–	184,581,828	–	18,458
				As at December 31, 於 12 月 31 日	
				2018 2018 年	2017 2017 年
				RMB'000 人民幣千元	RMB'000 人民幣千元
Presented in the consolidated statement of financial position as:	於綜合財務狀況表呈列為：				
At the beginning of the year	年初			80,600	80,600
Share issued	已發行股份			6,523	–
At the end of the year	年末			87,123	80,600

34. SHARE CAPITAL (Continued)

Notes:

a. As at December 31, 2017, the authorized share capital of the Company was HKD1,000,000,000 by the creation of 10,000,000,000 shares of a par value of HKD0.10 each divided into 9,815,418,172 ordinary Shares and 184,581,828 Series A shares. Any Series A Shares may, at the option of the holder, be converted at any time into fully paid ordinary shares. One Series A share will be converted into one ordinary share subject to adjustment in dilutive events, if any. The holders of ordinary shares and Series A shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders meetings of the Company in accordance with the Company's Articles of Association. All ordinary shares and Series A shares rank pari passu in all respects. On April 4, 2018, the 184,581,828 Series A shares were converted to 184,581,828 ordinary shares.

b. On April 13, 2018, 12,664,064 and 6,332,032 ordinary shares of the Company were issued for cash of USD10,000,000 and HKD39,120,000 (equivalent to RMB94,721,000) to provide additional working capital to the Company.

On May 15, 2018, 36,600,000 ordinary shares of the Company were issued for cash of USD29,845,000 (equivalent to RMB189,157,000) to provide additional working capital to the Company.

On June 20, 2018, 24,798,000 ordinary shares of the Company were issued for cash of USD19,844,000 (equivalent to RMB128,161,000) to provide additional working capital to the Company.

35. RESERVES

THE GROUP

Share premium

Under the Companies Law (Revised) of the Cayman Islands, amount included in the share premium account of the Company is distributable to the shareholders of the Company 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 and when they fall due in the ordinary course of business.

Merger reserve

The merger reserve represents the difference between the nominal value of the share capital issued by the Company and the aggregate capital of the subsidiaries acquired pursuant to the Group Reorganization, accounted for as capital contribution from ultimate holding company under merger basis of accounting.

34. 股本(續)

附註：

a. 於2017年12月31日，藉增設10,000,000,000股每股面值0.10港元的股份，分為9,815,418,172股普通股及184,581,828股A系列股份，本公司的法定股本為1,000,000,000港元。任何A系列股份可由持有人選擇於任何時間兌換為繳足股款的普通股。一股A系列股份將兌換為一股普通股，按攤薄事件予以調整(如有)。普通股及A系列股份持有人有權收取不時宣派的股息，並有權根據本公司的組織章程細則在本公司股東大會上每股持一票。所有普通股和A系列股份在各方面享有同等地位。於2018年4月4日，該184,581,828股A系列股份兌換為184,581,828股普通股。

b. 於2018年4月13日，本公司12,664,064股及6,332,032股普通股分別以現金10,000,000美元及39,120,000港元(相等於人民幣94,721,000元)發行，為本公司提供額外營運資金。

於2018年5月15日，本公司36,600,000股普通股以現金29,845,000美元(相等於人民幣189,157,000元)發行，為本公司提供額外營運資金。

於2018年6月20日，本公司24,798,000股普通股以現金19,844,000美元(相等於人民幣128,161,000元)發行，為本公司提供額外營運資金。

35. 儲備

本集團

股份溢價

根據開曼群島公司法(經修訂)，計入本公司股份溢價賬中的金額可分派予本公司股東，前提是緊隨建議分派股息日期後本公司將有能力在日常業務過程中償還到期債務。

合併儲備

合併儲備指本公司已發行股本面值與根據本集團重組所收購附屬公司合計資本之間的差額，根據合併會計基準作為最終控股公司的注資入賬。

35. RESERVES (Continued)

THE GROUP (Continued)

Reserve fund

The Articles of Association of certain PRC subsidiaries require the appropriation of 10% of their profit after tax each year, based on their statutory audited financial statements, to the reserve fund until the balance reaches 50% of the registered capital of the respective PRC subsidiaries. The reserve fund may be capitalized as the paid-in capital of these subsidiaries.

Safety fund

Pursuant to relevant PRC regulation, the Group is required to transfer 1.5% on revenue generated from the Core Business into a designated fund. The fund will be used for installation and repair and maintenance of safety facilities. The movements in the reporting periods represent the difference between the amounts provided based on the relevant PRC regulation and the amount utilized during the year.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations with functional currency other than Renminbi.

36. DIVIDENDS

On April 9, 2018, the Company declared dividends in respect of 2016 of RMB1.01 per shares for an aggregate amount of RMB891,148,000 to the Ultimate Holding Company, under the Company's Articles of Association and Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised).

Subsequent to the end of the reporting period, a final dividend of total amount of RMB626,600,000 has been proposed by the Directors and is subject to approval by the shareholders of the Company in the forthcoming annual general meeting. Dividend amount of each ordinary share will be determined after the exercise of the over-allotment option for the public offering (if any).

35. 儲備(續)

本集團(續)

儲備基金

若干中國附屬公司的組織章程細則要求每年根據其法定經審核財務報表將其除稅後溢利的10%撥入儲備基金，直至結餘達到相應中國附屬公司註冊資本的50%。儲備基金可資本化為該等附屬公司的實收資本。

安全基金

根據相關中國法規，本集團須將核心業務產生的收益1.5%轉入指定基金。該基金將用於安全設施的安裝、維修和保養。於報告期內變動指根據中國相關法規提供的金額與年內使用金額之間的差額。

外幣匯兌儲備

外幣匯兌儲備包括因人民幣以外的功能貨幣換算海外業務財務報表產生的所有外匯差額。

36. 股息

於2018年4月9日，本集團根據本公司組織章程細則及第22章公司法(1961年第3號法例，經綜合及修訂)向最終控股公司宣派2016年股息每股人民幣1.01元，總金額為人民幣891,148,000元。

於報告期末後，董事已建議派發末期股息總額人民幣626,600,000元，且須經本公司股東於應屆股東週年大會批准後方可作實。每股普通股的股息金額將於公開發售的超額配股權(如有)獲行使後釐定。

37. EMPLOYEE RETIREMENT BENEFITS

DEFINED CONTRIBUTION RETIREMENT PLANS

Pursuant to the relevant labor rules and regulations in the PRC, the PRC subsidiaries of the Group participate in defined contribution retirement benefit schemes (the "Schemes") organized by the PRC municipal government authorities whereby the Group is required to make contributions to the Schemes based on applicable rates. The municipal government authorities are responsible for the entire pension obligations payable to 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 HKD1,500. Contributions to the plan vest immediately.

The Group has no other material obligation for the payment of pension benefits associated with the Schemes and the MPF scheme beyond the annual contributions described above.

38. DISPOSAL OF SUBSIDIARIES

DISPOSAL OF SUBSIDIARIES DURING THE YEAR ENDED DECEMBER 31, 2017

On September 25, 2017, the Group disposed of its entire equity interest in its wholly-owned subsidiary, Alashan League Risun Coal Limited (the "Alashan Risun Coal"), to a related company controlled by the Controlling Shareholders at a consideration of RMB30,000,000.

The net consideration receivable from this transaction is summarized as follows:

Consideration:
Cash received

代價：
已收現金

30,000

37. 僱員退休福利

界定供款退休計劃

根據中國相關勞工規則及法規，本集團中國附屬公司參與由中國市政府機關經營的界定供款退休福利計劃（「該等計劃」），據此，本集團須按適用比率向該等計劃作出供款。市政府機關負責全部應付已退休僱員的退休金責任。

本集團亦根據香港強制性公積金計劃條例為於香港僱傭條例的司法管轄權下受聘用且過往並非受界定福利退休計劃涵蓋的僱員，經營一項強制性公積金計劃（「強積金計劃」）。強積金計劃乃由獨立受託人管理的界定供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃作出供款，每月相關收入上限為1,500港元。計劃供款即時歸屬。

除上述年度供款外，本集團並無就支付與該等計劃及強積金計劃有關的退休金福利的其他重大責任。

38. 出售附屬公司

截至2017年12月31日止年度出售附屬公司

於2017年9月25日，本集團出售其於其全資附屬公司阿拉善旭陽煤業有限公司（「阿拉善旭陽煤業」）的全部股權予控股股東控制的一家關聯公司，代價為人民幣30,000,000元。

自此交易收取的代價淨額概述如下：

Alashan
Risun Coal
阿拉善旭陽煤業
RMB'000
人民幣千元

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38. DISPOSAL OF SUBSIDIARIES (Continued)

**DISPOSAL OF SUBSIDIARIES DURING THE YEAR
ENDED DECEMBER 31, 2017 (Continued)**

The net assets of Alashan Risun Coal at the date of disposal were as follows:

		RMB'000 人民幣千元
Current assets	流動資產	
Other receivables	其他應收款項	41
Amounts due from related parties	應收關聯方款項	29,867
Net assets disposed	所出售資產淨值	29,908

The gain on disposal of Alashan Risun Coal recognised in profit or loss was calculated as below:

		RMB'000 人民幣千元
Consideration received	已收代價	30,000
Less: Net assets disposed of	減：所出售資產淨值	(29,908)
Gain on disposal	出售所得收益	92

Net cash inflow arising on disposal:

		RMB'000 人民幣千元
Cash consideration received	已收現金代價	30,000
Less: Cash and cash equivalents disposed of	減：所出售現金及現金等價物	-
		30,000

38. 出售附屬公司(續)

截至2017年12月31日止年度出售附屬公司(續)

阿拉善旭陽煤業於出售日期的資產淨值如下：

		RMB'000 人民幣千元
Current assets	流動資產	
Other receivables	其他應收款項	41
Amounts due from related parties	應收關聯方款項	29,867
Net assets disposed	所出售資產淨值	29,908

於損益確認出售阿拉善旭陽煤業的收益計算如下：

		RMB'000 人民幣千元
Consideration received	已收代價	30,000
Less: Net assets disposed of	減：所出售資產淨值	(29,908)
Gain on disposal	出售所得收益	92

出售事項產生的現金流入淨額：

		RMB'000 人民幣千元
Cash consideration received	已收現金代價	30,000
Less: Cash and cash equivalents disposed of	減：所出售現金及現金等價物	-
		30,000

39. RELATED PARTY TRANSACTIONS AND BALANCES

During the years ended December 31, 2018 and 2017, transactions with the following parties are considered to be related party transactions:

39. 關聯方交易及結餘

於截至2018年及2017年12月31日止年度，與以下各方的交易被視為關聯方交易：

Name of related party 關聯方名稱	Relationship with the Group 與本集團的關係
Mr. Yang Xuegang 楊雪崗先生	Director and the Ultimate Controlling Shareholder 董事及最終控股股東
Ms. Lu Xiaomei 路小梅女士	The wife of Mr. Yang Xuegang 楊雪崗先生的太太
Texson 泰克森	Ultimate and immediate holding company 最終及直接控股公司
Xuyang Holding (note) (旭陽控股有限公司) 旭陽控股有限公司(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Risun Supply Chain Management Limited (note) (旭陽供應鏈管理有限公司, formerly known as Risun Mining Co., Ltd. (前稱旭陽礦業有限公司)) 旭陽供應鏈管理有限公司(附註) (前稱旭陽礦業有限公司)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Beijing Risun Science and Technology Limited (note) (北京旭陽科技有限公司, formerly known as Beijing Risun Chemicals Technology and Research Limited (前稱北京旭陽化工技術研究院有限公司)) 北京旭陽科技有限公司(附註)(前稱北京旭陽化工技 術研究院有限公司)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Xingtai Xuyang Technology Co., Ltd. (note) (邢台旭陽科技有限公司) 邢台旭陽科技有限公司(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Dingzhou Risun Technology Co., Ltd (note) (定州旭陽科技有限公司) 定州旭陽科技有限公司(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Hebei Xuyang Engineering Design Co., Ltd. (note) (河北旭陽工程設計有限公司) 河北旭陽工程設計有限公司(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Risun Chemicals Technology Research Co., Ltd. (note) (旭陽化學技術研究院有限公司) 旭陽化學技術研究院有限公司(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Xingtai Tianlu Real Estate Development Co., Ltd. (note) (邢台天鷲房地產開發有限公司) 邢台天鷲房地產開發有限公司(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制

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39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

39. 關聯方交易及結餘(續)

Name of related party 關聯方名稱	Relationship with the Group 與本集團的關係
Tangshan Risun Petroleum & Chemicals Co., Ltd. (note) (唐山旭陽石油化工有限公司) 唐山旭陽石油化工有限公司(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Beijing Zhengcheng Weiye Coal Coking Chemicals Limited (note) (北京正誠偉業煤焦化工有限公司) 北京正誠偉業煤焦化工有限公司(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Dingzhou Risun Real Estate Development Co., Ltd. (note) (定州旭陽房地產開發有限公司, formerly known as Dingzhou Tianlu Real Estate Development Co., Ltd. (前稱定州天鷲房地產開發有限公司)). 定州旭陽房地產開發有限公司(附註) (前稱定州天鷲房地產開發有限公司)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Haikou Jialin Tourism Development Co., Ltd. (note) (海口佳麟旅業發展有限公司) 海口佳麟旅業發展有限公司(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Haikou Taiyanghe Hot Spring Tourism Holiday Village (note) (海口太陽河溫泉旅遊度假村中心) 海口太陽河溫泉旅遊度假村中心(附註)	Controlled by Mr. Yang Xuegang 由楊雪崗先生控制
Tianjin Zhengcheng Import & Export Trade Co., Ltd. (note) (天津正誠進出口貿易有限公司) ("Tianjin Zhengcheng") 天津正誠進出口貿易有限公司(「天津正誠」)(附註)	Under the significant influence of Mr. Yang Xuegang 受楊雪崗先生的重大影響
Hainan Anfu Enterprise Development Co., Ltd. (note) (海南安富實業開發有限公司) 海南安富實業開發有限公司(附註)	Under the significant influence of Mr. Yang Xuegang 受楊雪崗先生的重大影響
CNC Risun Coking 中煤旭陽焦化	Joint venture of the Group 本集團的合營企業
Cangzhou Risun 滄州旭陽	Joint venture of the Group before June 8, 2016 於2016年6月8日前為本集團的合營企業
Jinniu Risun Chemicals 金牛旭陽化工	Associate of the Group 本集團的聯營公司
Cabot Risun Chemicals 卡博特旭陽化工	Associate of the Group 本集團的聯營公司
Jingfu Coal 景福煤業	Associate of the Group 本集團的聯營公司

39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Note: The English translation of the names is for reference only. The official names of these entities are in Chinese.

Other than the transactions disclosed in note 38 in the consolidated financial statements, the Group entered into the following material related party transactions:

(A) KEY MANAGEMENT PERSONNEL REMUNERATION

Remuneration for key management personnel of the Group, including amounts paid to the Directors and the other highest paid employee as disclosed in note 12, is as follows:

		Year ended December 31, 截至12月31日止年度	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Short-term employee benefits	短期僱員福利	15,046	6,240
Post-employment benefits	僱員退休福利	386	338
		15,432	6,578

Key management represents the Directors and other senior management personnel of the Group disclosed in the Prospectus. The remuneration of key management is determined with reference to the performance of the Group and the individuals.

39. 關聯方交易及結餘(續)

附註：名稱的英文翻譯僅供參考。該等實體的正式名稱為中文。

除綜合財務報表附註38所披露的交易外，本集團訂立以下重大關聯方交易：

(A) 主要管理人員薪酬

本集團主要管理人員的薪酬(包括附註12所披露已付董事及其他最高薪僱員的款項)如下：

主要管理人員指招股章程所披露的董事及本集團其他高級管理人員。主要管理人員的薪酬乃根據本集團及個人的表現釐定。

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39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(B) TRANSACTIONS WITH RELATED PARTIES

39. 關聯方交易及結餘(續)

(B) 與關聯方的交易

		Year ended December 31,	
		截至 12 月 31 日止年度	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Purchases of goods from	購買貨品		
– related parties controlled by Mr. Yang Xuegang	– 由楊雪崗先生控制的關聯方	4,828	8,861
– CNC Risun Coking	– 中煤旭陽焦化	738,457	873,477
– Jinniu Risun Chemicals	– 金牛旭陽化工	63,413	47,150
– Tianjin Zhengcheng	– 天津正誠	63,499	–
Sales of goods to	銷售貨品		
– related parties controlled by Mr. Yang Xuegang	– 由楊雪崗先生控制的關聯方	40	17
– CNC Risun Coking	– 中煤旭陽焦化	97,793	93,437
– Jinniu Risun Chemicals	– 金牛旭陽化工	5,350	18,040
– Cabot Risun Chemicals	– 卡博特旭陽化工	559,054	491,859
Construction service and other service from	建設服務及其他服務		
– related parties controlled by Mr. Yang Xuegang	– 由楊雪崗先生控制的關聯方	113,895	15,815
Provision of service to	提供服務		
– Cabot Risun Chemicals	– 卡博特旭陽化工	740	735
Interest received from	已收利息		
– related parties controlled by Mr. Yang Xuegang	– 由楊雪崗先生控制的關聯方	58,697	57,434
– CNC Risun Coking	– 中煤旭陽焦化	2,839	6,514
Rental income from	租金收入		
– related parties controlled by Mr. Yang Xuegang	– 由楊雪崗先生控制的關聯方	562	284
Purchases of intangible assets from	購買無形資產		
– related parties controlled by Mr. Yang Xuegang	– 由楊雪崗先生控制的關聯方	20,000	–

The above related party transactions were conducted in accordance with terms of the relevant agreements.

上述關聯方交易乃根據相關協議條款進行。

39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(C) BALANCES WITH RELATED PARTIES

At the end of each reporting period, the Group had the following balances with related parties:

39. 關聯方交易及結餘 (續)

(C) 與關聯方的結餘

於各報告期末，本集團與關聯方的結餘如下：

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amounts due from related parties	應收關聯方款項		
Non-trade nature	非貿易性質		
– related parties controlled by Mr. Yang Xuegang	– 由楊雪崗先生控制的關聯方	469,676	1,604,704
– CNC Risun Coking	– 中煤旭陽焦化	–	102,193
– Jingfu Coal	– 景福煤業	30,900	30,900
		500,576	1,737,797
Dividend receivable	應收股息		
– CNC Risun Coking	– 中煤旭陽焦化	164,145	72,958
Trade nature	貿易性質		
– related parties controlled by Mr. Yang Xuegang	– 由楊雪崗先生控制的關聯方	274	–
– CNC Risun Coking	– 中煤旭陽焦化	10,892	1,449
– Cabot Risun Chemicals	– 卡博特旭陽化工	–	4,495
– Jinniu Risun Chemicals	– 金牛旭陽化工	396	3
		11,562	5,947
Impairment under ECL model	預期信貸虧損模式的減值	(1,039)	–
		675,244	1,816,702
Analyzed for reporting purposes as:	分析作呈報用途：		
Current portion	即期部分	675,244	1,529,982
Non-current portion	非即期部分	–	286,720

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39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(C) BALANCES WITH RELATED PARTIES (Continued)

Aging of amounts due from related parties-trade nature net of allowance for credit losses are as follows:

		As at December 31,	
		於 12月 31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within one month	一個月內	4,843	4,498
1 to 3 months	1至3個月	6,278	1,449
6 to 12 months	6至12個月	244	-
		11,365	5,947

The maximum amount outstanding during the year ended December 31, 2018 in respect of the amounts due from companies controlled by Mr. Yang Xuegang and Mr. Yang Xuegang are RMB1,788,751,000 and nil (2017: RMB1,719,631,000 and RMB1,839,000).

應收關聯方貿易性質款項(扣除信貸虧損撥備)賬齡如下:

		As at December 31,	
		於 12月 31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within one month	一個月內	4,843	4,498
1 to 3 months	1至3個月	6,278	1,449
6 to 12 months	6至12個月	244	-
		11,365	5,947

截至2018年12月31日止年度，應收楊雪崗先生控制公司及楊雪崗先生款項的最高未償還金額分別為人民幣1,788,751,000元及人民幣零元(2017年：人民幣1,719,631,000元及人民幣1,839,000元)。

		As at December 31,	
		於 12月 31日	
		2018	2017
		2018年	2017年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amounts due to related parties	應付關聯方款項		
Dividend payable	應付股息		
- Texson	- 泰克森	467,533	-
Trade nature	貿易性質		
- CNC Risun Coking	- 中煤旭陽焦化	250,962	692,102
- related parties controlled by Mr. Yang Xuegang	- 由楊雪崗先生控制的關聯方	53,948	7,827
- Cabot Risun Chemicals	- 卡博特旭陽化工	7,069	164
- Jinniu Risun Chemicals	- 金牛旭陽化工	-	2,053
		311,979	702,146
		779,512	702,146
Analyzed for reporting purposes as:	分析作呈報用途:		
Current liabilities	流動負債	779,512	702,146

39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(C) BALANCES WITH RELATED PARTIES (Continued)

Aging of amounts due to related parties-trade nature are as follows:

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within one month	一個月內	47,929	77,273
1 to 3 months	1 至 3 個月	111,851	170,227
3 to 6 months	3 至 6 個月	6,776	221,136
6 to 12 months	6 至 12 個月	100	233,510
1-2 years	1 至 2 年	145,323	-
		311,979	702,146

Except for the interest-bearing balances with related parties as detailed below, all other amounts due from/to related parties are unsecured, interest-free and repayable on demand:

應付關聯方貿易性質款項賬齡如下：

除下文所述與關聯方的計息結餘外，所有其他應收／應付關聯方款項為無抵押、免息及須按要求償還：

	Maturity date 到期日	Effective interest rate per annum 實際年利率	Amount 金額 RMB'000 人民幣千元
At December 31, 2017 於 2017 年 12 月 31 日			
Unsecured loan receivables 無抵押應收貸款	2/3/2016-2/28/2020	6.17%-10.00%	500,467

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39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(D) At the end of each reporting period, certain of the Group's bank and other loans, and bills payable including in trade and other payables were guaranteed by related parties:

39. 關聯方交易及結餘(續)

(D) 於各報告期末，本集團若干銀行及其他貸款以及應付票據(包括於貿易及其他應付款項)由關聯方擔保：

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank and other loans, and bills payable guaranteed by Mr. Yang Xuegang:	由楊雪崗先生擔保的銀行及其他貸款以及應付票據：		
– secured	– 已抵押	1,384,433	1,074,923
– unsecured	– 無抵押	160,000	645,305
		1,544,433	1,720,228
Bank and other loans, and bills payable guaranteed by Mr. Yang Xuegang and Ms. Lu Xiaomei:	由楊雪崗先生及路小梅女士擔保的銀行及其他貸款以及應付票據：		
– secured	– 已抵押	2,096,050	–
– unsecured	– 無抵押	200,000	–
		2,296,050	–

39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(D) At the end of each reporting period, certain of the Group's bank and other loans, and bills payable including in trade and other payables were guaranteed by related parties: (Continued)

39. 關聯方交易及結餘(續)

(D) 於各報告期末，本集團若干銀行及其他貸款以及應付票據(包括於貿易及其他應付款項)由關聯方擔保：(續)

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank and other loans, and bills payable guaranteed by related parties controlled by Mr. Yang Xuegang:	由楊雪崗先生控制的關聯方擔保的銀行及其他貸款以及應付票據：		
– secured	– 已抵押	1,291,435	522,120
– unsecured	– 無抵押	–	135,000
		1,291,435	657,120
Bank and other loans, and bills payable guaranteed by other related parties other than Mr. Yang Xuegang and Ms. Lu Xiaomei:	由楊雪崗先生及路小梅女士以外的其他關聯方擔保的銀行及其他貸款以及應付票據：		
– secured	– 已抵押	–	89,000
Bank and other loans, and bills payable jointly guaranteed by related parties (note):	由關聯方共同擔保的銀行及其他貸款以及應付票據(附註)：		
– secured	– 已抵押	54,108	2,004,018
– unsecured	– 無抵押	–	90,000
		54,108	2,094,018
Secured	已抵押	4,826,027	3,690,061
Unsecured	無抵押	360,000	870,305
		5,186,027	4,560,366

Note: Bank and other loans, and bills payable jointly guaranteed by related parties represent loans and bills payable which are jointly guaranteed by multiple related parties, including related parties controlled by Mr. Yang Xuegang and companies under significant influence of Mr. Yang Xuegang.

附註：由關聯方共同擔保的銀行及其他貸款及應付票據指由多名關聯方(包括楊雪崗先生控制的關聯方及受楊雪崗先生重大影響的公司)共同擔保的貸款及應付票據。

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39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

- (E) At the end of the each reporting period, the maximum liabilities of the Group under guarantees issued to banks in respect of banking facilities granted to a joint venture and a related party were as follows:

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial guarantees issued to a joint venture	向一家合營企業發出的財務擔保	830,000	1,260,000
Financial guarantees issued to a related party	向一名關聯方發出的財務擔保	-	339,000
		830,000	1,599,000

As at December 31, 2018, the above guaranteed facilities amount utilized by the joint venture and related parties were RMB332,570,000 and RMB nil (2017: RMB809,863,000 and RMB443,684,000), respectively. In the opinion of the Directors, the fair values of the financial guarantee contracts of the Group were insignificant at the date of issue of the financial guarantee and no provision is necessary at the end of each reporting period taking into account that the net realizable value of the pledged assets held by the banks exceed the facilities and credit granted to the relevant parties. In addition, the Directors do not consider it probable that a claim will be made against the Group under any of these guarantees.

- (F) On December 31, 2017, Xuyang Holding and the Group's three subsidiaries entered into two agreements, such that payable of RMB388,857,100 was offset against amount due from Xuyang Holding. Accordingly the Group derecognized an amount due to Xuyang Holding and receivable from Xuyang Holding of RMB388,857,100 and accounted for this as a non-cash transaction.

39. 關聯方交易及結餘 (續)

- (E) 於各報告期末，就授予一家合營企業及一名關聯方的銀行融資向銀行發出的擔保，本集團的最高負債如下：

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial guarantees issued to a joint venture	向一家合營企業發出的財務擔保	830,000	1,260,000
Financial guarantees issued to a related party	向一名關聯方發出的財務擔保	-	339,000
		830,000	1,599,000

於 2018 年 12 月 31 日，合營企業及關聯方使用的上述擔保融資金額分別為人民幣 332,570,000 元及人民幣零元（2017 年：人民幣 809,863,000 元及人民幣 443,684,000 元）。董事認為，於財務擔保發出日期，本集團財務擔保合約的公允值不重大，於各報告期末，經考慮銀行持有的已抵押資產的可變現淨值超過授予關聯方的融資及信貸，故毋須計提撥備。此外，董事認為本集團不大可能因上述任何擔保而被索償。

- (F) 於 2017 年 12 月 31 日，旭陽控股與本集團的三家附屬公司訂立兩份協議，據此，應付款項人民幣 388,857,100 元由應收旭陽控股款項抵銷。因此，本集團已終止確認應付旭陽控股款項及應收旭陽控股款項人民幣 388,857,100 元並入賬列為非現金交易。

39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

- (G) On December 31, 2017, Jinniu Risun Chemicals and the Group's three subsidiaries entered into an agreement, such that dividend receivable of RMB137,000,000 was offset against an amount due to Jinniu Risun Chemicals. Accordingly the Group derecognized an amount due to Jinniu Risun Chemicals and dividend receivable from Jinniu Risun Chemicals of RMB137,000,000 and accounted for this as a non-cash transaction.
- (H) On June 30, 2018 and on September 30, 2018, Texson, the Company and the Group's two overseas subsidiaries entered into an agreement, such that dividend payable of RMB341,622,000 and RMB793,000 was offset against an amount due from Texson. Accordingly the Group derecognized dividend payable to Texson and receivable from Texson of RMB342,415,000 and accounted for this as a non-cash transaction.
- (I) In December 2018, two subsidiaries of the Company, certain related parties controlled by Mr. Yang Xuegang and third-party creditors of the Group entered into deeds of assignment pursuant to which an aggregated amount of RMB791,329,000 owed by the Group to these creditors were assigned and transferred to these related parties. Accordingly the Group recognized amount due to related parties of RMB791,329,000 and derecognized trade payables and payables for construction in progress of RMB200,000,000 and RMB591,329,000 respectively. On December 31, 2018, certain subsidiaries of the Company and certain related parties controlled by the Ultimate Controlling Shareholders further entered into debt restructuring agreements as a result of which the amount due to related parties of RMB791,329,000 recognized in the aforementioned transactions were offset against the amount due from certain related parties to the Group. The above transactions are accounted for as a non-cash transaction.

39. 關聯方交易及結餘(續)

- (G) 於2017年12月31日，金牛旭陽化工與本集團三家附屬公司訂立一份協議，據此，應收股息人民幣137,000,000元抵銷應付金牛旭陽化工款項。因此，本集團終止確認應付金牛旭陽化工款項及應收金牛旭陽化工股息人民幣137,000,000元，並入賬列為非現金交易。
- (H) 於2018年6月30日及2018年9月30日，泰克森、本公司及本集團的兩家海外附屬公司訂立一份協議，據此，應付股息人民幣341,622,000元及人民幣793,000元已由應收泰克森款項抵銷。因此，本集團已終止確認應付泰克森股息及應收泰克森款項人民幣342,415,000元並入賬列為非現金交易。
- (I) 於2018年12月，本公司兩家附屬公司、由楊雪崗先生控制的若干關聯方及本集團第三方債權人訂立轉讓契據，據此，本集團應付該等債權人總額為人民幣791,329,000元的款項已分配及轉讓予該等關聯方。因此，本集團確認應付關聯方款項為人民幣791,329,000元及終止確認貿易應付款項及在建工程應付款項分別為人民幣200,000,000元及人民幣591,329,000元。於2018年12月31日，本公司若干附屬公司及最終控股股東控制的若干關聯方進一步訂立債務重組協議，因而於上述交易中確認的應付關聯方款項人民幣791,329,000元已抵銷本集團若干關聯方應付款項。上述交易入賬列為非現金交易。

39. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(J) Subsequent to December 31, 2018, two subsidiaries of the Company, certain related parties controlled by Mr. Yang Xuegang and a third-party creditor of the Group entered into deeds of assignment pursuant to which an amount of RMB109,077,000 owed by the Group to the creditor was assigned and offset against the amounts due from related parties. Accordingly the Group derecognized payables for construction in progress of RMB109,077,000 and the amounts due from related parties of RMB109,077,000. The remaining non-trade amounts due from related parties controlled by Mr. Yang Xuegang were fully settled by cash.

In addition, Xuyang Holding and a Group's subsidiary entered into a deed of assignment pursuant to which the amount due from Jingfu Coal amounting to RMB30,900,000 was transferred to Xuyang Holding, and Xuyang Holding settled the payable to the Group amounting to RMB30,900,000 by cash on January 28, 2019.

(K) Subsequent to December 31, 2018, the Group fully settled the dividend payable to Texson amounting to RMB467,533,000 by cash.

40. CAPITAL MANAGEMENT

The Group's primary objectives of managing capital are to safeguard the Group's ability to continue as a going concern, and to provide returns for shareholders and benefits for other stakeholders, by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings, and makes adjustments to the capital structure in light of changes in economic conditions.

Based on recommendations of the board of directors, the Group will balance its overall capital structure through adjusting the amount of dividends paid to shareholders, issuing of new shares, raising new debt financing or selling assets to reduce debt. During the reporting period, there were no changes in the objectives, policies or processes.

The Group monitors capital with reference to its debt position. The Group's strategy was to maintain the equity and debt in a balanced position and ensure there was adequate working capital to service its debt obligation.

39. 關聯方交易及結餘(續)

(J) 於2018年12月31日後，本公司兩家附屬公司、由楊雪崗先生控制的若干關聯方及本集團一名第三方債權人訂立轉讓契據，據此，本集團應付債權人金額為人民幣109,077,000元的款項已分配及抵銷應收關聯方款項。因此，本集團終止確認在建工程應付款項為人民幣109,077,000元及應收關聯方款項為人民幣109,077,000元。餘下非貿易性質的應收由楊雪崗先生控制的關聯方款項已以現金全數結清。

此外，旭陽控股與本集團一家附屬公司訂立一份轉讓契據，據此，應收景福煤業款項人民幣30,900,000元已轉讓予旭陽控股，旭陽控股於2019年1月28日以現金結清應付本集團款項人民幣30,900,000元。

(K) 於2018年12月31日後，本集團以現金全數結清應付泰克森的股息人民幣467,533,000元。

40. 資本管理

本集團管理資本的主要目的是維護其持續經營的能力，從而使其能夠透過按合理成本取得融資，繼續為股東提供回報及為其他持份者提供利益。

本集團積極及定期檢討和管理其資本架構，以在維持較高借款水平可能帶來的高股東回報取得平衡，並因應不同的經濟狀況為資本架構作出調整。

根據董事會建議，本集團將透過調整向股東派付的股息金額、發行新股、籌集新債務融資或出售資產以減少債務，藉以平衡其整體資本架構。於報告期內，並無更改目標、政策或程序。

本集團透過參考其債務狀況監察資本。本集團的策略為將權益與債項維持在一個平衡的位置，並確保擁有足夠的營運資金償還其債務。

41. FINANCIAL INSTRUMENTS

CATEGORIES OF FINANCIAL INSTRUMENTS

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of each reporting period are set out as follows:

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial assets	金融資產		
Financial assets at FVTPL	按公允值計入損益的 金融資產	76,303	104,406
Trade and bills receivables measured at FVTOCI	按公允值計入其他全面 收益計量的貿易應收 款項及應收票據	3,179,295	-
Financial assets at amortized cost	按攤銷成本計量的 金融資產	5,178,618	-
AFS financial assets	可供出售金融資產	-	54,220
loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現 金及現金等價物)	-	8,196,125
Financial liabilities	金融負債		
Financial liabilities at FVTPL	按公允值計入損益的 金融負債	448	68
Financial liabilities at amortized cost	按攤銷成本計量的 金融負債	15,885,298	17,155,269

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include AFS financial assets, financial assets at FVTPL, trade and bills receivables measured at FVTOCI, trade and other receivables, amounts due from related parties, restricted bank deposits, cash and cash equivalents, financial liabilities at FVTPL, trade and other payables, amounts due to related parties, and bank and other loans. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk, currency risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

41. 金融工具

金融工具分類

以下各類別金融資產及金融負債於各報告期末的賬面值載列如下：

		As at December 31,	
		於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元

金融風險管理目標及政策

本集團的主要金融工具包括可供出售金融資產、按公允值計入損益的金融資產、按公允值計入其他全面收益計量的貿易應收款項及應收票據、貿易及其他應收款項、應收關聯方款項、受限制銀行存款、現金及現金等價物、按公允值計入損益的金融負債、貿易及其他應付款項、應付關聯方款項及銀行及其他貸款。該等金融工具的詳情於有關附註內披露。與該等金融工具相關的風險包括市場風險(利率風險、貨幣風險及其他價格風險)、信貸風險及流動資金風險。減低此等風險的政策載列於下文。管理層管理及監察此等風險，確保及時與有效地採取適當措施。

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Market risk

Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing financial instruments. These financial instruments issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group does not have any specific interest rate policy except that the Group would regularly review the market interest rates to capture the potential opportunities to reduce the cost of borrowings. Accordingly, the Group will enter into interest rate swap arrangement to mitigate the interest rate risks if appropriate.

(i) Fair value interest rate risk

The Group's fair value interest rate risk relates primarily to fixed-rate payables for construction in progress and bank and other loans (see notes 29 and 31 for details).

(ii) Cash flow interest rate risk

The Group's cash flow interest rate risk relates primarily to restricted bank balances, bank balances, bank and other loans, obligations under finance leases and payables construction in progress at floating interest rates. The Group currently does not have an interest rate hedging policy. However, the management will consider hedging significant interest rate risk should the need arise.

The impact on the Group's profit after taxation (and retained profits) was based on the exposure to interest rate for the floating-rate restricted bank balances, bank balances and bank and other loans, assuming that these financial liabilities outstanding at the end of the reporting period was outstanding for the whole relevant period. If a 25 basis point increase or decrease in variable-rate bank deposits and a 100 basis point increase or decrease in variable-rate borrowing are used, and all other variables were held constant, the Group's profit after taxation would decrease/increase by approximately RMB2,452,000 for the year ended December 31, 2018(2017: RMB26,171,000).

41. 金融工具(續)

金融風險管理目標及政策(續)

市場風險

利率風險

本集團的利率風險主要來自計息金融工具。按浮動利率及固定利率發出的金融工具分別令本集團面臨現金流量利率風險及公允值利率風險。本集團並無任何特定利率政策，惟本集團將定期檢討市場利率以把握減少借款成本的潛在機會。因此，本集團將於適當時候訂立利率掉期安排以減低利率風險。

(i) 公允值利率風險

本集團的公允值利率風險主要關於定息在建工程應付款項以及銀行及其他貸款(詳情請參閱附註29及31)。

(ii) 現金流量利率風險

本集團的現金流量利率風險主要有關受限制銀行結餘、銀行結餘、銀行及其他貸款、融資租賃款項及在建工程應付款項(按浮息計算)。本集團目前並無利率對沖政策。然而，管理層將考慮於有需要時對沖重大利率風險。

對本集團除稅後溢利(及保留溢利)的影響乃基於浮息受限制銀行結餘、銀行結餘以及銀行及其他貸款的利率風險，假設於報告期末未償還的該等金融負債在整個相關期間仍不會償還。倘浮息銀行存款增加或減少25個基點，及浮息借款增加或減少100個基點，且所有其他變數保持不變，則截至2018年12月31日止年度本集團的除稅後溢利將分別減少/增加約人民幣2,452,000元(2017年：人民幣26,171,000元)。

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Market risk (Continued)

Currency risk

The Group is exposed to currency risk primarily through bank balances and bank and other loans that are denominated in foreign currency, i.e. currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily USD and HKD.

The following table indicates the instantaneous change in the Group's profit after taxation (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.

		Year ended December 31 截至12月31日止年度			
		2018 2018年		2017 2017年	
		Increase/ (decrease) in foreign exchange rates 外幣匯率 增加/(減少)	(Decrease)/ increase in profit after tax and retained profits 除稅後溢利 及保留溢利 (減少)/增加 RMB'000 人民幣千元	Increase/ (decrease) in foreign exchange rates 外幣匯率 增加/(減少)	(Decrease)/ increase in profit after tax and retained profits 除稅後溢利 及保留溢利 (減少)/增加 RMB'000 人民幣千元
USD	美元	5%	(8,068)	5%	(7,363)
Others	其他	5%	3,467	5%	(3,510)

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 in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of each reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis during the reporting period.

41. 金融工具(續)

金融風險管理目標及政策(續)

市場風險(續)

貨幣風險

本集團所承受的貨幣風險主要來自以外幣(即與彼等相關業務的功能貨幣以外的貨幣)計值的銀行結餘以及銀行及其他貸款。產生此風險的貨幣主要為美元及港元。

下表列示本集團的除稅後溢利(及保留溢利)因倘本集團於報告期末承受重大風險的外幣匯率於該日出現變動而產生的即時變動(假設其他風險變數不變)。

上表所列的分析結果，反映著本集團各實體的除稅後溢利所受的即時影響(按其各自的功能貨幣計算，並以各報告期末的適用匯率換算為人民幣作呈列之用)所涉及的總額。

敏感度分析假設外幣匯率的變動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外幣風險的金融工具。分析於報告期內按同一基準進行。

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Market risk (Continued)

Other price risk

The Group is expose to equity price risk through its investments in listed equity securities. The Directors do not implement specific measurements to mitigate the price risk. If the market price of the listed equity securities increased or decreased by 5%, the Group would recognize additional gains or losses of RMB2,551,000 for the year ended December 31, 2018(2017: RMB1,664,000).

The Group's commodity price risk is mainly the exposure to fluctuations in the prevailing market price of coke, coal, and refined chemical products which are the major commodities purchased, produced and sold by the Group. To minimize this risk, the Group enters into future contracts to manage the Group's exposure in relation to forecasted sales of products, forecasted purchase of raw materials and inventories. Financial assets and liabilities of the Group whose fair value change in line with the fluctuations in the prevailing market price of coke, coal, and refined chemical products mainly comprise futures contracts. The impact of price change of future contracts are insignificant as there have been no material outstanding future contracts at the end of the each of the reporting periods.

41. 金融工具(續)

金融風險管理目標及政策(續)

市場風險(續)

其他價格風險

本集團因其於上市股本證券的投資而面臨股本價格風險。董事並未實施具體措施以降低價格風險。倘上市股本證券的市價上升或下跌5%，則本集團於截至2018年12月31日止年度確認額外收益或虧損為人民幣2,551,000元(2017年：人民幣1,664,000元)。

本集團的商品價格風險主要為本集團購買、生產及銷售的主要商品焦炭、煤炭及精細化工產品的現行市價波動風險。為盡量降低此風險，本集團訂立期貨合約以管理本集團有關預測產品銷售、預測原材料採購及存貨的風險。公允值變動與焦炭、煤炭及精細化工產品現行市場價格波動一致的本集團金融資產及負債主要包括期貨合約。由於各報告期末並無未完成的重定期貨合約，期貨合約價格變動的影響微不足道。

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk and impairment assessment

Under 1AS 39 and IFRS 9

At the end of each of the reporting period, other than financial assets whose carrying amounts best represent the maximum credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of contingent liabilities in relation to financial guarantees provided by the Group to the related parties is disclosed in note 39(e).

The Group mainly conducted transactions with customers with good quality and long term relationship, when accepting new customers, the Group requests advanced payment before the goods delivered. In order to minimize the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

To manage risk arising from cash and cash equivalents, restricted bank balances and bills receivables, the Group mainly transacts with state-owned or reputable financial institutions in Mainland China and reputable international financial institutions outside of Mainland China. There has been no recent history of default in relation to these financial institutions.

To manage risk arising from receivable balances, the Group has policies in place to ensure that credit terms are made to counterparties with an appropriate credit history and the management performs ongoing credit evaluations of its counterparties. The credit period granted to the customers and the credit quality of these customers is assessed, which takes into account their financial position, past experience and other factors.

The Group does not have any significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

41. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險和減值評估

根據國際會計準則第39號及國際財務報告準則第9號

於各報告期末，除其賬面值最能代表最大信貸風險的金融資產外，本集團面臨的最大信貸風險將導致本集團因就有關本集團向關聯方提供的財務擔保的或然負債金額而產生財務虧損，在附註39(e)中披露。

本集團主要與優質且已建立長期合作關係的客戶進行交易，在接受新客戶時，本集團會要求在貨物交付前提前付款。為盡量減低信貸風險，本集團管理層已委派團隊負責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進行動收回逾期債務。

為管理來自現金及現金等價物、受限制銀行結餘及應收票據的風險，本集團主要與中國大陸國有或聲譽卓著的金融機構及中國大陸以外其他地區聲譽卓著的國際金融機構交易。該等金融機構近期並無違約記錄。

為管理來自應收款項結餘的風險，本集團已制定政策確保向信貸記錄妥當的交易對手授予信貸期，而管理層會持續評估交易對手的信用。授予客戶的信貸期及此等客戶的信貸質素將就其財務狀況、過往經驗及其他因素進行評估。

本集團並無面對重大集中信貸風險，有關風險分佈於大量交易對手及客戶。

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk and impairment assessment (Continued)

Under IAS 39

The Group reviews the recoverable amount of receivables individually or collectively for debtors at the end of reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

For other receivables, amounts due from related parties, and subsidiaries, the Directors are in the opinion that the failure of these entities to make required payments is unlikely after considering their past settlement records, and/or financial position of these entities.

Under IFRS 9

Starting from January 1, 2018, the Group reassesses lifetime ECL for trade receivables and amounts due from related parties arising from contracts with customers without significant financing component to ensure that adequate impairment loss are made for significant increase in the likelihood or risk of a default occurring.

For trade receivables and amounts due from related parties of trade nature, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The ECL on these assets are assessed individually for debtors with significant balances or collectively using a provision matrix appropriate groupings. As part of the Group's credit risk management, the Group use debtors' aging to assess with the impairment for its customers because these customers consists of a large number of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The estimated rate loss rates are estimated on historical observed default rates over the expected life of the debtors and are adjusted forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

41. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險和減值評估(續)

根據國際會計準則第39號

本集團在報告期末單獨或共同審閱應收款項的可收回金額，以確保對不可收回金額作出足夠的減值虧損。就此而言，董事認為本集團的信貸風險大幅減少。

就其他應收款項及應收關聯方及附屬公司款項而言，董事在考慮其過往結算記錄及／或該等實體的財務狀況後，認為該等實體未能作出所需付款的情況不可能發生。

根據國際財務報告準則第9號

自2018年1月1日起，本集團就並無重大融資成分的貿易應收款項及自客戶合約產生的應收關聯方款項重估全期預期信貸虧損，以確保就違約發生的可能性或風險大幅增加作出足夠減值虧損。

就貿易應收款項及應收關聯方貿易性質款項而言，本集團採用國際財務報告準則第9號的簡化方法按全期預期信貸虧損計量虧損撥備。該等資產的預期信貸虧損對於結餘重大的應收款項進行個別評估或使用具有適當分組的撥備矩陣而進行集體評估。作為本集團信貸風險管理的一部分，本集團使用債務人賬齡來評估客戶的減值，原因為該等客戶包括大量客戶，其根據合約條款具有代表客戶支付所有到期金額能力的共同風險特徵。估計利率虧損率乃根據債務人預期年期的歷史觀察違約率估計，並經過無需過多的成本或努力即可獲得前瞻性資料調整。管理層定期審查分組，以確保更新有關特定債務人的相關資訊。

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk and impairment assessment (Continued)

Under IFRS 9 (Continued)

For all other instruments including bills receivable, other receivables and amount from related parties of non-trade nature, the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognizes lifetime ECL. The Group has assessed and concluded that the risk of default rate for the other instruments are steady based on the Group's assessment of the financial health of the counterparties. Thus, the Directors considered that the ECL for the other instruments of the Group is insignificant except for certain other receivables credit impaired as at January 1, 2018 and December 31, 2018.

All loss allowances of financial assets at amortized cost as at December 31, 2017 reconciled to the opening loss allowances as at January 1, 2018 is as follows:

41. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險和減值評估(續)

根據國際財務報告準則第9號(續)

就所有其他工具(包括應收票據、其他應收款項及應收關聯方非貿易性質款項)而言,本集團計量的虧損撥備乃基於12個月預期信貸虧損計算,除非自初始確認後信貸風險顯著增加,本集團確認全期預期信貸虧損。本集團已評估及總結其他工具的違約率風險穩定,乃基於本集團對交易對手的財務穩健狀況評估。因此,董事認為,除於2018年1月1日及2018年12月31日的若干信貸減值的其他應收款項外,本集團其他工具的預期信貸虧損並不重大。

於2017年12月31日的按攤銷成本計量的金融資產的所有虧損撥備與於2018年1月1日的期初虧損撥備的對賬如下:

		Trade and other receivables 貿易及其他應收款項 RMB'000 人民幣千元	Amounts due from related parties 應收關聯方款項 RMB'000 人民幣千元
At December 31, 2017 – IAS 39	於2017年12月31日 — 國際會計準則第39號	159,816	—
Amounts remeasured through opening retained profits	透過期初保留溢利重新計量的金額	5,243	2,621
At January 1, 2018	於2018年1月1日	165,059	2,621

Notes to the Consolidated Financial Statements

綜合財務報表附註

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk and impairment assessment (Continued)

Under IFRS 9 (Continued)

The tables below detail the credit risk exposures of the Group's trade and other receivables and amounts due from related parties at December 31, 2018, which are subject to ECL assessment:

2018 2018年	Notes 附註	Internal credit rating 內部信貸評級	12-month or lifetime ECL 12個月或全期預期信貸虧損	Gross carrying amount 總賬面值	
				RMB'000 人民幣千元	RMB'000 人民幣千元
Financial assets at amortised cost 按攤銷成本計量的金融資產					
Other receivables 其他應收款項	26	Note 附註	12-month ECL 12個月預期信貸虧損 Credit-impaired (individually) 信貸減值(個別)	162,557 25,693	188,250
Amounts due from related parties* 應收關聯方款項*	39	Note 附註	12-month ECL 12個月預期信貸虧損 Lifetime ECL (provision matrix) 全期預期信貸虧損(撥備矩陣)	664,721 11,562	676,283
Financial assets at FVTOCI 按公允值計入其他全面收益的 金融資產					
Trade receivables 貿易應收款項	26		Lifetime ECL (provision matrix) 全期預期信貸虧損(撥備矩陣) Credit-impaired (individually) 信貸減值(個別)	188,043 85,346	273,389
Bills receivable 應收票據	26	Note 附註	12-month ECL 12個月預期信貸虧損	2,992,740	2,992,740

* The gross carrying amounts disclosed above include both trade nature receivables and non-trade nature receivables. All trade nature receivables are applying lifetime ECL.

41. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險和減值評估(續)

根據國際財務報告準則第9號(續)

下表詳細載列於2018年12月31日的本集團貿易及其他應收款項以及應收關聯方款項的信貸風險(須進行預期信貸虧損評估):

* 上文所披露的總賬面值包括貿易性質應收款項及非貿易性質應收款項。所有貿易性質應收款項一直採用全期預期信貸虧損。

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk and impairment assessment (Continued)

Under IFRS 9 (Continued)

Note:

For the purposes of internal credit risk management, the Group uses past due information or other relevant information available without undue cost or effort to assess whether credit risk has increased significantly since initial recognition.

		Past due	Not past due/ No fixed repayment terms	Total
		逾期 RMB'000 人民幣千元	並無逾期/ 並無固定還款期限 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Bills receivable	應收票據	–	2,992,740	2,992,740
Amounts due from related parties	應收關聯方款項	–	676,283	676,283
Other receivables	其他應收款項	25,693	162,557	188,250

The following table shows the movement in lifetime ECL that has been recognized for trade receivables and amounts due from related parties of trade nature under the simplified approach:

		Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	Total
		全期預期 信貸虧損 (並無信貸 減值) RMB'000 人民幣千元	全期預期 信貸虧損 (信貸減值) RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at December 31, 2017 under IAS 39	於2017年12月31日 根據國際會計準則 第39號	–	104,592	104,592
Adjustment upon application of IFRS 9	於應用國際財務報告準則 第9號後調整	5,243	–	5,243
As at January 1, 2018 under IFRS 9	於2018年1月1日根據 國際財務報告準則 第9號	5,243	104,592	109,835
– Transfer to credit impaired	– 轉撥至信貸減值	(120)	120	–
– Impairment losses recognized	– 已確認的減值虧損	1,685	180	1,865
– Impairment losses reversed	– 已撥回的減值虧損	(5,123)	(19,546)	(24,669)
As at December 31, 2018	於2018年12月31日	1,685	85,346	87,031

The following table details the risk profile of trade receivables and amounts due from related parties of trade nature based on the Group's provision matrix.

41. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險和減值評估 (續)

根據國際財務報告準則第9號 (續)

附註：

就內部信貸風險管理而言，本集團採用逾期資料或毋須花費不必要成本或精力即可獲得的其他相關資料評估信貸風險是否自初始確認起已大幅增加。

下表列示已根據簡化方法就貿易應收款項及應收關聯方貿易性質款項確認的全期預期信貸虧損變動：

下表詳細載列基於本集團撥備矩陣的貿易應收款項及應收關聯方貿易性質款項的風險狀況。

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41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk and impairment assessment (Continued)

Under IFRS 9 (Continued)

At January 1, 2018

Trade receivables and amounts due from related parties of trade nature

		Average loss rate 平均虧損率	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Impairment loss allowance 減值虧損撥備 RMB'000 人民幣千元
Within 1 month	1個月內	3.31%	112,968	3,737
2 to 3 months	2至3個月	8.08%	6,076	491
4 to 6 months	4至6個月	15.03%	366	55
7 to 12 months	7至12個月	20.00%	23,911	4,782
1-2 years	1至2年	29.49%	224	66
2-3 years	2至3年	49.96%	1,667	833
More than 3 years	3年以上	93.67%	41,379	38,758
			186,591	48,722

At December 31, 2018

Trade receivables and amounts due from related parties of trade nature

		Average loss rate 平均虧損率	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Impairment loss allowance 減值虧損撥備 RMB'000 人民幣千元
Within 1 month	1個月內	0.16%	182,153	288
1 to 3 months	1至3個月	1.96%	9,958	195
4 to 6 months	4至6個月	11.33%	1,359	154
7 to 12 months	7至12個月	17.08%	6,135	1,048
			199,605	1,685

41. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險和減值評估(續)

根據國際財務報告準則第9號(續)

於2018年1月1日

貿易應收款項及應收關聯方貿易性質款項

		Average loss rate 平均虧損率	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Impairment loss allowance 減值虧損撥備 RMB'000 人民幣千元
Within 1 month	1個月內	3.31%	112,968	3,737
2 to 3 months	2至3個月	8.08%	6,076	491
4 to 6 months	4至6個月	15.03%	366	55
7 to 12 months	7至12個月	20.00%	23,911	4,782
1-2 years	1至2年	29.49%	224	66
2-3 years	2至3年	49.96%	1,667	833
More than 3 years	3年以上	93.67%	41,379	38,758
			186,591	48,722

於2018年12月31日

貿易應收款項及應收關聯方貿易性質款項

		Average loss rate 平均虧損率	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Impairment loss allowance 減值虧損撥備 RMB'000 人民幣千元
Within 1 month	1個月內	0.16%	182,153	288
1 to 3 months	1至3個月	1.96%	9,958	195
4 to 6 months	4至6個月	11.33%	1,359	154
7 to 12 months	7至12個月	17.08%	6,135	1,048
			199,605	1,685

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk and impairment assessment (Continued)

Under IFRS 9 (Continued)

The Group provided RMB48,722,000 and RMB1,685,000 impairment allowance for trade receivables and amounts due from related parties of trade nature based on the provision matrix at January 1, 2018 and December 31, 2018. In addition, debtors with balances from trade receivables amounting to RMB61,113,000 and RMB85,346,000 as at January 1, 2018 and December 31, 2018 were assessed individually and impairment allowance of RMB61,113,000 and RMB85,346,000 were made.

The following table shows reconciliation of loss allowances that have been recognized for bills receivables, other receivables, amounts due from related parties of non-trade nature:

		12-month ECL	Lifetime ECL (not credit impaired) 全期預期 信貸虧損 (並無信貸 減值)	Lifetime ECL (credit impaired) 全期預期 信貸虧損 (信貸減值)	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at December 31, 2017 under IAS 39	於2017年12月31日 根據國際會計準則 第39號	-	-	55,224	55,224
Adjustment upon application of IFRS 9	於應用國際財務報告 準則第9號後調整	2,621	-	-	2,621
As at January 1, 2018 under IFRS 9	於2018年1月1日 根據國際財務報告 準則第9號	2,621	-	55,224	57,845
- Impairment losses reversed	- 已撥回的減值虧損	(1,779)	-	(31,690)	(33,469)
As at December 31, 2018	於2018年12月31日	842	-	23,534	24,376

Amounts due from related parties of non-trade nature amounting to RMB1,810,755,000 and RMB664,721,000 as at January 1, 2018 and December 31, 2018 were assessed individually and impairment allowance of RMB2,621,000 and RMB842,000 were made on these debtors.

41. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險和減值評估(續)

根據國際財務報告準則第9號(續)

於2018年1月1日及2018年12月31日，本集團按照撥備矩陣就貿易應收款項及應收關聯方貿易性質款項計提人民幣48,722,000元及人民幣1,685,000元減值撥備。此外，於2018年1月1日及2018年12月31日，本集團就貿易應收款項中有結餘的應收款項人民幣61,113,000元及人民幣85,346,000元進行個別評估，並計提減值撥備人民幣61,113,000元及人民幣85,346,000元。

下表列示已就應收票據、其他應收款項及應收關聯方非貿易性質款項確認的虧損撥備對賬：

於2018年1月1日及2018年12月31日，本集團就應收關聯方非貿易性質款項人民幣1,810,755,000元及人民幣664,721,000元進行個別評估，並就應收款項計提減值撥備人民幣2,621,000元及人民幣842,000元。

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41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

The Directors are responsible for the Group's cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities and obligation under finance leases, 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:

41. 金融工具 (續)

金融風險管理目標及政策 (續)

流動資金風險

董事負責本集團的現金管理，包括現金盈餘的短期投資及籌集貸款以應付預期現金需求。本集團的政策為定期監察流動資金需求及遵守放款契諾，以確保其維持足夠現金儲備及來自主要金融機構的充足承諾資金額度，以應付其長短期的流動資金需求。

下表就本集團於報告期末金融負債及融資租賃款項的尚餘合約期限作出分析，有關期限乃按合約未貼現現金流量（包括使用合約利率計算的利息付款；倘為浮息，則按報告期末當時的利率計算）以及本集團可能須付款的最早日期計算：

As at December 31, 2018
於2018年12月31日

		Contractual undiscounted cash outflows 合約未貼現現金流出						
		Weighted average interest rate 加權平均 利率 %	Within 1 year or on demand 1年內或 按要求 RMB'000 人民幣千元	More than 1 year but less than 2 years 多於1年 但少於2年 RMB'000 人民幣千元	More than 2 years but less than 5 years 多於2年 但少於5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
Trade and other payables	貿易及其他應付款項	N/A 不適用	6,118,659	-	-	-	6,118,659	6,118,659
Interest-bearing bank and other loans	計息銀行及其他貸款	5.26%	7,997,289	1,234,632	83,310	-	9,315,231	8,890,217
Amounts due to related parties	應付關聯方款項	N/A 不適用	779,512	-	-	-	779,512	779,512
Obligation under finance leases	融資租賃款項	9.44%	24,503	838	-	-	25,341	24,552
Interest-bearing payables for construction in progress	計息在建工程應付款項	6.18%	35,653	39,015	34,409	-	109,077	96,910
Financial guarantee contracts	財務擔保合約	N/A 不適用	830,000	-	-	-	830,000	-
			15,785,616	1,274,485	117,719	-	17,177,820	15,909,850

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND
POLICIES (Continued)

Liquidity risk (Continued)

41. 金融工具 (續)

金融風險管理目標及政策 (續)

流動資金風險 (續)

As at December 31, 2017
於2017年12月31日

		Contractual undiscounted cash outflows 合約未貼現現金流出						
		Weighted average interest rate 加權平均 利率 %	Within 1 year or on demand 1年內或 按要求 RMB'000 人民幣千元	More than 1 year but less than 2 years 多於1年 但少於2年 RMB'000 人民幣千元	More than 2 years but less than 5 years 多於2年 但少於5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
Trade and other payables	貿易及其他應付款項	N/A不適用	6,031,657	-	-	-	6,031,657	6,031,657
Interest-bearing bank and other loans	計息銀行及其他貸款	5.29%	7,415,479	1,559,801	1,239,140	-	10,214,420	9,780,212
Amounts due to related parties	應付關聯方款項	N/A不適用	702,146	-	-	-	702,146	702,146
Interest-bearing payables for construction in progress	計息在建工程應付款項	5.84%	455,743	180,231	50,905	-	686,879	641,254
Obligations under finance leases	融資租賃款項	9.40%	35,726	24,609	838	-	61,173	56,576
Financial guarantee contracts	財務擔保合約	N/A不適用	1,599,000	-	-	-	1,599,000	-
			16,239,751	1,764,641	1,290,883	-	19,295,275	17,211,845

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on the expectations at the end of each reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, these estimates are subject to change depending on the probability of the counterparties claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guarantee suffer credit losses.

上述財務擔保合約金額為本集團根據全數擔保金額安排在擔保的對手方申索該金額情況下可能需要結付的最高金額。基於各報告期末的預期，本集團認為很有可能根據該安排將毋須支付任何金額。然而，該等估計或會因對手方根據擔保提出申索的可能性而有變，而提出申索的可能性則取決於對手方所持獲擔保的財務應收款項出現信貸虧損的可能性。

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41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Fair values

(i) Financial instruments carried at fair value

The Group measures its following financial instruments at fair value at the end of each of the reporting period on a recurring basis:

	Fair value 公允值		Fair value hierarchy 公允值層級	Valuation technique and key input 估值方法及主要輸入數據	Significant unobservable input(s) 重大不可觀察輸入數據
	As at December 31, 於12月31日				
	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元			
Financial assets 金融資產					
Unlisted equity securities 非上市股本證券	25,000	N/A	Level 3 第三級	Fair values are estimated based on the comparable listed company's P/B ratio and a liquidity discount 公允值乃基於可比上市公司的市淨率及流動性折現率估計	Liquidity discount rate 流動性折現率
Structured trust product 結構性信託產品	-	31,220	Level 3 第三級	Fair values are estimated based on the net asset value of underlying investments 公允值乃基於相關投資的資產淨值估計	Net assets value of underlying investments 相關投資的資產淨值
Bills receivable 應收票據	2,992,740	N/A	Level 2 第二級	Fair values are estimated based on the present value of the contracted cash inflow at the discount rate that reflects the market credit risk 公允值乃基於合約現金流入按反映市場信貸風險的貼現率計算的現值估計	N/A 不適用
Trade receivables 貿易應收款項	186,555	N/A	Level 2 第二級	Fair values are estimated based on the present value of the contracted cash inflow at the discount rate that reflects the market credit risk 公允值乃基於合約現金流入按反映市場信貸風險的貼現率計算的現值估計	N/A 不適用
Listed equity securities 上市股本證券	51,017	33,288	Level 1 第一級	Fair values are calculated based on the quoted prices in an active market 公允值乃基於活躍市場上的報價計算	N/A 不適用

41. 金融工具(續)

金融風險管理目標及政策(續)

公允值

(i) 按公允值列賬的金融工具

本集團於各報告期末按經常性基準按公允值計量其以下金融工具：

41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Fair values (Continued)

(i) Financial instruments carried at fair value (Continued)

	Fair value 公允值		Fair value hierarchy 公允值層級	Valuation technique and key input 估值方法及主要輸入數據	Significant unobservable input(s) 重大不可觀察輸入數據
	As at December 31, 於12月31日				
	2018 RMB'000 人民幣千元	2017 RMB'000 人民幣千元			
	2018年 人民幣千元	2017年 人民幣千元			
Wealth management product 財富管理產品	-	60,000	Level 1 第一級	Fair values are calculated based on the quoted prices in an active market 公允值乃基於活躍市場上的報價計算	N/A 不適用
Futures contracts 期貨合約	-	6,127	Level 1 第一級	Fair values are derived from quoted bid prices in an active market 公允值乃來自活躍市場的買入報價	N/A 不適用
Held-for-trading non-derivative financial assets 持作買賣非衍生金融資產	286	4,991	Level 1 第一級	Fair values are derived from quoted bid prices in an active market 公允值乃來自活躍市場的買入報價	N/A 不適用
Financial liabilities 金融負債					
Futures contracts 期貨合約	448	68	Level 1 第一級	Fair values are derived from quoted bid prices in an active market 公允值乃來自活躍市場的買入報價	N/A 不適用

The Group's investments in unlisted equity securities which were classified as financial assets at FVTPL under level 3 hierarchy amounted to RMB25,000,000 as at December 31, 2018 under IFRS 9. The significant unobservable input is the liquidity discount rate. The higher liquidity discount rate, the lower fair value of the financial assets at FVTPL will be. A 5% increase/decrease in the liquidity discount rate, holding all other variables constant, the carrying amounts of the investments would decrease/increase by RMB1,090,000 as at December 31, 2018.

There were no transfers between level 1 and level 2 during the reporting period.

41. 金融工具(續)

金融風險管理目標及政策(續)

公允值(續)

(i) 按公允值列賬的金融工具(續)

於2018年12月31日，根據國際財務報告準則第9號分類為第三級按公允值計入損益的金融資產的本集團非上市股本證券投資為人民幣25,000,000元。重大不可觀察輸入數據為流動性折現率。流動性折現率越高，按公允值計入損益的金融資產的公允值越低。假設流動性折現率增加/減少5%，而所有其他變量不變，則2018年12月31日該等投資的賬面值減少/增加人民幣1,090,000元。

於報告期內，第一級與第二級之間並無轉撥。

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41. FINANCIAL INSTRUMENTS (Continued)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Fair values (Continued)

(ii) Reconciliation of level 3 measurements

The following table represents the reconciliation of level 3 measurements throughout the reporting period.

		Unlisted equity securities 非上市股本證券 RMB'000 人民幣千元	Structured trust product 結構性信託產品 RMB'000 人民幣千元
At January 1, 2017 – IAS 39	於2017年1月1日－國際會計準則第39號	–	60,576
Redemption	贖回	–	(29,356)
At December 31, 2017 – IAS 39	於2017年12月31日－國際會計準則第39號	–	31,220
Effect arising from initial application of IFRS 9	初次應用國際財務報告準則第9號所產生的影響	25,000	–
At January 1, 2018 – IFRS 9	於2018年1月1日－國際財務報告準則第9號	25,000	31,220
Redemption	贖回	–	(31,220)
At December 31, 2018 – IFRS 9	於2018年12月31日－國際財務報告準則第9號	25,000	–

(iii) Fair values of financial instruments carried at other than fair value

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the consolidated financial statements approximate their fair values due to short maturity and floating interest rates, as appropriate.

41. 金融工具(續)

金融風險管理目標及政策(續)

公允值(續)

(ii) 第三級計量的對賬

下表顯示於整個報告期第三級計量的對賬。

		Unlisted equity securities 非上市股本證券 RMB'000 人民幣千元	Structured trust product 結構性信託產品 RMB'000 人民幣千元
At January 1, 2017 – IAS 39	於2017年1月1日－國際會計準則第39號	–	60,576
Redemption	贖回	–	(29,356)
At December 31, 2017 – IAS 39	於2017年12月31日－國際會計準則第39號	–	31,220
Effect arising from initial application of IFRS 9	初次應用國際財務報告準則第9號所產生的影響	25,000	–
At January 1, 2018 – IFRS 9	於2018年1月1日－國際財務報告準則第9號	25,000	31,220
Redemption	贖回	–	(31,220)
At December 31, 2018 – IFRS 9	於2018年12月31日－國際財務報告準則第9號	25,000	–

(iii) 並非按公允值列賬的金融工具的公允值

董事認為，由於到期日較短及浮動利率(如適用)，綜合財務報表中按攤銷成本記錄的金融資產及金融負債的賬面值與彼等公允值相若。

42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

42. 融資活動產生的負債對賬

下表詳列本集團自融資活動產生的負債變動，包括現金及非現金變動。融資活動產生的負債乃指其現金流量及未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量的負債。

		Amounts		Obligation	Interest and	Accrued	Total
		Interest-bearing bank and other loans	due to related parties non-trade	under finance leases	dividend payable	issue cost	
		計息銀行及其他貸款	應付關聯方非貿易款項	融資租賃款項	應付利息及股息	應計發行成本	總計
		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
At January 1, 2017	於2017年1月1日	10,743,935	261,378	85,757	31,216	-	11,122,286
Net financing cash flows	融資現金流量淨額	(820,027)	(261,378)	(29,181)	(640,325)	-	(1,750,911)
Bill receivables discounted (note)	貼現應收票據(附註)	(141,868)	-	-	-	-	(141,868)
Finance costs	融資成本	-	-	-	624,238	-	624,238
Interest accrual - capitalized	應計利息-資本化	-	-	-	(12,556)	-	(12,556)
Issue costs accrued	應計發行成本	-	-	-	-	2,052	2,052
Exchange difference	匯兌差額	(1,828)	-	-	-	-	(1,828)
At December 31, 2017	於2017年12月31日	9,780,212	-	56,576	2,573	2,052	9,841,413
Net financing cash flows	融資現金流量淨額	(901,437)	(81,200)	(32,024)	(629,878)	-	(1,644,539)
Bill receivables discounted (note)	貼現應收票據(附註)	(4,793)	-	-	-	-	(4,793)
Dividend payable	應付股息	-	548,733	-	24,731	-	573,464
Finance costs	融資成本	-	-	-	596,765	-	596,765
Interest accrual - capitalized	應計利息-資本化	-	-	-	17,120	-	17,120
Issue costs accrued	應計發行成本	-	-	-	-	4,346	4,346
Exchange difference	匯兌差額	16,235	-	-	-	-	16,235
At December 31, 2018	於2018年12月31日	8,890,217	467,533	24,552	11,311	6,398	9,400,011

Note: During each reporting period, the Group has discounted bills receivable from third parties to banks for short term financing. The relevant cash flows of these borrowings are presented as operating cash flows in the consolidated statement of cash flows as the Directors consider the cash flows are in substance, the receipts from trade customers.

附註：於各報告期間，本集團已將應收第三方票據貼現予銀行，以進行短期融資。該等借款的相關現金流量於綜合現金流量表呈列為經營現金流量，因董事認為現金流量實質上為自貿易客戶收取的款項。

Notes to the Consolidated Financial Statements 綜合財務報表附註

43. COMMITMENTS

- (A) Capital commitments outstanding at the end of each reporting period not provided for in the consolidated financial statements were as follows:

		As at December 31, 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Capital expenditure in respect of	以下項目的資本開支：		
– property, plant and equipment	– 物業、廠房及設備	128,404	687,206

44. PLEDGE OF ASSETS

At the end of each of the reporting period, in addition to notes 21 and 22, the discounted bills securing the Group's bank borrowings as disclosed in note 27, and property, plant and equipment pledged for payables for construction in progress as disclosed in note 29, certain Group's assets were pledged to secure banking facilities granted to the Group and their carrying amounts are as follows:

43. 承擔

- (A) 於各報告期末並未於綜合財務報表中作出撥備的未履行資本承擔如下：

44. 資產抵押

於各報告期末，除附註21、附註22、附註27所披露作為本集團銀行借款抵押的貼現票據以及附註29所披露作為在建工程應付款項抵押的物業、廠房及設備外，本集團若干資產已抵押為授予本集團銀行融資作擔保，而其賬面值如下：

		As at December 31, 於 12 月 31 日	
		2018	2017
		2018 年	2017 年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property, plant and equipment	物業、廠房及設備	3,354,204	3,940,245
Prepaid lease payments	預付租賃款項	737,389	628,431
Inventories	存貨	236,184	259,093
Trade and other receivables	貿易及其他應收款項	–	236,911
Restricted bank deposits	受限制銀行存款	3,581,297	3,116,195
		7,909,074	8,180,875

45. INTERESTS IN SUBSIDIARIES

As at the date of this report, the Company has direct and indirect interests in the following subsidiaries, all of which are private companies, particulars of which are set out below:

45. 於附屬公司的權益

於本報告日期，本公司於以下附屬公司擁有直接及間接權益，該等公司均為私人公司，有關資料載列如下：

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Class of shares held 所持股份類別	Shareholding/equity interest attributable to the Company 本公司應佔股權比例		Principal activity 主要業務
			As of December 31, 於12月31日 2018 2018年	2017 2017年	
Xingtai Risun Trading Limited ("Xingtai Risun Trading", formerly known as Xingtai Risun Coking Limited) (邢台旭陽貿易有限公司) (notes (i) and (iv))	The PRC/ May 12, 1995	Paid-in capital RMB94,750,000	100%	100%	Production of coke and coking chemicals
邢台旭陽貿易有限公司(「邢台旭陽貿易」， 前稱邢台旭陽焦化有限公司) (附註(i)及(iv))	中國/ 1995年5月12日	實繳股本 人民幣94,750,000元			生產焦炭及焦化產品
Hebei Risun Coking Limited ("Hebei Risun Coking") (河北旭陽焦化有限公司) (notes (i) and (iv))	The PRC/ October 30, 2003	Paid-in capital RMB225,000,000	100%	100%	Production of coke and coking chemicals
河北旭陽焦化有限公司(「河北旭陽焦化」) (附註(i)及(iv))	中國/ 2003年10月30日	實繳股本 人民幣225,000,000元			生產焦炭及焦化產品
Xingtai Risun Coal Chemicals Limited ("Xingtai Risun Coal Chemicals") (邢台旭陽煤化工有限公司) (notes (ii) and (iv))	The PRC/ April 7, 2006	Paid-in capital RMB310,000,000	100%	100%	Production of refined chemicals
邢台旭陽煤化工有限公司(「邢台旭陽煤 化工」)(附註(ii)及(iv))	中國/ 2006年4月7日	實繳股本 人民幣310,000,000元			生產精細化工產品
China Risun Group (Hong Kong) Limited ("Hong Kong Risun", formerly known as Risun Coal Chemicals Group Limited and Sky Hero Resources Limited)	Hong Kong/ March 5, 2007	Ordinary share HKD1	100%	100%	Trading of coke, coking chemicals and refined chemicals
中國旭陽集團(香港)有限公司(「香港旭 陽」，前稱旭陽煤化工集團有限公司及天 雄資源有限公司)	香港/ 2007年3月5日	普通股 1港元			買賣焦炭、焦化產品及 精細化工產品
Dingzhou Tianlu New Energy Limited ("Dingzhou Tianlu New Energy") (定州天鷲新能源有限公司) (notes (iv))	The PRC/ April 9, 2007	Paid-in capital RMB80,000,000	100%	100%	Production of refined chemicals
定州天鷲新能源有限公司 (「定州天鷲新能源」)(附註(iv))	中國/ 2007年4月9日	實繳股本 人民幣80,000,000元			生產精細化工產品

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綜合財務報表附註

45. INTERESTS IN SUBSIDIARIES (Continued)

45. 於附屬公司的權益(續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Class of shares held 所持股份類別	Shareholding/equity interest attributable to the Company As of December 31, 本公司應佔股權比例 於12月31日		Principal activity 主要業務
			2018 2018年	2017 2017年	
Golden Sino Enterprises Limited ("Golden Sino") (notes (iii)) Golden Sino Enterprises Limited (「Golden Sino」)(附註(iii))	BVI/ November 1, 2007 英屬處女群島/ 2007年11月1日	Ordinary share USD1 普通股1美元	100%	100%	Investment holding 投資控股
Beijing Risun Hongye Chemicals Company Limited ("Beijing Risun Hongye") (北京旭陽宏業化工有限公司) (notes (ii) and (iv)) 北京旭陽宏業化工有限公司 (「北京旭陽宏業」)(附註(ii)及(iv))	The PRC/ February 2, 2008 中國/ 2008年2月2日	Paid-in capital RMB150,000,000 實繳股本 人民幣150,000,000元	100%	100%	Trading of coke, coking chemicals refined and chemicals 買賣焦炭、焦化產品及 精細化工產品
Tangshan Risun Chemicals Limited ("Tangshan Risun Chemicals") (唐山旭陽化工有限公司) (notes (i) and (iv)) 唐山旭陽化工有限公司(「唐山旭陽化工」) (附註(i)及(iv))	The PRC/ October 17, 2008 中國/ 2008年10月17日	Paid-in capital RMB495,000,000 實繳股本 人民幣495,000,000元	100%	100%	Production of refined chemicals 生產精細化工產品
Risun Chemicals Limited ("Risun Chemicals") (旭陽化工有限公司) (Notes (i) and (iv)) 旭陽化工有限公司(「旭陽化工」) (附註(i)及(iv))	The PRC/ January 8, 2010 中國/ 2010年1月8日	Paid-in capital RMB430,000,000 實繳股本 人民幣430,000,000元	100%	100%	Investment holding 投資控股
Cangzhou Risun (note (ii) and (iv)) 滄州旭陽(附註(ii)及(iv))	The PRC/ June 27, 2011 中國/ 2011年6月27日	Paid-in capital USD151,600,000 實繳股本 151,600,000美元	89.92%	89.92%	Production of refined chemicals 生產精細化工產品
Risun Global Limited ("Risun Global", formerly known as Good City (Hong Kong) Limited) 旭陽國際有限公司(「旭陽國際」, 前稱益城(香港)有限公司)	Hong Kong/ July 19, 2013 香港/ 2013年7月19日	Ordinary share HKD1 普通股1港元	100%	100%	Investment holding 投資控股

45. INTERESTS IN SUBSIDIARIES (Continued)

45. 於附屬公司的權益(續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Class of shares held 所持股份類別	Shareholding/equity interest attributable to the Company As of December 31, 本公司應佔股權比例 於12月31日		Principal activity 主要業務
			2018 2018年	2017 2017年	
Xingtai Risun Chemicals Limited ("Xingtai Risun Chemicals") (邢台旭陽化工有限公司) (notes (i) and (iv))	The PRC/ March 17, 2014	Paid-in capital RMB150,000,000	100%	100%	Production of refined chemicals
邢台旭陽化工有限公司(「邢台旭陽化工」) (附註(i)及(iv))	中國/ 2014年3月17日	實繳股本 人民幣150,000,000元			生產精細化工產品
Tangshan Risun Phthalic Anhydride Products Limited (唐山旭陽苯酞產品有限公司) (notes (iv), (iii) and (v))	The PRC/ December 16, 2016	Registered capital RMB100,000,000	N/A	100%	Production of refined chemicals
唐山旭陽苯酞產品有限公司 (附註(iv)、(iii)及(v))	中國/ 2016年12月16日	註冊股本 人民幣100,000,000元	不適用		生產精細化工產品
Tangshan Risun Aromatics Hydrocarbon Limited (唐山旭陽芳烴產品有限公司) (notes (iv) and (iii))	The PRC/ December 8, 2017	Paid-in capital RMB300,205,000	100%	100%	Production of refined chemicals
唐山旭陽芳烴產品有限公司(附註(iv)及(iii))	中國/ 2017年12月8日	實繳股本 人民幣300,205,000元			生產精細化工產品
Ruyang Tianlu Energy Co., Ltd ("汝陽天鷲能源有限公司") (notes (iv) and (iii))	The PRC/ May 31, 2018	Registered capital RMB5,000,000	55%	N/A	Purchase and sale of coal, coke and coking by-products
汝陽天鷲能源有限公司(附註(iv)及(iii))	中國/ 2018年5月31日	註冊股本 人民幣5,000,000元		不適用	採購及銷售煤炭、焦炭 及煉焦副產品

Notes:

- (i) These entities are wholly foreign owned enterprises established in the PRC.
- (ii) These entities are sino-foreign owned entities established in the PRC.
- (iii) No audited statutory financial statements have been prepared for these subsidiaries.
- (iv) The English translation of the names is for reference only. The official names of these companies are in Chinese.
- (v) The entity was dissolved on October 19, 2018.

All of the above subsidiaries, except for Golden Sino, are indirectly held by the Company.

All companies now comprising the Group have adopted December 31, as their financial year end.

附註:

- (i) 該等實體為於中國成立的外商獨資企業。
- (ii) 該等實體為於中國成立的中外合資實體。
- (iii) 概無就該等附屬公司編製法定財務報表。
- (iv) 名稱的英文翻譯僅供參考。該等公司的正式名稱為中文。
- (v) 該實體已於2018年10月19日解散。

所有上述附屬公司(除Golden Sino外)均由本公司間接持有。

現組成本集團的所有公司已採用12月31日為彼等的財政年度結算日。

Notes to the Consolidated Financial Statements 綜合財務報表附註

46. FINANCIAL INFORMATION OF THE COMPANY 46. 本公司財務資料

Information about the statements of financial position of the Company was as follows:

有關本公司財務狀況表的資料如下：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Investment in a subsidiary	於一家附屬公司的投資	-	-
Amounts due from subsidiaries (note)	應收附屬公司款項(附註)	412,039	-
		412,039	-
Current assets	流動資產		
Amounts due from subsidiaries (note)	應收附屬公司款項(附註)	672,627	55,000
Trade and other receivables	貿易及其他應收款項	6,398	-
Cash and cash equivalent	現金及現金等價物	2,448	-
		681,473	55,000
Current liabilities	流動負債		
Amounts due to subsidiaries (note)	應付附屬公司款項(附註)	9,617	10,982
Amount due to the immediate holding company (note)	應付直接控股公司款項(附註)	467,533	-
Trade and other payables	貿易及其他應付款項	21,030	3,978
		498,180	14,960
Net current assets	流動資產淨值	183,293	40,040
Net assets	資產淨值	595,332	40,040
Capital and reserves	資本及儲備		
Share capital	股本	87,123	80,600
Reserves	儲備	508,209	(40,560)
Total equity	總權益	595,332	40,040

Note:

Except the amount due from a subsidiary of RMB412,039,000 as at December 31, 2018 bearing interest at 9% per annum and due on June 30, 2021, the amounts due from/to subsidiaries disclosed in the Company's statement of financial position are of non-trade nature, unsecured, interest-free and repayable on demand.

附註：

除於2018年12月31日應收一家附屬公司款項人民幣412,039,000元的年利率為9%及於2021年6月30日到期外，如本公司財務狀況表披露的應收／應付附屬公司款項屬非貿易性質、無抵押、免息及須按要求償還。

**46. FINANCIAL INFORMATION OF THE COMPANY
(Continued)**

MOVEMENTS IN THE COMPANY'S RESERVES

46. 本公司財務資料(續)

本公司儲備變動

		Share premium	Accumulated (losses)/ profit	Total
		股份溢價	(虧損)/溢利	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
At January 1, 2017	於2017年1月1日	70,433	(101,891)	(31,458)
Loss for the year	年內虧損	-	(9,102)	(9,102)
At December 31, 2017	於2017年12月31日	70,433	(110,993)	(40,560)
Ordinary shares issued	已發行普通股	405,516	-	405,516
Profit for the year	年內溢利	-	1,034,401	1,034,401
Dividends to the immediate holding company	分配至最終控股公司的股息	-	(891,148)	(891,148)
At December 31, 2018	於2018年12月31日	475,949	32,260	508,209

47. EVENTS AFTER REPORTING PERIOD

Other than the events as disclosed elsewhere in these consolidated financial statements, subsequent to December 31, 2018, the following significant events took place:

On March 15, 2019, the Company was successfully listed on the Main Board of the Stock Exchange of Hong Kong Limited, upon when the Company issued a total of 600,000,000 ordinary shares of HKD0.1 each at HKD2.80 each for cash by way of public offer. Upon listing of the Company's shares and pursuant to the written resolution of the shareholders passed on February 20, 2019, the capitalization of HKD243,728,147.60 out of the share premium account of the Company in paying up in full at par 2,437,281,476 shares for allotment and issue to the qualifying shareholders of the Company.

47. 報告期後事項

除該等綜合財務報表其他部分所披露者外，於2018年12月31日後，發生以下重大事件：

於2019年3月15日，本公司於香港聯合交易所有限公司主板成功上市，本公司以公開發售方式按現金每股2.80港元發行合共600,000,000股每股面值0.1港元的普通股。於本公司股份上市後及根據股東於2019年2月20日通過的書面決議案，將本公司股份溢價賬中243,728,147.60港元資本化以按面值悉數繳足2,437,281,476股股份，以配發及發行予本公司合資格股東。

Definitions

釋義

“Articles” or “Articles of Association” 「細則」或「組織章程細則」	the articles of association of the Company, as amended from time to time 本公司的組織章程細則（經不時修訂）
“associate(s)” 「聯繫人」	has the meaning ascribed thereto under the Listing Rules 具上市規則賦予該詞的涵義
“Audit Committee” 「審核委員會」	the audit committee of the Board 董事會的審核委員會
“Board” or “Board of Directors” 「董事會」	our board of Directors 董事會
“Business Day” or “business day” 「營業日」	a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong 香港銀行一般對公眾開門辦理正常銀行業務的任何日子（星期六、星期日或香港公眾假期除外）
“BVI” 「英屬處女群島」	the British Virgin Islands 英屬處女群島
“Cabot Risun Chemicals” 「卡博特旭陽化工」	Cabot Risun Chemical (Xingtai) Co., Ltd. (卡博特旭陽化工(邢台)有限公司), a limited liability company established in the PRC on June 23, 2011 and owned as to 60.0% by Cabot (China) Limited (卡博特(中國)投資有限公司), an independent third party, and 40.0% by our subsidiary, Risun Chemicals. It is an associate of our Company 卡博特旭陽化工(邢台)有限公司，於2011年6月23日在中國成立的有限公司，並由卡博特(中國)投資有限公司(為獨立第三方)及我們的附屬公司旭陽化工分別擁有60.0%及40.0%，為本公司的聯營公司
“Cangzhou Production Base” 「滄州生產園區」	our production base in Cangzhou, where the refined chemical facilities directly owned by our subsidiary, Cangzhou Risun Chemicals, are located 我們在滄州的生產園區，為我們的附屬公司滄州旭陽化工直接擁有的精細化工設施的所在地
“CCIA” 「中國煉焦行業協會」	the China Coking Industry Association (中國煉焦行業協會), an association composed of representatives from the PRC coking industry 中國煉焦行業協會，由中國煉焦行業代表組成的協會
“China” or “PRC” 「中國」	the People’s Republic of China, but for the purpose of this annual report and for geographical reference only and except where the context requires, references to “China” and the “PRC” do not include Hong Kong, Macau and Taiwan 中華人民共和國，僅就本年報及作地區參考而言，除文義另有所指外，對「中國」的提述並不包括香港、澳門及台灣

Definitions 釋義

“CNC Risun Coking” 「中煤旭陽焦化」	Hebei CNC Risun Coking Limited (河北中煤旭陽焦化有限公司), a limited liability company incorporated in the PRC on November 21, 2003 and a joint venture company of the Company 河北中煤旭陽焦化有限公司，一家於2003年11月21日在中國註冊成立的有限公司並為本公司的合營公司
“Companies Ordinance” 「公司條例」	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第622章公司條例(經不時修訂或補充)
“Company” 「本公司」	China Risun Group Limited (中國旭陽集團有限公司), a company incorporated in the Cayman Islands with limited liability on November 8, 2007 中國旭陽集團有限公司，一家於2007年11月8日在開曼群島註冊成立的有限公司
“connected person(s)” 「關連人士」	has the meaning ascribed thereto in the Listing Rules 具上市規則賦予該詞的涵義
“Controlling Shareholder(s)” 「控股股東」	has the meaning ascribed thereto in the Listing Rules and, unless the context otherwise requires, means each of Texson and Mr. Yang 具上市規則賦予該詞的涵義，除非文義另有所指，否則指泰克森及楊先生
“Deed of Non-competition” 「不競爭契據」	a deed of non-competition entered into by each of our Controlling Shareholders containing the undertakings as described in the paragraph headed “Relationship with our Controlling Shareholders – Deed of Non-Competition” of the Prospectus, in favor of the Company and our subsidiaries dated February 20, 2019 由各控股股東訂立日期為2019年2月20日的不競爭契據，當中載有招股章程「與控股股東的關係—不競爭契據」一段所述以本公司及我們的附屬公司為受益人的承諾
“Dingzhou Production Base” 「定州生產園區」	our production base in Dingzhou, where the refined chemical facilities owned by our subsidiary, Dingzhou Tianlu New Energy and the coking facilities owned by our subsidiary, Hebei Risun Coking, are located 我們在定州的生產園區，為我們的附屬公司定州天鷲新能源擁有的精細化工設施及河北旭陽焦化擁有的焦化設施的所在地
“Director(s)” 「董事」	the director(s) of the Company 本公司董事
“EBITDA” 「EBITDA」	earnings before interest, tax, depreciation and amortization 未計利息、稅項、折舊及攤銷前盈利
“Executive Director(s)” 「執行董事」	executive Director(s) 執行董事

Definitions

釋義

“Financial Statements” 「財務報表」	the consolidated financial statements for the year ended December 31, 2018 prepared by the directors of the Company and audited by Deloitte Touche Tohmatsu, set out on pages 135 to 274 of this annual report 本年報第135至274頁所載由本公司董事編製及由德勤•關黃陳方會計師行審核的截至2018年12月31日止年度的綜合財務報表
“FVTPL” 「按公允值計入損益」	fair value through profit or loss 按公允值計入損益
“Global Offering” 「全球發售」	the offer of 60,000,000 Shares initially offered by the Company for subscription by the public in Hong Kong at, the offer and sale of the 540,000,000 Shares by the Company to professional, institutional and other investors and an over-allotment of 90,000,000 Shares as described in the section headed “Structure of the Global Offering” in the Prospectus 招股章程「全球發售的架構」一節所述本公司初步提呈發售60,000,000股股份以供香港公眾人士認購，本公司向專業、機構及其他投資者發售及銷售540,000,000股股份及超額配發90,000,000股股份
“Group”, “we” or “us” 「本集團」或「我們」	the Company and its subsidiaries or, where the context otherwise requires, in respect of the period prior to the Company becoming the holding company of its present subsidiaries, the present subsidiaries of the Company, some or any of them and the businesses carried on by such subsidiaries or (as the case may be) their predecessors 本公司及其附屬公司，倘文義另有所指，對於本公司成為其現有附屬公司的控股公司前的期間而言，則指本公司現有附屬公司、若干或任何該等附屬公司及任何該等附屬公司或(視情況而定)其前身公司經營的業務
“HBCCIA” 「河北省焦化行業協會」	Hebei Coking and Chemical Industry Association (河北省焦化行業協會), an association composed of representatives from the coking and coal chemical industries 河北省焦化行業協會，由焦化和煤化工行業代表組成的協會
“HK\$” or “Hong Kong dollars” or “cents” 「港元」或「港仙」	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong 香港法定貨幣港元及港仙
“Hong Kong” or “HK” 「香港」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Hong Kong Stock Exchange” or “Stock Exchange” 「香港聯交所」或「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“IFRS” 「國際財務報告準則」	International Financial Reporting Standards, amendments and interpretations issued by the International Accounting Standards Board 國際會計準則理事會頒佈的國際財務報告準則、修訂及詮釋
“Independent Non-executive Director(s)” 「獨立非執行董事」	independent non-executive Director(s) 獨立非執行董事

Definitions 釋義

“independent third party(ies)” 「獨立第三方」	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not connected with the Company or our connected persons as defined under the Listing Rules 據我們董事於作出一切合理查詢後所深知、盡悉及確信，根據上市規則與本公司或我們關連人士並無關連的人士或公司及彼等各自最終實益擁有人
Jinniu Risun Chemicals 「金牛旭陽化工」	Hebei Jinniu Risun Chemicals Limited (河北金牛旭陽化工有限公司), a limited liability company established in the PRC on March 28, 2008 and owned as to 50.0% by our subsidiary, Xingtai Risun Trading and 50.0% by Hebei Jinniu Chemical Industry Co., Ltd. (河北金牛化工股份有限公司), a company established in the PRC, whose shares are listed on the Shanghai Stock Exchange (stock code: 600722), and an independent third party. Jinniu Risun Chemicals is an associate of our Company 河北金牛旭陽化工有限公司，一家於2008年3月28日在中國成立的有限公司，由我們的附屬公司邢台旭陽貿易及河北金牛化工股份有限公司（一家在中國成立的公司，其股份於上海證券交易所上市（股份代號：600722），為獨立第三方）分別擁有50.0%及50.0%。金牛旭陽化工為本公司的聯營公司
“Listing” 「上市」	listing of the Shares on the Hong Kong Stock Exchange 股份於香港聯交所上市
“Listing Date” 「上市日期」	the date, being, March 15, 2019, on which the Shares are listed on the Stock Exchange and from which dealings in the Shares are permitted to commence on the Main Board of the Stock Exchange 股份於聯交所上市並自此獲准於聯交所主板開始買賣的日期，即2019年3月15日
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time) 香港聯合交易所有限公司證券上市規則（經不時修訂、補充或以其他方式修改）
“Main Board” 「主板」	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange 由聯交所營運的股票市場（不包括期權市場），獨立於聯交所GEM並與其並行營運
“Mr. Yang” 「楊先生」	Mr. Yang Xuegang (楊雪崗), an Executive Director, the chairman of the Board, chief executive officer and one of our Controlling Shareholders 楊雪崗先生，執行董事、董事會主席兼行政總裁，並為我們的控股股東之一

Definitions

釋義

“NDRC” 「國家發改委」	National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會) 中華人民共和國國家發展和改革委員會
“Nomination Committee” 「提名委員會」	the nomination committee of the Board 董事會的提名委員會
“NPC” 「全國人大」	National People’s Congress of the PRC (中華人民共和國全國人民代表大會) 中華人民共和國全國人民代表大會
“Prospectus” 「招股章程」	the prospectus of the Company dated February 28, 2019 in relation to the initial public offering and the listing of our Shares on the Stock Exchange 本公司日期為2019年2月28日有關首次公開發售及我們的股份於聯交所上市的招股章程
“Remuneration Committee” 「薪酬委員會」	the remuneration committee of the Board 董事會的薪酬委員會
“Reporting Period” 「報告期」	January 1, 2018 to December 31, 2018 2018年1月1日至2018年12月31日
“RMB” or “Renminbi” 「人民幣」	the lawful currency of the PRC 中國法定貨幣
“SFO” or “Securities and Futures Ordinance” 「證券及期貨條例」	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第571章證券及期貨條例(經不時修訂或補充)
“Shares” 「股份」	ordinary shares with a nominal value of HK\$0.10 each in the share capital of our Company 本公司股本中每股面值0.10港元的普通股
“Shareholder(s)” 「股東」	holder(s) of our Shares 股份持有人
“subsidiary” or “subsidiaries” 「附屬公司」	has the meaning ascribed thereto under the Companies Ordinance 具公司條例賦予該詞的涵義
“substantial shareholder” 「主要股東」	has the meaning ascribed thereto in the Listing Rules 具上市規則賦予該詞的涵義
“Tangshan Production Base” 「唐山生產園區」	the production base in Tangshan, where the refined chemical facilities owned by our subsidiary, Tangshan Risun Chemicals are located 我們在唐山的生產園區，為我們的附屬公司唐山旭陽化工擁有的精細化工設施的所在地

Definitions 釋義

“Texson” 「泰克森」	Texson Limited (泰克森有限公司), a company incorporated in the BVI on February 19, 2004 and wholly-owned by Mr. Yang. It is one of our Controlling Shareholders 泰克森有限公司，一家於2004年2月19日在英屬處女群島註冊成立的公司，由楊先生全資擁有。其為我們的控股股東之一
“USA” 「美國」	the United States of America 美利堅合眾國
“USD” 「美元」	the lawful currency of the USA 美國的法定貨幣
“Xingtai Production Base” 「邢台生產園區」	the production base in Xingtai, where the coking facilities owned by our joint venture company, CNC Risun Coking, and refined chemical facilities owned by our subsidiaries, Xingtai Risun Coal Chemicals, Xingtai Risun Chemicals and our associates, Jinniu Risun Chemicals and Cabot Risun Chemicals are located 我們在邢台的生產園區，為我們的合營公司中煤旭陽焦化擁有的煉焦設施以及我們的附屬公司邢台旭陽煤化工、邢台旭陽化工及我們的聯營公司金牛旭陽化工、卡博特旭陽化工擁有的精細化工設施的所在地
Xingtai Risun Chemicals 「邢台旭陽化工」	Xingtai Risun Chemicals Limited (邢台旭陽化工有限公司), a limited liability company established in the PRC on March 17, 2014 and an indirect wholly-owned subsidiary of our Company 邢台旭陽化工有限公司，一家於2014年3月17日在中國成立的有限公司，為本公司的間接全資附屬公司
“Xingtai Risun Trading” 「邢台旭陽貿易」	Xingtai Risun Trading Limited (邢台旭陽貿易有限公司) (formerly known as Xingtai Risun Coking Limited (邢台旭陽焦化有限公司)), a limited liability company established in the PRC on May 12, 1995 and an indirect wholly-owned subsidiary of our Company 邢台旭陽貿易有限公司(前稱邢台旭陽焦化有限公司)，一家於1995年5月12日在中國成立的有限公司，為本公司的間接全資附屬公司
“Xuyang Group” 「旭陽集團」	Xuyang Holding and its subsidiaries 旭陽控股及其附屬公司
“Xuyang Holding” 「旭陽控股」	Xuyang Holding Limited (旭陽控股有限公司) (formerly known as Xuyang Coking Holding Limited (旭陽焦化控股有限公司) and Tianlu Industrial Holding Limited (天鷲實業控股有限公司)), a limited liability company established in the PRC on August 4, 2004 and owned as to 99.0% by Mr. Yang and 1.0% by Mrs. Yang 旭陽控股有限公司(前稱旭陽焦化控股有限公司及天鷲實業控股有限公司)，一家於2004年8月4日在中國成立的有限公司，由楊先生及楊太太分別擁有99.0%及1.0%
“%” 「%」	per cent 百分比



China Risun Group Limited
中國旭陽集團有限公司