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安德利
ANDRE

烟台北方安德利果汁股份有限公司
Yantai North Andre Juice Co., Ltd.*

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

(Stock code : 02218)

2019 ANNUAL RESULTS ANNOUNCEMENT

The Board of Directors (the "**Board**") of the Yantai North Andre Juice Co., Ltd.* (the "**Company**") is pleased to announce the audited results of the Company and its subsidiaries for the year ended 31 December 2019. This announcement, containing the full text of the 2019 Annual Report of the Company, complies with the relevant requirements of the Listing Rules in relation to information to accompany preliminary announcements of annual results. Printed version of the Company's 2019 Annual Report will be delivered to holders of the H shares of the Company and available for viewing on the websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and of the Company at www.andre.com.cn on 12 March 2020.

* *For identification purpose only*

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Corporate Information
公司資料

Directors

Executive Directors
Wang An
Zhang Hui
Wang Yan Hui

Non-Executive Directors
Liu Tsung-Yi

Independent Non-Executive Directors
Jiang Hong Qi
Li Wei
Li Yao

董事

執行董事
王　安
張　輝
王艷輝

非執行董事
劉宗宜

獨立非執行董事
姜洪奇
李　煒
李　堯

Supervisors

Dai Li Ying
Wang Zhi Wu
Wang Kun

監事

戴利英
王志武
王　坤

Company Secretary

Ng Man Yee Karen, CPA FCCA ACA

公司秘書

伍敏怡 CPA FCCA ACA

Members of Audit and Review Committee

Jiang Hong Qi
Li Wei
Li Yao

審計委員會成員

姜洪奇
李　煒
李　堯

Compliance Officer

Zhang Hui

監察主任

張　輝

Authorised Representatives

Wang An
Ng Man Yee Karen, CPA FCCA ACA

獲授權代表

王　安
伍敏怡 CPA FCCA ACA

Auditors

KPMG Huazhen LLP
Public Interest Entity Auditor recognised in accordance with the Financial Reporting Council Ordinance

核數師

畢馬威華振會計師事務所(特殊普通合夥)
於《財務匯報局條例》下的認可公眾利益實體核數師

Legal Advisers

As to Hong Kong Law
Baker McKenzie
As to PRC Law
Shandong Xinshiming Law Firm

法律顧問

香港法律
貝克 • 麥堅時律師事務所
中國法律
山東鑫士銘律師事務所

Principal Bankers

China Construction Bank (Muping Branch, Yantai City)
Agricultural Bank of China (Muping Branch, Yantai City)
Bank of China (Muping Branch, Yantai City)
HSBC Bank (China) Company Limited (Qingdao Branch)

主要往來銀行

中國建設銀行(烟台市牟平支行)
中國農業銀行(烟台市牟平支行)
中國銀行(烟台市牟平支行)
滙豐銀行(中國)有限公司青島分行

H Share Registrar and Transfer Office

Tricor Tengis Limited
54th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

H股過戶登記處

卓佳登捷時有限公司
香港灣仔皇后大道東183號
合和中心54樓

Registered Office and Principal Place of Business in the PRC

No. 18 Andre Avenue
Muping Economic Development Zone
Yantai City, Shandong Province, the PRC

中國註冊辦事處及主要營業地點

中國山東省烟台市
牟平經濟開發區
安德利大街18號

Investors Relationship & Principal Place of Business in Hong Kong

Room 26, 19/F, West Exchange Tower,
322 Des Voeux Road Central,
Sheung Wan, Hong Kong
Telephone : (852) 2511-6988
Facsimile : (852) 2587-9166
Email address : andrehk@northandre.com

投資者關係及香港主要營業地址

香港上環德輔道中322號
西區電話大樓
19樓26室
電話 : (852) 2511-6988
傳真 : (852) 2587-9166
電子郵箱 : andrehk@northandre.com

Company Homepage/Website

www.andre.com.cn

公司網頁／網站

www.andre.com.cn

Stock Code

02218

(The H shares of the Company (the "H Shares") were transferred and listed on the Main Board of The Stock Exchange of the Hong Kong Limited (the "Stock Exchange") (stock code: 02218) on 19 January 2011 and were de-listed from the Growth Enterprise Market of the Stock Exchange (stock code: 8259) on the same date)

股份代號

02218

(本公司H股(「H股」)自二零一一年一月十九日起轉為在香港聯合交易所有限公司(「聯交所」)主板買賣(股份代號：02218)並於同日由聯交所創業板除牌(股份代號：8259))

Financial Highlights
財務摘要

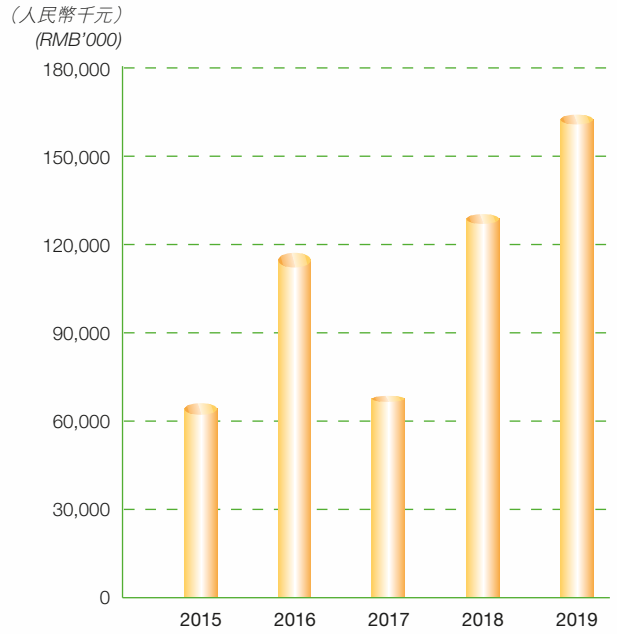
Results 業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Operating income	營業收入	**838,127**	1,067,585	901,041	875,197	817,970
Operating profit	營業利潤	**171,590**	140,975	86,332▲	103,192▲	76,216▲
Profit before taxation	利潤總額	**169,538**	137,473	86,561▲	124,289▲	83,092▲
Net profit for the year	淨利潤	**169,269**	137,336	86,425▲	122,888▲	82,478▲
Attributable to:	歸屬於：					
Equity shareholders of the Company	本公司所有者	**169,269**	137,336	86,425▲	122,888▲	82,478▲
Non-controlling interests	少數股東	**-**	-	-	-	-
Basic earnings per share	每股基本盈利	**RMB人民幣0.473元**	RMB人民幣0.384元	RMB人民幣0.238元▲	RMB人民幣0.328元▲	RMB人民幣0.214元▲

▲ Note: The assessment and deduction of input VAT is applicable to Baishui Andre Juice Co., Ltd. and Yongji Andre Juice Co., Ltd., subsidiaries of the Group since January 2014 and December 2014, respectively. For the purchases of agricultural raw materials which applied the assessment and deduction of input VAT as approved by the local tax authorities, when the agricultural products are purchased, the value of the raw materials recorded in the accounts are inclusive of tax. When the assessed input VAT deduction amount is approved by the tax authorities and before 1 January 2018, the Group calculated and allocated the inventory cost based on raw material costs for which the approved input VAT amount was excluded. This accounting treatment would have an impact on the operating cost for the relevant years and inventory at the end of the relevant reporting period. From 1 January 2018 onwards, in order to simplify the cost calculation, the Group directly deducted the approved deductible input VAT amount from the operating costs for the current period.

▲ 附註：本集團之兩家附屬公司白水安德利果蔬汁有限公司和永濟安德利果蔬汁有限公司分別自二零一四年一月和二零一四年十二月適用農產品增值稅進項稅額核定扣除。在經當地稅務機關批准採用核定扣除的方法進行農產品採購進項稅抵扣的，在購入農產品時，按照含稅金額確認原材料入帳價值。取得稅務機關批准進項稅核定扣除額時及在二零一八年一月一日之前，將該核定扣除額抵減用於生產的農產品原材料成本後進行成本計算和結轉，在二零一八年一月一日之後，為簡化成本計算，本集團將進項稅核定扣除額直接抵減當期營業成本，並採用追溯調整法對前期財務報表的相關專案進行了調整以及重述二零一四年至二零一七年業績與資產及負債。

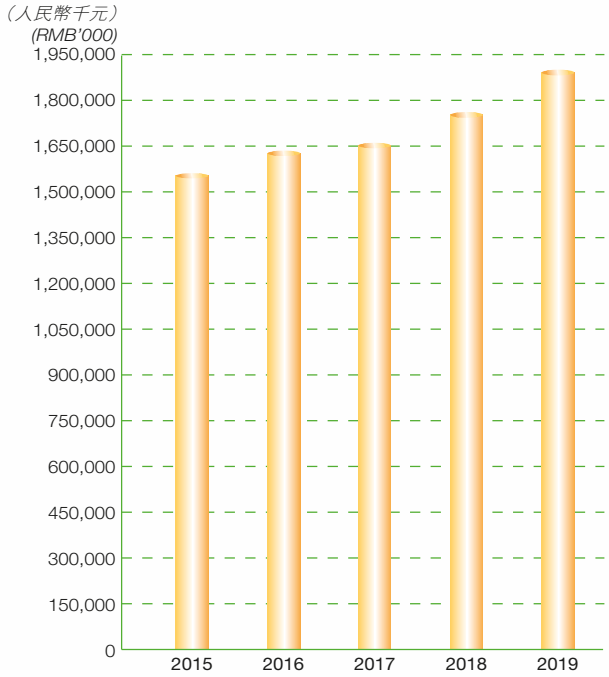
Profit Attributable to Equity Shareholders of the Company
本公司股東應佔溢利



Assets and Liabilities 資產及負債

		As at 31 December 於十二月三十一日				
		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	資產總值	**2,039,682**	1,921,459	1,981,803▲	2,156,387▲	2,242,250▲
Total liabilities	負債總值	**127,209**	142,455	304,335	505,159	655,658
Total equity attributable to equity shareholders of the Company	本公司所有者應佔權益	**1,912,473**	1,779,004	1,677,468▲	1,651,228▲	1,586,592▲
Non-controlling interests	少數股東權益	**–**	–	–	–	–

Total Equity Attributable to Equity Shareholders of the Company
本公司股東應佔權益



▲ Adjusted. Details please see explanation note on page 4.
▲ 經調整。詳情請見第四頁之附註。

Chairman's Statement
董事長報告書

I am pleased to submit to the shareholders of the Company (the "Shareholders") the annual report of the Company and its subsidiaries (collectively known as the "Group") for the financial year ended 31 December 2019.

本人欣然提呈本公司及附屬公司(合稱「本集團」)截至二零一九年十二月三十一日止年度報告，敬請本公司各位股東(「股東」)瀏覽。

Annual Results and Review

The Group recorded a turnover of approximately RMB838,127,000 for the year ended 31 December 2019 as compared to approximately RMB1,067,585,000 last year, representing a decrease of approximately 21%. The gross profit margin was approximately 32% for the year ended 31 December 2019 while the gross profit margin for the previous year was approximately 27%. The profit attributable to equity Shareholders was approximately RMB169,269,000 for the year under review, representing an increase of approximately RMB31,933,000 over the previous year of approximately RMB137,336,000. Basic earnings per share was approximately RMB0.473.

The significant decrease in turnover of the Group was mainly attributable to decrease in sales volume under the impact of the Sino-US trade friction and the significant advance purchases by customers in US for the avoidance of tariff in 2018. Although the selling price increased slightly in 2019, the effect of decrease in sales volume overrode, causing a drop of turnover of the Group compared with last year.

Under the trend of depreciation of Renminbi against US Dollar and the gradual decrease in gearing ratio of the Group, the Group has continued to enhance its cooperation with renowned domestic and international financial institutions. This reduced the Group's exchange rate risk and can better facilitate its business development. In relation to expanding the market sales, the Group continued to maintain close and stable business relationships with certain renowned beverage manufacturers in China and overseas and has further developed quality customers with broadened sales channels. Both domestic sales and sales to overseas customers in Asia, Europe, Oceania and South America recorded

全年業績及回顧

本集團截至二零一九年十二月三十一日止年度實現本集團收入約為人民幣838,127,000元，比去年同期的約人民幣1,067,585,000元相比下跌約21%；截至二零一九年十二月三十一日止年度毛利率為32%，而去年同期則約為27%；回顧期內實現股東應佔溢利約為人民幣169,269,000元，較去年同期約為人民幣137,336,000元相比增加約人民幣31,933,000元。每股基本盈利約為人民幣0.473元。

集團收入的下跌主要是受中美貿易磨擦及上年度美國客戶基於加徵關稅的預期增大採購量的影響，銷售數量相比去年出現下降，雖然果汁銷售價格較去年有小幅上漲，但銷售數量下降幅度大於銷售價格上漲的幅度，導致本集團的收入出現了下降。

在人民幣對美元總體呈貶值趨勢及本集團資本負債率逐年下降的形勢下，本集團繼續加強了與國內外著名金融機構的合作，以有效降低本集團匯率風險，以便更好地促進業務的發展。在擴大市場銷售方面，本集團積極致力於與國內外著名飲料加工生產商保持優質、穩定的合作關係，並積極開發新的優良客戶，開拓新的銷售渠道，國內及中國以外的亞洲國家、歐洲和大洋洲、南美洲的銷售量相比去年均有所增加。在研發方面：本公司開發出以蘋果

increase compared with last year. In respect of research and development, the Company had developed six types of 100% compound fruit (vegetable) juice based on cloudy apple juice; completed the research on key technologies for industrialization and initial completion of transformation on color stability of clear apple juice concentrate and reduce the content of insoluble matters; continued key technology research on energy saving and emission reduction in the processing of juice concentrate; participated in the formulation of one industry standard; filed two enterprise standards; and won the first prize of scientific research of Shennong China Agricultural Science and Technology Award in 2018-2019 by the Company's project, "Key Technologies for Aseptic Storage, Filling and Quality Improvement of Apple Juice Concentrate".

濁汁為基料的六種100%複合果(蔬)汁；完成濃縮蘋果清汁色值穩定、降低不溶物含量產業化關鍵技術研究，並初步完成成果轉化；繼續進行濃縮果汁加工過程中節能降耗減排關鍵技術研究；參與制定行業標準一項；備案企業標準二項；以及公司申報的「濃縮蘋果汁無菌貯藏灌裝與提質增效關鍵技術」獲2018-2019年度神農中華農業科技獎科學研究類成果一等獎。

Analysis of the Industry and Our Market Share

In 2019, the total volume of China's apple juice concentrate exports was approximately 385,600 tonnes, representing a decrease of 31% as compared to approximately 558,200 tonnes in 2018. Although the Chinese apple juice concentrate industry has only begun mass production since the late 90's of the last century, the industry grew at a tremendous rate and has claimed a global market share of over 50% within just a decade, owing to the abundant apple supplies in China. Behind China, Europe is the second main production site of apple juice concentrate in the world. Hence, the export volume and price of China's apple juice concentrate is affected not only by the global economy, but also the production and sales of apple juice concentrate in Europe. Starting from 2014, due to the increasing competition of producers of apple juice concentrate in Europe and low growth pace of the global economy, the international market price of apple juice concentrate started to decrease until 2017. Since 2018, the production of apple juice concentrate has decreased due to the reduction of apple supply in China. Changes in the demand and supply relationship in the international market of apple juice concentrate caused the recovery of the international market price of apple juice concentrate. In 2019, under both the impact of the Sino-US trade friction and the significant advance purchases by customers in US for the avoidance of tariff in 2018, the volume of apple juice concentrate exported to the US dropped significantly, resulting in the decrease in the total export volume of apple juice concentrate in China.

行業和本公司市場份額分析

二零一九年年度，中國濃縮蘋果汁出口量約為385,600噸，與二零一八年年度出口量約558,200噸相比，減少31%。中國濃縮蘋果汁行業大規模生產起始於上世紀九十年代後期，但由於中國有著豐富的蘋果資源，發展速度十分驚人，僅十年左右就佔據了世界濃縮蘋果汁市場超過50%的份額。世界主要濃縮蘋果汁的產區除中國外，歐洲為世界第二大產區。因此除了受世界經濟的影響，歐洲濃縮蘋果汁的產銷情況也會影響到中國濃縮蘋果汁的出口量和價格。從二零一四年開始，因為歐洲濃縮蘋果汁生產商競爭不斷增加及全球經濟低速增長，使得濃縮蘋果汁的國際市場價格在二零一四年度起開始走低，一直延續到二零一七年年度。自二零一八年年度，由於中國蘋果減產濃縮蘋果汁供應量減少，濃縮蘋果汁的國際市場供需關係發生變化，致使濃縮蘋果汁的國際市場價格開始回暖。二零一九年受中美貿易磨擦及上年度美國客戶基於美國加征關稅的預期在二零一八年增大採購量的雙重影響下，濃縮蘋果汁對美出口量出現大幅下滑，導致當年中國濃縮蘋果汁出口全球的數量出現了下降。

Since apple juice itself is nutritious, increasing pursuit for green and healthy food of the general public is bound to bring more room for development for the apple juice market. Currently, 80% of the world's apple juice consumption market is concentrated in the developed countries with solid demands and steady growths. In these major consumer countries, we already have relatively fixed market shares and customer base. Meanwhile, due to the dense population and rising public awareness on dietary nutrition, natural apple juice will undoubtedly be one of the best options for people in the developing countries. This gradually maturing consumer market will surely become a take-off area for future apple juice consumption. In the long run, healthy and pure natural juice will become more and more popular.

由於蘋果汁本身具有多種營養功能，隨著人們對綠色、健康食品的不斷追求，必將給蘋果汁市場帶來更大的發展空間。目前世界蘋果汁消費市場有80%集中在發達國家，發達國家對蘋果汁的需求已經基本形成剛性，需求量也保持較為穩定的增長趨勢，在這些主要的消費國家，我們都已擁有比較固定的市場份額和客戶群體。同時，我們認為發展中國家人口眾多，人們也越來越注重飲食的營養搭配，天然無添加的蘋果汁無疑將是最好的選擇之一。這個正慢慢成熟的消費市場必將成為未來蘋果汁消費的騰飛區。長期來看，健康、純天然的果汁將會受到越來越多消費者的喜愛。

Being a leader in China's apple juice concentrate industry and through our proactive and visionary leadership, we will capitalize on the capital and administrative expertise of the Company, to gradually expand its domestic market share and stabilize its leading export position in the industry, so as to expedite the healthy development of the Company.

作為中國濃縮蘋果汁行業龍頭企業，本公司領導銳意進取，審時度勢，利用公司的資金、管理方面的優勢，在逐步擴大國內市場佔有率的同時，穩定本公司在本行業的出口領導地位，謀求公司更快更好的發展。

Prospects and Outlook

As a mild raw material, apple juice concentrate can be mixed with different fruit and vegetable juice, to fulfill the market requirements like low cost and good taste. Therefore the demand of apple juice concentrate is solid and steady.

With the gradual implementation of specific measures favourable to the agricultural industry under the PRC government's macroeconomic policies as well as the gradual improvement of various relevant PRC laws and regulations, the Group will enjoy better development and financing opportunities. Aiming at enlarging its business scale, the Group will strive to further extend its market coverage, enhance productivity, diversify products, expand sales, disperse markets and broaden financing channels, etc.

前景與展望

濃縮蘋果汁作為具有溫和性質的基料，可以和不同水果汁、蔬菜汁等混合生產，以同時滿足低成本、好風味等市場需求，所以需求是剛性而穩定的。

隨著國家宏觀經濟政策向農業傾斜的各項具體措施的逐步實施，以及國家各項有關法律法規的逐步完善，本集團也將面臨更好的發展及融資機遇。為謀求本集團的規模發展，本集團將繼續在拓寬市場、提升生產能力、產品多樣化、擴展銷售並分散市場及拓寬融資渠道等多方面作更進一步的努力。

In terms of juice production capacity, volatility in the industry will force some of the small and medium domestic enterprises out of the market. Moderate reshuffling in the industry will favour industry consolidation and improve industry competition environment. The Group aims to further increase its annual juice concentrate production capacity and to strengthen its leading position in the industry, to rationally adjust the Group's existing production capacities according to changes in the sources of raw materials and to extend the research on different types of juice concentrate and production capacity. On research and development, in 2020, the Group will continue to exploit fruit and vegetable beverage; conduct research on key technologies of energy saving and emission reduction in the process of processing on distinguishing fruits grown in the North and fruit juice; and optimize juice processing technique.

在果汁產能方面，行業的波動將使國內部份中小型企業退出市場競爭。行業適度洗牌將有利於提高行業集中度，改善行業的競爭環境。同時對本集團內現有產能根據原料資源的變化進行合理的調整，進一步提高本集團年生產濃縮果汁的生產能力並加大多種類濃縮果汁的研發與生產能力，鞏固本集團於行業內的領導地位。在研究與開發方面，二零二零年，本集團將繼續開發果蔬汁飲料；進行北方特色果品加工、果汁加工過程中節能降耗減排關鍵技術研究；和進行果汁加工工藝的優化。

At present, the Group has a sound financial base. The Group is also well positioned to take advantage of the State's policy on development of new villages and agriculture with a view to developing rural villages, enriching farmers and expanding domestic demands. The board (the "Board") of directors of the Company ("Directors") and I have full confidence in the Group's future development. Our employees will continue to support the Group and to contribute to the Group's continuous and steady development.

目前本集團財務狀況良好，且本集團符合國家建設新農村、發展農業、繁榮農村、富裕農民、擴大內需的政策導向，本人及本公司董事(「董事」)會(「董事會」)對集團未來發展充滿信心，本集團全體員工將繼續努力，為本集團的持續穩定發展作出貢獻。

Dividend

The Board does not recommend the payment of any dividend for the financial year 2019.

股利

董事會不建議派付二零一九年年度股利。

Appreciation

During the reporting period, turnover decreased due to the reduction in apple supply in China and the impact of the Sino-US trade dispute. Despite that, as one of the major apple juice concentrate producing countries which has significant influence and strong negotiation power in the international market, the selling price of apple juice concentrate in China still rose slightly. With the simultaneous efforts in enlarging the production and operation control and developing customers outside the United States, both the net profit and net profit margin of the Company recorded significant increase. The Directors strongly believe that the Company will have a brighter prospect in 2020, given that some small and medium domestic enterprises are expected to exit from market competition in the face of the volatility in the industry and the international market is gradually recovering. On behalf of the Board, I would like to express my sincere gratitude to all the investors, loyal customers and suppliers for their appreciation and unfailing support to the Group.

致謝

報告期內，雖然受上年度中國蘋果減產及中美貿易磨擦的影響，本年度銷售收入出現了下降，但中國作為濃縮蘋果汁主要生產國之一，在國際市場上有著重要的影響力及較強的議價能力，濃縮蘋果汁銷售價格依舊出現了小幅增長，在公司加大生產經營管控和美國以外的客戶開拓的共同努力下，公司的淨利潤及淨利潤率均出現了明顯的提升。董事堅信，由於行業的波動使國內部份中小型企業退出市場競爭，隨著國際市場的穩步恢復，二零二零年度公司將會有更大的發展機遇。在此，本人謹代表董事會就各界投資者、忠誠客戶及各大供應商對本集團的厚愛及堅定支持表示衷心感謝。

Yantai North Andre Juice Co., Ltd.*
Wang An
Chairman

6 March 2020

烟台北方安德利果汁股份有限公司
王安
董事長

二零二零年三月六日

* *For identification purpose only*

* *僅供識別*

Financial Review

Results

For the year ended 31 December 2019, the Group's turnover decreased to approximately RMB838,127,000 as compared to approximately RMB1,067,585,000 in 2018, representing a decrease of approximately RMB229,458,000 or 21%. The Group's turnover was principally derived from the manufacture and sale of apple juice concentrate, pear juice concentrate, bio-feedstuff and related products. For the year ended 31 December 2019, the sale of juice concentrate was approximately 94% of the total sales of the Group (2018: approximately 98%), of which apple juice concentrate was approximately 89% (2018: approximately 89%). The decrease in turnover was mainly due to the decrease in sales volume under the impact of the Sino-US trade dispute and the significant advance purchases by customers in US for the avoidance of tariff in 2018. Although the selling price increased slightly in 2019, the effect of decrease in sales volume overrode, causing the drop of turnover of the Group compared with last year.

For the year ended 31 December 2019, the Group's gross profit was approximately RMB264,285,000 and the gross profit margin was approximately 32%. For the corresponding period in 2018, the gross profit was approximately RMB290,991,000 and gross profit margin was approximately 27%. The decrease in gross profit was mainly attributable to the decrease in sales volume. The increase in gross profit margin was mainly caused by the rise in selling price and decrease in cost of raw apples.

For the year ended 31 December 2019, the Group's net profit (i.e. the profit for the year attributable to equity shareholders of the Company) increased to approximately RMB169,269,000 as compared to approximately RMB137,336,000 for the corresponding period in 2018, representing an increase of approximately RMB31,933,000 or 23%. The increase in net profit was mainly attributable to the increase in gross profit margin and decrease in distribution costs and administrative expenses.

財務回顧

業績

截至二零一九年十二月三十一日止年度，本集團的收入減少至約人民幣838,127,000元，與二零一八年約人民幣1,067,585,000元相比，減少約人民幣229,458,000元或21%。本集團的收入主要來自生產及銷售濃縮蘋果汁、濃縮梨汁、生物飼料及相關產品。截至二零一九年十二月三十一日止年度，濃縮果汁的銷售約佔本集團總銷售額之94%（二零一八年：約98%），其中濃縮蘋果汁佔約89%（二零一八年：約89%）。本年度營業額減少主要是受中美貿易磨擦及上年度美國客戶基於加征關稅的預期增大採購量的影響下，銷售數量相比去年出現下降，雖然果汁銷售價格較去年有小幅上漲，但銷售數量下降幅度大於銷售價格上漲的幅度，導致本集團的收入出現了下降。

截至二零一九年十二月三十一日止年度，本集團毛利約為人民幣264,285,000元，毛利率約為32%。二零一八年同期的毛利約為人民幣290,991,000元，毛利率約為27%。毛利總額下降主要是由於銷售數量減少所致。毛利率上升主要是因為銷售價格的上漲及原料果成本減少所致。

截至二零一九年十二月三十一日止年度，本集團淨利潤（即本公司股東應佔本年度溢利）約為人民幣169,269,000元，與二零一八年同期約人民幣137,336,000元相比，增加約人民幣31,933,000元或23%。淨利潤增加主要是由於毛利率上升和銷售費用、管理費用的下降所致。

Distribution Costs and Administrative Expenses

For the year ended 31 December 2019, the Group incurred distribution costs of approximately RMB44,781,000, as compared to approximately RMB91,212,000 in 2018, representing a decrease of approximately RMB46,431,000 or 51%. The Group's distribution costs mainly included transport, import and export service charge, export inspection and marketing expenses. Such decrease was mainly due to the decrease in sales volume, especially sales to America.

For the year ended 31 December 2019, the Group incurred administrative expenses of approximately RMB54,273,000 as compared to approximately RMB61,468,000 in 2018, representing a decrease of approximately RMB7,195,000 or 12%. Such decrease was mostly attributable to the reduction in apple supply in the major plants in China last year, forcing the production of juice concentrate in the whole industry to stop in advance. As the production resumed normal this year, the Group recorded a decrease in production cessation fee of approximately RMB7,540,000.

銷售及管理費用

截至二零一九年十二月三十一日止年度，本集團銷售費用約為人民幣44,781,000元。與二零一八年約人民幣91,212,000元相比減少約人民幣46,431,000元或51%。本集團之銷售費用主要包括運輸費用，進出口服務費、出口檢驗費及推廣費用。銷售費用減少主要是由於銷售數量(尤其是銷售至美國的數量)的減少所致。

截至二零一九年十二月三十一日止年度，本集團的管理費用約為人民幣54,273,000元。與二零一八年約人民幣61,468,000元相比。減少約為人民幣7,195,000元或12%。管理費用的減少主要是由於上年度國內主要蘋果產區減產，造成中國濃縮果汁整個行業提前停產，而本年度生產恢復正常，本集團停工費用較去年減少約人民幣7,540,000元所致。

Net Finance Costs

For the year ended 31 December 2019, the Group recorded net finance revenue of approximately RMB6,468,000, as compared to approximately RMB15,638,000 for the year ended 31 December 2018, representing a decrease of approximately RMB9,170,000. The decrease was mainly due to the decrease in exchange revenue.

財務成本淨額

截至二零一九年十二月三十一日止年度，本集團錄得財務收入淨額約為人民幣6,468,000元，與截至二零一八年十二月三十一日止年度約人民幣15,638,000元相比，減少約人民幣9,170,000元。財務收入淨額減少主要是由於匯兑收益減少所致。

Income Tax

During the year ended 31 December 2019, the production of condensed juice and bio-feedstuff by the Company and certain of its subsidiaries was continuously recognized as primary processing of agricultural produce under the Corporate Income Tax Law of the PRC and therefore was exempt from the PRC income tax.

所得稅

截至二零一九年十二月三十一日止年度，本公司和若干附屬公司的濃縮果汁和生物飼料生產業務繼續被認定為符合《中國企業所得稅法》中農產品初加工業務，豁免繳納所得稅。

Risks and Uncertainties

Risk of Relying on a Single Product

The Company is principally engaged in the processing, production and sales of juice concentrate, and most of the products are sold abroad. Although the current demand for apple juice concentrate is growing steadily around the globe, the Company's profit sources are largely dependent on a single variety of apple juice concentrate, and fluctuations in the market price of apple juice concentrate will adversely affect the Company's production and operations. In order to cope with the risk of relying on a single product, the Company plans to raise funds through the public offering of shares, some of which will be used to develop various varieties of juice production lines.

Risk of Undersupply of the Major Ingredient

Apple is the major ingredient of the Company's apple juice concentrate and its supply has a direct impact on the Company's production volume. As a result of transportation costs, raw fruits are sourced close to the production plant and the production radius characteristic of apple juice concentrate is obvious. The Company's production volume of apple juice concentrate is subjected to the availability of raw apples. The supply of raw fruits is affected by the general harvest from natural disasters or by the growth reduction, as well as the impact of changes in commodity apples and raw apples caused by market conditions and natural growth conditions.

Risk of Tariff Increases in Major Importing Countries

In 2019, the major importing countries of the Company's apple juice concentrate, such as South Africa, Canada, Australia and New Zealand, imposed zero tariffs on apple juice concentrate exported from China. The U.S. imposed a zero tariff on apple juice concentrate imported from China before 24 September 2018, but started to impose a 10% tariff on apple juice concentrate imported from China since 24 September 2018. Then from 10 May 2019 onward, a 25% tariff was imposed on apple juice concentrate imported from China.

主要風險及不確定性

依賴單一產品風險

本公司主營濃縮果汁的加工生產及銷售，大部分產品銷往國外。雖然目前濃縮蘋果汁需求在全球範圍內穩定增長，但是本公司利潤來源大部份依賴濃縮蘋果汁單一品種，濃縮蘋果汁市場價格波動將會對公司生產經營產生不利影響。為了應對單一產品的風險，本公司計劃通過公開發行股票的募集資金，當中部份將用於開發多品種果汁生產線。

主要原材料供應不足風險

蘋果作為本公司濃縮蘋果汁的主要原材料，其供應情況直接影響本公司的產量。受運輸成本的影響，原料果均在生產工廠附近就近採購，濃縮蘋果汁的生產半徑特徵非常明顯。本公司濃縮蘋果汁的產量受限於原料果供應情況。原料果供應受到自然災害帶來的普遍豐收或者減產等總量方面的影響，亦受到市場行情、自然生長條件等帶來的商品類蘋果與原料蘋果此消彼長的影響。

主要進口國增加關稅的風險

二零一九年，本公司濃縮蘋果汁的主要進口國如南非、加拿大、澳大利亞、新西蘭對中國出口的濃縮蘋果汁實施零關稅。美國在二零一八年九月二十四日前，對進口自中國的濃縮蘋果汁實施零關稅，但從二零一八年九月二十四日起對進口自中國的濃縮蘋果汁徵收10%的關稅，從二零一九年五月十日起對進口自中國的濃縮蘋果汁徵收25%的關稅。

In 2019, U.S. export business accounted for 9% of revenue of the Company, substantially all of which was from apple juice concentrate. Increasing tariffs on apple juice concentrate in the U.S. would reduce the price advantage of the Company's apple juice concentrate compared to competitors in Europe and elsewhere. In order to cope with the risk of increasing tariffs in major importing countries, the Company actively explored new sales channels, with sales volume increasing in both China and other countries in Asia, Europe and Oceania, and South America as compared to last year.

二零一九年，美國出口業務佔本公司營業收入的比重為9%，其中絕大部份為濃縮蘋果汁。美國提高對中國濃縮蘋果汁的關稅，會削弱本公司的濃縮蘋果汁相對歐洲等地區的競爭對手的價格優勢。為了應對主要進口國增加關稅的風險，本公司積極開拓新的銷售渠道，國內及中國以外的亞洲國家、歐洲和大洋洲、南美洲的銷售數量相比去年均有所增加。

Business Review

Stabilising Market Coverage

During 2019, by adapting to the market demand and leveraging on its advanced production technology, superb product quality and comprehensive customer services, the Group maintained steady growth in markets sales. With years of continuous efforts, the Group has expanded its sales network to major countries and regions in the world, including the US, Japan, Europe, Oceania, Africa, South American and Chinese domestic market. Also, the Company has devoted in the development of new products, small type products markets, as well as the customer base. The Group hopes to continue to expand its market places and boost its market share.

Expanding Domestic Sales Market

The Group continued to maintain close and stable business cooperation relationships with certain renowned beverage processors and manufacturers in China and has developed new quality customers with broadened sales channels. The Group started sales activities with the objective to maintain and increase market share, understood the need of the market and customers in a timely manner, analyzed precisely and responded reasonably to every price quote, and processed the customer needs and market information instantly to get more customer orders.

業務回顧

穩定市場覆蓋

二零一九年年度，本集團適應市場需求，始終致力於以先進的生產技術、優良的產品品質及完善的客戶服務在市場中贏得穩步發展。經過多年的努力，本集團的銷售網路已擴展至世界主要國家和地區，包括美國、日本、歐洲、大洋洲、非洲、南美洲諸國及中國內需市場。同時，本公司近年來致力於新產品與小品種產品市場與客戶群體開發，本集團希望繼續努力開拓市場，使銷售份額有所增加。

擴大國內銷售市場

本集團繼續與國內若干著名飲料加工生產商保持密切、穩定的合作關係，並開發新的優良客戶，開拓新的銷售渠道。本著保持並增加市場佔有率的原則開展銷售工作，及時瞭解市場與客戶的需求情況，對每個詢價做嚴謹分析並合理回復，及時把握客戶要求、市場訊息以爭取更多訂單。

Optimisation of Customer Base

While expanding its market places and enlarging its market shares, the Group also leveraged on the prime quality of its products to optimise its profile of customer base continuously. The Group also explored actively for new customers. Through exhibitions, customers' visits and other channels, the Group sought to increase its exposure to new customers and get more chances for cooperation, maintain close relationship and communication with customers and provide optimized service to customers. Currently, the customer base of the Group mainly comprises renowned beverage manufacturers of the world.

優化客戶群體

本集團在拓寬市場、提高市場佔有率的同時，依托公司優質的產品品質，繼續對公司客戶群體進行優化組合，積極尋求新客戶，通過展會、拜訪客戶等多種管道增加與新客戶交流合作的機會，與客戶保持密切良好溝通，為客戶提供最優質的服務。目前，本集團的客戶群體主要是世界上著名的飲料生產商。

Research and Development

The Group had developed six types of 100% compound fruit (vegetable) juice based on cloudy apple juice; completed the research on key technologies for industrialization and initial completion of transformation on color stability of clear apple juice concentrate and reduce the content of insoluble matters; continued key technology research on energy saving and emission reduction in the processing of juice concentrate; participated in the formulation of one industry standard; filed two enterprise standards; and won the first prize of scientific research of Shennong China Agricultural Science and Technology Award in 2018-2019 by the Company's project, "Key Technologies for Aseptic Storage, Filling and Quality Improvement of Apple Juice Concentrate".

研究與開發

本集團完成了以蘋果濁汁為基料的六種100%複合果(蔬)汁；完成濃縮蘋果清汁色值穩定、降低不溶物含量產業化關鍵技術研究，並初步完成成果轉化；繼續進行濃縮果汁加工過程中節能降耗減排關鍵技術研究；參與制定行業標準一項；備案企業標準二項；以及申報的「濃縮蘋果汁無菌貯藏灌裝與提質增效關鍵技術」獲2018-2019年度神農中華農業科技獎科學研究類成果一等獎。

Land Resumption in Longkou

Yantai Longkou Andre Juice Co., Ltd.* (烟台龍口安德利果汁飲料有限公司) ("Longkou Andre Juice"), an indirect wholly-owned subsidiary of the Company, entered into a land resumption agreement with Longkou Natural Resources and Planning Bureau* (龍口市自然資源和規劃局) dated 6 November 2019, pursuant to which, Longkou Natural Resources and Planning Bureau resumed the land use rights of four parcels of land of Longkou Andre Juice located in the West of Tonghai Road and the South of Langyuan Road, Longkou City, with a total resumed land area of approximately 106,964 square meters. The compensation payable to Longkou Andre Juice for the resumption of the land involved was approximately RMB84,155,000. The compensation was comprised of: (i) compensation amount of approximately RMB45,155,000 for the land and the buildings and fixtures erected thereon contemplated under the land resumption agreement; and (ii) compensation amount of approximately RMB39,000,000 for the construction of the new plant and other production facilities. Longkou Andre Juice would be relocated to the nearby Shiliang Town, Longkou City in the first half of 2020. In view of various factors such as the planning of the People's Government of Longkou City and the concentrated supply of raw fruits in the vicinity of Longkou Andre Juice, it is expected that the transaction will bring better development results to the Group and better returns to the Shareholders when it is completed.

龍口土地收回

本公司間接全資附屬公司烟台龍口安德利果汁飲料有限公司(「龍口安德利果汁」)與龍口市自然資源和規劃局簽署日期為二零一九年十一月六日的土地收回協議。根據土地收回協議，龍口市自然資源和規劃局收回龍口安德利果汁位於龍口市通海路西朗源路南的四塊土地的土地使用權，收回土地面積合計約為106,964平方米。收回龍口安德利果汁相關土地所須支付的補償款約為人民幣84,155,000元。補償款包括(i)土地收回協議項下土地、地上建築物及附著物補償款約為人民幣45,155,000元；及(ii)新廠房及其它生產設施建設補償款約為人民幣39,000,000元。龍口安德利果汁將於二零二零年上半年搬遷至附近的龍口市石良鎮。鑒於龍口市人民政府的規劃，以及龍口安德利果汁周邊原料果集中供應區域等各項因素，預期本次交易完成後將為本集團帶來更好的發展成果及為股東帶來更佳回報。

* *For identification purpose only*

* *僅供識別*

Future Prospects

Enlarging market and diversifying products

Currently, the Group has a relatively stable market shares and customer base in the world's major consumer areas of apple juice concentrate, including the US, Europe, Oceania, African countries, and Japan. In addition to consolidating the existing market shares and customer base and resuming exports to US customers in the new year, the Company will be committed to developing multiple emerging markets with a view to making breakthroughs in this aspect.

Due to the satisfactory development of the Company at the present stage, the Company plans to expand its product range with apple juice concentrate as the foundation, while investing in new projects with the funds raised. That included increasing the production of niche products, such as peach juice and strawberry juice, so as to enrich its product line, expand its production capacity and meet the demands of various customers.

Increasing Market Development Effort and Promoting Customer Confidence

Under the premise of maintaining the overseas sales volume, the Company will boost the domestic sales volume by integrating its available resources and optimizing the sales channels, in order to increase the ratio of the domestic sales. At the same time, the Company will combine its products, brand and services using the current sales channels, to provide quality services and satisfy the customers' needs. In connection with the niche product project, it will provide a wide range of products to become a one-stop product supplier. With its excellent product quality, premium services and large variety of products, it will further enhance the confidence of and deepen the cooperation with customers.

Expanding the Financing Channels to Promote Sustainable Development

The Company has proposed to raise funds to invest in various projects through the initial public offering (A shares) and listing, so as to meet the diverse demands of customers. In respect of future financing, the Company will raise funds in a timely manner from various means, such as placing, additional issuance, issuance of bonds, or bank borrowings according to its actual situation and development needs, in order to promote the sustainable development of the Company.

未來展望

拓寬市場及產品多元化

目前本集團在美國、歐洲、大洋洲、非洲諸國及日本等世界主要濃縮蘋果汁的消費地區都擁有比較固定的市場份額和客戶群體。新的年度除了穩固好已有的市場份額和客戶群體並恢復對美國客戶的出口，公司會著力於開發多處新興市場，希望能夠在此方面有所突破。

公司在滿足當前發展的前提下，計劃擴大公司產品種類，以濃縮蘋果汁為基礎，同時準備利用募集資金投資新建項目，增加桃汁、草莓汁等小品種產品的產量，豐富公司產品種類，擴大公司產能，滿足不同客戶需求。

加大市場開發力度，提升客戶信賴度

在保持國外銷量的前提，將大力拓展國內銷售，整合公司現有資源，優化銷售管道，提高國內銷售的佔比；同時，利用現有的銷售管道，將公司產品、品牌與服務相結合，提供優質服務，滿足客戶的需求。並結合公司小產品專案，將提供多品種產品，完成一站式產品供給。以優質的產品品質，優秀的服務，豐富的產品類別，將進一步提升客戶對公司的信賴與合作度。

擴大融資管道，推動公司可持續發展

公司計劃通過首次公開發行股票(A股)並上市，募集資金投資多品種專案，滿足客戶的多元化需求。在未來融資方面，公司將根據自身的實際情況和發展需要，適時採用配股、增發、發行債券或銀行借款等多種方式獲得資金，以推動公司可持續發展。

Research and Development

On research and development, in 2020, the Group will continue to exploit fruit and vegetable beverage; conduct research on key technologies of energy saving and emission reduction in the process of processing on distinguishing fruits grown in the North and fruit juice; and conduct the optimization of juice processing technique.

研究與開發

在研究與開發方面，於二零二零年，本集團將繼續開發果蔬汁飲料；進行北方特色果品加工、果汁加工過程中節能降耗減排關鍵技術研究；和進行果汁加工工藝的優化。

Charge of Assets

The Group has no assets charged as at 31 December 2019.

資產抵押

於二零一九年十二月三十一日本集團並無對外資產抵押。

Contingent Liabilities

The Group has no contingent liabilities as at 31 December 2019.

或然負債

於二零一九年十二月三十一日本集團並無或然負債。

Foreign Exchange Exposure

The operating revenue of the Group is partly denominated in US Dollars. It is the practice of the Group to convert its operating revenue denominated in US Dollars to Renminbi to finance its operating expenses and capital requirements. However, the results of operations and the financial position of the Group may be affected by any changes in the exchange rates.

On the other hand, the conversion of Renminbi denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

外匯風險

本集團之經營收入部份以美元為貨幣單位。本集團一向將以美元為單位之經營收入兑換為人民幣，作為經營支出及資本需求。然而，本集團之經營業績及財務狀況受匯率變動而影響。

另一方面，將以人民幣作為單位之款項兑換為外幣，須受中國政府頒佈之外滙控制規例及規條所限制。

Capital Commitment

For the capital commitment of the Group, please refer to Note XI.1 to the Financial Statements.

資本承擔

本集團之資本承擔詳載於財務報表附註十一、1。

Capital Structure

The H Shares were listed on the Growth Enterprise Market of the Stock Exchange (the "GEM") on 22 April 2003. On 19 January 2011, the H Shares were transferred and listed on the Main Board of the Stock Exchange (the "Main Board") and de-listed from GEM. The capital of the Company comprises only ordinary shares (comprising domestic shares (the "Domestic Shares"), domestic non-circulating foreign shares (the "Domestic Non-Circulating Foreign Shares") and H Shares). Details of the share capital of the Company are set out in Note V.20 to the Financial Statements.

股本架構

H股於二零零三年四月二十二日在聯交所創業板(「創業板」)上市。於二零一一年一月十九日，H股轉為於聯交所主板(「主板」)上市及於創業板除牌。本公司之股本僅由普通股股份(包括本公司內資股(「內資股」)、境內非流通外資股(「境內非流通外資股」)及H股)組成。本公司股本詳情載於財務報表附註五、20。

Liquidity and Financial Resources

The Group generally financed its operations and investing activities by internally generated financial resources and bank loans. As at 31 December 2019, the Group had no outstanding bank loans. The Directors consider that the Group has sufficient financial resources to meet its ongoing operation requirements.

流動資金及財務資源

本集團一般以內部財務資源及銀行借貸為其經營及投資活動之資金。於二零一九年十二月三十一日，本集團概無尚未償還之各類銀行貸款。董事認為，本集團具有充足的財務資源，滿足持續營運需要。

Gearing Ratio

As at 31 December 2019, the Group had cash and cash equivalents of approximately RMB274,050,000. The Group's gearing ratio as at 31 December 2019 was approximately 6% (2018: approximately 7%), which was calculated by dividing the Group's total liabilities of approximately RMB127,209,000 (2018: RMB142,455,000) by the Group's total assets of approximately RMB2,039,682,000 (2018: RMB1,921,459,000).

資本負債比率

於二零一九年十二月三十一日，本集團之現金及現金等價物約為人民幣274,050,000元。於二零一九年十二月三十一日，本集團之資產負債比率約為6%(二零一八年：約7%)，乃按本集團之總負債約人民幣127,209,000元(二零一八年：人民幣142,455,000元)除以總資產約人民幣2,039,682,000元(二零一八年：人民幣1,921,459,000元)計算。

Environmental Policies

The details of environmental, social and governance policies and performance of the Group will be disclosed in the 2019 Environmental Social and Governance Report to be issued by the Company in accordance with Appendix 27 of the Listing Rules.

有關環境的政策

有關環境、社會及管治政策以及本集團的表現的詳情將於本公司根據上市規則附錄二十七公佈的二零一九年環境、社會及管治報告中披露。

Directors, Supervisors and Senior Management
董事、監事及高級管理層

Directors

Executive Directors

Mr. Wang An (王安), aged 57, is the chairman of the Board and an executive Director. Mr. Wang has been a Director since 26 June 2001. Mr. Wang is a well known private entrepreneur in the PRC. Mr. Wang has received the following awards/recognitions: one of the top ten Outstanding Youths Entrepreneurs in Shandong Province, the medal of "Labor Model of the Nation", an Advanced Individual of the United Front (統戰系統先進個人), an Outstanding Contributor to the Development of Socialism with Chinese Characteristics in Shandong Province (山東省優秀中國特色社會主義事業建設者), a Top Ten Outstanding and Influential Individual in the Agricultural Industry of Shandong Province (山東省農業產業化最具影響力十大傑出人物), a Star of Hope in the 30 Years' of Reform and Opening in Yantai (烟台改革開放三十年「希望之星」), an Influential and Outstanding Private Entrepreneur in Yantai to Commemorate the 60th Anniversary of the Establishment of the People's Republic of China (紀念中國成立60週年影響烟台優秀民營企業家), a Touching Character in Yantai in the 40 Years' of Reform and Opening in Yantai (烟台市改革開放四十週年「感動烟台人物」), one of the Top Ten Influential Persons of the Time Among the Top 60 Advanced Individuals in the Development of Socialism in Yantai of Shandong Province (山東（烟台）社會主義建設六十佳先進人物之十佳經濟風雲人物), and is a representative of Shandong Province to the 10th, 11th and 12th National People's Congress (人大代表). Mr. Wang graduated from the Institute of the PRC Central Communist Party (中共中央黨校函授學院) in June 1994. He was the general manager of Yangma Resort (養馬島渡假村) for four years before joining the Group. Mr. Wang has the following social services appointments: member of China Business Advisory Council (中國工商理事會理事), member of the 1st Session of the Council of Yantai Charity Federation (烟台市慈善總會第一屆理事會理事). Mr. Wang An is a director of China Pingan Investment Holdings Limited and Shandong Andre Group Co., Ltd.* (山東安德利集團有限公司) ("Andre Group"), which are substantial shareholders of the Company. He joined the Company in March 1996 and has since been involved in the concentrated apple juice production industry. Mr. Wang is responsible for the overall management of the Group.

* *For identification purpose only*

董事

執行董事

王安先生，57歲，為董事會董事長及執行董事。王先生自二零零一年六月二十六日起擔任董事。王先生是中國著名的民營企業家。王先生曾先後獲得以下獎項及榮譽：山東省十大傑出青年企業家、中國五一勞動獎章獲獎者、統戰系統先進個人、山東省優秀中國特色社會主義事業建設者、山東省農業產業化最具影響力十大傑出人物、烟台改革開放三十年「希望之星」、紀念中國成立60週年影響烟台優秀民營企業家、烟台市改革開放四十週年「感動烟台人物」、山東（烟台）社會主義建設六十佳先進人物之十佳經濟風雲人物、第十、十一、十二屆山東省人大代表。王先生於一九九四年六月在中共中央黨校函授學院畢業。於加盟本集團前，他曾擔任養馬島渡假村的總經理四年。王先生參與以下的社會公職：中國工商理事會理事、烟台市慈善總會第一屆理事會理事。王安先生是本公司主要股東China Pingan Investment Holdings Limited及山東安德利集團有限公司（「安德利集團」）的董事。王先生於一九九六年三月加入本公司，並自此參予濃縮蘋果汁生產業。王先生目前負責本集團的整體管理。

* *僅供識別*

Mr. Zhang Hui (張輝), aged 47, is an executive Director and chief executive officer of the Company. Mr. Zhang has been a Director since 26 June 2001. He was the deputy general manager of Muping Foodstuff Industrial Company Limited (牟平食品工業有限公司) and Yantai Muping Xinping Land Development Material Company Limited* (烟台市牟平區新平土地開發物資有限公司) before joining the Group. Mr. Zhang joined the Company in December 1998 and has been involving in the concentrated juice production industry since then. Mr. Zhang has been supervisor of the production department, general manager of a subsidiary of the Company and the executive president of the Company. Mr. Zhang has received the following awards: Outstanding Member of the Communist Party (優秀共產黨員) of Muping District, The 9th Session Top Ten Outstanding Youth Entrepreneurs of Yantai city (第九屆烟台市十大傑出青年企業家) and the "May 1st Labor Award" of Yantai city. In March 2007, he was appointed as a member of the standing committee of the fruit and vegetable processing division (果蔬加工分會) of the Chinese Institute of Food Science and Technology. During his tenure as general manager of Baishui Andre Juice Co., Ltd.* (白水安德利果蔬汁有限公司), he was appointed as a representative of the Communist Party in Weinan city (中共渭南市黨代表) and was a standing member of the Chinese People's Political Consultative Committee of Baishui County. Currently, Mr. Zhang assists Mr. Wang An in the overall management of the Group. Mr. Zhang graduated from Shandong Agriculture University with a bachelor's degree in economics and management (majoring in corporate management) in July 1997. Mr. Zhang is an engineer.

張輝先生，47歲，為本公司執行董事兼行政總裁。張先生自二零零一年六月二十六日起擔任董事。於加盟本集團前，他曾擔任牟平食品工業有限公司及烟台市牟平區新平土地開發物資有限公司的副總經理。張先生於一九九八年十二月加入本公司，並自此參與濃縮蘋果汁生產業，先後擔任生產部主任、附屬公司總經理、公司執行總裁職務。張先生先後被評選為牟平區「優秀共產黨員」、第九屆「烟台市十大杰出青年企業家」、烟台市「五一」勞動獎章獲得者；二零零七年三月起獲委任為中國食品科學技術學會果蔬加工分會常務理事。張先生在白水安德利果蔬汁有限公司擔任總經理期間，曾當選中共渭南市黨代表和白水縣政協常委。目前張先生協助王安先生負責本集團的整體管理。張先生於一九九七年七月自山東農業大學畢業，並獲得經濟管理學士學位(主修企業管理)。張先生是一名工程師。

Mr. Wang Yan Hui (王艷輝), aged 43, is an executive Director since 27 June 2012. Mr. Wang is a postgraduate and a certified public accountant in the PRC. Mr. Wang formerly worked as an accountant in Yantai Yangma North Hotel (烟台養馬島北方大酒店). Mr. Wang joined the Company in February 2001 and worked as accountant, chief accountant, deputy manager, manager in various subsidiaries of the Company. Mr. Wang is also the financial controller of the Group and the secretary to the Board.

王艷輝先生，43歲，自二零一二年六月二十七日起為執行董事。王先生有研究生學歷，是中國註冊會計師。王先生曾在烟台養馬島北方大酒店任會計職務；二零零一年二月加入本公司先後任會計、多家附屬公司主管會計、副經理、經理等職，王先生亦是本集團財務總監兼董事會秘書。

* *For identification purpose only*

* *僅供識別*

Non-executive Director

Mr. Liu Tsung-Yi (劉宗宜), aged 53, is a non-executive Director. He has been a non-executive Director of the Company since 22 June 2009. Mr. Liu is the vice president of the business integration division of Uni-President Enterprises Corp., a company listed on the Taiwan Stock Exchange Corporation. He joined Uni-President Enterprises Corp. in July 1996, and was subsequently appointed as the head of its investment analysis section. In 2000, he was transferred to President International Development Corporation, and was responsible for its investments. He has also been the manager of the treasury division of Uni-President Enterprises Corp. since 2004. Currently, Mr. Liu is also the president/director/ of certain member companies of Uni-President Enterprises Corp., amongst which President Securities Corp. is a company listed on the Taiwan Stock Exchange; Tait Marketing and Distribution Co., Ltd. is a company listed on the Taipei Exchange. Mr. Liu has over 25 years of experience in banking, corporate finance, M&A, private equity, and business strategy. Before joining Uni-President Enterprises Corp., he was the head of the credit and loan unit of the Taipei branch of Cosmos Commercial Bank. Mr. Liu obtained a bachelor of laws degree (majoring in economics) from National Chengchi University in 1989, and a master of business administration degree from National Taiwan University in 1991.

Independent non-executive Directors

Mr. Jiang Hong Qi (姜洪奇), aged 53, is an independent non-executive Director since 25 May 2016. Mr. Jiang is a member of the Communist Party of the PRC. Mr. Jiang obtained a master degree in economics from Hangzhou Institution of Electronic Technology in March 1997. He is a certified public accountant in the PRC. From March 1997 to December 2002, Mr. Jiang served as a business manager and a senior manager of Shandong International Trust and Investment Corporation. Mr. Jiang joined the Company in 2003 and served as the chief financial officer of the Company from May 2003 to May 2010. From May 2007 to June 2010, he served as an executive Director and from July 2010 to June 2012 he served as a non-executive Director. Since May 2010, he serves as the vice president of the Creat Group Co., Ltd..

非執行董事

劉宗宜先生，53歲，為非執行董事。劉先生自二零零九年六月二十二日起擔任非執行董事。劉先生現為台灣證券交易所上市公司統一企業股份有限公司企業整合協理。劉先生於一九九六年七月加入統一企業股份有限公司，之後獲委任為投資分析課長。於二零零零年，劉先生調任統一國際開發股份有限公司，負責該公司之投資。由二零零四年起，劉先生亦擔任統一企業股份有限公司金融業務部經理。劉先生現亦於統一企業股份有限公司的數個成員公司兼任總經理／董事，其中統一綜合證券股份有限公司為台灣證券交易所的上市公司；德記洋行股份有限公司為台灣證券櫃檯買賣中心的上櫃公司。劉先生於銀行、財務、兼併收購、私募基金及企業策略等方面擁有逾25年經驗。於加入統一企業股份有限公司前，劉先生曾擔任萬泰商業銀行台北分行企業授信及融資組組長。劉先生於一九八九年獲得台灣政治大學法學士學位(主修經濟學)，並於一九九一年獲得台灣大學工商管理碩士學位。

獨立非執行董事

姜洪奇先生，53歲，自二零一六年五月二十五日起為獨立非執行董事。姜先生是中共黨員。姜先生於一九九七年三月獲杭州電子工業學院經濟學碩士學位。彼為中國註冊會計師。自一九九七年三月至二零零二年十二月，姜先生擔任山東省國際信託投資公司業務經理及高級經理。姜先生於二零零三年加入本公司，於二零零三年五月至二零一零年五月擔任本公司財務總監。於二零零七年五月至二零一零年六月擔任執行董事，並於二零一零年七月至二零一二年六月擔任非執行董事。自二零一零年五月起，彼擔任科瑞集團有限公司的副總裁。

Mr. Li Wei (李煒), aged 65, is an independent non-executive Director since 25 May 2016. Mr. Li has approximately 15 years of working experience in corporate management. Mr. Li graduated from Beijing Institute for Foreign Trade in July 1980. From July 1986 to October 1989, Mr. Li served as the general manager of the import department at China North Industries Corporation. From October 1989 to October 1995, he served as the managing director of Silverkey Development Ltd. From October 1995 to October 1999, he served as the managing director of Silvercity International Development Ltd., and also served as a director of Raymond Industrial Ltd., a company listed on the Stock Exchange. Since February 2002, Mr. Li has successively been a commentator or host at several broadcasting stations and television stations in Hong Kong, Beijing and Shenzhen. Since August 2007, he serves as an independent non-executive director of VST Holdings Ltd., a company listed on the Stock Exchange. In addition, since May 2016, he serves as an independent non-executive director of Qianhai Health Holdings Ltd., a company listed on the Stock Exchange. Last but not least, he serves as an independent non-executive director of Transtech Optelecom Science Holdings Limited, a company listed on the Stock Exchange, since July 2017.

李煒先生，65歲，自二零一六年五月二十五日起為獨立非執行董事。李先生累積約十五年公司管理工作經驗。李先生於一九八零年七月畢業於北京對外貿易學院。自一九八六年七月至一九八九年十月，李先生擔任中國北方工業公司進口部總經理。自一九八九年十月至一九九五年十月，彼擔任銀凱發展有限公司的董事總經理。自一九九五年十月至一九九九年十月，彼擔任銀華國際發展集團的董事總經理，同時擔任利民實業有限公司(在聯交所上市的公司)的董事。自二零零二年二月起，李先生先後在香港、北京和深圳的多家廣播電台和電視台擔任評論員或主持人。自二零零七年八月起，彼擔任偉仕控股有限公司(在聯交所上市的公司)的獨立非執行董事。此外，自二零一六年五月起，彼擔任前海健康控股有限公司(在聯交所上市的公司)的獨立非執行董事。最後自二零一七年七月起，彼擔任高科橋光導科技股份有限公司(在聯交所上市的公司)的獨立非執行董事。

Mr. Li Yao (李堯), aged 57, is an independent non-executive Director since 26 June 2019. Mr. Li obtained an MBA degree at the Open University of Hong Kong in June 2005. Mr. Li worked at the chief engineer office of Committee of Construction of Nanchang City from July 1986 to August 1988; and at the project office of World Bank Highway Loan Project in Jiangxi Province from September 1989 to June 1993; from August 1995 to July 2003, Mr. Li served as the deputy general manager of the Investment Division of Creat Group Corporation; and from September 2003 to August 2013, he served as the executive director and vice president of Creat Tiancheng Investment Holdings Company; Mr. Li served as the chairman of Jiangxi Jiuhua Pharmaceutical Company Limited from October 2014 to May 2017; and he served as the executive director of Shanghai Ruisong Investment Company Limited since November 2009; Since March 2015, he served as the chairman of Ningbo TCM Material Company Limited. Mr. Li served as the supervisor of Shanghai Raas Blood Products Company Limited since June 2007. Since June 2013, he served as the supervisor of Shanghai Pine Power Biotech Company Limited. Since May 2019, he served as the director of Guangdong JingYi Metal Co., Ltd..

李堯先生，57歲，自二零一九年六月二十六日起擔任獨立非執行董事。李先生於二零零五年六月獲得香港公開大學MBA碩士學位。李先生曾於一九八六年七月至一九八八年八月就職於南昌市建設委員會總工程師辦公室；一九八九年九月至一九九三年六月就職於世界銀行公路貸款項目江西省項目辦公室；一九九五年八月至二零零三年七月，李先生任科瑞集團有限公司投資事業部副總經理；二零零三年九月至二零一三年八月李先生任科瑞天誠投資控股有限公司執行董事、副總裁；二零一四年十月至二零一七年五月，李先生任江西九華藥業有限公司董事長；二零零九年十一月至今，其任上海瑞松投資有限公司執行董事；二零一五年三月至今，其擔任寧波藥材股份有限公司董事長。二零零七年六月至今，李先生擔任上海萊士血液製品股份有限公司監事。二零一三年六月至今，其擔任上海松力生物技術有限公司監事；二零一九年五月至今，其擔任廣東精藝金屬股份有限公司董事。

Supervisors

Ms. Dai Liying (戴利英), aged 55, is a staff representative Supervisor since 16 March 2016. She is a member of the Communist Party of the PRC. She obtained a bachelor degree from Inner Mongolia Normal University in July 1988, majoring in pre-school education. From July 1988 to July 1997, she served as the principal of the Third Kindergarten of Inner Mongolia First Machinery Manufacturing Factory. From July 1997 to June 1998, she worked at Yantai Commercial and Trading Company Limited. She joined the Company in July 1998, and held various positions at the Company successively, including the deputy supervisor of administration department, the supervisor of administration department and the supervisor of human resources department of the Company. From 2014 to September 2019, she serves as the assistant to the general manager of the Company and the supervisor of the general management department of the Company.

Mr. Wang Zhiwu (王志武), aged 49, is a Shareholder-approved supervisor since 25 May 2016. He is a member of the Communist Party of the PRC with a high school qualification. From May 1990 to June 1997, he worked at Muping District Aquatic Products Supplying and Marketing Company. He joined the Company in July 1997. From January 2002 to February 2012, he held various positions at the Company successively, including the deputy supervisor of the production department of the Company, the supervisor of production department of the Company, the deputy general manager of a subsidiary of the Company and the vice president of the Company. From March 2012 to March 2017, he was the general manager of Binzhou Andre. Since April 2017, he is the general manager of Yongji Andre Juice Co., Ltd., a subsidiary of the Company.

監事

戴利英女士，55歲，自二零一六年三月十六日起為職工代表監事。戴女士為中共黨員。於一九八八年七月獲內蒙古師範大學學士學位，主修學前教育。自一九八八年七月至一九九七年七月，擔任內蒙古第一機械製造廠第三幼稚園園長。自一九九七年七月至一九九八年六月，於烟台商貿有限責任公司工作。戴女士於一九九八年七月加入本公司，先後在本公司擔任多個不同的職位，包括本公司行政部副主任、行政部主任及人力資源部主任。自二零一四年至二零一九年九月，擔任本公司總經理助理及綜合管理部主任。

王志武先生，49歲，自二零一六年五月二十五日起為股東批准監事。彼為中共黨員，高中學歷。於一九九零年五月至一九九七年六月，任職於牟平區水產供銷公司。王先生於一九九七年七月加入本公司。於二零零二年一月至二零一二年二月期間，先後在本公司擔任多個不同的職位，包括本公司生產部副主任、本公司生產部主任、本公司附屬公司的副總經理以及本公司副總裁。於二零一二年三月至二零一七年三月期間，擔任濱州安德利的總經理。自二零一七年四月起，擔任本公司附屬公司永濟安德利果蔬汁有限公司總經理。

Mr. Wang Kun (王坤), aged 39, is an independent representative in the supervisory committee of the Company since 26 June 2018. Mr. Wang is a member of the Communist Party of the People's Republic of China. Mr. Wang Kun held high school diploma. Mr. Wang Kun joined the Company in August 2000. From July 2005 to July 2015, Mr. Wang Kun served successively as the vice director of the production department of a subsidiary of the Company, the director of the production department, assistant to the chairman of the Company and then as the vice general manager of a subsidiary of the Company. From March 2015 to March 2017, Mr. Wang Kun served as the general manager of Baishui Andre Juice Co., Ltd.* (白水安德利果蔬汁有限公司), a subsidiary of the Company. Since April 2017, he has been serving as the general manager of Liquan Yitong Juice Co., Ltd* (禮泉億通果蔬汁有限公司), a subsidiary of the Company.

王坤先生，39歲，自二零一八年六月二十六日起擔任本公司監事會獨立代表。王先生是中共黨員，高中學歷。王坤先生於二零零零年八月加入本公司。自二零零五年七月至二零一五年七月，王坤先生先後擔任本公司附屬公司生產部副主任、生產部主任、本公司總裁助理及本公司附屬公司副總經理。自二零一五年三月至二零一七年三月，王坤先生擔任本公司附屬公司白水安德利果蔬汁有限公司總經理。自二零一七年四月起，彼擔任本公司附屬公司禮泉億通果蔬汁有限公司總經理。

Senior Management

高級管理層

Mr. Wang An (王安), aged 57, is the chairman of the Board and an executive Director. Please refer to his biography under the sub- section headed "Directors".

王安先生，57歲，為董事會董事長及執行董事。請參閱「董事」分節所載履歷。

Mr. Zhang Hui (張輝), aged 47, is an executive Director and chief executive officer of the Company. Please refer to his biography under the sub-section headed "Directors".

張輝先生，47歲，為本公司執行董事兼行政總裁。請參閱「董事」分節所載履歷。

Mr. Wang Yan Hui (王艷輝), aged 43, is an executive Director, financial controller and secretary to the Board. Please refer to his biography under the sub- section headed "Directors".

王艷輝先生，43歲，為本公司執行董事兼財務總監、董事會秘書。請參閱「董事」分節所載履歷。

Ms. Zhao Jing (趙晶), aged 54, is a vice president of the Company. Ms. Zhao graduated from Shandong Worker's University of International Business and Economics and obtained a bachelor's degree in foreign business management in July 1990. She worked in the Foreign Trade Investment Center of the Foreign Economics and Trade Commission of Muping from January 1992 to February 1992; Canadian Naisen (Tianjin) Steel Products Co., Ltd. from 1992 to 1997; and in the Company as a vice president responsible for sales and market promotion from 1997 to August 2003; and Shandong Freda Biopharm Co., Ltd. from September 2003 to December 2010. Ms. Zhao rejoined the Company in January 2011 and is currently responsible for both domestic and overseas sales of the Group.

趙晶女士，54歲，本公司副總裁。趙女士於一九九零年七月畢業於山東省對外經濟貿易職工大學，並取得外貿企業管理學士學位。於一九九二年一月至一九九二年二月份在牟平外經委外貿投資中心任職；一九九二年至一九九七年在加拿大奈森(天津)鋼製品有限公司任職；一九九七年至二零零三年八月在本公司任副總經理，負責本集團的銷售及市場推廣；二零零三年九月至二零一零年十二月在山東福瑞達生物醫藥有限公司任職。趙女士於二零一一年一月重新加入本公司現負責本集團的國內、外市場銷售工作。

* *For identification purpose only*

* *僅供識別*

Mr. Qu Kun Sheng (曲昆生), aged 51, has a bachelor's degree and is a senior engineer. He is a vice president and the chief engineer of the Company. Mr. Qu joined the Company in 1997 to engage in manufacturing technologies development, quality control and on-going supervision of production activities. He was the winner of the Second Class Award of National Science Advancement (國家科技進步二等獎), the winner of Gold Award of National Patent (國家專利金獎), the winner of the First Class Award of China National Agricultural Technology (神農中華農業科技一等獎) and the twice winner of the Third Class Award of Science Advancement of Shandong Province (山東省科技進步三等獎). Currently, he is responsible for the technology and research and development of the Group.

曲昆生先生，51歲。大學本科學歷，正高級工程師，本公司副總裁兼總工程師。一九九七年加入本公司從事工藝技術研發、質量管理、在線生產監控工作。曾獲國家科技進步二等獎一項，國家專利金獎一項，神農中華農業科技一等獎一項，山東省科技進步三等獎二項。現負責本集團的技術和研發工作。

Company Secretary

Ms. Ng Man Yee (伍敏怡), aged 48, is the company secretary of the Company. Ms. Ng graduated from the Chinese University of Hong Kong and obtained her bachelor's degree in business administration in 1994. She is a fellow certified public accountant of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants and a Chartered Accountant of the Institute of Chartered Accountants in England and Wales. Ms. Ng has over 20 years of experience in the field of auditing and accounting.

公司秘書

伍敏怡女士，48歲，為本公司公司秘書。伍女士畢業於香港中文大學，並於一九九四年獲頒工商管理學士學位。伍女士為香港會計師公會資深會計師，英國特許公認會計師公會資深會員，英格蘭及威爾斯會計師公會特許會計師。伍女士於審計及會計業擁有超過二十年經驗。

The Company is committed to maintaining a high standard of corporate governance practices. Continuous efforts are made to review and enhance the Group's internal controls and procedures in light of changes in regulations and developments in best practices.

本公司致力採取高水平企業管治常規。鑑於法規變動及最佳慣例之演變，我們亦持續審閱及加強本集團之內部控制及程序。

Corporate Governance Code

The Company's corporate governance practices are based on the principles and code provisions (the "Code Provisions") set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). During the year ended 31 December 2019, the Company complied with the Code Provisions of the CG Code, except for the following deviation:

According to Code A.1.8 of the CG Code, the Company should arrange appropriate insurance cover in respect of legal action against its directors. The Board believes that with the current risk management and internal control systems and the close supervision of the management, the Directors' risk of being sued or getting involved in litigation in their capacity as Directors is relatively low. Benefits to be derived from taking out insurance may not outweigh the cost. As such, the Company currently does not have insurance cover for legal action against its Directors.

企業管治守則

本公司的企業管治措施乃根據聯交所證券上市規則(「上市規則」)附錄十四企業管治守則(「企業管治守則」)所載的原則及守則條文(「守則條文」)為基準。除以下所述外，本公司於二零一九年十二月三十一日止財政年度內已遵守企業管治守則之守則條文：

根據企業管治守則中A部1.8條，本公司應就其董事可能會面對的法律行動作適當的投保安排。董事會相信，在現有風險管理及內部監控制度和管理層密切監管下，各董事因其董事身份而被控告或牽涉於訴訟之風險偏低，且投保所帶來之好處或低於投保成本。因此，本公司現時並無就其董事可能面對的法律行動作投保安排。

Corporate Governance Functions

The Board is responsible for formulating the policy for the corporate governance of the Company and performing the corporate governance duties as below:

(i) To develop and review the Group's policies and practices on corporate governance and make recommendations;

(ii) To review and monitor the training and continuous professional development of Directors and senior management;

(iii) To review and monitor the Group's policies and practices on compliance with all legal and regulatory requirements (where applicable);

(iv) To develop, review and monitor the code of conduct and compliance manual (if any) applicable to the employees of the Group and Directors; and

企業管治職能

董事會負責制訂本公司之企業管治政策並履行以下企業管治職務：

(i) 發展及檢討本集團的企業管治的政策及常規，並提出建議；

(ii) 檢討及監察董事及高級管理層的培訓及持續專業發展；

(iii) 檢討及監察本集團的政策及常規符合所有法律及規例的要求(如適用)；

(iv) 發展、檢討及監察適用於本集團全體僱員及董事的行為守則及合規指引(如有)；及

(v) To review the Group's compliance with the CG Code and disclosure requirements in the corporate governance report.

(v) 檢討本集團對企業管治守則及企業管治報告的披露要求的合規情況。

The Board

The Company is managed by its Board, which has the responsibility for providing leadership and control of the Company. Through the Board, the Directors are collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs.

The Directors

As at the date of this annual report, the Board comprised a total of seven Directors, including three executive Directors, namely, Mr. Wang An (chairman), Mr. Zhang Hui (chief executive officer) and Mr. Wang Yan Hui (financial controller); one non-executive Director, namely, Mr. Liu Tsung-Yi; and three independent non-executive Directors, namely, Mr. Jiang Hong Qi, Mr. Li Wei, Mr. Li Yao (appointed on 26 June 2019) and Mr. Li Tong Ning (resigned on 26 June 2019).

Each of the Directors has entered into a service contract with the Company for a term of three years until the conclusion of the Company's annual general meeting to be held in the year of 2022. All Directors are appointed by the Shareholders at the general meeting with formal letters of appointment setting out the key terms and conditions relating to their appointments.

None of the Directors or Supervisors had entered into any service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

Each of the independent non-executive Directors possesses a wide range of skills and experience. They serve the important function of providing adequate monitoring and balances for safeguarding the interests of the Shareholders and the Company as a whole. The Board considers that they can make independent judgment effectively and fulfill the independence guidelines set out in Rule 3.13 of the Listing Rules.

董事會

本公司由董事會管理，董事會負責公司的領導及監控工作。各董事透過董事會指揮及監督公司事務，集體負責並推動本公司的事務。

董事

截至本年報日，董事會共有七名董事，包括三名執行董事，分別為王安先生(董事長)、張輝先生(行政總裁)及王艷輝先生(財務總監)；一名非執行董事劉宗宜先生；及三名獨立非執行董事，分別為姜洪奇先生、李煒先生，李堯先生(委任於二零一九年六月二十六日)及李同寧先生(辭任於二零一九年六月二十六日)。

各董事已分別與本公司訂立為期三年之服務合約至本公司將於二零二二年舉行的股東週年大會結束時為止。所有董事均由股東大會委任，正式委任書對他們的任命列明有關期限和條件。

概無董事或監事與本公司訂有任何不可以由本公司於一年內終止而毋須賠償(法定補償除外)之服務合約。

本公司的獨立非執行董事具備廣泛的技巧和經驗。他們能充分發揮監察和平衡的重要作用，保障股東和公司整體的利益。董事會認為他們能夠有效地作出獨立判斷，符合上市規則第3.13條列載的評估獨立性的指引。

The biographical details of the Directors are set out on pages 20 to 23 of this annual report.

各董事的個人資料載於本年報第20頁至第23頁。

Responsibilities of the Board

The Board reviews the performance of the operating divisions with reference to their respective agreed budgets and business objectives on a regular basis and also exercises a number of reserved powers which include:

- convening general meetings and reporting on their work at such meetings;
- implementing resolutions passed at general meetings;
- formulating the Company's business plans and investment proposals;
- preparing the Company's annual financial budget and final accounts;
- formulating proposals for profit distribution and for setting off of accumulated losses of the Company;
- formulating proposals for increase or reduction in registered capital and the issuance of debt securities of the Company;
- formulating proposals for merger, demerger or dissolution of the Company;
- formulating the internal management structure of the Company;
- appointing or dismissing the chief executive officer of the Company, appointing or dismissing the deputy general manager, chief financial officer and other senior management at the recommendation of the chief executive officer of the Company and determining matters relating to their remuneration;
- formulating the basic management system of the Company;
- formulating proposals for amendments to the articles of association of the Company (the "Articles of Association"); and

董事會職責

本公司董事會定期檢討各營業部門議定的預算及業務目標有關的業績表現，並行使多項保留權力，包括：

- 負責召集股東大會，並向股東報告工作；
- 執行股東大會的決議；
- 決定公司經營計劃和投資方案；
- 制訂公司的年度財務預算及決算方案；
- 制訂公司的利潤分配方案和彌補虧損方案；
- 制訂公司增加或者減少註冊資本的方案以及發行公司債券的方案；
- 擬訂公司合併、分立、解散的方案；
- 決定公司內部管理機構的設置；
- 聘任或者解聘公司行政總裁，根據行政總裁提名，聘任或者解聘公司副總裁、財務總監和其他高級管理人員，決定其報酬事項；
- 制定公司的基本管理制度；
- 制訂本公司公司章程(「公司章程」)修改方案；及

– carrying out other powers conferred by general meetings.

The Board is also responsible for the integrity of financial information and the effectiveness of the Company's systems of internal control and risk management processes. The Board is also responsible for preparing the financial accounts of the Company. The day-to-day management of the Company's business is delegated to the chief executive officer and the management. The functions of the Board and the powers delegated to the chief executive officer are reviewed periodically by the Board to ensure that they remain appropriate.

As at 31 December 2019, the Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the financial statements of the Company on a going-concern basis.

To ensure a balance of power and authority, the role of the chairman is separate from that of the chief executive officer. The chairman of the Company is Mr. Wang An. The chairman is responsible for convening and holding general meetings and Board meetings, tracking the progress of implementation of the resolutions passed by the Board, signing the securities issued by the Company and carrying out other powers conferred by the Board. Mr. Zhang Hui is the chief executive officer of the Company. The chief executive officer and the management are responsible for the production, operation and management of the Company, implementation of the resolutions passed by the Board, implementation of annual business plans and investment proposals, formulation of the internal management structure, the basic management system and the specific governance of the Company. In particular the chief executive officer is responsible for proposing to the Board for appointment or dismissal of vice president, chief financial officer and other senior management of the Company, appointment or dismissal of other management staff whose appointment and dismissal does not require approval from the Board and carrying out other powers conferred by the Board and the Articles of Association.

Directors' Induction and Continuous Professional Development

Upon appointment to the Board, each newly-appointed Director receives a comprehensive induction package covering business operations, policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director

— 執行股東大會授予的其他職權。

董事會亦須對財務資料的完整性以及公司內部監控制度及風險管理程序的效能負責。董事會亦肩負編製本公司財務報表的責任。達致本公司業務目標及日常業務運作的責任則交由行政總裁及管理層承擔。董事會定期檢討董事會的職能及賦予行政總裁的權力，以確保此安排仍然適當。

二零一九年十二月三十一日，董事並不知悉任何可能對本公司繼續持續經營能力構成重大疑問的事件或情況有關的重大不明朗因素。因此，董事按持續經營基礎編製本公司的財務報表。

為確保權力和授權分布均衡，董事長與行政總裁的角色已清楚區分。本公司現任董事長是王安先生，董事長負責召集和主持股東大會、董事會會議；檢查董事會決議的實施情況；簽署公司發行的證券以及執行董事會授予的其他職權。現任行政總裁是張輝先生。行政總裁及管理層負責主持公司的生產、經營和管理工作；組織實施董事會決議；組織實施公司年度經營計劃和投資方案；擬訂公司內部管理機構設置方案；擬訂公司的基本管理制度及制定公司的具體規章。尤其行政總裁負責提案董事會聘任或者解聘公司副總裁、財務總監和其他高級管理人員；聘任或者解聘除應由董事會聘任或者解聘以外的管理人員；執行公司章程和董事會授予的其他職權。

董事之入職及持續專業發展

每位新獲委任之董事加入董事會時均會收到一份全面之入職資料，範圍涵蓋本公司之業務營運、政策及程序以及作為董事之一般、法定及監管責任，以確保董事足夠

to ensure that he/she is sufficiently aware of his responsibilities under the Listing Rules and other relevant regulatory requirements.

瞭解其於上市規則及其他相關監管規定下之責任。

The Directors are regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. In addition, the Company has been encouraging the Directors and senior executives to enrol in a wide range of professional development courses and seminars relating to the Listing Rules, the Companies Ordinance or act and corporate governance practices organised by professional bodies and independent auditors so that they can continuously update and further improve their relevant knowledge and skills.

董事定期均會獲知會相關法例、規則及規例之修訂或最新版本。此外，本公司一直鼓勵董事及高級行政人員報讀由專業團體及獨立核數師舉辦有關上市規則、公司條例或法例及企業管治常規之廣泛專業發展課程及講座，使彼等可持續更新及進一步提高其相關知識及技能。

From time to time, Directors are provided with written materials to develop and refresh their professional skills; the company secretary also organises and arranges seminars on the latest development of applicable laws, rules and regulations for the Directors to assist them in performing their duties. During the year under review, the company secretary of the Company, Ms. Ng Man Yee Karen, has completed over 15 hours professional training.

董事將不時獲提供旨在發展及更新其專業技能之書面材料；公司秘書亦會為董事舉辦及安排有關適用法例、規則及規例最新發展之講座，以協助彼等履行其職責。於回顧年度本公司公司秘書伍敏怡女士已完成超過15小時專業培訓。

According to the records maintained by the Company, the Directors received the following training with an emphasis on the roles, functions and duties of a director of a listed company in compliance with the requirement of the CG Code on continuous professional development during the year under review:

根據本公司存置之記錄，為符合企業管治守則關於持續專業發展之規定，董事於回顧年度內接受以下重點在於上市公司董事之角色、職能及職責之培訓：

		Corporate Governance/ Updates on laws, rules and regulations 企業管治／關於法例、規則及規例之更新	
		Read materials 閱讀材料	Attend workshops 出席研討會
Executive Directors	**執行董事**		
Wang An	王安	✓	✓
Zhang Hui	張輝	✓	✓
Wang Yan Hui	王艷輝	✓	✓
Non-executive Directors	**非執行董事**		
Liu Tsung-Yi	劉宗宜	✓	✓
Independent non-executive Directors	**獨立非執行董事**		
Jiang Hong Qi	姜洪奇	✓	✓
Li Wei	李煒	✓	✓
Li Tong Ning (resigned on 26 June 2019)	李同寧（辭任於二零一九年六月二十六日）	✓	✓
Li Yao (appointed on 26 June 2019)	李堯（委任於二零一九年六月二十六日）	✓	✓

Board Meetings

The chairman is responsible for the leadership of the Board, ensuring the effectiveness of the Board in all aspects of its role, setting agenda for Board meetings and taking into account any matters proposed by other Directors for inclusion in the agenda. Agenda and related Board papers are circulated at least 7 days before the time of a Board or committee meeting where possible. The chairman is also responsible for making sure all Directors are properly briefed on issues arising at Board meetings. The chairman also ensures that the Directors receive accurate, timely and clear information. Directors are encouraged to update their skills, knowledge and familiarity with the Company through their initial induction, ongoing participation at Board and committee meetings, and through meeting key people at head office and in the divisions.

All Directors have access to the services of the company secretary who regularly updates the Board on governance and regulatory matters. Any Director, who wishes to do so in the furtherance of his or her duties, may seek independent professional advice through the chairman at the Company's expense. The availability of professional advice extends to the Audit and Review Committee, Remuneration and Review Committee and other committees.

Minutes of Board meetings are taken by the company secretary or the secretary of the Board and, together with any supporting Board papers, are available to all Board members. Board meetings are structured to encourage open and frank discussions to ensure the non-executive Directors provide effective enquiries to each executive Director. When necessary, the independent non-executive Directors meet privately to discuss matters which are relevant to their specific responsibilities.

董事會會議

董事長負責領導董事會，確保董事會有效履行其各方面的職責，並負責擬定董事會會議議程及考慮其它董事提議加入議程的事項。議程連同附隨的董事會文件盡可能在董事會會議或委員會會議進行前至少七天傳閱。董事長亦有責任確保所有董事就董事會會議上的事項獲適當的簡介。董事長確保各董事獲得準確、及時和清楚的資料。透過董事就職時的培訓、持續參與董事會及委員會會議以及透過與總部及各部門主要人員會面，鼓勵各董事不斷更新其技術、知識及對本公司的認識。

所有董事均可享用公司秘書的服務，公司秘書須即時讓董事會知悉有關管治及監管事宜的最新資料。董事可為履行職責而透過董事長尋求獨立專業意見，費用由本公司支付。審計委員會、薪酬及考核委員會及其他委員會亦可尋求專業意見。

董事會會議由公司秘書或董事會秘書負責記錄，這些會議記錄連同任何有關的董事會會議文件，均向所有董事會成員提供。董事會會議的設立，旨在鼓勵董事作公開和坦誠的討論，確保非執行董事能向每位執行董事提出有效的查詢。在需要時，獨立非執行董事會私下進行會議，討論與其本身職責有關的事項。

In furtherance of good corporate governance, the Board has established three committees: Audit and Review Committee, Nomination Committee and Remuneration and Review Committee. All committees have its terms of reference which fulfill the principles set out in the CG Code. The secretary of the Board takes minutes of the meetings of these committees and the work of these committees is reported to the Board.

為確保良好的企業管治，董事會已成立三個小組委員會：審計委員會、提名委員會及薪酬及考核委員會。各委員會均有符合企業管治守則所載原則的職權範圍。董事會秘書為這些委員會撰寫會議記錄，而委員會向董事會滙報工作。

The Board held 4 meetings during 2019. The chief financial officer of the Company also attended all of the Board meetings to advise on corporate governance, risk management, statutory compliance, mergers and acquisitions and accounting and financial matters. The attendance (other than attending by authorised representatives) of individual Directors at the Board meetings, the meetings of major committees and the general meetings in 2019 is set out in the table below:

董事會於二零一九年召開了四次會議。本公司財務總監出席了全部董事會會議，並對企業管治、風險管理、遵守法規、合併收購、會計和財務事宜提供意見。下表顯示各董事於二零一九年內出席(除授權其他董事代為出席)董事會，主要委員會會議及股東大會之詳情：

Board Meeting **董事會會議**

Date (DD/MM/YY) 日期（日／月／年）	**Chair person 主席**	WA	ZH	WYH	LTY	LW	JHQ	LTN	LY
22/03/2019	WA	✓	✓	✓	✓	✓	✓	✓	N/A
26/06/2019	WA	✓	✓	✓	✓	✓	✓	N/A	✓
22/08/2019	WA	✓	✓	✓	✓	✓	✓	N/A	✓
06/11/2019	WA	✓	✓	✓	✓	✓	✓	N/A	✓

Annual General Meeting **股東週年大會**

Date (DD/MM/YY) 日期（日／月／年）	**Chair person 主席**	WA	ZH	WYH	LTY	LW	JHQ	LTN	LY
26/06/2019	WA	✓	✓	✓	✓	✓	✓	✓	✓

Audit and Review Committee Meeting **審計委員會會議**

Date (DD/MM/YY) 日期（日／月／年）	**Chair person 主席**	JHQ	LTN	LW	LY
19/03/2019	JHQ	✓	✓	✓	N/A
22/05/2019	JHQ	✓	✓	✓	N/A
21/08/2019	JHQ	✓	N/A	✓	✓
12/11/2019	JHQ	✓	N/A	✓	✓

Nomination Committee Meeting **提名委員會會議**

Date (DD/MM/YY) 日期（日／月／年）	Chair person 主席	WA	JHQ	LTN	LY
20/03/2019	JHQ	✓	✓	✓	N/A
20/08/2019	JHQ	✓	✓	N/A	✓

Remuneration and Review Committee Meeting **薪酬及考核委員會會議**

Date (DD/MM/YY) 日期（日／月／年）	Chair person 主席	ZH	JHQ	LTN	LY
20/03/2019	JHQ	✓	✓	✓	N/A
28/08/2019	JHQ	✓	✓	N/A	✓

Note:

WA	Wang An	王安
ZH	Zhang Hui	張輝
WYH	Wang Yan Hui	王艷輝
LTY	Liu Tsung-Yi	劉宗宜
JHQ	Jiang Hong Qi	姜洪奇
LW	Li Wei	李煒
LTN	Li Tong Ning (resigned on 26 June 2019)	李同寧(辭任於二零一九年六月二十六日)
LY	Li Yao (appointed on 26 June 2019)	李堯(委任於二零一九年六月二十六日)

Symbols:
"✓" means attended the meeting
"–" means not attended the meeting
"N/A" means not applicable

註：
符號：
「✓」代表出席會議
「–」代表缺席會議
「N/A」代表不適用

Directors' Interest

All Directors disclosed to the Board on their first appointment their interests as a Director or otherwise in other companies or organisations and such declarations of interests are updated annually. When the Board considers any proposal or transaction in which a Director has a conflict of interest, the Director has to declare his interest and is required to abstain from voting and withdraw from the meetings as appropriate. The Company seeks confirmation from the Directors annually in respect of any transactions of the Company or its subsidiaries which are related to Directors or their associates pursuant to the guideline.

董事權益

所有董事須於首次獲委任時向董事會申報在其它公司或機構擔任董事或其它職務的身份，有關利益申報每年更新一次。倘董事會在討論任何動議或交易時認為董事在當中存在利益衝突，該董事須申報利益及放棄投票，並在適當情況下避席。本公司根據指引於每個財務報告期間要求董事確認他們或其聯繫人與公司或其附屬公司進行的任何有關聯的交易。

Directors' Securities Transactions

The Company had adopted a code of conduct regarding Directors' securities transactions (the "Securities Code") pursuant to Appendix 10 of the Listing Rules. A copy of the Securities Code is sent to each Director upon his appointment and thereafter twice annually, that is one month before the date of the Board meetings to approve the Company's interim results and two months before the date of the Board meetings to approve the Company's annual results, with a reminder that the Director cannot deal in the securities and derivatives of the Company until after such results have been published.

Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard of dealings and the requirements in the Securities Code during 2019.

Specific employees who are likely to be in possession of unpublished price-sensitive information of the Company are also subject to compliance with the Securities Code. No incident of non-compliance was noted by the Company in 2019.

董事進行之證券交易

本公司已根據上市規則附錄十採納一項董事進行證券交易之操守守則(「《證券守則》」)，本公司各董事於獲委任時均獲發一份《證券守則》，其後每年二次，分別在通過公司中期業績的董事會會議前一個月及通過公司全年業績的董事會會議前二個月連同一份提示一併發出，提醒董事不得在公佈業績前買賣本公司的證券或衍生工具。

向全體董事作出特定查詢後，本公司所有董事確認其於二零一九年年度已遵守所需交易標準及《證券守則》。

所有特定僱員若可能擁有關於本公司的尚未公開股價敏感資料，亦須符合《證券守則》。本公司於二零一九年年度並未發現任何違規事件。

Supervisory Committee

The Supervisory Committee comprises three members of which two are recommended by Shareholders and one is an employee representative elected by the employees. The Supervisory Committee is responsible for supervision of the Board, members of the Board and senior management, to prevent authority abuse, Shareholders' interest infringement and to protect legitimate interests of the Company and its employees. During 2019, the Supervisory Committee held three meetings, during which the members of the Supervisory Committee reviewed the Company's financial position, legal compliance of the Company's operations and diligence of the senior management.

監事會

本公司監事會由三名成員組成，其中二名為由股東推薦產生，一名為本公司員工代表並由員工選舉產生。監事會負責對董事會及其成員以及高級管理層進行監督，防止其濫用職權，侵犯股東、公司及公司員工的合法權益。二零一九年監事會召開三次會議，對公司財務狀況、公司依法運作情況和高級管理人員盡職情況進行了審查。

Internal Control

Internal Control System

The Board has the overall responsibility for setting and reviewing the Company's internal control system. The Audit and Review Committee will also review the effectiveness of such system periodically. Procedures applied by the Audit and Review Committee for reviewing the effectiveness of the Company's internal control system include: discussing with the management on the risky areas arising from auditing and/or raised by the management, reviewing the internal and external audit plan of the Company, reviewing material issues arising from internal or external audit report and reviewing material matters identified by internal auditors and risk assessment manager of the Group. The internal control system of the Company plays an important role in risk management which is a key factor for ensuring the achievement of operational goal. The establishment of internal control system is for safeguarding assets against unauthorised use or disposition; for maintaining proper accounting records; and for the reliability of financial information used within the business or for publication. However, the procedures are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement errors, losses or fraud. Procedures for the Company's internal, control system have been designed in accordance with the applicable laws, rules and regulations.

內部監控

內部監控制度

董事會全權負責公司的內部監控制度的建立和完善，並通過審計委員會定期檢討該制度是否有效。審計委員會用以檢討內部監控系統是否有效的程序包括：與管理層討論在審核程序中發現的及／或由管理層指出的風險範圍；檢討內部及外聘審計師的審核計劃；檢討由內部及外聘審計師審核報告所引起的重大事項；及檢討集團內部審核部與集團風險經理滙報的重大集團風險。本公司的內部監控制度對風險管理發揮關鍵的作用，而風險管理對於能否達到營運目標非常重要。訂立內部監控程序是為保障資產以防未經授權使用或處理資產；確保適當的會計記錄得以保存；並且可提供可靠的財務資料供內部使用或對外發放。但監控程序旨在管理而非消除未能達成業務目標的風險，而且只能合理(但非絕對)保證並無重大失實陳述、損失或舞弊。本公司內部監控程序是按相關法律條例、附屬法例和規章編寫。

Regarding to the procedures and internal control for the handling and dissemination of inside information, the Company is aware of its disclosure obligations under the Listing Rules and Part XIVA of the Securities and Futures Ordinance (the "Inside Information Provisions"), and any information required to be disclosed under Rule 13.09 of the Listing Rules or any inside information required to be disclosed under the Inside Information Provisions should be announced immediately.

就處理及發佈內幕消息之程序及內部監控方面，本公司已知悉其於上市規則以及證券及期貨條例第XIVA部(「內幕消息條文」)項下之披露責任，而任何須根據上市規則第13.09條規定予以披露之資料或任何須根據內幕消息條文規定予以披露之內幕消息應即時作出公佈。

A review of the Company's internal control system covering financial, operational, compliance and risk management is conducted annually. In particular, the Board has considered the adequacy of resources, qualification and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget. The Board has conducted a review of the effectiveness of the Group's system of internal control. The result has been reported to the Board.

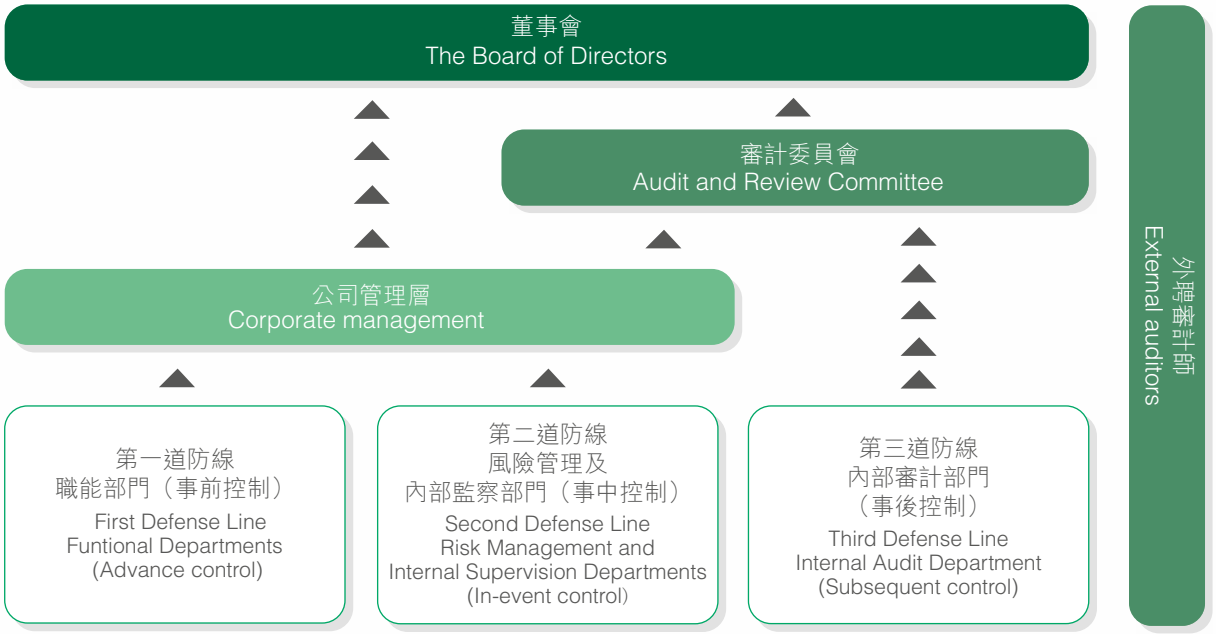
本公司每年均對內部監控系統進行檢討，內容包括財務、營運、遵守法規及風險管理之監控。董事會特別考慮了本公司在會計及財務滙報職能方面的員工的資源、資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。董事會已對集團的內部監控進行檢討。有關結果已向董事會報告。

The Board confirms that systems and procedures are in place to identify, control and report on significant risks involved in achieving the Company's strategic objectives. Exposures to these risks are monitored by the Board with the support of various committees and senior management.

董事會確認本公司已具有辨認、管理及滙報對達致其策略性目標所面對的重大風險系統和程序。董事會持續監察風險，並獲得各委員會及高層管理人員的支持。

The Company's risk management and internal control framework is guided by the "three lines of defense" model described below.

本公司的風險管理與內部監控架構以下列的「三道防線」模式作為指引。



The Company's Internal Control Department is responsible for coordinating the operation of the "three lines of defense". The Internal Control Department regularly organizes the functional departments of the Company to conduct annual risk assessment on a half-yearly basis, prepare risk assessment report and report to the Audit and Review Committee. The functional departments of the Company carry out material risk assessment and response measures in accordance with their respective departmental duties, and brief and report to the Internal Control Department of the Company on a half-yearly basis. The assessment focuses on the identification of the departmental risk points identified by each functional department, the preparation of the Risk Assessment Questionnaire, the assessment of the identified risk points and the setting up of preventive measures, the formation of the Risk List based on the Risk Assessment Questionnaire, and the preparation of a risk assessment report examined and approved by the chairman of the Audit and Review Committee;

本公司內控部門負責協調「三道防線」的運作。內控部門每半年定期組織本公司職能部門開展年度風險評估，編寫風險評估報告，並向審計委員會匯報。本公司職能部門根據各自部門職責開展重大風險評估和應對措施，按半年度向本公司內控部門匯總及匯報。評估事項包括：各職能部門列出所識別的本部門的風險點，編製《風險評估調查問卷》；對列出的識別風險點進行評估和制定預防措施；根據《風險評估調查問卷》形成《風險清單》，編製風險評估報告，並由審計委員會主任審批；

The internal supervision departments of the Company shall conduct risk and problem-oriented work, urge relevant functional departments and subsidiaries to rectify the problems identified during the inspection process, and regularly report to the Audit and Review Committee and the management on the improvement status, and report to the Board, the Audit and Review Committee, the President and the Chief Financial Officer of the Company on whether the internal control is adequate and effective.

本公司內部監察部門會以風險和問題為導向開展工作，督促相關職能部門及附屬公司對核查過程中發現的問題進行整改，並就整改進展情況定期向審計委員會和管理層匯報，並對內部控制是否足夠及有效向公司董事會、審計委員會、公司總裁及公司財務總監匯報。

The Internal Audit Department of the Company is responsible for urging relevant functional departments and subsidiaries to rectify the problems identified during the internal audit process. The Internal Audit Department and Internal Control Department will report to the Audit and Review Committee on a regular basis, including the annual work plan, contents of audit work, major audit reports, major risks and response situations, and the improvement status of problems identified by the functional departments and subsidiaries during the internal audit process. The annual work plan of the Internal Audit Department and Internal Control Department of the Company covers all major procedures of procurement, production, sales, human resources, finance, asset management and subsidiaries of the Company, and reports to the Board of Directors and management of the Company on the audit results.

本公司內部審計部門則負責就內部審計過程中發現的問題督促相關的取能部門及附屬公司進行整改。內部審計部門和內控部門定期向審計委員會匯報工作，內容包括年度工作計劃，審計工作內容、重要審計報告、重大風險及應對情況、職能部門及附屬公司針對內審過程中識別的問題的整改情況等。本公司內部審計部門和內控部門的全年工作計劃，涵蓋本公司採購、生產、銷售、人力資源、財務、資產管理及附屬公司各項主要程序，並就審計結果向公司董事會和管理層匯報。

The management of each subsidiary is responsible for the design, implementation and monitoring of risk management and internal control systems with the assistance of the Internal Control Department and the Internal Audit Department.

各附屬公司管理層在內控部門及內部審計部門的協助下負責風險管理及內部控制等制度設計、實施及監察。

For the year under review, the Board confirmed that the Company's internal control system was effective and adequate and the Company had complied with the Code Provisions on internal control under the CG Code.

於回顧年度內，董事會確認本公司的內部監控制度是有效並且足夠的，並且本公司亦已遵守企業管治守則有關內部監控的守則條文。

Internal Audit

內部審計

The Internal Audit Department of the Company provides an independent review on the adequacy and effectiveness of the internal control system. The department is headed by a manager who is familiar with the Company's operation. Its scope of work mainly includes auditing of financial and operational systems, reviewing the observance of relevant policies and regulations, regular and special auditing, auditing of production effectiveness, etc. The audit plan, which is prepared based on risk assessment methodology, is discussed and agreed on every year by the Audit and Review Committee. In addition to its agreed annual schedule of work, the Internal Audit Department of the Company conducts other special reviews as required.

本公司的內部審計部門負責對內部監控系統是否足夠及其成效進行獨立審核。該部門由熟悉公司業務的經理帶領。內部審計職能的工作範圍主要包括財務與運營系統審核、有關制度及法規遵守情況審核、經常性與突發審核、生產效益審核等。審核計劃乃以風險評估方法編製並每年經由審計委員會商討及議定。除議定的年度工作外，該部門亦需要進行其它專項的審核工作。

The primary reporting procedure of the Internal Audit Department of the Company is to report to the chairman of the Board but there is also direct access to the Audit and Review Committee. Internal audit reports are sent to the chief executive officer, the chief financial officer, the external auditors and the relevant management of the departments under audit. A summary of major audit findings is reported to and discussed with the Audit and Review Committee. The Board and the Audit and Review Committee actively monitor the number and seriousness of findings raised by the Internal Audit Department of the Company and also the corrective actions taken by relevant departments.

本公司內部審計部門的主要滙報流程是向董事長滙報，亦可直接聯絡審計委員會。內部審計報告均送交本公司行政總裁、財務總監、外聘核數師及被審核部門的管理層。每次審核主要結果亦與審計委員會討論。董事會及審計委員會積極監察內部審計部門提交的調查結果的數目和嚴重性，以及相關的部門採取的糾正行動。

Detailed control guidelines have been formulated and made available to all employees of the Company regarding handling and dissemination of corporate data which is price sensitive.

本公司已制定關於處理對價格敏感的公司資料的詳細監控指引，供本公司的所有僱員參閱。

Risk Management

風險管理

Risk management is concerned with the identification and effective management of business risks, including safety and security, legal, environmental and reputational risks.

風險管理關乎識別及有效管理業務風險，包括安全及保安、法律、環境及商譽風險。

The risk management of the Company is conducted by the Audit and Review Committee and it assists the Board to fulfill its oversight role over the Company and its subsidiaries in, among others, the following areas:

本公司之風險管理由審計委員會執行，它負責協助董事會對本公司及其附屬公司在以下(包括其他)方面實現監控職責：

- establishment of the risk approach and risk management strategy of the Company to formulate its risk profile;
- identification, assessment and management of the material risks faced by the various business units of the Company;
- reviewing and assessment of the adequacy of the Company's risk management process, system and internal control; and
- reviewing and monitoring the Company's compliance with the risk management process, system and internal control, including whether the development of the Company's business is prudent and in compliance with the legal requirements.

- 建立公司的風險取向和風險管理戰略，確定本公司的風險組合狀況；
- 識別、評估、管理本公司不同業務單位面臨的重大風險；
- 審查和評估本公司風險管理程序、制度和內部控制的適當性；及
- 審查及監控本公司對風險管理程序、制度及內部控制的遵守情況，包括本公司在開展業務時是否符合審慎、守法的要求。

The Company has a sound organisation system of internal control. The Board is responsible for the establishment, improvement and effective implementation of the risk management and internal control systems. A semi-annual review of the effectiveness of the Company's and its subsidiaries' risk managements and internal control systems during the year has been conducted. Guided by the Board and the Audit and Review Committee, the Internal Audit Department carries out inspection, supervision and evaluation for internal controls of the Company and its subsidiaries in respect of important control functions such as financial control, operation control, compliance control and risk management, supervises and timely rectifies internal control deficiencies and effectively controls operating risks.

本公司內部控制組織體系健全。董事會負責風險管理及內部監控體系的建立、健全和有效實施，每半年會對本公司及附屬公司的風險管理及內部監控制度於本年度是否有效進行一次審閱。本公司內部審計部在董事會和審計委員會的指導下，圍繞財務監控、運營監控、合規監控以及風險管理功能等重要監控方面，開展本公司及附屬公司內部控制的檢查、監督和評價，督促及時彌補內控缺陷，有效控制經營風險。

The objectives of internal control of the Company include ensuring a legal and compliance management, asset safety, accuracy and completeness of financial reports and related information in a reasonable manner, enhancing its operating efficiency and results, and promoting the implementation of strategy development. Due to the intrinsic limitations of internal control system, only reasonable guarantees can be provided for the abovementioned objectives. In addition, the effectiveness of its internal control is subject to change according to the changes of internal and external environment and operations. Inspection and supervision system is established for the Company. In case of shortcomings found, the Company will adopt rectification measures immediately.

公司內部控制的目標是合理保證經營管理合法合規、資產安全、財務報告及相關信息真實完整，提高經營效率和效果，促進實現發展戰略。由於內部控制存在的固有局限性，故僅能為實現上述目標提供合理保證。此外，內部控制的有效性亦可能隨公司內、外部環境及經營情況的改變而改變。公司內部控制設有檢查監督機制，內控缺陷一經識別，本公司將立即採取整改措施。

Audit and Review Committee

The Audit and Review Committee is responsible for reviewing the Group's financial reporting, risk management, internal controls and corporate governance issues and making relevant recommendations to the Board. All of its members are independent non-executive Directors (namely Mr. Jiang Hong Qi, Mr. Li Wei, Mr Li Yao (appointed on 26 June 2019) and Mr. Li Tong Ning (resigned on 26 June 2019)) and its current chairman is Mr. Jiang Hong Qi.

審計委員會

審計委員會負責審核財務報告、檢討風險管理、內部監控及企業管治的工作，並負責向董事會提出相關的建議。委員會成員全部由獨立非執行董事(即姜洪奇先生、李煒先生、李堯先生(委任於二零一九年六月二十六日)及李同寧先生(辭任於二零一九年六月二十六日))來擔任，並由姜洪奇先生擔任現任委員會主任。

The Audit and Review Committee has adopted revised set of terms of reference effective from 22 March 2019, which is based on the guidelines recommended by the Hong Kong Institute of Certified Public Accountants. A copy of the revised terms of reference of the Audit and Review Committee is available on the Company's website and the Stock Exchange's website.

審計委員會已採用二零一九年三月二十二日生效的經修訂的書面職權範圍，該書面職權範圍乃參考香港會計師公會刊發之指引而制訂。經修訂的審計委員會書面職權範圍已列載於本公司和聯交所之網站。

The Audit and Review Committee met four times in 2019. During 2019, it met to review the internal and external audit findings, the accounting principles and practices adopted by the Group, internal control and Listing Rules and statutory compliance, and to discuss auditing, internal controls, risk management and financial reporting matters. The interim and annual accounts for 2019 were recommended to the Board for approval after discussion of the Audit and Review Committee.

審計委員會在二零一九年間開會四次，於二零一九年，審計委員會就外聘核數師和內部核數師的報告結果、本集團採納之會計原則與常規、內部監控、是否符合上市規則的規定進行審核，對審核、內部監控、風險管理及財務報告事宜進行檢討，本公司的二零一九年中期及全年業績經審計委員會開會討論後才建議交由董事會通過。

External Auditors

外聘核數師

In 2019, the total remuneration paid to the external auditors amounted to approximately RMB1,480,000, which was all for the audit services provided by the external auditors. The audit fee and other service fees have been approved by the Audit and Review Committee and endorsed by the Board.

二零一九年外聘核數師酬勞約為人民幣1,480,000元，全部為外聘核數師審計服務方面徵收的費用。審計費用及其他服務費用已經審計委員會及董事會批准。

The statement of the external auditors of the Company about their reporting responsibilities on the consolidated financial statements is set out on pages 85 to 87 of this annual report.

本公司外聘核數師合併財務報表的報告責任的陳述，載於本年報的第85頁至第87頁。

The Audit and Review Committee has resolved the re-appointment of KPMG Huazhen LLP for the audit work of the Company for the financial year 2020. This resolution has been endorsed by the Board and is subject to final approval and authorisation by the Shareholders at the forthcoming annual general meeting.

審計委員會已議決再次委任畢馬威華振會計師事務所(特殊普通合夥)進行二零二零年財政年度的審計工作。此決議案已獲得董事會通過，並有待股東於即將召開之股東週年大會上作最終批准和授權。

Remuneration and Review Committee

The Remuneration and Review Committee comprises Mr. Jiang Hong Qi, Mr. Li Yao (appointed on 26 June 2019), Mr. Li Tong Ning (resigned on 26 June 2019) and Mr. Zhang Hui as members with Mr. Jiang Hong Qi as the current chairman. All of them are independent non-executive Directors. The Committee's responsibilities are as follows:

- to make recommendations to the Board on the policy and structure for all Directors' and senior management, remuneration and on the establishment of formal and transparent procedures for developing remuneration policy;
- to be responsible for determining the specific remuneration packages of individual executive Directors and senior management including benefits in kind, pension rights and compensation payments (including any compensations payable for loss or termination of their office or appointment), and to make recommendations to the Board on the remuneration of non-executive Directors;
- to review and approve the management's remuneration proposals with reference to the corporate goals and objectives made by the Board;
- to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise reasonable and not excessive;
- to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- to review and monitor the training and continuous professional development of the Directors and senior management.

薪酬及考核委員會

薪酬及考核委員會由獨立非執行董事姜洪奇先生、李堯先生(委任於二零一九年六月二十六日)、李同寧先生(辭任於二零一九年六月二十六日)和張輝先生組成，並由姜洪奇先生出任現任主任。薪酬及考核委員會的主要職責如下：

- 就公司董事及高級管理人員的全體薪酬政策及架構，及就設立正規而透明的薪酬政策制訂程式，向董事會提出建議；
- 負責制定個別執行董事與高級管理人員的特定薪酬待遇，包括非金錢利益、退休金權利及賠償金額(包括喪失或終止職務或委任的賠償)，並就非執行董事薪酬向董事會提出建議；
- 因應董事會所訂企業方針及目標，檢討及批准管理層的薪酬待遇；
- 檢討及批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償也須公平合理，不致過多；
- 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償也須合理適當；
- 確保任何董事或其任何聯繫人不得參與釐定他自己的薪酬；及
- 檢討及監察董事及高級管理人員的培訓及持續專業發展。

Factors to be considered by the Remuneration and Review Committee for formulation of remuneration package include the remuneration paid by other similar companies, time devoted by a Director, Director's responsibilities, employment terms of other positions in the Group, Director's performance, etc.

薪酬及考核委員會應考慮包括同類公司支付的薪酬、董事須付出的時間及董事職責、集團內其他職位的僱傭條件及表現等因素以釐定董事薪酬。

The terms of reference of the Remuneration and Review Committee which were revised on 30 August 2017 are available on the Company's website.

於二零一七年八月三十日經修訂的薪酬及考核委員會的職權範圍載於本公司網址。

The Remuneration and Review Committee met twice in 2019 to review and approve the Directors' and senior management's remuneration for 2019. At those meetings, the committee approved the individual remuneration packages for Directors and senior management to be paid for 2019.

薪酬及考核委員會在二零一九年舉行兩次會議，檢討並批准董事及高級管理層之二零一九年年度酬金，在會議內，委員會已批准各董事及高級管理層於二零一九年年度的酬金。

Remuneration Policy for Directors

Remuneration of Directors is subject to annual assessment and recommendation by the Remuneration and Review Committee to the Board for further review and approval, which subsequently requires approval by the Shareholders at annual general meeting. The primary goal of the remuneration policy on remuneration packages is to enable the Company to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives. Under the policy, a Director is not allowed to approve his own remuneration.

董事之酬金政策

董事之酬金須由薪酬及考核委員會進行年度評估並將其建議於董事會，董事會審議並通過之後再提交股東週年大會經股東批准後始可作實。董事的酬金組合政策，主旨是使本公司董事之酬金及其表現與公司目標掛鈎，有助激勵董事的工作表現及留任。根據該政策，董事不可批准其自身酬金。

The elements of the Company's remuneration package of Directors include basic compensation (comprising of director's fee) and discretionary bonus without capping. In determining guidelines for each compensating element, the Company refers to remuneration surveys conducted by independent external consultants on companies operating similar businesses.

本公司董事酬金之主要組成包括基本薪酬（包括袍金）及無上限之酌情花紅。於釐定各酬金項目指引時，本公司會參考由獨立外聘顧問對本公司相類似業務之公司所作之酬金調查。

According to Code B.1.5 of the CG Code, the annual remuneration of the members of the senior management whose particulars are contained in the section headed "Directors, Supervisors and Senior Management" in this annual report for 2019 by band is set out below:

根據企業管治守則中B部1.5條，載於本年報內「董事、監事及高級管理層」分節中之高級管理層成員於二零一九年之年度薪酬等級如下：

Remuneration band (RMB) **薪酬等級（人民幣）**	**Number of individuals** **人數**
0 – 650,000	7位董事、3位監事及2名高級管理層成員（不包括擔任董事的高級管理層成員） 7 Directors, 3 Supervisors and 2 senior management members excluding the Directors who also act as senior management

Basic Compensation

The Remuneration and Review Committee annually reviews and approves the basic compensation of each Director in accordance with the Company's remuneration policy. In accordance with the service contracts entered into by the Company and each of the Directors, all Directors have the right to receive fixed basic compensation.

基本薪酬

薪酬及考核委員會每年均會根據本公司之酬金政策檢討及批准各董事之基本薪酬。根據本公司與各董事之間所訂立之服務合約，各董事有權獲取固定基本薪酬。

Discretionary Bonus

Under the service contracts between the Company and each of the Directors, the Directors are entitled to a discretionary bonus based on the Company's results and the degree of diligence of each of the Directors. During the year ended 31 December 2019, the Directors did not receive any discretionary bonus.

The amounts paid to each Director of the Company for 2018 and 2019 are disclosed in Note V.36 to the Financial Statements.

酌情花紅

根據本公司與各董事之間訂立之服務合約，公司董事會可視公司業績及董事盡職情況決定對董事分紅。截至二零一九年十二月三十一日止年度，董事並沒有收取任何酌情花紅。

於二零一八年及二零一九年支付予各董事之酬金詳情請見財務報表附註五、36。

Nomination Committee

The Nomination Committee is chaired by Mr. Jiang Hong Qi, an independent non-executive Director, and comprises Mr. Wang An, an executive Director, Mr. Li Yao, an independent non-executive Director (appointed on 26 June 2019) and Mr. Li Tong Ning, an independent non-executive Director (resigned on 26 June 2019), as members. The role of the committee is to make recommendations to the Board on the appointment of Directors, evaluation of Board composition and the management of Board succession with reference to certain guidelines as endorsed by the Nomination Committee. These guidelines include appropriate professional knowledge and industry experience, personal ethnics, integrity and personal skills, time commitments of members, and the independency of the nominees for the position of independent non-executive directors of the Company. The Nomination Committee carries out the process of selecting and recommending candidates for directorship including the consideration of referrals and engagement of external recruitment professional when necessary. The Nomination Committee met twice in 2019 to discuss the Board structure, size and composition and to evaluate the independence status of the independent non-executive Directors.

提名委員會

提名委員會由獨立非執行董事姜洪奇先生出任主任，委員包括執行董事王安先生，獨立非執行董事李堯先生(委任於二零一九年六月二十六日)及獨立非執行董事李同寧先生(辭任於二零一九年六月二十六日)。委員會的角色是，根據委員會認可的若干標準，向董事會就委任董事、評估董事會的組合及董事會成員替換作出建議。有關標準包括董事之適當專業知識及行業經驗、個人操守、誠信及技能，付出足夠時間之承諾，以及甄選本公司獨立非執行董事時侯選人的獨立性。提名委員會負責挑選及推薦董事人選，包括考慮經他人推薦的人選及有需要時使用招聘公司的服務。提名委員會在二零一九年舉行二次會議，討論了董事會的架構、人數及組成，並就獨立非執行董事的獨立性進行了評核。

As at the date of this report, the Company had adopted a board diversity policy (the "Board Diversity Policy") which sets out its approach to achieve and maintain diversity on the Board. The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. Below is the summary of the Board Diversity Policy:

於本報告日，本公司已採納了董事會成員多元化政策(「董事會成員多元化政策」)，以定出董事會成員多元化的達成及維持方向。本公司確認和認同董事會成員多元化能促進其表現。以下是董事會成員多元化政策的撮要：

Selection of candidates for directorship will be based on a wide range of factors, including but not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and service term. The Nomination Committee will review the diversity of the Board and report to the Board the composition of the Board members and monitor the implementation of the Board Diversity Policy.

在選擇董事人選時，本公司會以一系列多元化範疇為選擇基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務任期。提名委員會將會檢審董事會成員多元化及向董事會彙報董事會成員的組合併監察董事會成員多元化政策的執行。

The Nomination Committee considers that the current Board composition has provided the Company with a good balance and diversity of skill and experience appropriate for the business of the Company. The Nomination Committee will review the implementation of the Board Diversity Policy from time to time to ensure its effectiveness on determining the optimal composition of the Board.

提名委員會認為現任董事會架構已為本公司提供良好的平衡及適合本公司業務之多樣技能和經驗。提名委員會會不時檢討董事會成員多元化政策，以確保在選擇最合適董事會架構時的成效。

The latest version of the revised terms of reference of the Nomination Committee with effect from 22 March 2019 has been posted on the websites of the Company and the Stock Exchange.

於二零一九年三月二十二日生效的經修訂的提名委員會議事規則最新版本已刊載於本公司及聯交所之網站。

Investor Relations

To enhance the Company's system of information disclosure, and to ensure the accuracy, completeness and timeliness of the Company's public disclosures, an Information Disclosure Review Committee, led by the chief financial officer of the Company, was established. The Information Disclosure Review Committee is responsible for the establishment of procedures to compile, verify and report the Company's financial and operational statistics and other information as well as to supervise the drafting and publication of periodic reports.

與投資者關係

為了進一步完善本公司的信息披露制度，確保公司對外披露信息的準確性、完整性和及時性，本公司建立了由財務總監主持的信息披露檢查委員會。信息披露檢查委員會負責訂立本公司的財務運營數據及其它信息的匯總、核實、上報的程序及定期報告的編寫及發佈的工作。

The Company is committed to fair disclosure and comprehensive, transparent reporting. The chairman of the Board is ultimately responsible for ensuring that there is effective communication with investors and that the Board understands the views of the major Shareholders. The chairman therefore makes himself available to meet with the Shareholders for this purpose. On a day-to-day basis, the Board's primary contact with the major Shareholders is through the chief executive officer and the chief financial officer of the Company.

本公司承諾作公正的披露及提供全面而透徹的報告。董事長對於確保與投資者有有效的溝通，並確保董事會明白主要股東的意見最終負責。因此，董事長須為此與股東會面。董事會與主要股東的日常接觸，主要是透過公司行政總裁及財務總監進行。

Printed copies of the interim and annual reports are sent to all Shareholders. The most recent annual general meeting of the Company was held on 26 June 2019 at 2nd Floor, No. 18 Andre Avenue, Muping Economic Development Zone, Yantai City, Shandong Province, the PRC. The meeting was opened to all Shareholders and members of the press and was attended by all substantial Shareholders personally present or by proxy.

本公司亦就其中期及年度業績報告發放予所有股東。本公司最近期的股東週年大會於二零一九年六月二十六日，在中國山東省烟台市牟平經濟開發區安德利大街十八號二樓舉行。該會議公開讓所有股東及傳媒參與，會上主要股東均親身或委任代表出席。

As part of a regular programme of investor relations, senior management holds briefings and attends conferences with institutional investors and financial analysts to engage in a two-way communication on the Company's performance and objectives. A wide range of information on the Group's business activities is made available to investors and the public through the website of the Company and the website of the Stock Exchange. Announcements of the interim and annual results are also available on the website of the Company and the website of the Stock Exchange.

由高級行政人員出席與機構投資者及財務分析員的會議，是投資者關係常規項目的一部份，以便就本公司的業績表現及業務目標作雙向溝通。投資者及公眾可登入本公司網址及聯交所網站，瞭解有關本公司各項業務的詳細資料。公佈中期及年度業績的公佈亦可在本公司網址及聯交所網站下載。

In 2019, the Company held 13 meetings and conference calls with analysts and investors at its Yantai and Hong Kong offices. These activities allowed them to have good opportunities to directly communicate with and understand the senior management, operating management and general staff of the Company, as well as to visit different places of business and operations of the Group.

二零一九年年度，本公司在其烟台及香港辦公室與分析員及投資者共舉行了十三次專訪及電話會議，使他們能與本公司高級管理層、運營管理層和基層員工有更直接的溝通和瞭解，並進行實地考察，參觀集團在不同地方的業務及營業地點。

Enquiries to the Board may be made by contacting the company secretary through the Shareholders' hotline or email, or directly by questions at an annual general meeting or a special general meeting of the Company. Questions on the procedures for convening of or putting forward proposals at an annual general meeting or a special general meeting of the Company may also be made to the Company by the same means.

如欲向董事會作出任何查詢，股東可透過股東熱線電話或電郵聯絡公司秘書，或直接於本公司股東週年大會或特別股東大會上直接提問。關於股東召開本公司週年大會或臨時大會及提呈決議案的程序，亦可透過上述途徑向公司查詢。

Dividend Distribution Policy

The Company uses cash, shares or both cash and shares as means for profit appropriation. Except special circumstances, the Company will distribute dividend by means of cash when there is profit for the year and accumulated profit not yet distributed. Profit distributed by means of cash per annum cannot be less than 10% of the distributable profit of that year.

派付股息政策

本公司採用現金、股票或者現金與股票相結合的方式分配利潤。除特殊情況外，本公司在當年盈利且未分配利潤為正的情況下，採取現金方式分配股息，每年以現金方式分配的利潤不少於當年度實現的可分配利潤的10%。

Shareholders' Rights

Procedures for Shareholders to Convene a Special General Meeting ("SGM")

Shareholders requesting the convening of a SGM shall proceed in accordance with the procedures set forth below:

The Shareholders individually or jointly holding over 10% of the Company's shares with the voting power at the proposed meeting have the right to request the Board to hold the SGM or a class meeting in writing. According to laws, administrative regulations and the Articles of Association, the Board shall give written feedback to agree or disagree to hold the SGM within 10 days after receiving the request.

If the Board agrees to hold the SGM, a meeting notice shall be given within 5 days after the Board makes such a resolution. Changes to the original proposal in the notice shall be approved by relevant Shareholders.

If the Board disagrees to hold the SGM or fails to give feedback within 10 days after receiving the request, the Shareholders individually or jointly holding over 10% of the Company's shares have the right to request the Supervisory Committee to hold the SGM in writing.

If the Supervisory Committee agrees to hold the SGM, a meeting notice shall be given within 5 days after receiving the request. Changes to the original proposal in the notice shall be approved by relevant Shareholders.

股東權益

股東召開臨時股東大會(「臨時股東大會」)之程序

股東要求召集臨時股東大會，應當按照下列程式辦理：

單獨或者合計持有公司在該擬舉行的會議上有表決權的10%以上股份的股東有權向董事會請求召開臨時股東大會或類別股東會，並應當以書面形式向董事會提出。董事會應當根據法律、行政法規和公司章程的規定，在收到請求後10日內提出同意或不同意召開臨時股東大會的書面回饋意見。

如董事會同意召開臨時股東大會，應當在作出董事會決議後的5日內發出召開股東大會的通知，通知中對原請求的變更，應當徵得相關股東的同意。

董事會不同意召開臨時股東大會，或者在收到請求後10日內未作出書面回饋的，單獨或者合計持有公司10%以上股份的股東有權向監事會提議召開臨時股東大會，並應當以書面形式向監事會提出請求。

如監事會同意召開臨時股東大會，應在收到請求5日內發出召開股東大會的通知，通知中對原提案的變更，應當徵得相關股東的同意。

If the Supervisory Committee fails to give the notice of the SGM within the specified period, it shall be deemed that the Supervisory Committee does not convene or preside over the general meeting. The shareholders individually or jointly holding over 10% of the Company's shares for more than 90 consecutive days may convene and preside over the SGM by themselves.

監事會未在規定期限內發出股東大會通知的，視為監事會不召集和主持股東大會，連續90日以上單獨或者合計持有公司10%以上股份的股東可以自行召集和主持。

Necessary expenses of the general meeting held by the Supervisory Committee or Shareholders by themselves shall be born by the Company.

監事會或股東自行召集的股東大會，會議所必需的費用由本公司承擔。

Procedures for Shareholders to Put Forward Proposals at a General Meeting

When the Company holds a general meeting, the Board, the Supervisory Committee and the Shareholders individually or jointly holding over 3% of the shares of the Company have the right to submit proposals to the Company. Shareholders individually or jointly holding over 3% of the shares of the Company may put forward interim proposal and submit to the convener in writing 10 days before the SGM.

於股東大會上提呈議案之程序

公司召開股東大會，董事會、監事會以及單獨或者合併持有公司3%以上股份的股東，有權向公司提出提案。單獨或者合計持有公司3%以上股份的股東，可以在臨時股東大會召開10日前提出臨時提案並書面提交召集人。

Procedures for Shareholders to Propose a Person for Election as a Director

With regard to the procedures for proposing a person for election as a Director, please refer to the procedures posted on 2 April 2012 under the Investor Relation section of Company's website at www.andre.com.cn.

股東推選某人參選董事之程序

有關推選某人參選董事之程序，請瀏覽本公司網站www.andre.com.cn投資者關係一節於二零一二年四月二日登載之程序。

Procedures for Directing Shareholders' Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the company secretary whose contact details are as follows:

Room 26, 19/F, West Exchange Tower,
322 Des Voeux Road Central,
Sheung Wan, Hong Kong
Fax: (852) 2587 9166
Email: andrehk@northandre.com

Shareholders may also make enquiries with the Board at the general meetings of the Company.

股東向董事會作出查詢之程序

股東可隨時透過公司秘書以書面形式將其查詢及問題遞交董事會。公司秘書之聯絡詳情如下：

香港上環德輔道中322號
西區電話大樓
19樓26室
傳真：(852) 2587 9166
電郵：andrehk@northandre.com

股東亦可在本公司之股東大會上向董事會作出查詢。

The Directors are pleased to present and submit the annual report together with the audited financial statements of the Group for the year ended 31 December 2019.

董事會欣然提呈二零一九年年報及本集團截至二零一九年十二月三十一日止年度經審核財務報表。

Principal Activities

The principal activities of the Group are manufacturing and sale of apple juice concentrate, pear juice concentrate, bio-feedstuff and related products. The principal activities of the Company's subsidiaries are set out in Note 6 to the Financial Statements.

主要業務

本集團主要從事生產及銷售濃縮蘋果汁、濃縮梨汁、生物飼料及相關產品，本公司附屬公司之主要業務詳情載於財務報表附註六。

Subsidiaries

Particulars of the subsidiaries of the Company as at 31 December 2019 are set out in Notes 6 to the Financial Statements respectively.

附屬公司

於二零一九年十二月三十一日本公司之附屬公司權益之詳情分別列載於財務報表附註六。

Results

The results and financial status of the Group for the year ended 31 December 2019 are set out in pages 88 to 256 of this annual report.

業績

本集團截至二零一九年十二月三十一日止年度的業績及財務狀況載於本年報第88頁至第256頁。

Five-Year Financial Highlights

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 4 to 5 of this annual report.

五年財務摘要

過去五個財政年度本集團業績及資產和負債摘要列載於本年報第4頁至第5頁。

Risks and Uncertainties

Principal risks and uncertainties that the Company may face have been disclosed in the section headed "Management Discussion and Analysis" of this annual report. In addition, details of the Group's financial risk management are disclosed in note 7 to the Financial Statements.

風險及不確定性

本公司可能面對之主要風險及不確定性於本年報「管理層討論及分析」一節中披露。此外，本集團之財務風險管理詳情披露於財務報表附註七。

Major Customers and Suppliers

In the reporting period, the Group mainly exported products to the domestic market and non-PRC markets in Asia, Europe, North America and Africa, and has gradually expanded into markets in Oceania and South America. The sales attributable to the top five customers of the Group accounted for about 34.61% of the Group's total turnover and sales to the largest customer included therein amounted to about 10.32%.

Purchases from the Group's top five largest suppliers accounted for about 7.8% of total purchases for the year. The largest supplier accounted for about 2.22% of the total purchases of the Group for the year.

None of the Directors, supervisors, their respective associates or any Shareholders which, to the knowledge of the Directors, own more than 5% of the Company's issued share capital had any interest in the top five largest suppliers or customers of the Group.

The Board believes that there was no reliance on major customers and no material related risk was noted in the reporting period.

主要客戶與供應商

於本報告期內，本集團的產品主要是銷往國內和中國以外的亞洲國家、歐洲、北美洲和非洲市場，且已逐步開拓了大洋洲和南美洲的市場。本集團向五大客戶的銷售額佔本集團營業額約34.61%。本集團向最大客戶的銷售額佔本集團營業額約10.32%。

本集團從五大供應商的採購約佔全年總採購金額的7.8%。同期，本集團最大的供應商約佔總採購金額的2.22%。

就董事所知概無董事、監事、他們各自的聯繫人士或任何擁有超過本公司已發行股本5%以上的股東，於本集團五大客戶或供應商中擁有權益。

於報告期內董事會認為本集團並沒有依賴主要客戶，亦沒有發現重大相關風險。

Dividend

On 6 March 2020, the Board considered and approved the 2019 annual profit distribution plan of the Company. As required by Answers to Several Questions in Relation to Initial Public Offerings promulgated by China Securities Regulatory Commission ("CSRC"), listing applicants proposing a plan for distribution of cash dividend upon their initial filing shall, in principle, have completed the distribution and updated the application materials accordingly before the commencement of Issuance Appraisal Committee's review proceedings of their listing application. In light of the application progress of the proposed issuance of A shares and to maximise the interests of the Company and its shareholders as a whole, the Board does not recommend the payment of any dividend for the financial year of 2019 in the forthcoming annual general meeting. The aforesaid annual profit distribution plan is subject to consideration and approval by the Shareholders at the forthcoming annual general meeting of the Company.

股利

二零二零年三月六日，本公司董事會審議通過二零一九年度利潤分配方案。根據中國證監會《首發業務若干問題解答》的規定：「發行人的現金分紅應實際派發完畢並相應更新申報材料後再安排發審會」。鑒於本公司A股發行的申請進度，及實現本公司及全體股東利益最大化的考慮，董事會擬於即將召開的股東週年大會上建議不派付二零一九年年度末期股息。前述年度利潤分配預案有待本公司股東於即將召開的股東週年大會上審議及批准。

Based on the needs for business development, the Board also proposed to amend the relevant provisions of the Articles of Association in connection with the Company's profit distribution policy. The proposed amendments to the Articles of Association are subject to consideration and approval by the Shareholders at the forthcoming annual general meeting of the Company.

同時，本公司董事會根據業務發展需要，建議對公司章程有關利潤分配具體政策的條款進行修訂。建議修訂公司章程的議案有待本公司股東於即將召開的股東週年大會上審議及批准。

Tax and Tax Relief

稅項及稅項減免

Pursuant to the Corporate Income Tax Law of the PRC and its implementing regulations (collectively referred to as the "Corporate Income Tax Law") which took effect on 1 January 2008, the tax rate of the corporate income tax applicable to the income of non-resident enterprise deriving from the PRC is 10%. Pursuant to the Corporate Income Tax Law, any Chinese domestic enterprise (including the Company) which pays dividend to a non-resident enterprise shareholder shall withhold and remit corporate income tax at 10% on behalf of such shareholder.

根據二零零八年一月一日生效之《中華人民共和國企業所得稅法》及其實施條例(合稱《企業所得稅法》)，非居民企業源自中國境內所得收入適用企業所得稅稅率為10%。根據企業所得稅法的任何中國內地企業(包括本公司)向非居民企業股東派發股息，須扣除並代繳10%之企業所得稅。

Pursuant to the Notice on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 45 (No. 348, Guo Shui Han [2011]), where the nonresident individual shareholders obtain dividend and bonuses from the shares issued in Hong Kong by non-foreign-invested enterprise, individual income tax shall be withheld and remitted by the withholding agent according to the domain of "interest, dividends and bonuses". The non-resident individual shareholders of domestic non-foreign-invested enterprise which issued shares in Hong Kong, shall enjoy the taxation preferences in accordance with the agreements between countries of their origins and China and the regulation on taxation arrangement between the Mainland and Hong Kong (Macau). The related tax rate of dividend as provided by taxation agreement is generally at a rate of 10%. In order to simplify the collection and management of taxation, the individual income tax with a rate of 10% in general will be withheld when dividend is paid by the domestic non-foreigninvested enterprise which issued shares in Hong Kong without making applications. Where the dividend tax rate is not 10%, it will be handled according to the following requirements: (1) for residents of countries which have entered into an agreement with China in respect of a tax rate lower than 10%, the withholding agent may apply for the relevant entitlements hereunder on their behalf. Upon examination and

根據《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)的規定，境外居民個人股東從境內非外商投資企業在香港發行股票取得的股息紅利所得，應按照「利息、股息、紅利所得」專案，由扣繳義務人依法代扣代繳個人所得稅。境內非外商投資企業在香港發行股票，其境外居民個人股東根據其居民身份所屬國家與中國簽署的稅收協定及內地和香港(澳門)間稅收安排的規定，享受相關稅收優惠。根據相關稅收協定及稅收安排規定的相關股息稅率一般為10%，為簡化稅收徵管，在香港發行股票的境內非外商投資企業派發股息紅利時，一般可按10%稅率扣繳個人所得稅，無需辦理申請事宜。對股息稅率不屬10%的情況，按以下規定辦理：(1)低於10%稅率的協定國家居民，扣繳義務人可代為辦理享受有關協定待遇申請，經主管稅務機關審核批准後，對多扣繳稅款予以退還；(2)高於10%低於20%稅率的協定國家居民，扣繳義務人派發股息紅利時應按協定實際稅率扣繳個人所得稅，無需辦理

approval by the competent tax authorities, the additional amount of tax withheld will be refunded; (2) for residents of countries which have entered into an agreement with China in respect of a tax rate of 10% or more but less than 20%, the withholding agent shall withhold individual income tax at the agreed tax rate when distributing dividends or bonuses, and no application for approval is needed; (3) for residents of a country or which has not entered into any tax treaties with the PRC and in any other circumstances, the withholding agent shall withhold individual income tax at the tax rate of 20% when distributing dividends and bonuses.

申請審批事宜；(3)沒有税收協定國家居民及其他情況，扣繳義務人派發股息紅利時應按20%扣繳個人所得税。

Pursuant to the Notice of Withholding and Payment of Enterprise Income Tax Regarding China Resident Enterprise Paying Dividend to Non-Resident Enterprise Holders of Overseas H-Share (No. 897, Guo Shui Han [2008]) issued by the State Administration of Taxation, any domestic enterprise of PRC which pays dividends to non-resident enterprise shareholders (as defined in the Tax Law) for the year of 2008 and subsequent years shall withhold and remit enterprise income tax at the tax rate of 10%.

根據國家税務總局《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》(國税函[2008]897號)的規定，中國居民企業向境外H股非居民企業股東派發二零零八年及以後年度股息時，統一按10%的税率代扣代繳企業所得税。

Shareholders are recommended to consult their taxation advisors for advice on the tax effects of the PRC, Hong Kong and other jurisdictions with respect to the holding and disposal of H Shares.

股東須向彼等的税務顧問諮詢有關擁有及處置H股所涉及的中國、香港及其他税務影響的意見。

The Company will have no liability in respect of any claims arising from any delay in, or inaccurate determination of the status of the Shareholders or any disputes over the mechanism of withholding and remitting.

對於任何因股東身份未能及時確定或錯誤確定情況而提出之任何要求或對代扣代繳安排之爭議，本公司概不負責。

Share Capital

The change(s) in share capital of the Company is set out in Note V.20 to the Financial Statements.

股本

本公司股本於本年內之變動詳情載於財務報表附註五、20。

Reserves

The change(s) in reserves of the Company during the reporting period is set out in the statement of changes in Shareholders' equity of the Group and the Company in the Financial Statements.

The distributable reserves of the Company as at 31 December 2019 amounted to approximately RMB458,836,000 (2018: approximately RMB308,934,000).

儲備

本公司儲備於報告期內之變動詳情載於財務報表中的本集團及本公司股東權益變動表。

於二零一九年十二月三十一日，本公司可分派予本公司股東之儲備金額約為人民幣458,836,000元(二零一八年：約人民幣308,934,000)。

Property, Plant and Equipment

During the reporting period, the Group incurred approximately RMB14,791,000 mainly for expanding the production line, renovation of plant and acquisition of equipment.

The change(s) of property, plant and equipment of the Group during the reporting period is set out in Note V.8 to the Financial Statements.

物業、廠房及設備

於報告期內，本集團支出了大約人民幣14,791,000元用於擴建生產線、修建廠房及購買設備。

本集團物業、廠房及設備於報告期內之變動詳情載於財務報表附註五、8。

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Articles of Association or the PRC laws and regulations which oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

優先認購權

公司章程或中國法例法規並無訂明本公司須按比例向現有股東發售新股的優先認購權條文。

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares during the year ended 31 December 2019.

購買、出售或購回股份

截至二零一九年十二月三十一日止年度，本公司或其任何附屬公司概無購入、出售或購回本公司任何股份。

Directors' and Supervisors' Rights to Acquire Shares or Debentures

None of the Directors or Supervisors or their respective associates was granted by the Company or its subsidiaries any right to acquire shares or debentures of the Company or any other body corporate, or had exercised any such right during the year ended 31 December 2019.

董事及監事購入股份或債權證的權利

本公司或其附屬公司概無授出任何權利，以致董事或監事或彼等各自的聯繫人可藉購入本公司或任何其他法人團體的股份或債權證而獲益，而彼等於截至二零一九年十二月三十一日止年度亦無行使任何該等權利。

Material Acquisitions and Disposals During the Year

No material acquisitions or disposals of subsidiaries, associated companies or joint venture companies were made by the Company during the year ended 31 December 2019.

年內重大收購及出售

截至二零一九年十二月三十一日止年度，本公司概無對附屬公司、聯營公司或合營企業進行重大收購或出售。

Significant Investments

No significant investment was held by the Group as at 31 December 2019. The Group does not hold any significant securities investments as part of its asset portfolio.

重大投資

於二零一九年十二月三十一日，本集團概無持有重大投資。本集團未持有重大證券投資作為其資產組合一部分。

Subsequent Event

The coronavirus outbreak since early 2020 has brought about additional uncertainties in the Group's operating environment.

The Group has been closely monitoring the impact of the developments on the Group's businesses and has implemented contingency measures. These contingency measures include: increasing the Group's options for logistics movements; assessing the Group's raw materials suppliers' readiness; negotiating with customers on delivery schedules; and closely monitoring the operations of domestic customers. The Group will keep our contingency measures under review as the situation evolves.

As far as the Group's businesses are concerned, the coronavirus outbroke after the end of the Group's seasonal production and did not affect the Group's production, but the outbreak may cause the risk of delivery delays. The Group has initiated the above contingency measures to respond. Based on the information currently available, the management foresees that the coronavirus outbreak would affect the repayment abilities of individual small and medium-sized domestic customers, which will result in additional impairment losses on balance of trade receivables after the balance sheet date. These impacts have not been reflected in the financial statements as of 31 December 2019. The actual impacts may differ from these estimates as situation continues to evolve and when further information is available.

期末後事項

自二零二零年年初以來，新型冠狀病毒疫情的發生使得本集團的經營環境存在不確定性。

本集團一直密切關注事態發展對集團業務的影響，並制定了應急措施。這些應急措施包括：增加本集團的物流運輸選擇；評估本集團原料果供應商的供給準備情況；與客戶就交貨時間表進行談判；以及持續關注國內客戶的經營狀況。隨著形勢的發展，本集團將不斷審查我們的應急措施。

就本集團業務而言，該疫情發生在本集團季節性生產結束之後，未對本集團生產造成影響，但該疫情可能帶來交貨延誤的風險。本集團已啟動上述應急措施予以應對。根據目前掌握的信息，管理層估計，該疫情可能對國內個別中小型客戶的還款能力產生影響，這將導致資產負債表日後的應收賬款餘額產生額外減值的財務報表影響，上述影響未反映在截至二零一九年十二月三十一日財務報表中。本集團將隨著情況的發展而獲得更多信息，實際影響可能與上述估計不同。

Proposed Issuance of A Shares

To satisfy the production and operation need of the Company and to strike for further development, the Company proposed to fundraise in the domestic stock market in China.

At the Board meeting on 30 August 2017, the Company proposed to apply to the relevant regulatory authorities in the PRC for the allotment and issuance of not more than 20,000,000 A Shares with a nominal value of RMB1.00 each to natural persons, legal persons and other institutional investors, who maintain A share accounts with the Shanghai Stock Exchange (except those prohibited by the PRC laws and regulations and other regulatory requirements that the Company is subject to), and apply to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares.

建議發行A股

為滿足本公司生產經營的需要，謀求更大發展，本公司擬在國內股票市場進行融資。

於二零一七年八月三十日舉行的董事會會議上，本公司建議向中國相關監管機構申請向在上海證券交易所開設A股賬戶的自然人、法人及其他機構投資者(中國法律及法規及本公司須遵守的其他監管要求所禁止者除外)配發及發行不多於20,000,000股每股面值人民幣1.00元的A股，並申請使A股在上海證券交易所上市及買賣。

The special resolution for issuance of A shares was approved by the Shareholders in the special general meeting and class meetings of the Company held on 1 November 2017. The resolution to extend such application period was approved by the Shareholders in the annual general meeting and class meetings of the Company held on 26 June 2018 and 26 June 2019, respectively. Such issuance is subject to the approval by the China Securities Regulatory Commission ("CSRC").

發行A股已由股東於二零一七年十一月一日所舉行的本公司臨時股東大會及類別股東於類別股東大會上以特別決議案批准，而延長該申請期限之決議案亦由股東於二零一八年六月二十六日及二零一九年六月二十六日所舉行的本公司週年股東大會及類別股東大會上批准。A股發行待中國證券監督管理委員會(「中國證監會」)批准後，方可作實。

Employment and Remuneration Policy

For the year ended 31 December 2019, the Group had an average of 944 employees (2018: 907 employees). Staff costs including directors' remuneration for the years ended 31 December 2019 and 31 December 2018 were approximately RMB61,989,000 and approximately RMB56,215,000, respectively. Details of the emoluments of the Directors and supervisors and the top five highest paid individuals of the Group are set out in Notes V.36 and 37 to the Financial Statements. The Group's employment and remuneration policies remained unchanged from those described in the prospectus of the Company dated 11 April 2003. The salaries and benefits of employees of the Group are kept at a competitive level and employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system which is reviewed annually. A wide range of benefits, including statutory compulsory welfare plans, are also provided to the employees.

僱員及薪酬政策

截至二零一九年十二月三十一日止年度，本集團平均僱用944員工(二零一八年：907名)。截至二零一九年及二零一八年十二月三十一日止年度之員工成本(包括董事酬金)分別約為人民幣61,989,000元及約人民幣56,215,000元。本公司之董事和監事及本集團之五名最高薪酬人士之薪酬詳情載於財務報表附註五、36及37。本集團僱用及薪酬政策保持與本集團於二零零三年四月十一日的售股章程所述者不變。本集團僱員之薪金及福利維持於具競爭力水準，而僱員之薪酬及福利根據本集團之薪金及花紅制度按僱員表現每年檢討釐定。本集團向僱員提供多種福利(包括法定強制性福利計劃)。

Retirement Fund Scheme

The retirement fund scheme is set out in Note V.17 to the Financial Statements.

退休金計劃

本公司退休金計劃詳情載於財務報表附註五、17。

Directors and Supervisors

During the year 2019 and up to the date of this report, the Directors and Supervisors were as follows:

Executive Directors:	Wang An, Zhang Hui and Wang Yan Hui
Non-executive Director:	Liu Tsung-Yi
Independent non-executive Directors:	Jiang Hong Qi, Li Wei , Li Yao (appointed on 26 June 2019) and Li Tong Ning (resigned on 26 June 2019)
Supervisors:	Dai Li Ying, Wang Zhi Wu and Wang Kun

董事及監事

於二零一九年及截至本報告日期，本公司之董事及監事如下：

執行董事：	王安、張輝及王艷輝
非執行董事：	劉宗宜
獨立非執行董事：	姜洪奇、李煒、李堯（委任於二零一九年六月二十六日）及李同寧（辭任於二零一九年六月二十六日）
監事：	戴利英、王志武和王坤

Directors' and Supervisors' Service Contracts

Each of the Directors and Supervisors has entered into a service contract with the Company. None of the Directors or Supervisors has an unexpired service contract which is not terminable by the Company or its subsidiaries within a year without payment of any compensation (other than statutory compensation).

董事及監事之服務合約

各董事及監事均與本公司簽訂服務合約。董事或監事概無訂立本公司或其附屬公司不可與一年內免付賠償(法定賠償除外)而予以終止之未屆滿服務合約。

Independence of Independent Non-executive Directors

The Company confirms that the Company has received written independence status confirmation from all independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules. All independent non-executive Directors are considered as independent.

獨立非執行董事之獨立性

本公司確認已根據上市規則第3.13條向本公司各獨立非執行董事收取獨立地位確認書，而全體獨立非執行董事均被認為獨立。

Change of Directors, Supervisors and Senior Management

At 26 June 2019, Mr. Li Yao was appointed as independent non-executive Director while Mr. Li Tong Ning resigned as independent non-executive Director.

Saved as disclosed above, there were no material changes to the Directors, Supervisors and senior management of the Company for the year ended 31 December 2019.

董事、監事及高級管理人員變動

於二零一九年六月二十六日，李堯先生被委任為獨立非執行董事，而李同寧先生辭任獨立非執行董事。

除上述披露者外，截至二零一九年十二月三十一日止年度本公司董事、監事及高級管理人員並無重大變動。

Management Contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the reporting period.

管理合約

於本報告期內，概無有關管理及經營本公司全部或任何重大部份業務之合約簽訂或存在。

Permitted Indemnity Provision

At no time during the financial year, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the Company (whether made by the Company or otherwise) or an associated company (if made by the company).

獲準許彌償條文

在財政年度內任何時間，均未曾經有或現有生效的任何獲準許彌償條文惠及本公司的董事(不論是否由本公司或其他訂立)或本公司之有聯繫公司的任何董事(如由本公司訂立)。

Connected Transactions

Continuing connected transactions under the Listing Rules

I. CCT with Andre Pectin

On 29 September 2015, the Company entered into a framework agreement with Yantai Andre Pectin Co., Ltd. ("Andre Pectin") for the sale of pomace and juice products to Andre Pectin and determined the annual caps for the sale of pomace and juice products for the three years ending 31 December 2018. The framework agreement took effect on 1 January 2016 and expired on 31 December 2018. On 19 January 2016, the Company entered into a supplemental agreement (the "Supplemental Agreement") with Andre Pectin to revise the annual caps for 2016, 2017 and 2018 under the framework agreement.

As the framework agreement as amended by the Supplemental Agreement expired on 31 December 2018, the Company and Andre Pectin agreed to renew the transaction terms, and entered into the product purchase framework agreement on 13 December 2018 (the "Pectin Renewal Agreement"), pursuant to which, Andre Pectin agreed to purchase and the Company agreed to supply the Company's products (including but not limited to pomace and juice products), and the entering into the Pectin Renewal Agreement served to regulate such product purchase between the Group and Andre Pectin for the period commenced on 1 January 2019 and expiring on 31 December 2021.

Under the Pectin Renewal Agreement, the prices of products to be supplied by the Company shall be determined according to (i) the Market Price; and (ii) the Historical Price, whichever is higher.

The annual caps under the Pectin Renewal Agreement were set based on the following factors: the estimated amounts of transactions involved with reference to historical transaction volume, the estimated potential growth of the Group, the expected economic growth of the PRC and the increase of the demand by Andre Pectin on the Company's products. For the three financial years ending 31 December 2021, the annual caps will be RMB30,000,000 per year. The actual sale of pomace and other products by the Group to Andre Pectin for the period from 1 January 2019 to 26 February 2019 was RMB4,528,584 and are subject to the annual review requirements under the Listing Rules.

關連交易

上市規則下的持續關連交易

I. 與安德利果膠之持續關連交易

於二零一五年九月二十九日，本公司與烟台安德利果膠股份有限公司(「安德利果膠」)訂立一份銷售果渣及果汁產品予安德利果膠的框架協議並確定了截至二零一八年十二月三十一日止三年銷售果渣及果汁產品的年度上限。框架協議於二零一六年一月一日生效，並於二零一八年十二月三十一日屆滿。於二零一六年一月十九日，本公司與安德利果膠訂立補充協議(「補充協議」)，修訂框架協議項下二零一六年、二零一七年及二零一八年的年度上限。

由於經補充協議修訂的框架協議於二零一八年十二月三十一日屆滿，本公司與安德利果膠同意更新交易條款，並於二零一八年十二月十三日訂立果膠產品採購框架協議(「果膠更新協議」)，據此安德利果膠同意採購且本公司同意供應本公司的產品(包括但不限於果渣及果汁產品)，及果膠更新協議之簽訂用以規管本集團與安德利果膠之間自二零一九年一月一日至二零二一年十二月三十一日止的產品採購。

根據果膠更新協議，本公司供應各項產品的價格，須按(i)市場價；及(ii)歷史價格釐定。

根據果膠更新協議，年度交易上限的釐定參考過往交易量估計交易涉及的金額、本集團的估計增長潛力、中國的預期經濟增長以及安德利果膠對本公司產品的需求增長。截至二零二一年十二月三十一日止之三個財政年度之年度上限將均為每年人民幣30,000,000元。二零一九年一月一日至二零一九年二月二十六日止期間之本集團售予安德利果膠之果渣等產品銷售實際金額為人民幣4,528,584元，根據上市規則，此交易並須接受週年審閱。

As of the date of signing the framework agreement, Supplemental Agreement and Pectin Renewal Agreement, Andre Pectin was an associate (as defined under the Listing Rules) of Andre Group, which was a substantial Shareholder and controlled 47.37% interest in Andre Pectin. Andre Pectin was also an associate of Mr. Wang An, who is a Director and indirectly controlled 47.37% interest in Andre Pectin through his 90% interest in Andre Group. Therefore, Andre Pectin was a connected person of the Company and the sale of pomace and juice products by the Company to Andre Pectin as contemplated under the framework agreement, the Supplemental Agreement and Pectin Renewal Agreement constituted continuing connected transactions under the Listing Rules. As each of the applicable percentage ratios was more than 0.1% but less than 5%, the transactions contemplated under the framework agreement as amended by the Supplemental Agreement and the Pectin Renewal Agreement are only subject to the reporting, announcement and annual review requirements but are exempt from the independent Shareholders' approval requirement under the Listing Rules. The Company has complied with the applicable disclosure requirements in accordance with the Listing Rules.

於簽署框架協議，補充協議及果膠更新協議之日，安德利果膠為安德利集團的聯繫人士(根據上市規則之定義)，安德利集團為本公司的主要股東，控制安德利果膠47.37%權益；安德利果膠亦為本公司董事王安先生的聯繫人士，王安先生透過其於安德利集團的90%權益間接控制安德利果膠47.37%權益。因此，安德利果膠為本公司的關連人士，根據上市規則，本公司根據框架協議、補充協議和果膠更新協議銷售果渣及果汁產品予安德利果膠乃持續關連交易。由於適用的各項百分比率均高於0.1%但低於5%，於經補充協議修訂的框架協議及果膠更新協議項下的交易僅須遵守上市規則下的申報、公佈和年度審核的規定而獲豁免遵守獨立股東批准的規定。本公司已符合上市規則的有關披露要求。

For further details regarding the Pectin Renewal Agreement, please refer to the announcement of the Company dated 13 December 2018.

有關果膠更新協議之詳情，請參閱日期為二零一八年十二月十三日之本公司公告。

The Company was informed that Andre Group disposed of part of its equity interest in Andre Pectin to an independent third party on 27 February 2019 and owned 15.53% interest in Andre Pectin immediately after the disposal. Therefore, Andre Pectin ceased to be a connected person of the Company on 27 February 2019 as defined by the Listing Rules.

本公司獲悉安德利集團於二零一九年二月二十七日將其於安德利果膠德部分股權出售予獨立第三方。緊隨有關出售，安德利集團持有安德利果膠15.53%權益。因此，安德利果膠於二零一九年二月二十七日不再是上市規則定義下本公司的關連人士。

II. CCT with President

On 11 December 2017, the Company entered into a product purchase framework agreement with President Enterprises (China) Investment Co., Ltd. ("President"), whereby President agreed to purchase and the Company agreed to supply the Company's products (including but not limited to different kinds of juice concentrate) and provide related warehousing service to President and determined the annual cap for the financial year ended 31 December 2018.

II. 與統一之持續關連交易

於二零一七年十二月十一日，本公司與統一企業(中國)投資有限公司(「統一」)訂立產品採購框架協議，據此統一同意採購且本公司同意供應本公司的產品(包括但不限於各類濃縮果汁)及提供相關倉存服務，並確定了截至二零一八年十二月三十一日止財政年度的產品採購上限。

As the previous product purchase framework agreement dated 11 December 2017 expired on 31 December 2018, the Company and President agreed to renew the transaction terms, and entered into a product purchase framework agreement on 13 December 2018 (the "President Renewal Agreement"), pursuant to which, President agreed to purchase and the Company agreed to supply the Company's products (including but not limited to different kinds of juice concentrate) and provide related warehousing service, to regulate such product purchase between the Group and President for the period commenced on 1 January 2019 and expiring on 31 December 2019.

由於先前於二零一七年十二月十一日訂立的產品採購框架協議於二零一八年十二月三十一日屆滿，本公司與統一同意更新交易條款，並於二零一八年十二月十一日訂立產品採購框架協議(「統一更新協議」)，據此統一同意採購且本公司同意供應本公司的產品(包括但不限於各類濃縮果汁)及提供相關倉存服務，以規管本集團與統一之間自二零一九年一月一日至二零一九年十二月三十一日止的產品採購。

Under the President Renewal Agreement, prices of products to be supplied by the Company shall be determined according to the bidding principle by reference to the market price.

根據統一更新協議，本公司供應各項產品的價格，將參考市場價，按照競價原則確定。

The annual cap under the President Renewal Agreement was set based on the historical transaction amounts with President and the expected stability of the prevailing market prices for the sales of the Company's products. For the year ended 31 December 2019, the annual cap was RMB21,000,000. The actual sale of products and provision of warehousing services by the Group to President for the year ended 31 December 2019 was RMB8,204,321 and was subject to annual review requirements under the Listing Rules.

根據統一更新協議，年度交易上限的釐定參考了與統一的歷史交易金額，以及銷售本公司產品的當前市場價預期將會保持穩定的因素。截至二零一九年十二月三十一日止之年度上限為人民幣21,000,000元。截至二零一九年十二月三十一日止年度之本集團售予統一之產品銷售和倉存費實際金額為人民幣8,204,321元，根據上市規則，此交易並須接受週年審閱。

As at the date of signing the product purchase framework agreement and the President Renewal Agreement, President held 17.87% of the total issued share capital of the Company. Under the Listing Rules, President was a substantial Shareholder and thus was a connected person of the Company. Therefore, the transactions contemplated under the product purchase framework agreement and the President Renewal Agreement between the Group and President constituted continuing connected transactions of the Company. As an applicable percentage ratio in respect of the annual caps (other than the profit ratio) was more than 0.1% but less than 5%, the transactions contemplated under the product purchase framework agreement and the President Renewal Agreement are only subject to the requirements of reporting, announcement and annual reviews but are exempt from the independent Shareholders' approval requirement under the Listing Rules.

於訂立產品框架協議和統一更新協議日，統一持有本公司已發行總股本的17.87%，根據上市規則，統一乃本公司的主要股東，故為本公司的關連人士。因此，本集團與統一之間根據產品採購框架協議和統一更新協議項下的交易構成本公司的持續關連交易。由於年度上限的一項適用百分比率(盈利比率除外)超逾0.1%但低於5%，故產品採購框架協議和統一更新協議項下擬進行的交易僅須遵守上市規則項下的申報、公佈及年度審核的規定，並獲豁免遵守獨立股東批准的規定。

For further details regarding the President Renewal Agreement, please refer to the announcement of the Company dated 13 December 2018.

有關統一更新協議之詳情，請參閱本公司日期為二零一八年十二月十三日的公告。

As the President Renewal Agreement expired on 31 December 2019, the Company and President agreed to further renew the transaction terms, and entered into the product purchase framework agreement on 6 November 2019 ("New President Product Purchase Framework Agreement"), whereby President agreed to purchase and the Company agreed to supply the Company's products (including but not limited to different kinds of concentrated juice) and provide the warehousing and other services relating to purchase to subsidiaries of President, to regulate such product purchase between the Group and President for the period commencing on 1 January 2020 and expiring on 31 December 2021.

由於統一更新協議於二零一九年十二月三十一日屆滿，本公司與統一同意更新交易條款，並於二零一九年十一月六日訂立產品採購框架協議(「新統一產品採購框架協議」)，據此，統一同意採購，且本公司同意供應本公司的產品(包括但不限於各類濃縮果汁)及本公司同意向統一的附屬公司提供與採購相關的倉儲等服務，以規管本集團與統一之間自二零二零年一月一日至二零二一年十二月三十一日止的產品採購。

Prices of products to be supplied by the Company shall be determined according to the bidding principle by reference to the market price.

本公司供應各項產品的價格，將參考市場價，按照競價原則確定。

The annual cap of the products sold to President for the period commencing on 1 January 2020 and expiring on 31 December 2021 was set as RMB21,000,000, mainly based on the following factors: (i) the historical transaction amounts with President for the sales of products; and (ii) the expectation that the prevailing market prices for the sales of the Company's products will remain stable.

自二零二零年一月一日至二零二一年十二月三十一日止售予統一的產品的建議年度上限設定為人民幣21,000,000元，乃主要跟據以下因素釐定：(i)就銷售產品而言與統一的歷史交易金額；及(ii)銷售本公司產品的當前市場價預期將會保持穩定。

As at the date of signing the New President Product Purchase Framework Agreement, President is a non-wholly owned subsidiary of Uni-President Enterprises Corp., a Shareholder of the Company. Uni-President Enterprises Corp., through its two wholly-owned subsidiaries, Chengdu President Enterprises Food Co., Ltd.* (成都統一企業食品有限公司) and Guangzhou President Enterprises Corp.* (廣州統一企業有限公司), holds 63,746,040 domestic shares of the Company, representing approximately 17.81% of the total issued share capital of the Company, and 237,000 H shares of the Company, representing approximately 0.07% of the total issued share capital of the Company. President is a connected person of the Company under the Listing Rules. Therefore, the transactions under the President Product Purchase Framework Agreement between the Group and President constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Since the highest applicable percentage ratio (other than the profit ratio) for the proposed annual cap under the New President Product Purchase Framework Agreement is more than 0.1% but less than 5%, in accordance with requirements of the Listing Rules, the continuing connected transactions under the New President Product Purchase Framework Agreement between the Company and President are only subject to the reporting and announcement requirements under the Listing Rules and are exempted from the independent Shareholders' approval requirement.

於簽訂新統一產品採購框架協議日期，統一為本公司股東統一企業股份有限公司的非全資附屬公司，統一企業股份有限公司透過其兩間全資附屬公司成都統一企業食品有限公司及廣州統一企業有限公司持有本公司63,746,040股內資股，佔本公司已發行總股本約17.81%，並持有本公司237,000股H股，佔本公司已發行總股本約0.07%。根據上市規則，統一乃本公司的關連人士。因此，根據上市規則第14A章本集團與統一之間於統一產品採購框架協議項下的交易構成本公司的持續關連交易。由於新統一產品採購框架協議的各建議年度上限的最高適用百分比率(盈利比率除外)分別超逾0.1%但低於5%，根據上市規則的規定，本公司與統一訂立之新統一產品採購框架協議項下的持續關連交易僅須遵守上市規則下的申報及公告的規定，並獲豁免遵守獨立股東批准的規定。

III. CCT with Yantai Hengtong

On 19 January 2016, the Company entered into a framework agreement with Yantai Hengtong Thermoelectricity Co., Ltd.*(烟台亨通熱電有限公司)("Yantai Hengtong"), pursuant to which the Group has agreed to purchase and Yantai Hengtong has agreed to supply products (including but not limited to electricity and steam) to regulate the product purchase between the Group and Yantai Hengtong for the three years ended 31 December 2018.

As the previous framework agreement dated 19 January 2016 expired on 31 December 2018, the Company and Yantai Hengtong agreed to renew the transaction terms, and entered into the framework agreement on 13 December 2018 (the "Hengtong Renewal Agreement"), whereby the Group agreed to purchase and Yantai Hengtong agreed to supply products (including but not limited to electricity and steam), to regulate such purchase between the Group and

III. 與烟台亨通之持續關連交易

於二零一六年一月十九日，本公司與烟台亨通熱電有限公司(「烟台亨通」)訂立框架協議，據此，本集團已同意採購及烟台亨通已同意供應產品(包括但不限於電力及蒸汽)，以規管本集團與烟台亨通截至二零一八年十二月三十一日止三個年度的產品採購。

由於先前於二零一六年一月十九日訂立的框架協議於二零一八年十二月三十一日屆滿，本公司與烟台亨通同意更新交易條款，並於二零一八年十二月十三日訂立框架協議(「亨通更新協議」)，據此本集團同意採購且烟台亨通同意供應產品(包括但不限於電力及蒸氣)，以規

* *For identification purpose only*

* *僅供識別*

Yantai Hengtong for the period commenced on 1 January 2019 and expiring on 31 December 2021.

管本集團與烟台亨通之間自二零一九年一月一日至二零二一年十二月三十一日止的產品採購。

Under the Hengtong Renewal Agreement, the prices of products to be supplied by the Company shall be determined according to the Market Price.

根據亨通更新協議，本公司供應各項產品的價格，須按市場價釐定。

The annual cap of the transaction contemplated under the Hengtong Renewal Agreement was set based on the following factors: the estimated amounts of transactions involved with reference to historical transaction volume and the estimated demand by the Group on Yantai Hengtong's products with reference to the prospective consumption of such products by the manufacturing workshops of the Group at full production capacity. For the three financial years ending 31 December 2021, the annual caps are RMB25,000,000 per year. The actual purchase for the year ended 31 December 2019 was RMB7,677,077 and was subject to annual review requirements under the Listing Rules.

根據亨通更新協議，年度交易上限的釐定參考過往交易量估計交易涉及的金額及根據本集團生產車間滿負荷生產時對於烟台亨通的產品的預期消耗而估計的本集團對烟台亨通產品的需求。截至二零二一年十二月三十一日止之三個財政年度之年度上限均為每年人民幣25,000,000元。截至二零一九年十二月三十一日止年度之實際採購金額為人民幣7,677,077元，根據上市規則，此交易並須接受週年審閱。

As at the date of signing the framework agreement and the Hengtong Renewal Agreement, Yantai Hengtong was wholly-owned by Andre Group, a substantial Shareholder. Yantai Hengtong was an associate (as defined under the Listing Rules) of Andre Group and was also a connected person of the Company under the Listing Rules. Therefore, the transactions contemplated under the framework agreement and Hengtong Renewal Agreement between the Company and Yantai Hengtong constituted continuing connected transactions of the Company under the Listing Rules. Since the applicable percentage ratios (other than the profit ratio) for the proposed annual caps for all relevant years for the continuing connected transactions under the framework agreement and Hengtong Renewal Agreement are more than 0.1% but less than 5%, in accordance with the Listing Rules, the transaction contemplated under the framework agreement and Hengtong Renewal Agreement are only subject to the reporting, announcement and annual review requirements under the Listing Rules and are exempt from the independent Shareholders' approval requirement. The Company has complied with the applicable disclosure requirements in accordance with the Listing Rules.

於簽署框架協議和亨通更新協議時，烟台亨通由本公司主要股東安德利集團全資擁有，根據上市規則，烟台亨通為安德利集團的聯繫人(根據上市規則之定義)並因此為本公司的關連人士。因此，本公司與烟台亨通之間於框架協議和亨通更新協議項下擬進行的交易構成本公司於上市規則下的持續關連交易。由於框架協議和亨通更新協議項下的持續關連交易於所有有關年度各年的建議年度上限的適用百分比率(盈利比率除外)分別超逾0.1%但低於5%，根據上市規則，框架協議和亨通更新協議項下的持續關連交易均僅須遵守上市規則下的申報、公佈及年度審核的規定，並獲豁免遵守獨立股東批准的規定。本公司已符合上市規則的有關披露要求。

For further details regarding the Hengtong Renewal Agreement, please refer to the announcement of the Company dated 13 December 2018.

有關亨通更新協議之詳情，請參閱本公司日期為二零一八年十二月十三日的公告。

IV. CCT with Ton Yi

On 11 December 2017, the Company entered into a product purchase framework agreement with Ton Yi (China) Investment Co., Ltd.*(統實（中國）投資有限公司) ("Ton Yi"), pursuant to which Ton Yi agreed to purchase and the Company agreed to supply the Company's products (including but not limited to different kinds of juice concentrate) and provide the warehousing and other services relating to purchase to subsidiaries of Ton Yi, to regulate such product purchase between the Group and Ton Yi for the period commenced on 1 January 2018 and expired on 31 December 2018.

As the previous product purchase framework agreement dated 11 December 2017 expired on 31 December 2018, the Company and Ton Yi agreed to renew the transaction terms, and entered into the product purchase framework agreement on 13 December 2018 (the "Ton Yi Renewal Agreement"), pursuant to which Ton Yi agreed to purchase and the Company agreed to supply the Company's products (including but not limited to different kinds of juice concentrate and provide the warehousing and other services relating to purchase to subsidiaries of Ton Yi), to regulate such product purchase between the Group and Ton Yi for the year ending 31 December 2019.

Under the Ton Yi Renewal Agreement, the prices of products to be supplied by the Company shall be determined according to the bidding principle by reference to the market price.

The annual cap under the Ton Yi Renewal Agreement was set based on the following factors: the estimated amounts of transactions involved with reference to historical transaction volume, and the expected stability of the prevailing market prices for the sales of the Company's products. For the year ended 31 December 2019, the annual cap is RMB21,000,000. The actual sale of products and provision of warehousing services by the Group to Ton Yi for the year ended 31 December 2019 was RMB4,517,343 and was subject to annual review requirements under the Listing Rules.

IV. 與統實之持續關連交易

於二零一七年十二月十一日，本公司與統實(中國)投資有限公司(「統實」)訂立統實產品採購框架協議，據此統實同意採購且本公司同意供應本公司的產品包括但不限於各類濃縮果汁)及向統實附屬公司提供與採購相關的倉儲等服務，以規管本集團與統實之間自二零一八年一月一日至二零一八年十二月三十一日止的產品採購。

由於先前於二零一七年十二月十一日訂立的框架協議於二零一八年十二月三十一日屆滿，本公司與統實同意更新交易條款，並於二零一八年十二月十三日訂立產品採購框架協議(「統實更新協議」)，據此統實同意採購且本公司同意供應本公司的產品包括但不限於各類濃縮果汁)及向統實附屬公司提供與採購相關的倉儲等服務，以規管本集團與統實之間自二零一九年一月一日至二零一九年十二月三十一日止年度的產品採購。

根據統實更新協議，本公司供應各項產品的價格，將參考市場價，按照競價原則確定。

根據統實更新協議，年度交易上限的釐定參考過往交易量估計交易涉及的金額、以及銷售本公司產品的當前市場價預期將會保持穩定的因素。截至二零一九年十二月三十一日止之財政年度之年度上限為人民幣21,000,000元。截至二零一九年十二月三十一日止財政年度之本集團售予統實之產品銷售和倉存費實額為人民幣4,517,343元，根據上市規則，此交易並須接受週年審閱。

* *For identification purpose only*

* *僅供識別*

As at the date of signing the product purchase framework agreement and Ton Yi Renewal Agreement, Ton Yi was a non-wholly owned subsidiary of Uni-President Enterprises Corp., a Shareholder of the Company. Uni-President Enterprises Corp., through its two wholly owned subsidiaries, Chengdu President Enterprises Food Co., Ltd.* (成都統一企業食品有限公司) and Guangzhou President Enterprises Corp.* (廣州統一企業有限公司), held 63,746,040 domestic shares of the Company, representing approximately 17.81% of the total issued share capital of the Company, and 237,000 H shares of the Company, representing approximately 0.07% of the total issued share capital of the Company. Ton Yi is a connected person of the Company under the Listing Rules. Therefore, the transactions under the product purchase framework agreement and Ton Yi Renewal Agreement between the Group and Ton Yi constituted continuing connected transactions of the Company. Since the applicable percentage ratios (other than the profit ratio) for the proposed annual cap for all relevant years are more than 0.1% but less than 5%, pursuant to the Listing Rules, the continuing connected transactions under the product purchase framework agreement and Ton Yi Renewal Agreement with Ton Yi are only subject to the reporting, announcement and annual review requirements but are exempt from the independent Shareholders' approval requirements under the Listing Rules.

於訂立產品採購框架協議和統實更新協議日，統實為統一企業股份有限公司的非全資附屬公司。統一企業股份有限公司透過其兩間全資附屬公司成都統一企業食品有限公司及廣州統一企業有限公司持有本公司63,746,040股內資股，佔本公司已發行總股本約17.81%，並持有本公司237,000股H股，佔本公司已發行總股本約0.07%。根據上市規則，統實乃本公司的關連人士。因此，本集團與統實之間於產品採購框架協議和統實更新協議項下的交易均構成本公司的持續關連交易。由於各項交易在各有關年度的建議年度上限的適用百分比率(盈利比率除外)超逾0.1%但低於5%，根據上市規則，與統實訂立之產品採購框架協議和統實更新協議項下的持續關連交易僅須遵守上市規則的申報、公佈及年度審核的規定，並獲豁免遵守獨立股東批准的規定。

For further details regarding the Ton Yi Renewal Agreement, please refer to the announcement of the Company dated 13 December 2018.

有關統實更新協議之詳情，請參閱本公司日期為二零一八年十二月十三日的公告。

As the Ton Yi Renewal Agreement expired on 31 December 2019, the Company and Ton Yi agreed to renew the transaction terms, and entered into the New Ton Yi Product Purchase Framework Agreement on 6 November 2019, whereby Ton Yi agreed to purchase and the Company agreed to supply the Company's products (including but not limited to different kinds of concentrated juice) and provide the warehousing and other services relating to purchase to subsidiaries of Ton Yi, to regulate such product purchase between the Group and Ton Yi for the period commencing on 1 January 2020 and expiring on 31 December 2021.

由於統實更新協議於二零一九年十二月三十一日屆滿，本公司與統實同意更新交易條款，並於二零一九年十一月六日訂立新統實產品採購框架協議，據此，統實同意採購，且本公司同意供應本公司的產品(包括但不限於各類濃縮果汁)及本公司同意向統實的附屬公司提供與採購相關的倉儲等服務，以規管本集團與統實之間自二零二零年一月一日至二零二一年十二月三十一日止的產品採購。

* *For identification purpose only*

* *僅供識別*

Prices of the products to be supplied by the Company shall be determined according to the bidding principle by reference to the market price.

本公司供應各項產品的價格，將參考市場價，按照競價原則確定。

The annual cap of the products sold to Ton Yi for the period commencing on 1 January 2020 and expiring on 31 December 2021 was set as RMB21,000,000, mainly based on to the following factors: (i) the historical transaction amounts with Ton Yi for the sales of products; and (ii) the expectation that the prevailing market prices for the sales of the Company's products will remain stable.

自二零二零年一月一日至二零二一年十二月三十一日止售予統實的產品的建議年度上限設定為人民幣21,000,000元，乃主要跟據以下因素釐定：(i)就銷售產品而言與統實的歷史交易金額；及(ii)銷售本公司產品的當前市場價預期將會保持穩定。

As at the date of signing the New Ton Yi Product Purchase Framework Agreement, Ton Yi is a non-wholly owned subsidiary of Uni-President Enterprises Corp., a Shareholder of the Company. Uni-President Enterprises Corp., through its two wholly-owned subsidiaries, Chengdu President Enterprises Food Co., Ltd.* (成都統一企業食品有限公司) and Guangzhou President Enterprises Corp.* (廣州統一企業有限公司), holds 63,746,040 domestic shares of the Company, representing approximately 17.81% of the total issued share capital of the Company, and 237,000 H shares of the Company, representing approximately 0.07% of the total issued share capital of the Company. Ton Yi is a connected person of the Company under the Listing Rules. Therefore, the transactions under the Ton Yi Product Purchase Framework Agreement between the Group and Ton Yi constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Since the highest applicable percentage ratio (other than the profit ratio) for the proposed annual cap under the New Ton Yi Product Purchase Framework Agreement is more than 0.1% but less than 5%, in accordance with requirements of the Listing Rules, the continuing connected transactions under the New Ton Yi Product Purchase Framework Agreement between the Company and Ton Yi are only subject to the reporting and announcement requirements under the Listing Rules and are exempted from the independent Shareholders' approval requirement.

於本公告日期，統實為本公司股東統一企業股份有限公司的非全資附屬公司，統一企業股份有限公司透過其兩間全資附屬公司成都統一企業食品有限公司及廣州統一企業有限公司持有本公司63,746,040股內資股，佔本公司已發行總股本約17.81%，並持有本公司237,000股H股，佔本公司已發行總股本約0.07%。根據上市規則，統實乃本公司的關連人士。因此，根據上市規則第14A章本集團與統實之間於統實產品採購框架協議項下的交易構成本公司的持續關連交易。由於新統實產品採購框架協議的各建議年度上限的最高適用百分比率(盈利比率除外)分別超逾0.1%但低於5%，根據上市規則的規定，本公司與統實訂立之新統實產品採購框架協議項下的持續關連交易僅須遵守上市規則下的申報及公告的規定，並獲豁免遵守獨立股東批准的規定。

* *For identification purpose only*

* *僅供識別*

In respect of the above continuing connected transactions of the Group, the Company's internal audit has reviewed the relevant transactions and ensured that internal control procedures are effective and adequate, and provided the findings to the independent non-executive Directors. The independent non-executive Directors have reviewed the related agreements and transactions contemplated thereunder and confirmed that these transactions:

(i) were entered into in the ordinary and usual course of business of the Group;

(ii) were conducted on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties;

(iii) were entered into in accordance with the terms of the respective agreements and were fair and reasonable and in the interests of the Company and its shareholders as a whole;

(iv) of which the aggregate annual amount were within the relevant annual caps (if any);

(v) have been conducted in accordance with the pricing policies or mechanisms under the framework agreement, including the pricing range, the process for determining the prices; and

(vi) for which the Group's internal control procedures are adequate and effective to ensure that transactions are so conducted.

KPMG Huazhen LLP, the Company's auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. KPMG Huazhen LLP have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

就本集團上述持續關連交易，本公司內部審核人員已審核有關的交易及已確保相關內部監控程序充足有效，並將結果交予獨立董事，助其進行年度審核。獨立非執行董事已審閱有關協議及其項下擬進行之交易並確定有關交易：

(i) 於本集團一般及正常業務過程中訂立；

(ii) 以一般商業條款或對本集團而言不遜於獨立第三方可取得或提供之條款進行；

(iii) 根據有關協議之相關條款進行，屬公平合理並符合本公司及其股東之整體利益；

(iv) 交易之年度合計總額不超過相關年度上限(如有)；

(v) 根據框架協議項下之定價政策或機制(包括定價區間、價格釐定流程)進行交易；及

(vi) 本集團的內部控制程序足以充分有效以確保交易按此方式進行。

本公司核數師畢馬威華振會計師事務所受聘根據香港會計師公會頒佈的香港鑒證業務準則第3000號「審計或審閱歷史財務資料以外的鑒證工作」並參考實務説明第740號「關於上市規則所述持續關連交易的核數師函件」對本集團的持續關連交易作出報告。畢馬威華振會計師事務所根據上市規則第14A.56條就本集團上文所披露的持續關連交易發出並無保留意見的函件，當中載有其發現結果及結論。本公司已向聯交所提供核數師函件副本。

Connected transactions under the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the "Shanghai Listing Rules")

Connected transactions with Mitsui

As at 31 December 2019, Mitsui & Co., Ltd. ("Mitsui") held 5.96% interests of the Company, for which it did not constitute a connected person of the Company under the Listing Rules. However, Mitsui and its subsidiaries were connected persons of the Company under the Shanghai Listing Rules, therefore, the Group's sales to Mitsui and its subsidiaries were deemed connected transactions under the Shanghai Listing Rules.

The prices of the Group's products supplied to Mitsui and its subsidiaries shall be determined based on (i) the Market Price (as defined below); and (ii) the Historical Price (as defined below), whichever is higher. The "Market Price" shall be determined in the following order: (1) the prices charged by an independent third party for selling the products under ordinary course of business at the place where the products are sold or the vicinity; or (2) the prices charged by an independent third party for selling the products under ordinary course of business in China.

The "Historical Price" shall be the average price for all the transactions of similar products with independent third parties within three consecutive months as set forth in the records supervised and maintained by the sales department of the Company.

For the year ended 31 December 2019, the Group's actual sales of juice products to Mitsui and its subsidiaries was approximately RMB68,917,022.

At the Board meeting held on 13 December 2018, the Directors considered and approved the annual caps for the Group's purchase from Mitsui and its subsidiaries for the next three years to regulate the Group's purchase from Mitsui and its subsidiaries from 1 January 2019 and up to 31 December 2021.

上海證券交易所上市規則(「上海上市規則」)下的關連交易

與三井之關連交易

截至二零一九年十二月三十一日，三井物產株式會社(「三井」)持有本公司5.96%的權益，根據上市規則，其不構成本公司關連人士，但根據上海上市規則，三井及其附屬公司為本公司的關聯人士。因此，三井協定項下的交易於上海上市規則下被視為關聯交易。

本集團向三井及其附屬公司供應產品的價格根據(i)市場價(定義見下文)；及(ii)歷史價格(定義見下文)(以較高者為準)釐定。「市場價」須按照下列順序依次確定：(1)該類產品的銷售地或其附近地區在正常商業情況下銷售該類產品的獨立協力廠商當時收取的價格；或(2)在中國正常商業情況下銷售該類產品的獨立協力廠商當時收取的價格。

「歷史價格」指本公司銷售部門監管及存置的交易記錄表所載與獨立協力廠商連續三個月內進行類似產品所有交易的平均價格。

截至二零一九年十二月三十一日止之年度，本集團售予三井及其附屬公司果汁產品銷售實際金額約為人民幣68,917,022元。

本公司於二零一八年十二月十三日董事會審議通過未來三年與三井及其附屬公司產品採購年度交易上限，以規管本集團與三井及其附屬公司之間自二零一九年一月一日至二零二一年十二月三十一日止的產品採購。

Connected transactions with Andre Pectin

As at 31 December 2019, a major shareholder of the Company, Andre Group, held 15.53% interests in Andre Pectin, for which it did not constitute a connected person of the Company under the Listing Rules. However, Andre Pectin was constituted a connected person of the Company under the Shanghai Listing Rules. Hence, the Group's sales of pomace and juice products under the Pectin Renewal Agreement to Andre Pectin were deemed connected transactions under the Shanghai Listing Rules.

For the year ended 31 December 2019, the Group's actual sales of pomace and juice products to Andre Pectin was approximately RMB35,469,247.

The Pectin Renewal Agreement entered into by the Company and Andre Pectin on 13 December 2018 was still valid. A supplemental agreement signed on 6 November 2019 was entered into to regulate the product purchase between the Group and Andre Pectin for the period commencing on 1 January 2019 and expiring on 31 December 2021.

與安德利果膠之關連交易

截至二零一九年十二月三十一日，本公司主要股東安德利集團持有安德利果膠15.53%的權益，根據上市規則，安德利果膠不構成本公司關連人士，但根據上海上市規則，安德利果膠為本公司的關聯人士。因此，本公司根據果膠更新協議銷售果渣及果汁產品予安德利果膠於上海上市規則下被視為關聯交易。

截至二零一九年十二月三十一日止年度，本集團售予安德利果膠的果渣及果汁產品銷售實際金額約為人民幣35,469,247元。

本公司與安德利果膠於二零一八年十二月十三日訂立的果膠更新協議將持續有效，並於二零一九年十一月六日訂立了補充協議，用以規管本集團與安德利果膠之間自二零一九年一月一日至二零二一年十二月三十一日止的產品採購。

Related Party Transactions

During the year ended 31 December 2019, the Group entered into transactions with related parties as set out in Note X to the Financial Statements. Apart from the items disclosed in the section "Connected Transactions", all other material related party transactions did not constitute non-exempt connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

關連方交易

截至二零一九年十二月三十一日止年度，本集團與關連方進行財務報表附註十中載列之交易。除「關連交易」部分的披露外，其他所有重大關連方交易不會構成按上市規則第14A章界定為不獲豁免關連交易或持續關連交易。

Directors' and Supervisors' Interest in Contracts

Save as disclosed in this report, none of the Directors or the Supervisors had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company was a party in 2019.

董事及監事於合約之權益

除本報告中披露外，於二零一九年內，概無董事或監事於對本集團業務具重大影響之本公司所訂合約中直接或間接持有任何重大權益。

Directors', Supervisors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company

As at 31 December 2019, the interests and short positions of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); and (b) required to be recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the directors of the Company as referred to in Appendix 10 of the Listing Rules were as follows:

董事、監事及行政總裁於本公司股份、基本股份及債權證中的權益及淡倉

於二零一九年十二月三十一日，董事、監事及行政總裁於本公司及其相關法團(按香港法例第571章《證券及期貨條例》(「《證券及期貨條例》」)第XV部的涵義)擁有(i)根據《證券及期貨條例》第XV部第7及8分部之規定須知會本公司及聯交所(包括根據《證券及期貨條例》之規定被當作或被視作擁有之權益及淡倉)；及(ii)根據《證券及期貨條例》第352條須予備存之登記冊所載或根據上市規則附錄十須知會本公司及聯交所有關董事進行證券交易之股份、基本股份或債權證如下：

Name of Directors 董事姓名	Class of Shares 股份類別	Number of Shares Held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Approximate Percentage of Non-circulating Shares/ H Shares 約佔非流通股／H股百分比	Approximate Percentage of Total Share Capital 約佔總股本百分比
Wang An (Note 1) 王安(附註 1)	Non-listed Foreign Shares 非上市外資股	46,351,961 (L) 46,351,961(長)	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	Personal 個人	18.50% (L)(長)	12.95% (L)(長)
	Domestic Shares 內資股	54,658,540 (L) 54,658,540(長)	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	Personal 個人	21.82% (L)(長)	15.27% (L)(長)
Wang Yanhui (Note 3) 王艷輝先生(附註3)	Domestic Shares 內資股	20,000,000 (L) 20,000,000(長)	Interest of controlled corporations (Note 4) 受控制法團權益(附註4)	Personal 個人	7.98% (L)(長)	5.59% (L)(長)
Zhang Hui (Note 5) 張輝先生(附註5)	Domestic Shares 內資股	20,000,000 (L) 20,000,000(長)	Interest of controlled corporations (Note 6) 受控制法團權益(附註6)	Personal 個人	7.98% (L)(長)	5.59% (L)(長)
Liu Tsung-Yi 劉宗宜	H Shares H股	195,400 (L) 195,400(長)	Beneficial owner 實益擁有人	Personal 個人	0.18% (L)(長)	0.05% (L)(長)

Notes:

The letter "L" denotes a long position.

(1) As at 31 December 2019, Mr. Wang An, a Director, controlled (a) 90% interest in China Pingan Investment Holdings Limited, which held 46,351,961 Non-listed Foreign Shares, representing 12.95% interest in the total issued share capital of the Company; (b) 90% interest in Shandong Andre Group Co., Ltd.* (山東安德利集團有限公司), which held 54,658,540 Domestic Shares, representing 15.27% interest in the total issued share capital of the Company.

(2) Mr. Wang An was deemed to be interested in these Shares through his interests in China Pingan Investment Holdings Limited and Shandong Andre Group Co., Ltd.* (山東安德利集團有限公司).

(3) As at 31 December 2019, Mr. Wang Yanhui, a Director, held 20% interest in Yantai Xingan Investment Centre (Limited Partnership) (烟台興安投資中心(有限合夥)), which held 20,000,000 Domestic Shares, representing 5.59% of the total issued share capital of the Company.

(4) Mr. Wang Yanhui was deemed to be interested in these Domestic Shares through his interest in Yantai Xingan Investment Centre (Limited Partnership) (烟台興安投資中心(有限合夥)).

(5) As at 31 December 2019, Mr. Zhang Hui, a Director, held 20% interest in Yantai Xingan Investment Centre (Limited Partnership) (烟台興安投資中心(有限合夥)), which held 20,000,000 Domestic Shares, representing 5.59% of the total issued share capital of the Company.

(6) Mr. Zhang Hui was deemed to be interested in these Domestic Shares through his interest in Yantai Xingan Investment Centre (Limited Partnership) (烟台興安投資中心(有限合夥)).

* *For identification purpose only*

附註：

「長」表示長倉。

(1) 於二零一九年十二月三十一日，董事王安先生，控制了(a) China Pingan Investment Holdings Limited之90%的權益，該公司持有46,351,961股非上市外資股，佔本公司已發行總股本12.95%；(b) 山東安德利集團有限公司之90%的權益，其持有54,658,540股內資股，佔本公司已發行總股本15.27%。

(2) 王安先生因透過其於China Pingan Investment Holdings Limited和山東安德利集團有限公司之權益而被視作擁有此股份權益。

(3) 於二零一九年十二月三十一日，董事王艷輝先生，持有烟台興安投資中心(有限合夥)之20%權益，其持有20,000,000股內資股，佔本公司已發行總股本5.59%。

(4) 王艷輝先生因透過其於烟台興安投資中心(有限合夥)之權益而被視作擁有此內資股權益。

(5) 於二零一九年十二月三十一日，董事張輝先生，持有烟台興安投資中心(有限合夥)之20%權益，其持有20,000,000股內資股，佔本公司已發行總股本5.59%。

(6) 張輝先生因透過其於烟台興安投資中心(有限合夥)之權益而被視作擁有此內資股權益。

* *僅供識別*

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company

主要股東及其他人士於本公司股份、基本股份及債權證中的權益及淡倉

As at 31 December 2019, so far as the Directors are aware, the following persons (other than the Directors, Supervisors and chief executive of the Company) had interests and short positions in the shares, underlying shares and debentures of the Company which were discloseable under Divisions 2 and 3 of Part XV of the SFO and recorded in the register kept by the Company pursuant to section 336 of the SFO:

據董事所知，於二零一九年十二月三十一日，除本公司董事、監事或行政總裁外，在本公司之股份、基本股份及債權證中擁有須根據《證券及期貨條例》第XV部第2及3分部之規定而須披露，及已記入本公司根據《證券及期貨條例》第336條之規定存置之登記冊中之權益及淡倉之股東及其他人士如下：

Name of Shareholders 股東姓名	Class of Shares 股份類別	Number of Shares Held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Approximate Percentage of Non-circulating Shares/ H Shares 約佔非流通股／H股百分比	Approximate Percentage of Total Share Capital 約佔總股本百分比
China Pingan Investment Holdings Limited	Non-listed Foreign Shares 非上市外資股	46,351,961 (L) (Note 1) 46,351,961(長)（附註 1）	Beneficial owner 實益擁有人	Corporate 公司	18.50% (L)(長)	12.95% (L)(長)
Shandong Andre Group Co., Ltd.* (山東安德利集團有限公司)	Domestic Shares 內資股	54,658,540 (L) (Note 2) 54,658,540(長)（附註 2）	Beneficial owner 實益擁有人	Corporate 公司	21.82% (L)(長)	15.27% (L)(長)
Donghua Fruit Industry Co., Ltd.	Non-listed Foreign Shares 非上市外資股	65,779,459 (L) (Note 3) 65,779,459(長)（附註 3）	Beneficial owner 實益擁有人	Corporate 公司	26.26% (L)(長)	18.37% (L)(長)
Uni-President Enterprises Corp. 統一企業股份有限公司	Domestic Shares 內資股	63,746,040 (L) (Note 4) 63,746,040(長)（附註 4）	Interests of controlled corporations (Note 5) 受控制法團權益（附註 5）	Corporate 公司	25.44% (L)(長)	17.81% (L)(長)
	H Shares H股	237,000 (L) 237,000(長)	Beneficial owner (Note 6) 實益擁有人（附註 6）	Corporate 公司	0.22% (L)(長)	0.07% (L)(長)

* *For identification purpose only*

* *僅供識別*

Name of Shareholders 股東姓名	Class of Shares 股份類別	Number of Shares Held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Approximate Percentage of Non-circulating Shares/ H Shares 約佔非流通股／H股百分比	Approximate Percentage of Total Share Capital 約佔總股本百分比
Mitsui & Co., Ltd. 三井物產株式會社	H Shares H股	21,340,000 (L) 21,340,000(長)	Beneficial owner 實益擁有人	Corporate 公司	19.86% (L)(長)	5.96% (L)(長)
Hongan International Investment Co. Ltd. 弘安國際投資有限公司	Non-listed Foreign Shares 非上市外資股	65,779,459 (L) 65,779,459(長)	Interest of controlled corporations 受控制法團權益	Corporate 公司	26.26% (L)(長)	18.37% (L)(長)
	H Shares H股	17,222,880 (L) 17,222,880(長)	Beneficial owner 實益擁有人	Corporate 公司	16.03% (L)(長)	4.81% (L)(長)
Zhang Shaoxia 張紹霞	Non-listed Foreign Shares 非上市外資股	46,351,961 (L) 46,351,961(長)	Interest of spouse 配偶權益（附注7）	Personal 個人	18.50% (L)(長)	12.95% (L)(長)
	Domestic Shares 內資股	54,658,540 (L) 54,658,540(長)	Interest of spouse 配偶權益（附注7）	Personal 個人	21.82% (L)(長)	15.27% (L)(長)
Wang Meng 王萌	Non-listed Foreign Shares 非上市外資股	65,779,459 (L) 65,779,459(長)	Interest of controlled corporations (Note 8) 受控制法團權益（附註8）	Personal 個人	26.26% (L)(長)	18.37% (L)(長)
	H Shares H股	17,222,880 (L) 17,222,880(長)	Interest of controlled corporations (Note 9) 受控制法團權益（附註9）	Personal 個人	16.03% (L)(長)	4.81% (L)(長)
Yantai Xingan Investment Centre (Limited Partnership) 烟台興安投資中心(有限合夥)	Domestic Shares 內資股	20,000,000 (L) 20,000,000(長)	Beneficial Owner 實益擁有人	Corporate 公司	7.98% (L)(長)	5.59% (L)(長)
Tiandi Win-Win Investment Management Co., Limited	H Shares H股	11,000,000 (L) (Note 10) 11,000,000(長)（附註10）	Beneficial owner 實益擁有人	Corporate 公司	10.24% (L)(長)	3.07% (L)(長)

Name of Shareholders 股東姓名	Class of Shares 股份類別	Number of Shares Held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Approximate Percentage of Non-circulating Shares/ H Shares 約佔非流通股／H股百分比	Approximate Percentage of Total Share Capital 約佔總股本百分比
Shenzhen Tiandi Win-Win Investment Management Co., Limited 深圳市天地共贏投資管理有限公司	H Shares H股	11,000,000 (L) (Note 10) 11,000,000(長)（附註10）	Interest of controlled corporations 受控制法團權益	Corporate 公司	10.24% (L)(長)	3.07% (L)(長)
Tiandi Yihao Beverage Co., Limited 天地壹號飲料股份有限公司	H Shares H股	11,000,000 (L) (Note 10) 11,000,000(長)（附註10）	Interest of controlled corporations 受控制法團權益	Corporate 公司	10.24% (L)(長)	3.07% (L)(長)
Chen Sheng 陳生	H Shares H股	11,000,000 (L) (Note 10) 11,000,000(長)（附註10）	Interest of controlled corporations 受控制法團權益	Personal 個人	10.24% (L)(長)	3.07% (L)(長)
Ni Zhi Long 倪志龍	H Shares H股	5,392,500 (L) 5,392,500(長)	Beneficial owner 實益擁有人	Personal 個人	5.02% (L)(長)	1.51% (L)(長)
Ma Lin 馬琳	H Shares H股	5,392,500 (L) (Note 11) 5,392,500(長)（附註11）	Beneficial owner 實益擁有人	Personal 個人	5.02% (L)(長)	1.51% (L)(長)

Notes:

The letter "L" denotes a long position.

(1) Mr. Wang An, a Director, was deemed to be interested in these Non-listed Foreign Shares through his 90% interest in China Pingan Investment Holdings Limited.

(2) Mr. Wang An, a Director, was deemed to be interested in these Domestic Shares through his 90% interest in Shandong Andre Group Co., Ltd.* (山東安德利集團有限公司).

(3) The long position in 65,779,459 Non-listed Foreign Shares was directly held by Donghua Fruit Industry Co., Ltd.. Based on the information provided by Donghua Fruit Industry Co., Ltd., Hongan International Investment Co, Ltd. and Ms. Wang Meng were deemed to be interested in these 65,779,459 Non-listed Foreign Shares.

(4) The long position in 63,746,040 Domestic Shares was held by Uni-President China Holdings Ltd., a non wholly-owned subsidiary of Uni-President Enterprises Corp. (統一企業股份有限公司), through its two wholly-owned subsidiaries, namely, Chengdu President Enterprises Food Co., Ltd. (成都統一企業食品有限公司), which held 42,418,360 Domestic Shares, and Guangzhou President Enterprises Co., Ltd. (廣州統一企業有限公司), which held 21,327,680 Domestic Shares.

(5) Pursuant to Part XV of the SFO, Uni-President Enterprises Corp. (統一企業股份有限公司) was deemed to be interested in such 63,746,040 Domestic Shares. The 63,746,040 Domestic Shares were held by a series of controlled corporations of Uni-President Enterprises Corp. (統一企業股份有限公司), of which 42,418,360 Domestic Shares, representing approximately 11.85% of the total issued share capital of the Company, were held directly by Chengdu President Enterprises Food Co., Ltd. (成都統一企業食品有限公司) and 21,327,680 Domestic Shares, representing approximately 5.96% of the total issued share capital of the Company, were held directly by Guangzhou President Enterprises Co., Ltd. (廣州統一企業有限公司)

* *For identification purpose only*

附註：

「長」表示長倉。

(1) 董事王安先生，因透過其於China Pingan Investment Holdings Limited之90%權益而被視作擁有此非上市外資股權益。

(2) 董事王安先生，因透過其於山東安德利集團有限公司之90%權益而被視作擁有此內資股權益。

(3) 65,779,459股非上市外資股長倉乃由Donghua Fruit Industry Co., Ltd.直接持有。根據Donghua Fruit Industry Co., Ltd.提供的信息，弘安國際投資有限公司和王萌女士被視為擁有此65,779,459股非上市外資股權益。

(4) 63,746,040股內資股長倉由統一企業股份有限公司之非全資附屬公司Uni-President China Holdings Ltd.透過其兩間全資附屬公司成都統一企業食品有限公司(其持有42,418,360股內資股)及廣州統一企業有限公司(其持有21,327,680股內資股)持有。

(5) 根據《證券及期貨條例》第XV部，統一企業股份有限公司被視作持有63,746,040股內資股權益。該63,746,040股內資股由統一企業股份有限公司之一連串受控制法團持有，其中42,418,360股內資股，佔本公司已發行總股本約11.85%，由成都統一企業食品有限公司直接持有，以及21,327,680股內資股，佔本公司已發行總股本約5.96%，由廣州統一企業有限公司直接持有。

* *僅供識別*

(6) These H Shares are beneficially held by Uni-President China Holdings Ltd..

(7) 46,351,961 Non-listed Foreign Shares and 54,658,540 Domestic Shares were held by Mr. Wang An, the husband of Ms. Zhang Shaoxia, and therefore Ms. Zhang Shaoxia was deemed to be interested in these shares.

(8) Ms. Wang Meng indirectly held 100% of the issued share capital of Donghua Fruit Industry Co., Ltd., which in turn held 65,779,459 Non-listed Foreign Shares. Therefore Ms. Wang Meng was deemed to be interested in these shares.

(9) Ms. Wang Meng directly held the entire issued share capital of Hongan International Investment Co., Ltd., which in turn held 17,222,880 H Shares. Therefore, Ms. Wang Meng was deemed to be interested in these shares.

(10) The long position in 11,000,000 H Shares was held by Shenzhen Tiandi Win-Win Investment Management Co., Limited (深圳市天地共贏投資管理有限公司), a wholly-owned subsidiary of Tiandi Yihao Beverage Co., Limited (天地壹號飲料股份有限公司), through its wholly-owned subsidiary Tiandi Win-Win Investment Management Co., Limited. Mr. Chen Sheng was deemed to be interested in these H Shares through his over 70% interest in Tiandi Yihao Beverage Co., Limited (天地壹號飲料股份有限公司).

(11) Mr. Ni Zhi Long, spouse of Ms Ma Lin, held 5,392,500 H Shares and so Ms Ma Lin was deemed to be interested in these shares.

(6) 此H股均由Uni-President China Holdings Ltd.實益持有。

(7) 王安先生(張紹霞女士之配偶)持有46,351,961股非上市外資股及54,658,540股內資股，因此張紹霞女士被視作擁有此股份權益。

(8) 王萌女士間接持有Donghua Fruit Industry Co., Ltd.之100%已發行股本，而Donghua Fruit Industry Co., Ltd.持有65,779,459股非上市外資股，因此王萌女士被視作擁有此股份權益。

(9) 王萌女士直接擁有弘安國際投資有限公司全部已發行股本，弘安國際投資有限公司持有17,222,880股H股，因此王萌女士被視作擁有此股份權益。

(10) 11,000,000股H股長倉由天地壹號飲料股份有限公司之全資附屬公司深圳市天地共贏投資管理有限公司透過其全資附屬公司Tiandi Win-Win Investment Management Co., Limited持有，陳生先生透過其於天地壹號飲料股份有限公司持有超過70%的權益而被視作擁有此H股權益。

(11) 倪志龍先生(馬琳女士之配偶)持有5,392,500股H股，因此馬琳女士被視作擁有此H股權益。

Competing Interests

None of the Directors, the controlling Shareholder or their respective associates (as defined under the Listing Rules) had any interest in a business which competes or may compete with the businesses of the Group or has or may have any other conflicts of the interest with the Group.

競爭權益

本公司董事或控股股東或彼等各自之聯繫人(定義見上市規則)概無於任何構成或可能構成與本集團業務出現競爭業務中擁有任何權益，亦未產生或可能產生與本集團的利益衝突。

Sufficiency of Public Float

Based on the information publicly available to the Company and within the knowledge of the Directors, the Company maintained the prescribed public float under the Listing Rules throughout the year ended 31 December 2019.

足夠的公眾持股量

於截至二零一九年十二月三十一日止年度內，根據本公司可得的公開資料及就本公司董事所知，本公司已一直根據上市規則維持指明的公眾持股量。

Practices and Procedures of the Board

The Company has adopted the required standard of dealings set out in Appendix 10 of the Listing Rules (the "Required Standard") as the Company's code of conduct regarding securities transactions by its Directors. A copy of the Required Standard was sent to each Director two months before the date of the Board meeting to approve the Company's 2019 annual results, with a reminder that the Directors cannot deal in the securities and derivatives of the Company until after such results have been published.

Under the Required Standard, the Directors are required to notify the chairman of the Board and receive a dated acknowledgement in writing before dealing in the securities and derivatives of the Company and, in the case of the chairman of the Board himself, he must notify the chairman of the Audit Committee and receive a dated acknowledgement in writing before any dealing.

All Directors, upon specific enquiries, have confirmed that they had complied with the Required Standard during the reporting period.

Specific employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with the Required Standard. No incident of non-compliance was noted by the Company for the year ended 31 December 2019.

董事會的常規及程式

本公司已採納上市規則附錄十所載之買賣準則作為本公司的董事證券交易守則(「該標準守則」)。公司各董事於通過公司二零一九年年度業績的董事會會議前二個月已獲發一份該標準守則以及一份提示，提醒董事不得在公佈業績前買賣本公司的證券或衍生工具。

根據該標準守則的規定，董事須於通知董事長並接獲註明日期的確認書後，方可買賣本公司的證券或衍生工具。而董事長若擬買賣本公司證券或衍生工具，必須在交易前先通知審計委員會主席並獲取註明日期的確認書。

經特定查詢後，本公司所有董事確認於本報告期內已遵守該標準守則。

所有特定僱員若可能擁有關於本集團的未公開而又可能影響股價的敏感資料，亦須符合該標準守則。本公司於截至二零一九年十二月三十一日止年內並未發現任何違規事件。

Audit and Review Committee

The Company has established the Audit and Review Committee with written terms of reference based on the guidelines recommended by the Hong Kong Institute of Certified Public Accountants. The primary duties of the Audit and Review Committee are to review and supervise the financial reporting process and internal control of the Group, ensuring compliance with Rules 3.21 to 3.24 of the Listing Rules. Currently the Audit and Review Committee comprises three independent non-executive Directors, namely Jiang Hong Qi, who is the chairman of the Audit and Review Committee, Li Wei, Li Yao (appointed on 26 June 2019) and Li Tong Ning (resigned on 26 June 2019).

審計委員會

本公司已設立審計委員會，其書面職權範圍乃參考香港會計師公會刊發之「審核委員會指引」而制訂。審計委員會之主要職責為審核及監管本集團之財務申報程式及內部控制，以符合上市規則第3.21至3.24條。現時審計委員會由三名獨立非執行董事即姜洪奇、李煒、李堯(委任於二零一九年六月二十六日)及李同寧(辭任於二零一九年六月二十六日)組成。姜洪奇為審計委員會主任。

During the reporting period, the Audit and Review Committee reviewed the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters with the Directors, including a review of the annual results for the year ended 31 December 2019. The Audit and Review Committee held four meetings during the year with all the then existing members present.

於報告期內，審計委員會已審核本集團所採用的會計原則及慣例，並與董事討論內部控制及財務申報事宜，包括審核本集團截至二零一九年十二月三十一日止之年度業績。本年度審計委員會已舉行四次會議，當時之所有成員全體出席。

Compliance with Relevant Laws and Regulations

遵守相關法律法規

During the year ended 31 December 2019, the Group complied with all relevant laws and regulations which had a significant impact on the businesses and operations of the Group in all material aspects.

截至二零一九年十二月三十一日止年度，本集團已遵守所有對集團經營業務產生重大影響的法律法規。

Auditor

核數師

KPMG Huazhen LLP shall retire and a resolution for its re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

畢馬威華振會計師事務所(特殊普通合夥)的服務期限將於即將召開的股東週年大會之日屆滿。在即將召開的股東週年大會中，將提請通過續聘畢馬威華振會計師事務所(特殊普通合夥)為本公司核數師的議案。

In the past three years, the Company's auditor remained unchanged.

本公司於過去三年並無更改核數師。

By Order of the Board
Yantai North Andre Juice Co., Ltd.*
Wang An
Chairman

6 March 2020
Yantai, the PRC

承董事會命
烟台北方安德利果汁股份有限公司
王安
董事長

中國烟台，二零二零年三月六日

* *For identification purpose only*

* *僅供識別*

Report of the Supervisory Committee
監事會報告

To the Shareholders:

The Supervisory Committee (the "Supervisory Committee") of Yantai North Andre Juice Co., Ltd.*, in compliance with the relevant laws and regulations and the Articles of Association, has conducted its work in accordance with the fiduciary principle, and has taken up an active role to work seriously and with diligence to protect the interests of the Company and its Shareholders.

During the year, the Supervisory Committee reviewed cautiously the operation and development plans of the Company and provided reasonable suggestions and opinions to the Board. It also strictly and effectively monitored and supervised the Company's management in making significant policies and decisions to ensure that they were in compliance with the laws and regulations of the PRC and the Articles of Association, and in the interests of its Shareholders.

We have reviewed and agreed to the report of the Directors, audited financial statements and the dividend to be proposed by the Board for presentation at the forthcoming annual general meeting. We are of the opinion that the Directors, the chief executive officer and other senior management of the Company are able to strictly observe their fiduciary duty, to act diligently, to exercise their authority faithfully in the best interests of the Company and to work in accordance with the Articles of Association. The operation is becoming more regulated and the internal control is constantly improved. The transactions between the Company and connected parties are in the interests of the Shareholders as a whole and under fair and reasonable price.

各位股東：

烟台北方安德利果汁股份有限公司監事會(「本監事會」)遵照有關法律、法規及公司章程的規定，認真履行職權，維護股東權益及維護本公司利益，恪盡職守，合理謹慎、勤勉主動地開展工作。

在本年度內本監事會對本公司的經營及發展計劃進行謹慎審核，並向董事會提出合理的建議和意見，對本公司管理層的重大決策及具體決定是否符合國家法律法規以及公司章程，是否維護股東利益等，進行了嚴格有效的監督。

本監事會認真審閱並同意董事會擬提呈予本次股東週年大會的董事會報告、經審核的財務報表以及股息派發方案，認為本公司董事會成員、行政總裁及其他高級管理人員，嚴格遵守誠信原則，工作克勤盡職，真誠地以公司最大利益為出發點行使職權，能夠按照公司章程開展各項工作，運作較為規範，內部控制制度日趨完善。本公司與關連企業交易嚴格按符合本公司股東整體利益之條款及公平合理價格執行。

* *For identification purpose only*

* *僅供識別*

Up till now, none of the Directors, chief executive officer and senior management staff had been found to have abused their authority, damaged the interests of the Company or infringed upon the interests of its Shareholders and employees. None of them was found to be in breach of any laws and regulations or the Articles of Association.

本監事會至今未發現董事、行政總裁及高級管理人員濫用職權，損害公司利益及侵犯本公司股東和本公司員工權益之行為，亦未發現上述人員有違反法律、法規或公司章程的行為。

The Supervisory Committee is satisfied with the achievement and cost-effectiveness of the Company in 2019 and has great confidence in the future prospect of the Company.

本監事會對本公司二零一九年年度各項工作和取得的經濟效益表示滿意，對公司未來的發展前景充滿信心。

By Order of the Supervisory Committee
Yantai North Andre Juice Co., Ltd.*
Dai Li Ying

承監事會命
烟台北方安德利果汁股份有限公司
戴利英

6 March 2020

二零二零年三月六日

* *For identification purpose only*

* *僅供識別*

KPMG Huazhen Shen Zi No. 2000706

畢馬威華振審字第2000706號

Shareholders of Yantai North Andre Juice Company Limited:

烟台北方安德利果汁股份有限公司全體股東：

Opinion

We have audited the accompanying financial statements of Yantai North Andre Juice Company Limited ("Andre"), which comprise the consolidated and company balance sheets as at 31 December 2019, the consolidated and company income statements, the consolidated and company cash flow statements, the consolidated and company statements of changes in shareholders' equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company financial position of Andre as at 31 December 2019, and the consolidated and company financial performance and cash flows of Andre for the year then ended in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

審計意見

我們審計了後附的烟台北方安德利果汁股份有限公司(以下簡稱「安德利公司」)財務報表，包括2019年12月31日的合併及母公司資產負債表，2019年度的合併及母公司利潤表、合併及母公司現金流量表、合併及母公司股東權益變動表以及相關財務報表附註。

我們認為，後附的財務報表在所有重大方面按照中華人民共和國財政部頒佈的企業會計準則(以下簡稱「企業會計準則」)的規定編製，公允反映了安德利公司2019年12月31日的合併及母公司財務狀況以及2019年度的合併及母公司經營成果和現金流量。

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing for Certified Public Accountants ("CSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Andre in accordance with the China Code of Ethics for Certified Public 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.

形成審計意見的基礎

我們按照中國註冊會計師審計準則(以下簡稱「審計準則」)的規定執行了審計工作。審計報告的「註冊會計師對財務報表審計的責任」部分進一步闡述了我們在這些準則下的責任。按照中國註冊會計師職業道德守則，我們獨立於安德利公司，並履行了職業道德方面的其他責任。我們相信，我們獲取的審計證據是充分、適當的，為發表審計意見提供了基礎。

Key Audit Matters

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

Loss allowances for trade receivables

For the year ended 31 December 2019

Refer to Note V.2 to the consolidated financial statements and the accounting policies in Note III.8 to the significant accounting policies and accounting estimates.

The Key Audit Matter	How the matter was addressed in our audit
As at 31 December 2019, the Andre and its subsidiaries' ("Andre Group") gross trade receivables amounted to RMB224,767,293, against which a loss allowance of RMB8,455,124 was recorded. The Andre Group's trade receivables mainly arose from sales of condensed fruit juice and related products. Management measures the loss allowance at an amount equal to lifetime expected credit loss based on estimated loss rates for the receivables. The estimated loss rates take into account the ageing of trade receivable balances, the repayment history of Andre Group's customers, current market conditions, customer-specific conditions, and forward-looking information. Such assessment involves significant management judgement and estimation.	Our audit procedures to assess the loss allowance for trade receivables included the following: • obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls relating to credit control, debt collection and estimating the credit loss allowance; • evaluating the Andre Group's policy for estimating the credit loss allowance with reference to the requirements of the prevailing accounting standards; • assessing whether items were correctly categorised in the trade receivables ageing report by comparing individual items therein with sales invoices and other relevant underlying documentation (including the acknowledgement of receipt of goods or bill of lading), on a sample basis;

關鍵審計事項

關鍵審計事項是我們根據職業判斷，認為對本年度財務報表審計最為重要的事項。這些事項的應對以對財務報表整體進行審計並形成審計意見為背景，我們不對這些事項單獨發表意見。

應收賬款壞賬準備

相關會計期間：2019年度

請參閱財務報表附註「三、公司重要會計政策、會計估計」8所述的會計政策及財務報表附註「五、合併財務報表項目註釋」2。

關鍵審計事項	在審計中如何應對該事項
於2019年12月31日，安德利公司及下屬子公司(以下簡稱「安德利集團」)應收賬款總額為人民幣224,767,293元，已計提的應收賬款壞賬準備為人民幣8,455,124元。安德利集團的應收賬款主要來自濃縮果汁及相關產品的銷售業務。 管理層基於應收賬款的預期損失率，按照相當於整個存續期內預期信用損失的金額計量應收賬款壞賬準備。預期損失率考慮應收賬款賬齡、客戶的回收歷史、當前市場情況、客戶特定情況和前瞻性信息。該評估涉及重大的管理層判斷和估計。	與評價應收賬款壞賬準備相關的審計程序中包括以下程序： • 瞭解與信用風險控制、款項回收及預期信用損失估計相關的關鍵財務報告內部控制，並評價其設計和運行有效性； • 按照相關會計準則的要求，評價安德利集團估計信用損失準備的會計政策； • 從應收賬款賬齡分析報告中選取測試項目，核對至銷售發票及其他相關的支持性文件(如客戶簽收單或提單)，以評價賬齡分析報告中的賬齡區間劃分的準確性；

Impairment of trade receivables (Continued)

For the year ended 31 December 2019

Refer to Note V.2 to the consolidated financial statements and the accounting policies in Note III.8 to the significant accounting policies and accounting estimates.

The Key Audit Matter	How the matter was addressed in our audit
We identified the loss allowance for trade receivables as a key audit matter because determining the level of the loss allowance requires the exercise of significant management judgement which is inherently subjective.	• obtaining an understanding of the key parameters and assumptions of the expected credit loss model adopted by the management, including the judgement of segmentation of the accounts receivable based on credit risk characteristics of customers and the historical default data in management's estimated loss rates; • assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information; • inspecting the accuracy of the calculation of the loss allowance as at 31 December 2019 based on the Andre Group's credit loss allowance policies; and • inspecting, on a sample basis, cash receipts from debtors subsequent to the reporting date relating to trade receivable balances as at 31 December 2019.

應收賬款壞賬準備(續)

相關會計期間：2019年度

請參閱財務報表附註「三、公司重要會計政策、會計估計」8所述的會計政策及財務報表附註「五、合併財務報表項目註釋」2。

關鍵審計事項	在審計中如何應對該事項
由於壞賬準備的確定涉及重大的管理層判斷，且其存在固有不確定性，我們將應收賬款壞賬準備識別為關鍵審計事項。	• 瞭解管理層預期信用損失模型中所運用的關鍵參數及假設，包括管理層基於客戶信用風險特徵對應收賬款是否進行分組的判斷、以及管理層預期損失率中包含的歷史違約數據等； • 通過檢查管理層用於做出判斷的信息，包括測試歷史違約數據的準確性，評估歷史違約率是否考慮並適當根據當前經濟狀況及前瞻性信息進行調整，評價管理層對於壞賬準備估計的合理性； • 基於安德利集團信用損失準備計提的會計政策檢查於2019年12月31日壞賬準備計算的準確性；及 • 選取樣本，檢查於2019年12月31日應收賬款的期後回款。

Other Information

Andre's management is responsible for the other information. The other information comprises all the information included in 2019 annual report of Andre, other than the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

其他信息

安德利公司管理層對其他信息負責。其他信息包括安德利公司2019年年度報告中涵蓋的信息，但不包括財務報表和我們的審計報告。

我們對財務報表發表的審計意見不涵蓋其他信息，我們也不對其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中瞭解到的情況存在重大不一致或者似乎存在重大錯報。

基於我們已執行的工作，如果我們確定其他信息存在重大錯報，我們應當報告該事實。在這方面，我們無任何事項需要報告。

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises, and for the design, implementation and maintenance of such internal control necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Andre'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 management either intends to liquidate Andre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Andre's financial reporting process.

管理層和治理層對財務報表的責任

管理層負責按照企業會計準則的規定編製財務報表，使其實現公允反映，並設計、執行和維護必要的內部控制，以使財務報表不存在由於舞弊或錯誤導致的重大錯報。

在編製財務報表時，管理層負責評估安德利公司的持續經營能力，披露與持續經營相關的事項(如適用)，並運用持續經營假設，除非安德利公司計劃進行清算、終止運營或別無其他現實的選擇。

治理層負責監督安德利公司的財務報告過程。

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs 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 financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Andre's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

註冊會計師對財務報表審計的責任

我們的目標是對財務報表整體是否不存在由於舞弊或錯誤導致的重大錯報獲取合理保證，並出具包含審計意見的審計報告。合理保證是高水平的保證，但並不能保證按照審計準則執行的審計在某一重大錯報存在時總能發現。錯報可能由於舞弊或錯誤導致，如果合理預期錯報單獨或匯總起來可能影響財務報表使用者依據財務報表作出的經濟決策，則通常認為錯報是重大的。

在按照審計準則執行審計工作的過程中，我們運用職業判斷，並保持職業懷疑。同時，我們也執行以下工作：

(1) 識別和評估由於舞弊或錯誤導致的財務報表重大錯報風險，設計和實施審計程序以應對這些風險，並獲取充分、適當的審計證據，作為發表審計意見的基礎。由於舞弊可能涉及串通、偽造、故意遺漏、虛假陳述或凌駕於內部控制之上，未能發現由於舞弊導致的重大錯報的風險高於未能發現由於錯誤導致的重大錯報的風險。

(2) 瞭解與審計相關的內部控制，以設計恰當的審計程序，但目的並非對內部控制的有效性發表意見。

(3) 評價管理層選用會計政策的恰當性和作出會計估計及相關披露的合理性。

- Conclude on the appropriateness of management's 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 Andre'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 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 Andre to cease to continue as a going concern.

(4) 對管理層使用持續經營假設的恰當性得出結論。同時，根據獲取的審計證據，就可能導致對安德利公司持續經營能力產生重大疑慮的事項或情況是否存在重大不確定性得出結論。如果我們得出結論認為存在重大不確定性，審計準則要求我們在審計報告中提請報表使用者注意財務報表中的相關披露；如果披露不充分，我們應當發表非無保留意見。我們的結論基於截至審計報告日可獲得的信息。然而，未來的事項或情況可能導致安德利公司不能持續經營。

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(5) 評價財務報表的總體列報、結構和內容(包括披露)，並評價財務報表是否公允反映相關交易和事項。

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Andre Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

(6) 就安德利集團中實體或業務活動的財務信息獲取充分、適當的審計證據，以對財務報表發表審計意見。我們負責指導、監督和執行集團審計，並對審計意見承擔全部責任。

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.

我們與治理層就計劃的審計範圍、時間安排和重大審計發現等事項進行溝通，包括溝通我們在審計中識別出的值得關注的內部控制缺陷。

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

我們還就已遵守與獨立性相關的職業道德要求向治理層提供聲明，並與治理層溝通可能被合理認為影響我們獨立性的所有關係和其他事項，以及相關的防範措施(如適用)。

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year 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.

從與治理層溝通過的事項中，我們確定哪些事項對本年度財務報表審計最為重要，因而構成關鍵審計事項。我們在審計報告中描述這些事項，除非法律法規禁止公開披露這些事項，或在極少數情形下，如果合理預期在審計報告中溝通某事項造成的負面後果超過在公眾利益方面產生的益處，我們確定不應在審計報告中溝通該事項。

KPMG Huazhen LLP Certified Public Accountants
Registered in the People's Republic of China

畢馬威華振會計師事務所(特殊普通合夥)
中國註冊會計師

Ye Qing (Engagement Partner)

葉青(項目合夥人)

Lau Kin Chun

劉健俊

Beijing, China

中國北京

6 March 2020

2020年3月6日

Consolidated Balance Sheet
合併資產負債表

As at 31 December 2019
(Expressed in Renminbi Yuan)
2019年12月31日
（金額單位：人民幣元）

		Note	附註	**31 December 2019 2019年 12月31日**	31 December 2018 2018年 12月31日
ASSETS	**資產**				
Current assets:	流動資產：				
Cash at bank and on hand	貨幣資金	V.1	五、1	**274,050,303**	378,686,607
Bills receivable	應收票據	V.2	五、2	**2,944,118**	6,119,488
Accounts receivable	應收賬款	V.3	五、3	**216,312,169**	170,512,897
Prepayments	預付款項	V.4	五、4	**4,676,890**	2,756,252
Other receivables	其他應收款	V.5	五、5	**86,037,197**	728,620
Inventories	存貨	V.6	五、6	**647,020,754**	494,326,530
Other current assets	其他流動資產	V.7	五、7	**20,342,931**	28,843,320
Total current assets	流動資產合計			**1,251,384,362**	1,081,973,714
Non-current assets:	非流動資產：				
Fixed assets	固定資產	V.8	五、8	**687,534,842**	738,005,022
Construction in progress	在建工程	V.9	五、9	**2,442,322**	6,263,653
Intangible assets	無形資產	V.10	五、10	**92,733,394**	89,629,235
Goodwill	商譽	V.11	五、11	**5,586,976**	5,586,976
Total non-current assets	非流動資產合計			**788,297,534**	839,484,886
Total assets	資產總計			**2,039,681,896**	1,921,458,600

The notes on pages 103 to 256 form part of these financial statements.

刊載於第103頁至第256頁的財務報表附註為本財務報表的組成部分。

Consolidated Balance Sheet
合併資產負債表

As at 31 December 2019
(Expressed in Renminbi Yuan)
2019年12月31日
（金額單位：人民幣元）

		Note	附註	**31 December 2019 2019年 12月31日**	31 December 2018 2018年 12月31日
LIABILITIES AND SHAREHOLDERS' EQUITY	**負債和股東權益**				
Current liabilities:	流動負債：				
Short-term loans	短期借款	V.14	五、14	**–**	50,000,000
Accounts payable	應付賬款	V.15	五、15	**50,333,299**	38,189,494
Contract liabilities	合同負債	V.16	五、16	**1,068,781**	3,916,109
Employee benefits payable	應付職工薪酬	V.17	五、17	**15,698,188**	20,939,844
Taxes payable	應交稅費	V.18	五、18	**2,667,443**	9,772,668
Other payables	其他應付款	V.19	五、19	**16,807,137**	17,949,193
Total current liabilities	流動負債合計			**86,574,848**	140,767,308
Non-current liabilities:	非流動負債：				
Long-term payables	長期應付款			**1,634,491**	1,687,458
Deferred income	遞延收益	V.29	五、29	**39,000,000**	–
Total non-current liabilities	非流動負債合計			**40,634,491**	1,687,458
Total liabilities	負債總計			**127,209,339**	142,454,766

The notes on pages 103 to 256 form part of these financial statements.

刊載於第103頁至第256頁的財務報表附註為本財務報表的組成部分。

Consolidated Balance Sheet
合併資產負債表

As at 31 December 2019
(Expressed in Renminbi Yuan)
2019年12月31日
（金額單位：人民幣元）

		Note	附註	**31 December 2019 2019年 12月31日**	31 December 2018 2018年 12月31日
LIABILITIES AND SHAREHOLDERS' EQUITY (cont'd)	**負債和股東權益(續)**				
Shareholders' equity:	股東權益：				
Share capital	股本	V.20	五、20	**358,000,000**	358,000,000
Capital reserve	資本公積	V.21	五、21	**17,291,715**	17,291,715
Surplus reserve	盈餘公積	V.22	五、22	**128,215,585**	107,581,973
Retained earnings	未分配利潤	V.23	五、23	**1,408,965,257**	1,296,130,146
Total shareholders' equity	股東權益合計			**1,912,472,557**	1,779,003,834
Total liabilities and shareholders' equity	負債和股東權益總計			**2,039,681,896**	1,921,458,600

Approved and authorised for issue by the board of directors on 6 March 2020.
此財務報表已於2020年3月6日獲董事會批准。

Legal Representative: Wang An
法定代表人：王安

Chief Financial Officer: Wang Yan Hui
主管會計工作負責人：王艷輝

Chief Accountant: Li Lei
會計機構負責人：李磊

(Company stamp)
（公司蓋章）

The notes on pages 103 to 256 form part of these financial statements.

刊載於第103頁至第256頁的財務報表附註為本財務報表的組成部分。

Company Balance Sheet
母公司資產負債表

As at 31 December 2019
(Expressed in Renminbi Yuan)
2019年12月31日
（金額單位：人民幣元）

		Note	附註	**31 December 2019 2019年 12月31日**	31 December 2018 2018年 12月31日
ASSETS	**資產**				
Current assets:	流動資產：				
Cash at bank and on hand	貨幣資金			**231,377,965**	300,983,157
Bills receivable	應收票據	XIV.1	十四、1	**1,875,118**	6,119,488
Accounts receivable	應收賬款	XIV.2	十四、2	**139,618,261**	150,898,112
Prepayments	預付款項			**368,111**	28,477
Other receivables	其他應收款	XIV.3	十四、3	**278,780,741**	144,994,128
Inventories	存貨			**59,012,032**	100,656,824
Other current assets	其他流動資產			**5,771,652**	26,349,155
Total current assets	流動資產合計			**716,803,880**	730,029,341
Non-current assets:	非流動資產：				
Long-term equity investments	長期股權投資	XIV.4	十四、4	**429,794,824**	430,594,744
Fixed assets	固定資產			**142,078,302**	146,023,213
Intangible assets	無形資產			**29,285,600**	30,279,883
Total non-current assets	非流動資產合計			**601,158,726**	606,897,840
Total assets	資產總計			**1,317,962,606**	1,336,927,181

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Company Balance Sheet
母公司資產負債表

As at 31 December 2019
(Expressed in Renminbi Yuan)
2019年12月31日
（金額單位：人民幣元）

		Note 附註	**31 December 2019 2019年 12月31日**	31 December 2018 2018年 12月31日
LIABILITIES AND SHAREHOLDERS' EQUITY	**負債和股東權益**			
Current liabilities:	流動負債：			
Short-term loans	短期借款		**–**	50,000,000
Accounts payable	應付賬款		**30,577,090**	17,768,081
Contract liabilities	合同負債		**342,560**	1,948,734
Employee benefits payable	應付職工薪酬		**1,413,686**	3,367,283
Taxes payable	應交稅費		**655,517**	293,347
Other payables	其他應付款		**296,387,455**	445,499,574
Total current liabilities	流動負債合計		**329,376,308**	518,877,019
Total liabilities	負債總計		**329,376,308**	518,877,019

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Company Balance Sheet
母公司資產負債表

As at 31 December 2019
(Expressed in Renminbi Yuan)
2019年12月31日
（金額單位：人民幣元）

		Note	附註	**31 December 2019 2019年 12月31日**	31 December 2018 2018年 12月31日
LIABILITIES AND SHAREHOLDERS' EQUITY (cont'd)	**負債和股東權益（續）**				
Shareholders' equity:	股東權益：				
Share capital	股本	V.20	五、20	**358,000,000**	358,000,000
Capital reserve	資本公積			**43,534,413**	43,534,413
Surplus reserve	盈餘公積			**128,215,585**	107,581,973
Retained earnings	未分配利潤			**458,836,300**	308,933,776
Total shareholders' equity	股東權益合計			**988,586,298**	818,050,162
Total liabilities and shareholders' equity	負債和股東權益總計			**1,317,962,606**	1,336,927,181

Approved and authorised for issue by the board of directors on 6 March 2020.
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Legal Representative: Wang An
法定代表人：王安

Chief Financial Officer: Wang Yan Hui
主管會計工作負責人：王艷輝

Chief Accountant: Li Lei
會計機構負責人：李磊

(Company stamp)
（公司蓋章）

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Consolidated Income Statement
合併利潤表

For the year ended 31 December 2019
(Expressed in Renminbi Yuan)
2019年度
（金額單位：人民幣元）

			Note	附註	**2019** **2019年**	2018 2018年
I	Operating income	一、營業收入	V.24	五、24	**838,127,337**	1,067,584,808
II	Less: Operating costs	二、減：營業成本	V.24	五、24	**573,842,673**	776,593,703
	Taxes and surcharges	稅金及附加	V.25	五、25	**10,203,441**	15,366,547
	Selling and distribution expenses	銷售費用	V.26	五、26	**44,780,834**	91,211,827
	General and administrative expenses	管理費用	V.27	五、27	**54,272,803**	61,467,938
	Research and development expenses	研發費用			**2,416,545**	2,153,292
	Financial expenses	財務費用	V.28	五、28	**(6,467,940)**	(15,638,419)
	Including: Interest expenses	其中：利息費用			**43,123**	1,026,756
	Interest income	利息收入			**4,529,494**	162,730
	Add: Other income	加：其他收益	V.29(2)	五、29(2)	**2,455,442**	2,313,133
	Investment income	投資收益	V.30	五、30	**10,063,052**	7,384,819
	Including: Income arising from derecognition of financial assets measured at amortised cost	其中：以攤餘成本計量的金融資產終止確認收益			**1,899,684**	1,153,260
	Credit losses	信用減值損失	V.31	五、31	**(426,620)**	(2,962,242)
	Impairment losses	資產減值損失	V.32	五、32	**387,519**	(2,412,779)
	Gains/(losses) from asset disposals	資產處置損益			**31,187**	222,456
III	Operating profit	三、營業利潤	V.39	五、39	**169,537,938**	140,975,307
	Add: Non-operating income	加：營業外收入	V.33	五、33	**4,529**	7,888
	Less: Non-operating expenses	減：營業外支出	V.34	五、34	**2,056,152**	3,509,795
IV	Profit before taxation	四、利潤總額			**169,537,938**	137,473,400
	Less: Income tax expenses	減：所得稅費用	V.35	五、35	**269,215**	137,554
V	Net profit for the year and net profit attributable to shareholders of the Company	五、淨利潤及歸屬於母公司股東的淨利潤			**169,268,723**	137,335,846
VI	Other comprehensive income, net of tax	六、其他綜合收益的稅後淨額			**–**	–
VII	Total comprehensive income for the year and total comprehensive income attributable to shareholders of the Company	七、綜合收益總額及歸屬於母公司股東的綜合收益總額			**169,268,723**	137,335,846

The notes on pages 103 to 256 form part of these financial statements.

刊載於第103頁至第256頁的財務報表附註為本財務報表的組成部分。

		Note	附註	**2019** **2019年**	2018 2018年
VIII Earnings per share:	八、每股收益：				
(1) Basic earnings per share	（一）基本每股收益	V.38	五、38	**0.473**	0.384
(2) Diluted earnings per share	（二）稀釋每股收益	V.38	五、38	**0.473**	0.384

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Legal Representative: Wang An
法定代表人：王安

Chief Financial Officer: Wang Yan Hui
主管會計工作負責人：王艷輝

Chief Accountant: Li Lei
會計機構負責人：李磊

(Company stamp)
（公司蓋章）

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刊載於第103頁至第256頁的財務報表附註為本財務報表的組成部分。

Company Income Statement
母公司利潤表

For the year ended 31 December 2019
(Expressed in Renminbi Yuan)
2019年度
（金額單位：人民幣元）

			Note	附註	2019 2019年	2018 2018年
I	Operating income	一、營業收入	XIV.5	十四、5	**504,823,361**	621,421,261
II	Less: Operating costs	二、減：營業成本	XIV.5	十四、5	**421,486,374**	555,872,508
	Taxes and surcharges	稅金及附加			**2,502,077**	3,540,473
	Selling and distribution expenses	銷售費用			**22,252,244**	45,471,919
	General and administrative expenses	管理費用			**18,056,961**	20,253,528
	Research and development expenses	研發費用			**2,416,545**	2,153,292
	Financial expenses	財務費用			**(6,688,399)**	(9,317,666)
	Including: Interest expenses	其中：利息費用			**6,090**	989,723
	Interest income	利息收入			**3,961,924**	133,550
	Add: Other income	加：其他收益			**1,753,962**	2,071,000
	Investment income	投資收益	XIV.6	十四、6	**156,849,834**	7,318,644
	Including: Income arising from derecognition of financial assets measured at amortised cost	其中：以攤餘成本計量的金融資產終止確認收益			**1,899,684**	1,087,260
	Credit losses	信用減值損失			**3,545,408**	(2,962,242)
	Impairment losses	資產減值損失			**(642,414)**	(5,066,052)
	Gains from asset disposal	資產處置收益			**31,187**	181,894
III	Operating profit	三、營業利潤			**206,335,536**	4,990,451
	Add: Non-operating income	加：營業外收入			**800**	160
	Less: Non-operating expenses	減：營業外支出			**200**	282,207
IV	Profit before income tax	四、利潤總額			**206,336,136**	4,708,404
	Less: Income tax expenses	減：所得稅費用			**–**	–
V	Net profit for the year	五、淨利潤			**206,336,136**	4,708,404
VI	Other comprehensive income, net of tax	六、其他綜合收益的稅後淨額			**–**	–
VII	Total comprehensive income for the year	七、綜合收益總額			**206,336,136**	4,708,404

Approved and authorised for issue by the board of directors on 6 March 2020.
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(Company stamp)
（公司蓋章）

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Consolidated Cash Flow Statement
合併現金流量表

For the year ended 31 December 2019
(Expressed in Renminbi Yuan)
2019年度
（金額單位：人民幣元）

		Note	附註	**2019** **2019年**	2018 2018年
I Cash flows from operating activities:	一、經營活動產生的現金流量：				
Proceeds from sale of goods and rendering of services	銷售商品、提供勞務收到的現金			**862,791,515**	1,201,175,061
Refund of taxes	收到的稅費返還			**54,535,514**	91,155,828
Proceeds from other operating activities	收到其他與經營活動有關的現金	V.40(1)	五、40(1)	**12,882,112**	8,657,160
Sub-total of cash inflows	經營活動現金流入小計			**930,209,141**	1,300,988,049
Payments for goods and services	購買商品、接受勞務支付的現金			**(758,033,890)**	(628,381,886)
Payments to and for employees	支付給職工以及為職工支付的現金			**(67,240,238)**	(56,551,050)
Payments of various taxes	支付的各項稅費			**(28,254,016)**	(43,565,824)
Payments for other operating activities	支付其他與經營活動有關的現金	V.40(2)	五、40(2)	**(65,322,813)**	(124,925,040)
Sub-total of cash outflows	經營活動現金流出小計			**(918,850,957)**	(853,423,800)
Net cash inflow from operating activities	經營活動產生的現金流量淨額	V.41(1)	五、41(1)	**11,358,184**	447,564,249
II Cash flows from investing activities:	二、投資活動產生的現金流量：				
Proceeds from disposal of financial assets	收回金融資產收到的現金			**5,291,430,000**	4,310,671,400
Investment returns received	取得投資收益所收到的現金			**10,063,052**	7,384,819
Net proceeds from disposal of fixed assets	處置固定資產所收回的現金淨額			**–**	494,599
Net proceeds from disposal of equity interests of a subsidiary	處置子公司股權收到的現金淨額	V.41(2)	五、41(2)	**–**	40,280,000
Proceeds from other investing activities	收到其他與投資活動有關的現金	V.40(3)	五、40(3)	**4,529,494**	162,730
Sub-total of cash inflows	投資活動現金流入小計			**5,306,022,546**	4,358,993,548
Payments for acquisition of financial Assets	購買金融資產支付的現金			**(5,291,430,000)**	(4,310,671,400)
Payments for acquisition of fixed assets, construction in progress and intangible assets	購建固定資產、在建工程和無形資產所支付的現金			**(47,674,271)**	(46,960,544)
Sub-total of cash outflows	投資活動現金流出小計			**(5,339,104,271)**	(4,357,631,944)
Net cash inflow from investing Activities	投資活動產生的現金流量淨額			**(33,081,725)**	1,361,604

The notes on pages 103 to 256 form part of these financial statements.

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Consolidated Cash Flow Statement
合併現金流量表

For the year ended 31 December 2019
(Expressed in Renminbi Yuan)
2019年度
（金額單位：人民幣元）

		Note	附註	**2019** **2019年**	2018 2018年
III Cash flows from financing activities:	三、籌資活動產生的現金流量：				
Proceeds from borrowings	取得借款收到的現金			**–**	70,900,000
Proceeds from other financing activities	收到其他與籌資活動有關的現金			**1,050,000**	1,825,000
Sub-total of cash inflows	籌資活動現金流入小計			**1,050,000**	72,725,000
Repayments of borrowings	償還借款支付的現金			**(50,090,000)**	(190,090,159)
Payments for dividends	分配股利支付的現金			**(35,800,000)**	(35,800,000)
Payments for interest	償付利息支付的現金			**(73,080)**	(1,916,518)
Sub-total of cash outflows	籌資活動現金流出小計			**(85,963,080)**	(227,806,677)
Net cash outflow from financing activities	籌資活動產生的現金流量淨額			**(84,913,080)**	(155,081,677)
IV Effect of foreign currency exchange rate changes on cash and cash equivalents	四、匯率變動對現金及現金等價物的影響			**2,000,317**	5,443,957
V Net (decrease)/increase in cash and cash equivalents	五、現金及現金等價物淨(減少)／增加額	V.41(1)	五、41(1)	**(104,636,304)**	299,288,133
Add: Cash and cash equivalents at the beginning of the year	加：年初現金及現金等價物餘額			**378,686,607**	79,398,474
VI Cash and cash equivalents at the end of the year	六、年末現金及現金等價物餘額	V.41(3)	五、41(3)	**274,050,303**	378,686,607

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Company Cash Flow Statement
母公司現金流量表

For the year ended 31 December 2019
(Expressed in Renminbi Yuan)

2019年度
（金額單位：人民幣元）

		Note 附註	**2019 2019年**	2018 2018年
I Cash flows from operating activities:	一、經營活動產生的現金流量：			
Proceeds from sale of goods	銷售商品收到的現金		**534,966,412**	604,287,773
Refund of taxes	收到的稅費返還		**40,459,999**	64,780,225
Proceeds from other operating activities	收到其他與經營活動有關的現金		**11,286,986**	12,022,574
Sub-total of cash inflows	經營活動現金流入小計		**586,713,397**	681,090,572
Payments for goods and services	購買商品、接受勞務支付的現金		**(548,931,066)**	(340,844,329)
Payments to and for employees	支付給職工以及為職工支付的現金		**(17,086,098)**	(15,623,795)
Payments of various taxes	支付的各項稅費		**(2,193,997)**	(3,373,319)
Payments for other operating activities	支付其他與經營活動有關的現金		**(29,040,547)**	(63,454,461)
Sub-total of cash outflows	經營活動現金流出小計		**(597,251,708)**	(423,295,904)
Net cash outflow from operating activities	經營活動產生的現金流量淨額		**(10,538,311)**	257,794,668
II Cash flows from investing activities:	二、投資活動產生的現金流量：			
Proceeds from disposal of financial assets	收回金融資產收到的現金		**5,241,430,000**	4,282,671,400
Investment returns received	取得投資收益所收到的現金		**156,849,834**	35,318,644
Net proceeds from disposal of fixed assets	處置固定資產所收回的現金淨額		**167,024**	262,590
Net proceeds from disposal of equity interests of a subsidiary	處置子公司股權收到的現金淨額		**–**	19,080,000
Proceeds from other investing activities	收到其他與投資活動有關的現金		**3,961,924**	85,871,419
Sub-total of cash inflows	投資活動現金流入小計		**5,402,408,782**	4,423,204,053
Payments for acquisition of financial assets	購買金融資產支付的現金		**(5,241,430,000)**	(4,282,671,400)
Payments for acquisition of fixed assets	購建固定資產所支付的現金		**(2,360,828)**	(2,486,266)
Payments for other investing activities	支付的其他與投資活動有關的現金		**(134,011,188)**	–
Sub-total of cash inflows	投資活動現金流出小計		**(5,377,802,016)**	(4,285,157,666)
Net cash inflow from investing activities	投資活動產生的現金流量淨額		**24,606,766**	138,046,387

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Company Cash Flow Statement
母公司現金流量表

For the year ended 31 December 2019
(Expressed in Renminbi Yuan)
2019年度
（金額單位：人民幣元）

		Note 附註	2019 2019年	2018 2018年
III Cash flows from financing activities:	三、籌資活動產生的現金流量：			
Proceeds from borrowings	取得借款收到的現金		–	50,000,000
Proceeds from other financing activities	收到的其他與籌資活動有關的現金		1,050,000	1,825,000
Sub-total of cash inflows	籌資活動現金流入小計		1,050,000	51,825,000
Repayments of borrowings	償還借款支付的現金		(50,000,000)	(170,000,000)
Payments for dividends	分配股利支付的現金		(35,800,000)	(35,800,000)
Payments for interest	償付利息支付的現金		(73,080)	(1,566,518)
Sub-total of cash inflows	籌資活動現金流出小計		(85,873,080)	(207,366,518)
Net cash outflow from financing activities	籌資活動產生的現金流量淨額		(84,823,080)	(155,541,518)
IV Effect of foreign currency exchange rate changes on cash and cash equivalents	四、匯率變動對現金及現金等價物的影響		1,149,433	3,150,397
V Net (decrease)/increase in cash and cash equivalents	五、現金及現金等價物淨(減少)／增加額		(69,605,192)	243,449,934
Add: Cash and cash equivalents at the beginning of the year	加：年初現金及現金等價物餘額		300,983,157	57,533,223
VI Cash and cash equivalents at the end of the year	六、年末現金及現金等價物餘額		231,377,965	300,983,157

Approved and authorised for issue by the board of directors on 6 March 2020.
此財務報表已於2020年3月6日獲董事會批准。

Legal Representative: Wang An
法定代表人：王安

Chief Financial Officer: Wang Yan Hui
主管會計工作負責人：王艷輝

Chief Accountant: Li Lei
會計機構負責人：李磊

(Company stamp)
（公司蓋章）

The notes on pages 103 to 256 form part of these financial statements.

刊載於第103頁至第256頁的財務報表附註為本財務報表的組成部分。

Consolidated Statement of Changes in Shareholders' Equity
合併股東權益變動表

For the year ended 31 December 2019
(Expressed in Renminbi Yuan))
2019年度
（金額單位：人民幣元）

		Note	附註	Share capital 股本	Capital reserve 資本公積	Other comprehensive income 其他綜合收益	Surplus reserve 盈餘公積	Retained earnings 未分配利潤	Total 合計
Balance at 1 January 2018	2018年1月1日餘額			358,000,000	17,291,715	-	107,111,132	1,195,065,141	1,677,467,988
Changes in equity for the year	本年增減變動金額								
1. Total comprehensive income	1.綜合收益總額			-	-	-	-	137,335,846	137,335,846
2. Appropriation of profits	2.利潤分配								
- Appropriation for surplus reserve	-提取盈餘公積	V.22	五、22	-	-	-	470,841	(470,841)	-
- Distributions to shareholders	-對股東的分配			-	-	-	-	(35,800,000)	(35,800,000)
Balance at 31 December 2018	2018年12月31日餘額			358,000,000	17,291,715	-	107,581,973	1,296,130,146	1,779,003,834
Balance at 1 January 2019	2019年1月1日餘額			**358,000,000**	**17,291,715**	**-**	**107,581,973**	**1,296,130,146**	**1,779,003,834**
Changes in equity for the year	本年增減變動金額								
1. Total comprehensive income	1.綜合收益總額			**-**	**-**	**-**	**-**	**169,268,723**	**169,268,723**
2. Appropriation of profits	2.利潤分配								
- Appropriation for surplus reserve	-提取盈餘公積	V.22	五、22	**-**	**-**	**-**	**20,633,612**	**(20,633,612)**	**-**
- Distributions to shareholders	-對股東的分配			**-**	**-**	**-**	**-**	**(35,800,000)**	**(35,800,000)**
Balance at 31 December 2019	2019年12月31日餘額			**358,000,000**	**17,291,715**	**-**	**128,215,585**	**1,408,965,257**	**1,912,472,557**

Approved and authorised for issue by the board of directors on 6 March 2020.
此財務報表已於2020年3月6日獲董事會批准。

Legal Representative: Wang An
法定代表人：王安

Chief Financial Officer: Wang Yan Hui
主管會計工作負責人：王艷輝

Chief Accountant: Li Lei
會計機構負責人：李磊

(Company stamp)
（公司蓋章）

The notes on pages 103 to 256 form part of these financial statements.

刊載於第103頁至第256頁的財務報表附註為本財務報表的組成部分。

Company Statement of Changes in Shareholders' Equity
母公司股東權益變動表

For the year ended 31 December 2019
(Expressed in Renminbi Yuan)
2019年度
（金額單位：人民幣元）

		Note	附註	Share capital 股本	Capital reserve 資本公積	Other comprehensive income 其他綜合收益	Surplus reserve 盈餘公積	Retained earnings 未分配利潤	Total 合計
Balance at 1 January 2018	2018年1月1日餘額			358,000,000	43,534,413	-	107,111,132	340,496,213	849,141,758
Changes in equity for the year	本年增減變動金額								
1. Total comprehensive income	1.綜合收益總額			-	-	-	-	4,708,404	4,708,404
2. Appropriation of profits	2.利潤分配								
- Appropriation for surplus reserve	-提取盈餘公積	V.22	五、22	-	-	-	470,841	(470,841)	-
- Distributions to shareholders	-對股東的分配			-	-	-	-	(35,800,000)	(35,800,000)
Balance at 31 December 2018	2018年12月31日餘額			358,000,000	43,534,413	-	107,581,973	308,933,776	818,050,162
Balance at 1 January 2019	2019年1月1日餘額			**358,000,000**	**43,534,413**	**-**	**107,581,973**	**308,933,776**	**818,050,162**
Changes in equity for the year	本年增減變動金額								
1. Total comprehensive income	1.綜合收益總額			**-**	**-**	**-**	**-**	**206,336,136**	**206,336,136**
2. Appropriation of profits	2.利潤分配								
- Appropriation for surplus reserve	-提取盈餘公積	V.22	五、22	**-**	**-**	**-**	**20,633,612**	**(20,633,612)**	**-**
- Distributions to shareholders	-對股東的分配			**-**	**-**	**-**	**-**	**(35,800,000)**	**(35,800,000)**
Balance at 31 December 2019	2019年12月31日餘額			**358,000,000**	**43,534,413**	**-**	**128,215,585**	**458,836,300**	**988,586,298**

Approved and authorised for issue by the board of directors on 6 March 2020.
此財務報表已於2020年3月6日獲董事會批准。

Legal Representative: Wang An
法定代表人：王安

Chief Financial Officer: Wang Yan Hui
主管會計工作負責人：王艷輝

Chief Accountant: Li Lei
會計機構負責人：李磊

(Company stamp)
（公司蓋章）

The notes on pages 103 to 256 form part of these financial statements.

刊載於第103頁至第256頁的財務報表附註為本財務報表的組成部分。

I. Company status

Yantai North Andre Juice Company Limited (the "Company"), was named Yantai North Andre Juice Company Limited which was established in Yantai on 30 March 1996. Headquarter of the Company is located in Yantai, Shandong Province.

The principal activities of the Company and its subsidiaries (the "Group") are in the manufacture and sale of condensed juice, pulp, apple essence, pomace and related products. For information about the subsidiaries of the Company, refer to Note VII.

一、公司基本情況

烟台北方安德利果汁股份有限公司（以下簡稱「本公司」）原為烟台北方安德利果汁有限公司，原公司是於1996年3月30日在烟台成立，總部位於山東省烟台市。

本公司及子公司（以下簡稱「本集團」）主要從事生產銷售各種果蔬汁、果漿、蘋果香精、生物飼料及相關產品。本公司子公司的相關信息參見附註七。

II. Basis of preparation

The financial statements have been prepared on the going concern basis.

二、財務報表的編製基礎

本公司以持續經營為基礎編製財務報表。

III. Significant accounting policies and accounting estimates

Accounting policies for the recognition and measurement of provisions for receivables, recognition of cost of inventories, depreciation of fixed assets, amortisation of intangible assets, and revenue recognition and measurement of the Group are adopted according to the specific characteristics of the Company's operations. Please refer to the relevant notes on accounting policies.

1 Statement of compliance

The financial statements have been prepared in accordance with the requirements of Accounting Standards for Business Enterprises issued by the Ministry of Finance (MOF) of the People's Republic of China (PRC) and present truly and completely the consolidated financial position and financial position of the Company as at 31 December 2019, and the consolidated and the Company's financial performance and the consolidated and the Company's cash flows for the year ended 31 December 2019.

三、公司重要會計政策、會計估計

本集團應收款項壞賬準備的確認和計量、發出存貨的計量、固定資產的折舊、無形資產的攤銷以及收入的確認和計量的相關會計政策是根據本集團相關業務經營特點制定的，具體政策參見相關附註。

1、遵循企業會計準則的聲明

本財務報表符合中華人民共和國財政部（以下簡稱「財政部」）頒佈的企業會計準則的要求，真實、完整地反映了本公司2019年12月31日的合併財務狀況和財務狀況、2019年度的合併經營成果和經營成果及合併現金流量和現金流量。

III. Significant accounting policies and accounting estimates (cont'd)

2 Accounting period

The accounting period is from 1 January to 31 December.

3 Functional currency

The Company's functional currency is Renminbi and these financial statements are presented in Renminbi. Functional currency is determined by the Company and its subsidiaries on the basis of the currency in which major income and costs are denominated and settled. Some of the Company's subsidiaries have functional currencies that are different from the Company's functional currency. Their financial statements have been translated based on the accounting policy set out in Note III.7.

4 Accounting treatments for business combinations involving entities under common control and not under common control

(1) Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination (or the total par value of shares issued) is adjusted against share premium in the capital reserve, with any excess adjusted against retained earnings. Any costs directly attributable to the combination are recognised in profit or loss when incurred. The combination date is the date on which one combining entity obtains control of other combining entities.

三、公司重要會計政策、會計估計（續）

2、會計期間

會計年度自公曆1月1日起至12月31日止。

3、記賬本位幣

本公司的記賬本位幣為人民幣，編製財務報表採用的貨幣為人民幣。本公司及子公司選定記賬本位幣的依據是主要業務收支的計價和結算幣種。本公司的部分子公司採用本公司記賬本位幣以外的貨幣作為記賬本位幣，在編製本財務報表時，這些子公司的外幣財務報表按照附註三、7進行了折算。

4、同一控制下和非同一控制下企業合併的會計處理方法

(1) 同一控制下的企業合併

參與合併的企業在合併前後均受同一方或相同的多方最終控制且該控制並非暫時性的，為同一控制下的企業合併。合併方在企業合併中取得的資產和負債，按照合併日在最終控制方合併財務報表中的賬面價值計量。取得的淨資產賬面價值與支付的合併對價賬面價值(或發行股份面值總額)的差額，調整資本公積中的股本溢價；資本公積中的股本溢價不足沖減的，調整留存收益。為進行企業合併發生的直接相關費用，於發生時計入當期損益。合併日為合併方實際取得對被合併方控制權的日期。

III. Significant accounting policies and accounting estimates (cont'd)

4 Accounting treatments for business combinations involving entities under common control and not under common control (cont'd)

(2) Business combinations involving entities not under common control

A business combination involving entities not under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the business combination. Where (1) the aggregate of the acquisition-date fair value of assets transferred (including the acquirer's previously held equity interest in the acquiree), liabilities incurred or assumed, and equity securities issued by the acquirer, in exchange for control of the acquiree, exceeds (2) the acquirer's interest in the acquisition-date fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill (see Note III.15). If (1) is less than (2), the difference is recognised in profit or loss for the current period. The costs of issuing equity or debt securities as a part of the consideration for the acquisition are included in the carrying amounts of these equity or debt securities upon initial recognition. Other acquisition-related costs are expensed when incurred. Any difference between the fair value and the carrying amount of the assets transferred as consideration is recognised in profit or loss. The acquiree's identifiable assets, liabilities and contingent liabilities, if the recognition criteria are met, are recognised by the Group at their acquisition-date fair value. The acquisition date is the date on which the acquirer obtains control of the acquiree.

三、公司重要會計政策、會計估計（續）

4、同一控制下和非同一控制下企業合併的會計處理方法（續）

(2) 非同一控制下的企業合併

參與合併的各方在合併前後不受同一方或相同的多方最終控制的，為非同一控制下的企業合併。本集團作為購買方，為取得被購買方控制權而付出的資產（包括購買日之前所持有的被購買方的股權）、發生或承擔的負債以及發行的權益性證券在購買日的公允價值之和，減去合併中取得的被購買方可辨認淨資產於購買日公允價值份額的差額，如為正數則確認為商譽（參見附註三、15）；如為負數則計入當期損益。本集團將作為合併對價發行的權益性證券或債務性證券的交易費用，計入權益性證券或債務性證券的初始確認金額。本集團為進行企業合併發生的其他各項直接費用計入當期損益。付出資產的公允價值與其賬面價值的差額，計入當期損益。本集團在購買日按公允價值確認所取得的被購買方符合確認條件的各項可辨認資產、負債及或有負債。購買日是指購買方實際取得對被購買方控制權的日期。

III. Significant accounting policies and accounting estimates (cont'd)

4 Accounting treatments for business combinations involving entities under common control and not under common control (cont'd)

(2) Business combinations involving entities not under common control (cont'd)

For a business combination involving entities not under common control and achieved in stages, the Group remeasures its previously-held equity interest in the acquiree to its acquisition-date fair value and recognises any resulting difference between the fair value and the carrying amount as investment income or other comprehensive income for the current period. In addition, any amount recognised in other comprehensive income and other changes in the owners' equity under equity accounting in prior reporting periods relating to the previously-held equity interest that may be reclassified to profit or loss are transferred to investment income at the date of acquisition; Any previously-held equity interest that is designated as equity investment at fair value through other comprehensive income, the other comprehensive income recognised in prior reporting periods is transferred to retained earnings and surplus reserve at the date of acquisition.

三、公司重要會計政策、會計估計（續）

4、同一控制下和非同一控制下企業合併的會計處理方法（續）

(2) 非同一控制下的企業合併（續）

通過多次交易分步實現非同一控制企業合併時，對於購買日之前持有的被購買方的股權，本集團會按照該股權在購買日的公允價值進行重新計量，公允價值與其賬面價值的差額計入當期投資收益或其他綜合收益。購買日之前持有的被購買方的股權涉及的權益法核算下的以後可重分類進損益的其他綜合收益及其他所有者權益變動於購買日轉入當期投資收益；購買日之前持有的被購買方的股權為以公允價值計量且其變動計入其他綜合收益的權益工具投資的，購買日之前確認的其他綜合收益於購買日轉入留存收益。

III. Significant accounting policies and accounting estimates (cont'd)

5 Consolidated financial statements

(1) General principles

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Company and its subsidiaries. Control exists when the investor has all of following: power over the investee; exposure, or rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. The financial position, financial performance and cash flows of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

When the accounting period or accounting policies of a subsidiary are different from those of the Company, the Company makes necessary adjustments to the financial statements of the subsidiary based on the Company's own accounting period or accounting policies. Intra-group balances and transactions, and any unrealised profit or loss arising from intra-group transactions, are eliminated when preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, unless they represent impairment losses that are recognised in the financial statements.

三、公司重要會計政策、會計估計（續）

5、合併財務報表的編製方法

(1) 總體原則

合併財務報表的合併範圍以控制為基礎予以確定，包括本公司及本公司控制的子公司。控制，是指本集團擁有對被投資方的權力，通過參與被投資方的相關活動而享有可變回報，並且有能力運用對被投資方的權力影響其回報金額。在判斷本集團是否擁有對被投資方的權力時，本集團僅考慮與被投資方相關的實質性權利(包括本集團自身所享有的及其他方所享有的實質性權利)。子公司的財務狀況、經營成果和現金流量由控制開始日起至控制結束日止包含於合併財務報表中。

當子公司所採用的會計期間或會計政策與本公司不一致時，合併時已按照本公司的會計期間或會計政策對子公司財務報表進行必要的調整。合併時所有集團內部交易及餘額，包括未實現內部交易損益均已抵銷。集團內部交易發生的未實現損失，有證據表明該損失是相關資產減值損失的，則全額確認該損失。

III. Significant accounting policies and accounting estimates (cont'd)

5 Consolidated financial statements (cont'd)

(2) Subsidiaries acquired through a business combination

Where a subsidiary was acquired during the reporting period, through a business combination involving entities under common control, the financial statements of the subsidiary are included in the consolidated financial statements based on the carrying amounts of the assets and liabilities of the subsidiary in the financial statements of the ultimate controlling party as if the combination had occurred at the date that the ultimate controlling party first obtained control. The opening balances and the comparative figures of the consolidated financial statements are also restated.

Where a subsidiary was acquired during the reporting period, through a business combination involving entities not under common control, the identifiable assets and liabilities of the acquired subsidiaries are included in the scope of consolidation from the date that control commences, based on the fair value of those identifiable assets and liabilities at the acquisition date.

(3) Disposal of subsidiaries

When the Group loses control over a subsidiary, any resulting disposal gains or losses are recognised as investment income for the current period. The remaining equity interests is re-measured at its fair value at the date when control is lost. Any resulting gains or losses are also recognised as investment income for the current period.

6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits that can be readily withdraw on demand, and short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

三、公司重要會計政策、會計估計（續）

5、合併財務報表的編製方法（續）

(2) 合併取得子公司

對於通過同一控制下企業合併取得的子公司，在編製合併當期財務報表時，以被合併子公司的各項資產、負債在最終控制方財務報表中的賬面價值為基礎，視同被合併子公司在本公司最終控制方對其開始實施控制時納入本公司合併範圍，並對合併財務報表的期初數以及前期比較報表進行相應調整。

對於通過非同一控制下企業合併取得的子公司，在編製合併當期財務報表時，以購買日確定的被購買子公司各項可辨認資產、負債的公允價值為基礎自購買日起將被購買子公司納入本公司合併範圍。

(3) 處置子公司

本集團喪失對原有子公司控制權時，由此產生的任何處置收益或損失，計入喪失控制權當期的投資收益，對於剩餘股權投資，本集團按照其在喪失控制權日的公允價值進行重新計量，由此產生的任何收益或損失，也計入喪失控制權當期的投資收益。

6、現金及現金等價物的確定標準

現金和現金等價物包括庫存現金、可以隨時用於支付的存款以及持有期限短、流動性強、易於轉換為已知金額現金、價值變動風險很小的投資。

III. Significant accounting policies and accounting estimates (cont'd)

7 Foreign currency transactions and translation of foreign currency financial statements

When the Group receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate at the date of the receipt. Other foreign currency transactions are, on initial recognition, translated to Renminbi at the spot exchange rates on the dates of the transactions.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences are generally recognised in profit or loss, unless they arise from the re-translation of the principal and interest of specific borrowings for the construction of qualifying assets (see Note III.13). Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss, except for the differences arising from the re-translation of available-for-sale financial assets, which are recognised in other comprehensive income.

7 Foreign currency transactions and translation of foreign currency financial statements (cont'd)

Assets and liabilities of foreign operation are translated to Renminbi at the spot exchange rate at the balance sheet date. Equity items, excluding "retained earnings", are translated to Renminbi at the spot exchange rates at the transaction dates. Income and expenses of foreign operation are translated to Renminbi at the spot exchange rates at the transaction dates. The resulting translation differences are recognised in other comprehensive income. The translation differences accumulated in shareholders' equity with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

三、公司重要會計政策、會計估計（續）

7、外幣業務和外幣報表折算

本集團收到投資者以外幣投入資本時按當日即期匯率折合為人民幣，其他外幣交易在初始確認時按交易發生日的即期匯率折合為人民幣。

於資產負債表日，外幣貨幣性項目採用該日的即期匯率折算。除與購建符合資本化條件資產有關的專門借款本金和利息的匯兑差額(參見附註三、13)外，其他匯兑差額計入當期損益。以歷史成本計量的外幣非貨幣性項目，仍採用交易發生日的即期匯率折算。以公允價值計量的外幣非貨幣性項目，採用公允價值確定日的即期匯率折算，由此產生的匯兑差額，屬於以公允價值計量且其變動計入其他綜合收益的權益工具投資的差額，計入其他綜合收益；其他差額計入當期損益。

7、外幣業務和外幣報表折算(續)

對境外經營的財務報表進行折算時，資產負債表中的資產和負債項目，採用資產負債表日的即期匯率折算，股東權益項目除「未分配利潤」項目外，其他項目採用發生時的即期匯率折算。利潤表中的收入和費用項目，採用交易發生日的即期匯率折算。按照上述折算產生的外幣財務報表折算差額，在其他綜合收益中列示。處置境外經營時，相關的外幣財務報表折算差額自股東權益轉入處置當期損益。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments

Financial instruments include cash at bank and on hand, investments in equity securities other than those classified as long-term equity investment (see Note III.10), receivables, payables, loans and borrowings and share capital.

(1) Recognition and initial measurement of financial assets and financial liabilities

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a party to the contractual provisions of a financial instrument.

A financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities is measured initially at fair value. For financial assets and financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any related directly attributable transaction costs are included in their initial costs. A trade receivable without a significant financing component is initially measured at the transaction price according to Note III.19.

(2) Classification and subsequent measurement of financial assets

(a) Classification of financial assets

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, a financial asset is classified as measured at amortised cost, at fair value through other comprehensive income ("FVOCI"), or at fair value through profit or loss ("FVTPL").

三、公司重要會計政策、會計估計（續）

8、金融工具

本集團的金融工具包括貨幣資金、除長期股權投資(參見附註三、10)以外的股權投資、應收款項、應付款項、借款及股本等。

(1) 金融資產及金融負債的確認和初始計量

金融資產和金融負債在本集團成為相關金融工具合同條款的一方時，於資產負債表內確認。

除不具有重大融資成分的應收賬款外，在初始確認時，金融資產及金融負債均以公允價值計量。對於以公允價值計量且其變動計入當期損益的金融資產或金融負債，相關交易費用直接計入當期損益；對於其他類別的金融資產或金融負債，相關交易費用計入初始確認金額。對於不具有重大融資成分的應收賬款，本集團按照根據附註三、19的會計政策確定的交易價格進行初始計量。

(2) 金融資產的分類和後續計量

(a) 本集團金融資產的分類

本集團通常根據管理金融資產的業務模式和金融資產的合同現金流量特徵，在初始確認時將金融資產分為不同類別：以攤餘成本計量的金融資產、以公允價值計量且其變動計入其他綜合收益的金融資產及以公允價值計量且其變動計入當期損益的金融資產。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(2) Classification and subsequent measurement of financial assets (cont'd)

(a) Classification of financial assets (cont'd)

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(2) 金融資產的分類和後續計量（續）

(a) 本集團金融資產的分類（續）

除非本集團改變管理金融資產的業務模式，在此情形下，所有受影響的相關金融資產在業務模式發生變更後的首個報告期間的第一天進行重分類，否則金融資產在初始確認後不得進行重分類。

本集團將同時符合下列條件且未被指定為以公允價值計量且其變動計入當期損益的金融資產，分類為以攤餘成本計量的金融資產：

– 本集團管理該金融資產的業務模式是以收取合同現金流量為目標；

– 該金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(2) Classification and subsequent measurement of financial assets (cont'd)

(a) Classification of financial assets (cont'd)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

– it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

– its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(2) 金融資產的分類和後續計量（續）

(a) 本集團金融資產的分類（續）

本集團將同時符合下列條件且未被指定為以公允價值計量且其變動計入當期損益的金融資產，分類為以公允價值計量且其變動計入其他綜合收益的金融資產：

– 本集團管理該金融資產的業務模式既以收取合同現金流量為目標又以出售該金融資產為目標；

– 該金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。

對於非交易性權益工具投資，本集團可在初始確認時將其不可撤銷地指定為以公允價值計量且其變動計入其他綜合收益的金融資產。該指定在單項投資的基礎上作出，且相關投資從發行者的角度符合權益工具的定義。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(2) Classification and subsequent measurement of financial assets (cont'd)

(a) Classification of financial assets (cont'd)

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The business model refers to how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Group determines the business model for managing the financial assets according to the facts and based on the specific business objective for managing the financial assets determined by the Group's key management personnel.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(2) 金融資產的分類和後續計量（續）

(a) 本集團金融資產的分類（續）

除上述以攤餘成本計量和以公允價值計量且其變動計入其他綜合收益的金融資產外，本集團將其餘所有的金融資產分類為以公允價值計量且其變動計入當期損益的金融資產。在初始確認時，如果能夠消除或顯著減少會計錯配，本集團可以將本應以攤餘成本計量或以公允價值計量且其變動計入其他綜合收益的金融資產不可撤銷地指定為以公允價值計量且其變動計入當期損益的金融資產。

管理金融資產的業務模式，是指本集團如何管理金融資產以產生現金流量。業務模式決定本集團所管理金融資產現金流量的來源是收取合同現金流量、出售金融資產還是兩者兼有。本集團以客觀事實為依據、以關鍵管理人員決定的對金融資產進行管理的特定業務目標為基礎，確定管理金融資產的業務模式。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(2) Classification and subsequent measurement of financial assets (cont'd)

(a) Classification of financial assets (cont'd)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(2) 金融資產的分類和後續計量（續）

(a) 本集團金融資產的分類（續）

本集團對金融資產的合同現金流量特徵進行評估，以確定相關金融資產在特定日期產生的合同現金流量是否僅為對本金和以未償付本金金額為基礎的利息的支付。其中，本金是指金融資產在初始確認時的公允價值；利息包括對貨幣時間價值、與特定時期未償付本金金額相關的信用風險、以及其他基本借貸風險、成本和利潤的對價。此外，本集團對可能導致金融資產合同現金流量的時間分佈或金額發生變更的合同條款進行評估，以確定其是否滿足上述合同現金流量特徵的要求。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(2) Classification and subsequent measurement of financial assets (cont'd)

(b) Subsequent measurement of financial assets

– Financial assets at FVTPL

These financial assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss unless the financial assets are part of a hedging relationship.

– Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. A gain or loss on a financial asset that is measured at amortised cost and is not part of a hedging relationship shall be recognised in profit or loss when the financial asset is derecognised, through the amortisation process or in order to recognise impairment gains or losses.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(2) 金融資產的分類和後續計量（續）

(b) 本集團金融資產的後續計量

– 以公允價值計量且其變動計入當期損益的金融資產

初始確認後，對於該類金融資產以公允價值進行後續計量，產生的利得或損失（包括利息和股利收入）計入當期損益，除非該金融資產屬於套期關係的一部分。

– 以攤餘成本計量的金融資產

初始確認後，對於該類金融資產採用實際利率法以攤餘成本計量。以攤餘成本計量且不屬於任何套期關係的一部分的金融資產所產生的利得或損失，在終止確認、按照實際利率法攤銷或確認減值時，計入當期損益。

III. Significant accounting policies and accounting estimates (cont'd)

8 **Financial instruments (cont'd)**

(2) Classification and subsequent measurement of financial assets (cont'd)

(b) Subsequent measurement of financial assets (cont'd)

– Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment and foreign exchange gains and losses are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

– Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

三、公司重要會計政策、會計估計（續）

8、**金融工具（續）**

(2) 金融資產的分類和後續計量（續）

(b) 本集團金融資產的後續計量（續）

– 以公允價值計量且其變動計入其他綜合收益的債權投資

初始確認後，對於該類金融資產以公允價值進行後續計量。採用實際利率法計算的利息、減值損失或利得及匯兑損益計入當期損益，其他利得或損失計入其他綜合收益。終止確認時，將之前計入其他綜合收益的累計利得或損失從其他綜合收益中轉出，計入當期損益。

– 以公允價值計量且其變動計入其他綜合收益的權益工具投資

初始確認後，對於該類金融資產以公允價值進行後續計量。股利收入計入損益，其他利得或損失計入其他綜合收益。終止確認時，將之前計入其他綜合收益的累計利得或損失從其他綜合收益中轉出，計入留存收益。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(3) Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at FVTPL or amortised cost.

– Financial liabilities at FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading (including derivative financial liability) or it is designated as such on initial recognition.

Financial liabilities at FVTPL are subsequently measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss, unless the financial liabilities are part of a hedging relationship.

– Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(3) 金融負債的分類和後續計量

本集團將金融負債分類為以公允價值計量且其變動計入當期損益的金融負債及以攤餘成本計量的金融負債。

– 以公允價值計量且其變動計入當期損益的金融負債
該類金融負債包括交易性金融負債（含屬於金融負債的衍生工具）和指定為以公允價值計量且其變動計入當期損益的金融負債。

初始確認後，對於該類金融負債以公允價值進行後續計量，除與套期會計有關外，產生的利得或損失（包括利息費用）計入當期損益。

– 以攤餘成本計量的金融負債
初始確認後，對其他金融負債採用實際利率法以攤餘成本計量。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(4) Offsetting

Financial assets and financial liabilities are generally presented separately in the balance sheet, and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both of the following conditions are satisfied:

- the Group currently has a legally enforceable right to set off the recognised amounts;
- the Group intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

(5) Derecognition of financial assets and financial liabilities

Financial asset is derecognised when one of the following conditions is met:

- the Group's contractual rights to the cash flows from the financial asset expire;
- the financial asset has been transferred and the Group transfers substantially all of the risks and rewards of ownership of the financial asset; or
- the financial asset has been transferred, although the Group neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(4) 抵銷

金融資產和金融負債在資產負債表內分別列示，沒有相互抵銷。但是，同時滿足下列條件的，以相互抵銷後的淨額在資產負債表內列示：

- 本集團具有抵銷已確認金額的法定權利，且該種法定權利是當前可執行的；
- 本集團計劃以淨額結算，或同時變現該金融資產和清償該金融負債。

(5) 金融資產和金融負債的終止確認

滿足下列條件之一時，本集團終止確認該金融資產：

- 收取該金融資產現金流量的合同權利終止；
- 該金融資產已轉移，且本集團將金融資產所有權上幾乎所有的風險和報酬轉移給轉入方；
- 該金融資產已轉移，雖然本集團既沒有轉移也沒有保留金融資產所有權上幾乎所有的風險和報酬，但是未保留對該金融資產的控制。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(5) Derecognition of financial assets and financial liabilities (cont'd)

Where a transfer of a financial asset in its entirety meets the criteria for derecognition, the difference between the two amounts below is recognised in profit or loss:

- the carrying amount of the financial asset transferred measured at the date of derecognition;
- the sum of the consideration received from the transfer and, when the transferred financial asset is a debt investment at FVOCI, any cumulative gain or loss that has been recognised directly in other comprehensive income for the part derecognised.

The Group derecognises a financial liability (or part of it) only when its contractual obligation (or part of it) is extinguished.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(5) 金融資產和金融負債的終止確認（續）

金融資產轉移整體滿足終止確認條件的，本集團將下列兩項金額的差額計入當期損益：

- 被轉移金融資產在終止確認日的賬面價值；
- 因轉移金融資產而收到的對價，與原直接計入其他綜合收益的公允價值變動累計額中對應終止確認部分的金額（涉及轉移的金融資產為以公允價值計量且其變動計入其他綜合收益的債權投資）之和。

金融負債（或其一部分）的現時義務已經解除的，本集團終止確認該金融負債（或該部分金融負債）。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(6) Impairment

The Group recognises loss allowances for expected credit loss (ECL) on:

- financial assets measured at amortised cost; and
- contract assets.

Financial assets measured at fair value, including debt investments at FVPL, are not subject to the ECL assessment.

Measurement of ECLs

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

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(6) 減值

本集團以預期信用損失為基礎，對下列項目進行減值會計處理並確認損失準備：

- 以攤餘成本計量的金融資產；及
- 合同資產。

本集團持有的其他以公允價值計量的金融資產不適用預期信用損失模型，包括以公允價值計量且其變動計入當期損益的債權工具投資。

預期信用損失的計量

預期信用損失，是指以發生違約的風險為權重的金融工具信用損失的加權平均值。信用損失，是指本集團按照原實際利率折現的、根據合同應收的所有合同現金流量與預期收取的所有現金流量之間的差額，即全部現金短缺的現值。

在計量預期信用損失時，本集團需考慮的最長期限為企業面臨信用風險的最長合同期限（包括考慮續約選擇權）。

整個存續期預期信用損失，是指因金融工具整個預計存續期內所有可能發生的違約事件而導致的預期信用損失。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(6) Impairment (cont'd)

Measurement of ECLs (cont'd)

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the balance sheet date (or a shorter period if the expected life of the instrument is less than 12 months).

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

Except for trade receivables and contract assets, the Group measures loss allowance at an amount equal to 12-month ECL for the following financial instruments, and at an amount equal to lifetime ECL for all other financial instruments.

- If the financial instrument is determined to have low credit risk at the balance sheet date;
- If the credit risk on a financial instrument has not increased significantly since initial recognition.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(6) 減值（續）

預期信用損失的計量（續）

未來12個月內預期信用損失，是指因資產負債表日後12個月內（若金融工具的預計存續期少於12個月，則為預計存續期）可能發生的金融工具違約事件而導致的預期信用損失，是整個存續期預期信用損失的一部分。

對於應收賬款和合同資產，本集團始終按照相當於整個存續期內預期信用損失的金額計量其損失準備。本集團基於歷史信用損失經驗、使用準備矩陣計算上述金融資產的預期信用損失，相關歷史經驗根據資產負債表日借款人的特定因素、以及對當前狀況和未來經濟狀況預測的評估進行調整。

除應收賬款和合同資產外，本集團對滿足下列情形的金融工具按照相當於未來12個月內預期信用損失的金額計量其損失準備，對其他金融工具按照相當於整個存續期內預期信用損失的金額計量其損失準備：

- 該金融工具在資產負債表日只具有較低的信用風險；或
- 該金融工具的信用風險自初始確認後並未顯著增加。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(6) Impairment (cont'd)

Financial instruments that have low credit risk

The credit risk on a financial instrument is considered low if the financial instrument has a low risk of default, 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.

The credit risk on fixed deposit which deposit in commercial bank with higher bank's credit rating is considered low.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(6) 減值（續）

具有較低的信用風險

如果金融工具的違約風險較低，借款人在短期內履行其合同現金流量義務的能力很強，並且即便較長時期內經濟形勢和經營環境存在不利變化但未必一定降低借款人履行其合同現金流量義務的能力，該金融工具被視為具有較低的信用風險。

本集團認為在具有較高信用評級的商業銀行的定期存款具有低信用風險。

信用風險顯著增加

本集團通過比較金融工具在資產負債表日發生違約的風險與在初始確認日發生違約的風險，以確定金融工具預計存續期內發生違約風險的相對變化，以評估金融工具的信用風險自初始確認後是否已顯著增加。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(6) Impairment (cont'd)

Significant increases in credit risk (cont'd)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort, including forward-looking information. In particular, the following information is taken into account:

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

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

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 1 day past due.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(6) 減值（續）

信用風險顯著增加（續）

在確定信用風險自初始確認後是否顯著增加時，本集團考慮無須付出不必要的額外成本或努力即可獲得的合理且有依據的信息，包括前瞻性信息。本集團考慮的信息包括：

- 債務人未能按合同到期日支付本金和利息的情況；
- 已發生的或預期的金融工具的外部或內部信用評級（如有）的嚴重惡化；
- 已發生的或預期的債務人經營成果的嚴重惡化；
- 現存的或預期的技術、市場、經濟或法律環境變化，並將對債務人對本集團的還款能力產生重大不利影響。

根據金融工具的性質，本集團以單項金融工具或金融工具組合為基礎評估信用風險是否顯著增加。以金融工具組合為基礎進行評估時，本集團可基於共同信用風險特徵對金融工具進行分類，例如逾期信息和信用風險評級。

如果逾期超過1日，本集團確定金融工具的信用風險已經顯著增加。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(6) Impairment (cont'd)

Significant increases in credit risk (cont'd)

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is more than 60 days past due.

Credit-impaired financial assets

At each balance sheet date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;

- a breach of contract, such as a default or delinquency in interest or principal payments;

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(6) 減值（續）

信用風險顯著增加（續）

本集團認為金融資產在下列情況下發生違約：

- 借款人不大可能全額支付其對本集團的欠款，該評估不考慮本集團採取例如變現抵押品（如果持有）等追索行動；或

- 金融資產逾期超過60天。

已發生信用減值的金融資產

本集團在資產負債表日評估以攤餘成本計量的金融資產是否已發生信用減值。當對金融資產預期未來現金流量具有不利影響的一項或多項事件發生時，該金融資產成為已發生信用減值的金融資產。金融資產已發生信用減值的證據包括下列可觀察信息：

- 發行方或債務人發生重大財務困難；

- 債務人違反合同，如償付利息或本金違約或逾期等；

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(6) Impairment (cont'd)

Credit-impaired financial assets (cont'd)

- for economic or contractual reasons relating to the borrower's financial difficulty, the Group having granted to the borrower a concession that would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Presentation of allowance for ECL

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for financial assets carried at amortised cost with a corresponding adjustment to their carrying amount through a loss allowance account.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(6) 減值（續）

已發生信用減值的金融資產（續）

- 本集團出於與債務人財務困難有關的經濟或合同考慮，給予債務人在任何其他情況下都不會做出的讓步；
- 債務人很可能破產或進行其他財務重組；
- 發行方或債務人財務困難導致該金融資產的活躍市場消失。

預期信用損失準備的列報

為反映金融工具的信用風險自初始確認後的變化，本集團在每個資產負債表日重新計量預期信用損失，由此形成的損失準備的增加或轉回金額，應當作為減值損失或利得計入當期損益。對於以攤餘成本計量的金融資產，損失準備抵減該金融資產在資產負債表中列示的賬面價值。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(6) Impairment (cont'd)

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

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

(7) Equity instrument

The consideration received from the issuance of equity instruments net of transaction costs is recognised in shareholders' equity. Consideration and transaction costs paid by the Company for repurchasing self-issued equity instruments are deducted from shareholders' equity.

When the Company repurchases its own shares, those shares are treated as treasury shares. All expenditure relating to the repurchase is recorded in the cost of the treasury shares, with the transaction recording in the share register. Treasury shares are excluded from profit distributions and are presented as a deduction under shareholders' equity in the balance sheet.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(6) 減值（續）

核銷

如果本集團不再合理預期金融資產合同現金流量能夠全部或部分收回，則直接減記該金融資產的賬面餘額。這種減記構成相關金融資產的終止確認。這種情況通常發生在本集團確定債務人沒有資產或收入來源可產生足夠的現金流量以償還將被減記的金額。但是，被減記的金融資產仍可能受到本集團催收到期款項相關執行活動的影響。

已減記的金融資產以後又收回的，作為減值損失的轉回計入收回當期的損益。

(7) 權益工具

本公司發行權益工具收到的對價扣除交易費用後，計入股東權益。回購本公司權益工具支付的對價和交易費用，減少股東權益。

回購本公司股份時，回購的股份作為庫存股管理，回購股份的全部支出轉為庫存股成本，同時進行備查登記。庫存股不參與利潤分配，在資產負債表中作為股東權益的備抵項目列示。

III. Significant accounting policies and accounting estimates (cont'd)

8 Financial instruments (cont'd)

(7) Equity instrument (cont'd)

When treasury shares are cancelled, the share capital should be reduced to the extent of the total par value of the treasury shares cancelled. Where the cost of the treasury shares cancelled exceeds the total par value, the excess is deducted from capital reserve (share premium), surplus reserve and retained earnings sequentially. If the cost of treasury shares cancelled is less than the total par value, the difference is credited to the capital reserve (share premium).

When treasury shares are disposed of, any excess of proceeds above cost is recognised in capital reserve (share premium); otherwise, the shortfall is deducted against capital reserve (share premium), surplus reserve and retained earnings sequentially.

9 Inventories

(1) Classification and cost

Inventories include raw materials, work in progress and finished goods.

Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditure incurred in bringing the inventories to their present location and condition. In addition to the purchase cost of raw materials, work in progress and finished goods include direct labor costs and an appropriate allocation of production overheads.

三、公司重要會計政策、會計估計（續）

8、金融工具（續）

(7) 權益工具（續）

庫存股註銷時，按註銷股票面值總額減少股本，庫存股成本超過面值總額的部分，應依次沖減資本公積（股本溢價）、盈餘公積和未分配利潤；庫存股成本低於面值總額的，低於面值總額的部分增加資本公積（股本溢價）。

庫存股轉讓時，轉讓收入高於庫存股成本的部分，增加資本公積（股本溢價）；低於庫存股成本的部分，依次沖減資本公積（股本溢價）、盈餘公積、未分配利潤。

9、存貨

(1) 存貨的分類和成本

存貨包括原材料、在產品和產成品。

存貨按成本進行初始計量。存貨成本包括採購成本、加工成本和使存貨達到目前場所和狀態所發生的其他支出。除原材料採購成本外，在產品及產成品還包括直接人工和按照適當比例分配的生產製造費用。

III. Significant accounting policies and accounting estimates (cont'd)

9 Inventories (cont'd)

(2) Measurement method of cost of inventories

Cost of inventories recognised is calculated using the weighted average method.

Consumables including low-value consumables and packaging materials are charged to profit or loss upon receipt. The amortisation charge is included in the cost of the related assets or recognised in profit or loss for the current period.

(3) Basis for determining the net realisable value and method for provision for obsolete inventories

At the balance sheet date, inventories are carried at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The net realisable value of materials held for use in the production is measured based on the net realisable value of the finished goods in which they will be incorporated. The net realisable value of the inventory held to satisfy sales or service contracts is measured based on the contract price, to the extent of the quantities specified in sales contracts, and the excess portion of inventories is measured based on general selling prices.

Any excess of the cost over the net realisable value of each item of inventories is recognised as a provision for obsolete inventories, and is recognised in profit or loss.

(4) Inventory count system

The Group maintains a perpetual inventory system.

三、公司重要會計政策、會計估計（續）

9、存貨（續）

(2) 發出存貨的計價方法

發出存貨的實際成本採用加權平均法計量。

低值易耗品及包裝物等周轉材料採用一次轉銷進行攤銷，計入相關資產的成本或者當期損益。

(3) 存貨可變現淨值的確定依據及存貨跌價準備的計提方法

於資產負債表日，存貨按照成本與可變現淨值孰低計量。

可變現淨值，是指在日常活動中，存貨的估計售價減去至完工時估計將要發生的成本、估計的銷售費用以及相關稅費後的金額。為生產而持有的原材料，其可變現淨值根據其生產的產成品的可變現淨值為基礎確定。為執行銷售合同或者勞務合同而持有的存貨，其可變現淨值以合同價格為基礎計算。當持有存貨的數量多於相關合同訂購數量的，超出部分的存貨的可變現淨值以一般銷售價格為基礎計算。

按單個存貨項目計算的成本高於其可變現淨值的差額，計提存貨跌價準備，計入當期損益。

(4) 存貨的盤存制度

本集團存貨盤存制度為永續盤存制。

III. Significant accounting policies and accounting estimates (cont'd)

10 Long-term equity investments

(1) Investment cost of long-term equity investments

(a) Long-term equity investments acquired through a business combination

– The initial cost of a long-term equity investment acquired through a business combination involving entities under common control is the Company's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the initial investment cost and the carrying amount of the consideration given is adjusted to the share premium in the capital reserve, with any excess adjusted to retained earnings.

– For a long-term equity investment obtained through a business combination not involving entities under common control, the initial cost comprises the aggregate of the fair value of assets transferred, liabilities incurred or assumed, and equity securities issued by the Company, in exchange for control of the acquiree.

三、公司重要會計政策、會計估計（續）

10、長期股權投資

(1) 長期股權投資投資成本確定

(a) 通過企業合併形成的長期股權投資

– 對於同一控制下的企業合併形成的對子公司的長期股權投資，本公司按照合併日取得的被合併方所有者權益在最終控制方合併財務報表中的賬面價值的份額作為長期股權投資的初始投資成本。長期股權投資初始投資成本與支付對價賬面價值之間的差額，調整資本公積中的股本溢價；資本公積中的股本溢價不足沖減時，調整留存收益。

– 對於非同一控制下企業合併形成的對子公司的長期股權投資，本公司按照購買日取得對被購買方的控制權而付出的資產、發生或承擔的負債以及發行的權益性證券的公允價值，作為該投資的初始投資成本。

III. Significant accounting policies and accounting estimates (cont'd)

10 Long-term equity investments (cont'd)

(1) Investment cost of long-term equity investments (cont'd)

(b) Long-term equity investments acquired other than through a business combination

– A long-term equity investment acquired other than through a business combination is initially recognised at the amount of cash paid if the Group acquires the investment by cash, or at the fair value of the equity securities issued if an investment is acquired by issuing equity securities.

(2) Subsequent measurement of long-term equity investment

In the Company's separate financial statements, long-term equity investments in subsidiaries are accounted for using the cost method for subsequent measurement. Except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Company recognises its share of the cash dividends or profit distributions declared by the investee as investment income for the current period.

The investments in subsidiaries are stated in the balance sheet at cost less accumulated impairment losses.

三、公司重要會計政策、會計估計（續）

10、長期股權投資（續）

(1) 長期股權投資投資成本確定（續）

(b) 其他方式取得的長期股權投資

– 對於通過企業合併以外的其他方式取得的長期股權投資，在初始確認時，對於以支付現金取得的長期股權投資，本集團按照實際支付的購買價款作為初始投資成本；對於發行權益性證券取得的長期股權投資，本集團按照發行權益性證券的公允價值作為初始投資成本。

(2) 長期股權投資後續計量及損益確認方法

在本公司個別財務報表中，本公司採用成本法對子公司的長期股權投資進行後續計量，對被投資單位宣告分派的現金股利或利潤由本公司享有的部分確認為當期投資收益，但取得投資時實際支付的價款或對價中包含的已宣告但尚未發放的現金股利或利潤除外。

對於子公司的投資按照成本減去減值準備後在資產負債表內列示。

III. Significant accounting policies and accounting estimates (cont'd)

10 Long-term equity investments (cont'd)

(2) Subsequent measurement of long-term equity investment (cont'd)

For the impairment of the investments in subsidiaries, refer to Note III.16.

In the Group's consolidated financial statements, long-term equity investments in subsidiaries are accounted for in accordance with the policies described in Note III.5.

11 Fixed assets

(1) Recognition of fixed assets

Fixed assets represent the tangible assets held by the Group for use in production of goods, for rental or for administrative purposes with useful lives over one accounting year.

The cost of a purchased fixed asset comprises the purchase price, related taxes, and any directly attributable expenditure for bringing the asset to working condition for its intended use. The cost of self-constructed assets is measured in accordance with the policy set out in Note III.12.

Where the parts of an item of fixed assets have different useful lives or provide benefits to the Group in a different pattern, thus necessitating use of different depreciation rates or methods, each part is recognised as a separate fixed asset.

三、公司重要會計政策、會計估計（續）

10、長期股權投資（續）

(2) 長期股權投資後續計量及損益確認方法（續）

對子公司投資的減值測試方法及減值準備計提方法參見附註三、16。

在本集團合併財務報表中，對子公司的長期股權投資按附註三、5進行處理。

11、固定資產

(1) 固定資產確認條件

固定資產指本集團為生產商品、出租或經營管理而持有的，使用壽命超過一個會計年度的有形資產。

外購固定資產的初始成本包括購買價款、相關稅費以及使該資產達到預定可使用狀態前所發生的可歸屬於該項資產的支出。自行建造固定資產按附註三、12確定初始成本。

對於構成固定資產的各組成部分，如果各自具有不同使用壽命或者以不同方式為本集團提供經濟利益，適用不同折舊率或折舊方法的，本集團分別將各組成部分確認為單項固定資產。

III. Significant accounting policies and accounting estimates (cont'd)

11 Fixed assets (cont'd)

(1) Recognition of fixed assets (cont'd)

Any subsequent costs including the cost of replacing part of an item of fixed assets are recognised as assets when it is probable that the economic benefits associated with the costs will flow to the Group, and the carrying amount of the replaced part is derecognised. The costs of the day-to-day maintenance of fixed assets are recognised in profit or loss as incurred.

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses.

(2) Depreciation of fixed assets

The cost of fixed asset, less its estimated residual value and accumulated impairment losses, is depreciated using the straight-line method over its estimated useful life, unless the fixed asset is classified as held-for-sale.

三、公司重要會計政策、會計估計（續）

11、固定資產（續）

(1) 固定資產確認條件（續）

對於固定資產的後續支出，包括與更換固定資產某組成部分相關的支出，在與支出相關的經濟利益很可能流入本集團時資本化計入固定資產成本，同時將被替換部分的賬面價值扣除；與固定資產日常維護相關的支出在發生時計入當期損益。

固定資產以成本減累計折舊及減值準備後在資產負債表內列示。

(2) 固定資產的折舊方法

本集團將固定資產的成本扣除預計殘值和累計減值準備後在其使用壽命內按年限平均法計提折舊，除非固定資產符合持有待售的條件。

III. Significant accounting policies and accounting estimates (cont'd)

三、公司重要會計政策、會計估計（續）

11 Fixed assets (cont'd)

(2) Depreciation of fixed assets (cont'd)

The estimated useful lives, residual value rates and depreciation rates of each class of fixed assets are as follows:

11、固定資產（續）

(2) 固定資產的折舊方法（續）

各類固定資產的使用壽命、殘值率和年折舊率分別為：

Class	**類別**	**Estimated useful life (years) 使用壽命（年）**	**Residual value rate (%) 殘值率 (%)**	**Depreciation rate (%) 年折舊率 (%)**
Plant and buildings	房屋及建築物	35 – 40 years 35 - 40年	10%	2.25 - 2.57%
Machinery and equipment	機器設備	20 years 20年	10%	4.50%
Office and other equipment	辦公設備及其他設備	5 years 5年	10%	18.00%
Motor vehicles	運輸工具	5 years 5年	10%	18.00%
Plant and buildings leased out under operating leases	經營租賃租出的房屋及建築物	40 years 40年	10%	2.25%

Useful lives, estimated residual value and depreciation methods are reviewed at least at each year-end.

本集團至少在每年年度終了對固定資產的使用壽命、預計淨殘值和折舊方法進行覆核。

III. Significant accounting policies and accounting estimates (cont'd)

11 Fixed assets (cont'd)

(3) For the impairment of the fixed assets, refer to Note III.16.

(4) Disposal of fixed assets

The carrying amount of a fixed asset is derecognised:

- when the fixed asset is holding for disposal; or
- when no future economic benefit is expected to be generated from its use or disposal.

Gains or losses arising from the retirement or disposal of an item of fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the item, and are recognised in profit or loss on the date of retirement or disposal.

12 Construction in progress

The cost of self-constructed assets includes the cost of materials, direct labour, capitalised borrowing costs (see Note III.13), and any other costs directly attributable to bringing the asset to working condition for its intended use.

A self-constructed asset is classified as construction in progress and transferred to fixed asset when it is ready for its intended use. No depreciation is provided against construction in progress.

Construction in progress is stated in the balance sheet at cost less accumulated impairment losses (see Note III.16).

三、公司重要會計政策、會計估計（續）

11、固定資產（續）

(3) 減值測試方法及減值準備計提方法參見附註三、16。

(4) 固定資產處置

固定資產滿足下述條件之一時，本集團會予以終止確認：

- 固定資產處於處置狀態；
- 該固定資產預期通過使用或處置不能產生經濟利益。

報廢或處置固定資產項目所產生的損益為處置所得款項淨額與項目賬面金額之間的差額，並於報廢或處置日在損益中確認。

12、在建工程

自行建造的固定資產的成本包括工程用物資、直接人工、符合資本化條件的借款費用（參見附註三、13）和使該項資產達到預定可使用狀態前所發生的必要支出。

自行建造的固定資產於達到預定可使用狀態時轉入固定資產，此前列於在建工程，且不計提折舊。

在建工程以成本減減值準備（參見附註三、16）在資產負債表內列示。

III. Significant accounting policies and accounting estimates (cont'd)

13 Borrowing costs

Borrowing costs incurred directly attributable to the acquisition and construction of a qualifying asset are capitalised as part of the cost of the asset. Other borrowing costs are recognised as financial expenses when incurred.

During the capitalisation period, the amount of interest (including amortisation of any discount or premium on borrowing) to be capitalised in each accounting period is determined as follows:

- Where funds are borrowed specifically for the acquisition and construction of a qualifying asset, the amount of interest to be capitalised is the interest expense calculated using effective interest rates during the period less any interest income earned from depositing the borrowed funds or any investment income on the temporary investment of those funds before being used on the asset.

- To the extent that the Group borrows funds generally and uses them for the acquisition and construction of a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the weighted average of the excess amounts of cumulative expenditure on the asset over the above amounts of specific borrowings. The capitalisation rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

三、公司重要會計政策、會計估計（續）

13、借款費用

本集團發生的可直接歸屬於符合資本化條件的資產的購建的借款費用，予以資本化並計入相關資產的成本，其他借款費用均於發生當期確認為財務費用。

在資本化期間內，本集團按照下列方法確定每一會計期間的利息資本化金額(包括折價或溢價的攤銷)：

- 對於為購建符合資本化條件的資產而借入的專門借款，本集團以專門借款按實際利率計算的當期利息費用，減去將尚未動用的借款資金存入銀行取得的利息收入或進行暫時性投資取得的投資收益後的金額確定專門借款應予資本化的利息金額。

- 對於為購建符合資本化條件的資產而佔用的一般借款，本集團根據累計資產支出超過專門借款部分的資產支出的加權平均數乘以所佔用一般借款的資本化率，計算確定一般借款應予資本化的利息金額。資本化率是根據一般借款加權平均的實際利率計算確定。

III. Significant accounting policies and accounting estimates (cont'd)

13 Borrowing costs (cont'd)

The effective interest rate is determined as the rate that exactly discounts estimated future cash flow through the expected life of the borrowing or, when appropriate, a shorter period to the initially recognised amount of the borrowings.

During the capitalisation period, exchange differences related to the principal and interest on a specific-purpose borrowing denominated in foreign currency are capitalised as part of the cost of the qualifying asset. The exchange differences related to the principal and interest on foreign currency borrowings other than a specific-purpose borrowing are recognised as a financial expense when incurred.

The capitalisation period is the period from the date of commencement of capitalisation of borrowing costs to the date of cessation of capitalisation, excluding any period over which capitalisation is suspended. Capitalisation of borrowing costs commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities of acquisition and construction that are necessary to prepare the asset for its intended use are in progress, and ceases when the assets become ready for their intended use. Capitalisation of borrowing costs is suspended when the acquisition and construction activities are interrupted abnormally for a period of more than three months.

三、公司重要會計政策、會計估計（續）

13、借款費用（續）

本集團確定借款的實際利率時，是將借款在預期存續期間或適用的更短期間內的未來現金流量，折現為該借款初始確認時確定的金額所使用的利率。

在資本化期間內，外幣專門借款本金及其利息的匯兑差額，予以資本化，計入符合資本化條件的資產的成本。而除外幣專門借款之外的其他外幣借款本金及其利息所產生的匯兑差額作為財務費用，計入當期損益。

資本化期間是指本集團從借款費用開始資本化時點到停止資本化時點的期間，借款費用暫停資本化的期間不包括在內。當資本支出和借款費用已經發生及為使資產達到預定可使用狀態所必要的購建活動已經開始時，借款費用開始資本化。當購建符合資本化條件的資產達到預定可使用狀態時，借款費用停止資本化。對於符合資本化條件的資產在購建過程中發生非正常中斷、且中斷時間連續超過3個月的，本集團暫停借款費用的資本化。

III. Significant accounting policies and accounting estimates (cont'd)

14 Intangible assets

Intangible assets are stated in the balance sheet at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note III.16). For an intangible asset with finite useful life, its cost less estimated residual value and accumulated impairment losses is amortised using the straight-line method over its estimated useful life, unless the intangible asset is classified as held for sale.

The amortisation period for intangible assets is as follows:

Item	Amortisation period (years)
Land use right	35 – 50 years

An intangible asset is regarded as having an indefinite useful life and is not amortised when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group. At the balance sheet date, the Group does not have any intangible assets with indefinite useful life.

Expenditure on an internal research and development project is classified into expenditure incurred during the research phase and expenditure incurred during the development phase.

Expenditure during the research phase is expensed when incurred. Expenditure during the development phase is capitalised if development costs can be measured reliably, the product or process is technically and commercially feasible, and the Group intends to and has sufficient resources to complete the development. Capitalised development costs are stated in the balance sheet at cost less impairment losses (see Note III.16). Other development expenditure is recognised as an expense in the period in which it is incurred.

三、公司重要會計政策、會計估計（續）

14、無形資產

無形資產以成本減累計攤銷(僅限於使用壽命有限的無形資產)及減值準備(參見附註三、16)後在資產負債表內列示。對於使用壽命有限的無形資產，本集團將無形資產的成本扣除預計淨殘值和累計減值準備後按直線法在預計使用壽命期內攤銷，除非該無形資產符合持有待售的條件。

無形資產的攤銷年限為：

項目	攤銷年限(年)
土地使用權	35 - 50年

本集團將無法預見未來經濟利益期限的無形資產視為使用壽命不確定的無形資產，並對這類無形資產不予攤銷。截至資產負債表日，本集團沒有使用壽命不確定的無形資產。

本集團內部研究開發項目的支出分為研究階段支出和開發階段支出。

研究階段的支出，於發生時計入當期損益。開發階段的支出，如果開發形成的某項產品或工序等在技術和商業上可行，而且本集團有充足的資源和意向完成開發工作，並且開發階段支出能夠可靠計量，則開發階段的支出便會予以資本化。資本化開發支出按成本減減值準備(參見附註三、16)在資產負債表內列示。其他開發費用則在其產生的期間內確認為費用。

III. Significant accounting policies and accounting estimates (cont'd)

15 Goodwill

The initial cost of goodwill represents the excess of cost of acquisition over the acquirer's interest in the fair value of the identifiable net assets of the acquiree under a business combination not involving entities under common control.

Goodwill is not amortised and is stated in the balance sheet at cost less accumulated impairment losses (see Note III.16). On disposal of an asset group or a set of asset groups, any attributable goodwill is written off and included in the calculation of the profit or loss on disposal.

16 Impairment of assets other than inventories and financial assets

The carrying amounts of the following assets are reviewed at each balance sheet date based on internal and external sources of information to determine whether there is any indication of impairment:

- fixed assets
- construction in progress
- intangible assets
- long-term equity investments
- goodwill

If any indication exists, the recoverable amount of the asset is estimated. In addition, the Group estimates the recoverable amounts of goodwill at each year-end, irrespective of whether there is any indication of impairment. Goodwill is allocated to each asset group or set of asset groups, which is expected to benefit from the synergies of the combination for the purpose of impairment testing.

The recoverable amount of an asset (or asset group, set of asset groups) is the higher of its fair value (see Note III.17) less costs to sell and its present value of expected future cash flows.

三、公司重要會計政策、會計估計（續）

15、商譽

因非同一控制下企業合併形成的商譽，其初始成本是合併成本大於合併中取得的被購買方可辨認淨資產公允價值份額的差額。

本集團對商譽不攤銷，以成本減累計減值準備(參見附註三、16)在資產負債表內列示。商譽在其相關資產組或資產組組合處置時予以轉出，計入當期損益。

16、除存貨及金融資產外的其他資產減值

本集團在資產負債表日根據內部及外部信息以確定下列資產是否存在減值的跡象，包括：

- 固定資產
- 在建工程
- 無形資產
- 長期股權投資
- 商譽

本集團對存在減值跡象的資產進行減值測試，估計資產的可收回金額。此外，無論是否存在減值跡象，本集團於每年年度終了對商譽估計其可收回金額。本集團依據相關資產組或者資產組組合能夠從企業合併的協同效應中的受益情況分攤商譽賬面價值，並在此基礎上進行商譽減值測試。

可收回金額是指資產(或資產組、資產組組合，下同)的公允價值(參見附註三、17)減去處置費用後的淨額與資產預計未來現金流量的現值兩者之間較高者。

III. Significant accounting policies and accounting estimates (cont'd)

16 Impairment of assets other than inventories and financial assets (cont'd)

An asset group is composed of assets directly related to cash-generation and is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

The present value of expected future cash flows of an asset is determined by discounting the future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using an appropriate pre-tax discount rate.

An impairment loss is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognised accordingly. Impairment losses related to an asset group or a set of asset groups are allocated first to reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then to reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, such allocation would not reduce the carrying amount of an asset below the highest of its fair value less costs to sell (if measurable), its present value of expected future cash flows (if determinable) and zero.

Once an impairment loss is recognised, it is not reversed in a subsequent period.

三、公司重要會計政策、會計估計（續）

16、除存貨及金融資產外的其他資產減值（續）

資產組由創造現金流入相關的資產組成，是可以認定的最小資產組合，其產生的現金流入基本上獨立於其他資產或者資產組。

資產預計未來現金流量的現值，按照資產在持續使用過程中和最終處置時所產生的預計未來現金流量，選擇恰當的稅前折現率對其進行折現後的金額加以確定。

可收回金額的估計結果表明，資產的可收回金額低於其賬面價值的，資產的賬面價值會減記至可收回金額，減記的金額確認為資產減值損失，計入當期損益，同時計提相應的資產減值準備。與資產組或者資產組組合相關的減值損失，先抵減分攤至該資產組或者資產組組合中商譽的賬面價值，再根據資產組或者資產組組合中除商譽之外的其他各項資產的賬面價值所佔比重，按比例抵減其他各項資產的賬面價值，但抵減後的各資產的賬面價值不得低於該資產的公允價值減去處置費用後的淨額（如可確定的）、該資產預計未來現金流量的現值（如可確定的）和零三者之中最高者。

資產減值損失一經確認，在以後會計期間不會轉回。

III. Significant accounting policies and accounting estimates (cont'd)

17 Fair value measurement

Unless otherwise specified, the Group measures fair value as follows:

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.

When measuring fair value, the Group takes into account the characteristics of the particular asset or liability (including the condition and location of the asset and restrictions, if any, on the sale or use of the asset) that market participants would consider when pricing the asset or liability at the measurement date, and uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value. Valuation techniques mainly include the market approach, the income approach and the cost approach.

18 Provisions

A provision is recognised for an obligation related to a contingency if the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

三、公司重要會計政策、會計估計（續）

17、公允價值的計量

除特別聲明外，本集團按下述原則計量公允價值：

公允價值是指市場參與者在計量日發生的有序交易中，出售一項資產所能收到或者轉移一項負債所需支付的價格。

本集團估計公允價值時，考慮市場參與者在計量日對相關資產或負債進行定價時考慮的特徵(包括資產狀況及所在位置、對資產出售或者使用的限制等)，並採用在當前情況下適用並且有足夠可利用數據和其他信息支持的估值技術。使用的估值技術主要包括市場法、收益法和成本法。

18、預計負債

如果與或有事項相關的義務是本集團承擔的現時義務，且該義務的履行很可能會導致經濟利益流出本集團，以及有關金額能夠可靠地計量，則本集團會確認預計負債。

III. Significant accounting policies and accounting estimates (cont'd)

18 Provisions (cont'd)

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where there is a continuous range of possible outcomes for the expenditure required, and each possible outcome in that range is as likely as any other, the best estimate is the mid-point of that range. In other cases, the best estimate is determined according to the following circumstances:

- Where the contingency involves a single item, the best estimate is the most likely outcome.

- Where the contingency involves a large population of items, the best estimate is determined by weighting all possible outcomes by their associated probabilities.

The Group reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

19 Revenue recognition

Revenue is the gross inflow of economic benefits arising in the course of the Group's ordinary activities when the inflows result in increase in shareholders' equity, other than increase relating to contributions from shareholders.

三、公司重要會計政策、會計估計（續）

18、預計負債（續）

預計負債按照履行相關現時義務所需支出的最佳估計數進行初始計量。對於貨幣時間價值影響重大的，預計負債以預計未來現金流量折現後的金額確定。在確定最佳估計數時，本集團綜合考慮了與或有事項有關的風險、不確定性和貨幣時間價值等因素。所需支出存在一個連續範圍，且該範圍內各種結果發生的可能性相同的，最佳估計數按照該範圍內的中間值確定；在其他情況下，最佳估計數分別按下列情況處理：

- 或有事項涉及單個項目的，按照最可能發生金額確定。

- 或有事項涉及多個項目的，按照各種可能結果及相關概率計算確定。

本集團在資產負債表日對預計負債的賬面價值進行覆核，並按照當前最佳估計數對該賬面價值進行調整。

19、收入

收入是本集團在日常活動中形成的、會導致股東權益增加且與股東投入資本無關的經濟利益的總流入。

III. Significant accounting policies and accounting estimates (cont'd)

19 Revenue recognition (cont'd)

Revenue is recognised when the Group satisfies the performance obligation in the contract by transferring the control over relevant goods or services to the customers.

Where a contract has two or more performance obligations, the Group determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. The Group recognises as revenue the amount of the transaction price that is allocated to each performance obligation.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The consideration which the Group expects to refund to the customer is recognised as refund liabilities and excluded from transaction price. Where the contract contains a significant financing component, the Group recognises the transaction price at an amount that reflects the price that a customer would have paid for the promised goods or services if the customer had paid cash for those goods or services when (or as) they transfer to the customer. The difference between the amount of promised consideration and the cash selling price is amortised using an effective interest method over the contract term. The Group does not adjust the consideration for any effects of a significant financing component if it expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

三、公司重要會計政策、會計估計（續）

19、收入（續）

本集團在履行了合同中的履約義務，即在客戶取得相關商品或服務的控制權時，確認收入。

合同中包含兩項或多項履約義務的，本集團在合同開始日，按照各單項履約義務所承諾商品或服務的單獨售價的相對比例，將交易價格分攤至各單項履約義務，按照分攤至各單項履約義務的交易價格計量收入。

交易價格是本集團因向客戶轉讓商品或服務而預期有權收取的對價金額，不包括代第三方收取的款項。本集團確認的交易價格不超過在相關不確定性消除時累計已確認收入極可能不會發生重大轉回的金額。預期將退還給客戶的款項作為退貨負債，不計入交易價格。合同中存在重大融資成分的，本集團按照假定客戶在取得商品或服務控制權時即以現金支付的應付金額確定交易價格。該交易價格與合同對價之間的差額，在合同期間內採用實際利率法攤銷。合同開始日，本集團預計客戶取得商品或服務控制權與客戶支付價款間隔不超過一年的，不考慮合同中存在的重大融資成分。

III. Significant accounting policies and accounting estimates (cont'd)

19 Revenue recognition (cont'd)

The Group satisfies a performance obligation over time if one of the following criteria is met; or otherwise, a performance obligation is satisfied at a point in time:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the customer can control the asset created or enhanced during the Group's performance; or
- the Group's performance does not create an asset with an alternative use to it and the Group has an enforceable right to payment for performance completed to date.

For performance obligation satisfied over time, the Group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. When the outcome of that performance obligation cannot be measured reasonably, but the Group expects to recover the costs incurred in satisfying the performance obligation, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

三、公司重要會計政策、會計估計（續）

19、收入（續）

滿足下列條件之一時，本集團屬於在某一時段內履行履約義務，否則，屬於在某一時點履行履約義務：

- 客戶在本集團履約的同時即取得並消耗本集團履約所帶來的經濟利益；
- 客戶能夠控制本集團履約過程中在建的商品；
- 本集團履約過程中所產出的商品具有不可替代用途，且本集團在整個合同期間內有權就累計至今已完成的履約部分收取款項。

對於在某一時段內履行的履約義務，本集團在該段時間內按照履約進度確認收入。履約進度不能合理確定時，本集團已經發生的成本預計能夠得到補償的，按照已經發生的成本金額確認收入，直到履約進度能夠合理確定為止。

III. Significant accounting policies and accounting estimates (cont'd)

19 Revenue recognition (cont'd)

For performance obligation satisfied at a point in time, the Group recognises revenue at the point in time at which the customer obtains control of relevant goods or services. To determine whether a customer has obtained control of goods or services, the Group considers the following indicators:

- the Group has a present right to payment for the goods or services;
- the Group has transferred physical possession of the goods to the customer;
- the Group has transferred the legal title of the goods or the significant risks and rewards of ownership of the goods to the customer; and
- the customer has accepted the goods or services.

A contract asset is the Group's right to consideration in exchange for goods or services that it has transferred to a customer when that right is conditional on something other than the passage of time. The Group recognises loss allowances for expected credit loss on contract assets (see Note III.8(6)). Accounts receivable is the Group's right to consideration that is unconditional (only the passage of time is required). A contract liability is 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.

三、公司重要會計政策、會計估計（續）

19、收入（續）

對於在某一時點履行的履約義務，本集團在客戶取得相關商品或服務控制權時點確認收入。在判斷客戶是否已取得商品或服務控制權時，本集團會考慮下列跡象：

- 本集團就該商品或服務享有現時收款權利；
- 本集團已將該商品的實物轉移給客戶；
- 本集團已將該商品的法定所有權或所有權上的主要風險和報酬轉移給客戶；
- 客戶已接受該商品或服務等。

本集團已向客戶轉讓商品或服務而有權收取對價的權利（且該權利取決於時間流逝之外的其他因素）作為合同資產列示，合同資產以預期信用損失為基礎計提減值（參見附註三、8(6)）。本集團擁有的、無條件（僅取決於時間流逝）向客戶收取對價的權利作為應收款項列示。本集團已收或應收客戶對價而應向客戶轉讓商品或服務的義務作為合同負債列示。

III. Significant accounting policies and accounting estimates (cont'd)

19 Revenue recognition (cont'd)

The following is the description of accounting policies regarding revenue from the Group's principal activities:

Sales are recognised when control of the products has transferred to the customers, being when the products are delivered to the customers, and there is no unfulfilled obligation that could affect the customers' acceptance of the product. Delivery occurs when the products have been shipped to the specific location (included shipping port, designated delivery point within or without China etc.), the risk of obsolescence and loss have been transferred to the customer, and the customer has accepted the products in accordance with the sales contract.

If the customers perform quality inspection when they use the products and pay the consideration at that time, the products are delivered to the customers when the customers use the products.

20 Contract costs

Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer.

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. The Group recognises as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs. Other costs of obtaining a contract are expensed when incurred.

三、公司重要會計政策、會計估計（續）

19、收入（續）

與本集團取得收入的主要活動相關的具體會計政策描述如下：

當產品的控制權轉移至客戶時（即產品交付於客戶），且並無未履行的責任可能會影響客戶接收產品時，即會確認銷售。依據與客戶簽訂之銷售合同所規定的產品交付條款，產品在運抵特定地點（包括裝運港指定船上、境內外指定交貨點等）、貨損風險已轉移於客戶，且客戶已根據銷售合同接收產品，即視為已交付。

根據銷售合同之約定在客戶使用產品時進行質量驗收，並根據實際使用產品數量進行貨款支付的銷售業務，本集團於客戶使用產品時，視為已交付。

20、合同成本

合同成本包括為取得合同發生的增量成本及合同履約成本。

為取得合同發生的增量成本是指本集團不取得合同就不會發生的成本（如銷售佣金等）。該成本預期能夠收回的，本集團將其作為合同取得成本確認為一項資產。本集團為取得合同發生的、除預期能夠收回的增量成本之外的其他支出於發生時計入當期損益。

III. Significant accounting policies and accounting estimates (cont'd)

20 Contract costs (cont'd)

If the costs to fulfil a contract with a customer are not within the scope of inventories or other accounting standards, the Group recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to an existing contract or to a specifically identifiable anticipated contract, including direct labour, direct materials, allocations of overheads (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract;

- the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

- the costs are expected to be recovered.

Assets recognised for the incremental costs of obtaining a contract and assets recognised for the costs to fulfil a contract (the "assets related to contract costs") are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate and recognised in profit or loss for the current period. The Group recognises the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

三、公司重要會計政策、會計估計（續）

20、合同成本（續）

為履行合同發生的成本，不屬於存貨等其他企業會計準則規範範圍且同時滿足下列條件的，本集團將其作為合同履約成本確認為一項資產：

- 該成本與一份當前或預期取得的合同直接相關，包括直接人工、直接材料、製造費用（或類似費用）、明確由客戶承擔的成本以及僅因該合同而發生的其他成本；

- 該成本增加了本集團未來用於履行履約義務的資源；

- 該成本預期能夠收回。

合同取得成本確認的資產和合同履約成本確認的資產（以下簡稱「與合同成本有關的資產」）採用與該資產相關的商品或服務收入確認相同的基礎進行攤銷，計入當期損益。攤銷期限不超過一年則在發生時計入當期損益。

III. Significant accounting policies and accounting estimates (cont'd)

20 Contract costs (cont'd)

The Group recognises an impairment loss in profit or loss to the extent that the carrying amount of an asset related to contract costs exceeds:

- remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
- the costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

21 Employee benefits

(1) Short-term employee benefits

Employee wages or salaries, bonuses, social security contributions such as medical insurance, work injury insurance, maternity insurance and housing fund, measured at the amount incurred or occurred at the applicable benchmarks and rates, are recognised as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

(2) Post-employment benefits – defined contribution plans

Pursuant to the relevant laws and regulations of the People's Republic of China, the Group participated in a defined contribution basic pension insurance plan in the social insurance system established and managed by government organisations. The Group makes contributions to basic pension insurance plans based on the applicable benchmarks and rates stipulated by the government. Basic pension insurance contributions payable are recognised as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

三、公司重要會計政策、會計估計（續）

20、合同成本（續）

當與合同成本有關的資產的賬面價值高於下列兩項的差額時，本集團對超出部分計提減值準備，並確認為資產減值損失：

- 本集團因轉讓與該資產相關的商品或服務預期能夠取得的剩餘對價；
- 為轉讓該相關商品或服務估計將要發生的成本。

21、職工薪酬

(1) 短期薪酬

本集團在職工提供服務的會計期間，將實際發生或按規定的基準和比例計提的職工工資、獎金、醫療保險費、工傷保險費和生育保險費等社會保險費和住房公積金，確認為負債，並計入當期損益或相關資產成本。

(2) 離職後福利－設定提存計劃

本集團所參與的設定提存計劃是按照中國有關法規要求，本集團職工參加的由政府機構設立管理的社會保障體系中的基本養老保險。基本養老保險的繳費金額按國家規定的基準和比例計算。本集團在職工提供服務的會計期間，將應繳存的金額確認為負債，並計入當期損益或相關資產成本。

III. Significant accounting policies and accounting estimates (cont'd)

21 Employee benefits (cont'd)

(3) Termination benefits

When the Group terminates the employment with employees before the employment contracts expire, or provides compensation under an offer to encourage employees to accept voluntary redundancy, a provision is recognised with a corresponding expense in profit or loss at the earlier of the following dates:

- When the Group cannot unilaterally withdraw the offer of termination remuneration because of an employee termination plan or a curtailment proposal;
- When the Group has a formal detailed restructuring plan involving the payment of termination benefits and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

22 Government grants

Government grants are non-reciprocal transfers of monetary or non-monetary assets from the government to the Group except for capital contributions from the government in the capacity as an investor in the Group.

A government grant is recognised when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value.

三、公司重要會計政策、會計估計（續）

21、職工薪酬（續）

(3) 辭退福利

本集團在職工勞動合同到期之前解除與職工的勞動關係，或者為鼓勵職工自願接受裁減而提出給予補償的建議，在下列兩者孰早日，確認辭退福利產生的負債，同時計入當期損益：

- 本集團不能單方面撤回因解除勞動關係計劃或裁減建議所提供的辭退福利時；
- 本集團有詳細、正式的涉及支付辭退福利的重組計劃；並且，該重組計劃已開始實施，或已向受其影響的各方通告了該計劃的主要內容，從而使各方形成了對本集團將實施重組的合理預期時。

22、政府補助

政府補助是本集團從政府無償取得的貨幣性資產或非貨幣性資產，但不包括政府以投資者身份向本集團投入的資本。

政府補助在能夠滿足政府補助所附條件，並能夠收到時，予以確認。

政府補助為貨幣性資產的，按照收到或應收的金額計量。政府補助為非貨幣性資產的，按照公允價值計量。

III. Significant accounting policies and accounting estimates (cont'd)

22 Government grants (cont'd)

Government grants related to assets are grants whose primary condition is that the Group qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income are grants other than those related to assets.

Grants related to assets shall be used to offset the book value of relevant assets by the Group. A grant that compensates the Group for expenses to be incurred in the future is recognised initially as deferred income, and released to the other income or non-operating income in the periods in which the expenses are recognised. A grant that compensates the Group for expenses already incurred is recognised in profit or loss, or recorded in the other income or non-operating income.

Where the Group obtains an interest subsidy for policy-related preferential loans, the accounting treatment is as follows:

- Where the government appropriates an interest subsidy to the lending bank, allowing the latter to provide loans to an enterprise at a preferential interest rate, recognizing the loan amount received as the book-entry value of such loans, and calculating the relevant loan expenses according to the loan principal and the preferential interest rate;

- Where the government directly appropriates an interest subsidy to the Group, the Group shall use the interest subsidy to offset relevant loan expenses.

三、公司重要會計政策、會計估計（續）

22、政府補助（續）

本集團取得的、用於購建或以其他方式形成長期資產的政府補助作為與資產相關的政府補助。本集團取得的與資產相關之外的其他政府補助作為與收益相關的政府補助。

與資產相關的政府補助，本集團將其沖減相關資產的賬面價值。與收益相關的政府補助，如果用於補償本集團以後期間的相關成本費用或損失的，本集團將其確認為遞延收益，並在確認相關成本費用或損失的期間，計入其他收益或營業外收入；如果用於補償本集團已發生的相關成本費用或損失的，則直接計入其他收益或營業外收入。

本集團取得政策性優惠貸款貼息的會計處理方法為：

- 財政將貼息資金撥付給貸款銀行，由貸款銀行以政策性優惠利率向公司提供貸款的，以實際收到的借款金額作為借款的入賬價值，按照借款本金和該政策性優惠利率計算相關借款費用。

- 財政將貼息資金直接撥付給本集團的，將對應的貼息沖減相關借款費用。

III. Significant accounting policies and accounting estimates (cont'd)

23 Income tax

Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination or items recognised directly in equity (including other comprehensive income).

Current tax is the expected tax payable calculated at the applicable tax rate on taxable income for the year, plus any adjustment to tax payable in respect of previous years.

At the balance sheet date, current tax assets and liabilities are offset only if the Group has a legally enforceable right to set them off and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and deferred tax liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases, which include the deductible losses and tax credits carried forward to subsequent periods. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is not recognised for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss). Deferred tax is not recognised for taxable temporary differences arising from the initial recognition of goodwill.

三、公司重要會計政策、會計估計（續）

23、所得稅

除因企業合併和直接計入所有者權益(包括其他綜合收益)的交易或者事項產生的所得稅外，本集團將當期所得稅和遞延所得稅計入當期損益。

當期所得稅是按本年度應稅所得額，根據稅法規定的稅率計算的預期應交所得稅，加上以往年度應付所得稅的調整。

資產負債表日，如果本集團擁有以淨額結算的法定權利並且意圖以淨額結算或取得資產、清償負債同時進行時，那麼當期所得稅資產及當期所得稅負債以抵銷後的淨額列示。

遞延所得稅資產與遞延所得稅負債分別根據可抵扣暫時性差異和應納稅暫時性差異確定。暫時性差異是指資產或負債的賬面價值與其計稅基礎之間的差額，包括能夠結轉以後年度的可抵扣虧損和稅款抵減。遞延所得稅資產的確認以很可能取得用來抵扣可抵扣暫時性差異的應納稅所得額為限。

如果不屬於企業合併交易且交易發生時既不影響會計利潤也不影響應納稅所得額(或可抵扣虧損)，則該項交易中產生的暫時性差異不會產生遞延所得稅。商譽的初始確認導致的暫時性差異也不產生相關的遞延所得稅。

III. Significant accounting policies and accounting estimates (cont'd)

23 Income tax (cont'd)

At the balance sheet date, deferred tax is measured based on the tax consequences that would follow from the expected manner of recovery or settlement of the carrying amount of the assets and liabilities, using tax rates enacted at the reporting date that are expected to be applied in the period when the asset is recovered or the liability is settled.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date, and is reduced to the extent that it is no longer probable that the related tax benefits will be utilised. Such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

At the balance sheet date, deferred tax assets and deferred tax liabilities are offset if all of the following conditions are met:

- the taxable entity has a legally enforceable right to offset current tax liabilities and current tax assets;

- different taxable entities which intend either to settle the current tax liabilities and current tax assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or deferred tax assets are expected to be settled or recovered.

三、公司重要會計政策、會計估計（續）

23、所得稅（續）

資產負債表日，本集團根據遞延所得稅資產和負債的預期收回或結算方式，依據已頒佈的稅法規定，按照預期收回該資產或清償該負債期間的適用稅率計量該遞延所得稅資產和負債的賬面金額。

資產負債表日，本集團對遞延所得稅資產的賬面價值進行覆核。如果未來期間很可能無法獲得足夠的應納稅所得額用以抵扣遞延所得稅資產的利益，則減記遞延所得稅資產的賬面價值。在很可能獲得足夠的應納稅所得額時，減記的金額予以轉回。

資產負債表日，遞延所得稅資產及遞延所得稅負債在同時滿足以下條件時以抵銷後的淨額列示：

- 納稅主體擁有以淨額結算當期所得稅資產及當期所得稅負債的法定權利；

- 遞延所得稅資產及遞延所得稅負債是與同一稅收徵管部門對同一納稅主體徵收的所得稅相關或者是對不同的納稅主體相關，但在未來每一具有重要性的遞延所得稅資產及負債轉回的期間內，涉及的納稅主體意圖以淨額結算當期所得稅資產和負債或是同時取得資產、清償負債。

III. Significant accounting policies and accounting estimates (cont'd)

24 Operating leases and finance leases

The accounting policies of lease are different before and after 1 January 2019. The details are as below:

Before 1 January 2019

A lease is classified as either a finance lease or an operating lease. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of a leased asset to the lessee, irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

(1) Operating lease charges

Rental payments under operating leases are recognised as part of the cost of another related asset or as expenses on a straight-line basis over the lease term.

(2) Assets leased out under operating leases

Fixed assets leased out under operating leases, are depreciated in accordance with the Group's depreciation policies described in Note III.11(2). Impairment losses are recognised in accordance with the accounting policy described in Note III.16. Income derived from operating leases is recognised in profit or loss using the straight-line method over the lease term. If initial direct costs incurred in respect of the assets leased out are material, the costs are initially capitalised and subsequently amortised in profit or loss over the lease term on the same basis as the lease income. Otherwise, the costs are charged to profit or loss immediately.

Upon the adoption of CAS No.21 – Lease (the "new lease standard"), the Group has applied the new lease standard from 1 January 2019. The details are as below. There are no significant cumulative effects of initial application of new lease standard. As a result, the Group has not recognised the adjustment to the opening balance of retained earnings and the amount of other relevant items in the financial statement at 1 January 2019, and comparative information has not been restated.

三、公司重要會計政策、會計估計（續）

24、租賃

本集團2019年1月1日之前和2019年1月1日之後的租賃的會計政策有所區別，具體列示如下：

2019年1月1日之前實施

租賃分為融資租賃和經營租賃。融資租賃是指無論所有權最終是否轉移但實質上轉移了與資產所有權有關的全部風險和報酬的租賃。經營租賃是指除融資租賃以外的其他租賃。

(1) 經營租賃租入資產

經營租賃租入資產的租金費用在租賃期內按直線法確認為相關資產成本或費用。

(2) 經營租賃租出資產

經營租賃租出的固定資產按附註三、11(2)所述的折舊政策計提折舊，按附註三、16所述的會計政策計提減值準備。經營租賃的租金收入在租賃期內按直線法確認為收入。經營租賃租出資產發生的初始直接費用，金額較大時予以資本化，在整個租賃期內按照與確認租金收入相同的基礎分期計入當期損益；金額較小時，直接計入當期損益。

根據自2019年1月1日起開始施行的《企業會計準則第21號－租賃》(「新租賃準則」)的規定，本集團自2019年1月1日開始實施新租賃準則，具體列示如下。本集團評估首次執行新租賃準則無重大的累計影響數，所以未調整2019年年初留存收益及財務報表其他相關項目金額，亦未對比較財務報表數據進行調整。

III. Significant accounting policies and accounting estimates (cont'd)

24 Operating leases and finance leases (cont'd)

After 1 January 2019

Lease is a contract that conveys the right to use an asset for a period of time in exchange for consideration.

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset for a period of time, an entity shall assess whether:

– The use of an identified asset is involved in the contract. An identified asset is explicitly specified or implicitly specified at the time that the asset is made available for use by the customer in a contract, when a capacity or other portion of an asset is an identified asset if it is physically distinct, otherwise the asset is not an identified asset, unless it represents substantially all of the capacity of the asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from use of the asset. The asset is not an identified asset if the supplier has the substantive right to substitute the asset throughout the period of use;

三、公司重要會計政策、會計估計（續）

24、租賃（續）

自2019年1月1日開始實施的新租賃準則

租賃，是指在一定期間內，出租人將資產的使用權讓與承租人以獲取對價的合同。

在合同開始日，本集團評估合同是否為租賃或者包含租賃。如果合同中一方讓渡了在一定期間內控制一項或多項已識別資產使用的權利以換取對價，則該合同為租賃或者包含租賃。

為確定合同是否讓渡了在一定期間內控制已識別資產使用的權利，本集團進行如下評估：

– 合同是否涉及已識別資產的使用。已識別資產可能由合同明確指定或在資產可供客戶使用時隱性指定，並且該資產在物理上可區分，或者如果資產的某部分產能或其他部分在物理上不可區分但實質上代表了該資產的全部產能，從而使客戶獲得因使用該資產所產生的幾乎全部經濟利益。如果資產的供應方在整個使用期間擁有對該資產的實質性替換權，則該資產不屬於已識別資產；

III. Significant accounting policies and accounting estimates (cont'd)

24 Operating leases and finance leases (cont'd)

After 1 January 2019 (cont'd)

– The lessee has the right to obtain substantially all of the economic benefits from use of the identified asset;

– The lessee has the right to direct the use of the identified asset.

The lessee and the lessor shall split the contract for which contains multiple single lease, and determine the accounting treatment to every single lease. The lessee and the lessor shall split the lease component and non-lease components when the contract contains both of them. The lessee shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The lessor shall allocate the consideration in accordance with the accounting policy of transaction price allocation described in Note III.19.

三、公司重要會計政策、會計估計（續）

24、租賃（續）

自2019年1月1日開始實施的新租賃準則（續）

– 承租人是否有權獲得在使用期間內因使用已識別資產所產生的幾乎全部經濟利益；

– 承租人是否有權在該使用期間主導已識別資產的使用。

合同中同時包含多項單獨租賃的，承租人和出租人將合同予以分拆，並分別各項單獨租賃進行會計處理。合同中同時包含租賃和非租賃部分的，承租人和出租人將租賃和非租賃部分進行分拆。在分拆合同包含的租賃和非租賃部分時，承租人按照各租賃部分單獨價格及非租賃部分的單獨價格之和的相對比例分攤合同對價。出租人按附註三、19所述會計政策中關於交易價格分攤的規定分攤合同對價。

III. Significant accounting policies and accounting estimates (cont'd)

24 Operating leases and finance leases (cont'd)

After 1 January 2019 (cont'd)

(1) The Group as lessee

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability. At the commencement date, a lessee shall measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date(less any lease incentives received), any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group depreciates the right-of-use asset on a straight-line basis. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment losses are recognized in accordance with the accounting policy described in Note III.16.

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group shall use the incremental borrowing rate.

三、公司重要會計政策、會計估計（續）

24、租賃（續）

自2019年1月1日開始實施的新租賃準則（續）

(1) 本集團作為承租人

在租賃期開始日，本集團對租賃確認使用權資產和租賃負債。使用權資產按照成本進行初始計量，包括租賃負債的初始計量金額、在租賃期開始日或之前支付的租賃付款額（扣除已享受的租賃激勵相關金額），發生的初始直接費用以及為拆卸及移除租賃資產、復原租賃資產所在場地或將租賃資產恢復至租賃條款約定狀態預計將發生的成本。

本集團使用直線法對使用權資產計提折舊。對能夠合理確定租賃期屆滿時取得租賃資產所有權的，本集團在租賃資產剩餘使用壽命內計提折舊。否則，租賃資產在租賃期與租賃資產剩餘使用壽命兩者孰短的期間內計提折舊。使用權資產按附註三、16所述的會計政策計提減值準備。

租賃負債按照租賃期開始日尚未支付的租賃付款額的現值進行初始計量，折現率為租賃內含利率。無法確定租賃內含利率的，採用本集團增量借款利率作為折現率。

III. Significant accounting policies and accounting estimates (cont'd)

24 Operating leases and finance leases (cont'd)

After 1 January 2019 (cont'd)

(1) The Group as lessee (cont'd)

The Group shall recognize the interest based on a constant periodic interest rate on the lease liability in profit or loss or the cost of underlying assets in each period during the lease term. The variable lease payments not included in the measurement of the lease liability shall be recognized in profit or loss or the cost of underlying assets in the period when it occurs.

After the commencement date, the Group shall apply the present value of revised lease payment to remeasure the lease liability, for the following situations occurs:

- there is a change in the amounts expected to be payable under a residual value guarantee;
- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of an option to purchase, extend or terminate the lease of underlying asset, or the practical exercise of an option to extend or terminated the lease is inconsistent with the original assessment.

三、公司重要會計政策、會計估計（續）

24、租賃（續）

自2019年1月1日開始實施的新租賃準則（續）

(1) 本集團作為承租人（續）

本集團按照固定的週期性利率計算租賃負債在租賃期內各期間的利息費用，並計入當期損益或相關資產成本。未納入租賃負債計量的可變租賃付款額在實際發生時計入當期損益或相關資產成本。

租賃期開始日後，發生下列情形的，本集團按照變動後租賃付款額的現值重新計量租賃負債：

- 根據擔保餘值預計的應付金額發生變動；
- 用於確定租賃付款額的指數或比率發生變動；
- 本集團對購買選擇權、續租選擇權或終止租賃選擇權的評估結果發生變化，或續租選擇權或終止租賃選擇權的實際行使情況與原評估結果不一致。

III. Significant accounting policies and accounting estimates (cont'd)

24 Operating leases and finance leases (cont'd)

After 1 January 2019 (cont'd)

(1) The Group as lessee (cont'd)

The Group shall recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group shall recognize any remaining amount of the remeasurement in profit or loss.

(2) The Group as lessor

At the commencement date, the Group shall classify each of its leases as either an operating lease or a finance lease. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of a leased asset to the lessee, irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

At the commencement date, the Group shall derecognise assets held under a finance lease and present them as a receivable at an amount equal to the net investment in the lease. Net investment in the lease is the sum of any unguaranteed residual value accruing to the lessor and the lease payments receivable by a lessor under a finance lease discounted at the interest rate implicit in the lease.

三、公司重要會計政策、會計估計（續）

24、租賃（續）

自2019年1月1日開始實施的新租賃準則（續）

(1) 本集團作為承租人（續）

在對租賃負債進行重新計量時，本集團相應調整使用權資產的賬面價值。使用權資產的賬面價值已調減至零，但租賃負債仍需進一步調減的，本集團將剩餘金額計入當期損益。

(2) 本集團作為出租人

在租賃開始日，本集團將租賃分為融資租賃和經營租賃。融資租賃是指無論所有權最終是否轉移但實質上轉移了與租賃資產所有權有關的幾乎全部風險和報酬的租賃。經營租賃是指除融資租賃以外的其他租賃。

融資租賃下，在租賃期開始日，本集團對融資租賃確認應收融資租賃款，並終止確認融資租賃資產。本集團對應收融資租賃款進行初始計量時，將租賃投資淨額作為應收融資租賃款的入賬價值。租賃投資淨額為未擔保餘值和租賃期開始日尚未收到的租賃收款額按照租賃內含利率折現的現值之和。

III. Significant accounting policies and accounting estimates (cont'd)

24 Operating leases and finance leases (cont'd)

After 1 January 2019 (cont'd)

(2) The Group as lessor (cont'd)

The Group shall recognise finance income over the lease term, based on constant periodic rate of return. The Group shall apply the derecognition and impairment requirements in accordance with the accounting policy described in Note III.8. The variable lease payments not included in the measurement of net investment in the lease shall be recognised in profit or loss when it occurs.

The Group shall recognise lease payments from operating leases as income on a straight-line basis. The Group shall add initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognise those costs as an expense over the lease term on the same basis as the lease income. The variable lease payments not included in the measurement of lease payments shall be recognised in profit or loss when it occurs.

Fixed assets leased out under operating leases, are depreciated in accordance with the Group's depreciation policies described in Note III.11(2). Impairment losses are recognised in accordance with the accounting policy described in Note III.16.

三、公司重要會計政策、會計估計（續）

24、租賃（續）

自2019年1月1日開始實施的新租賃準則（續）

(2) 本集團作為出租人（續）

本集團按照固定的週期性利率計算並確認租賃期內各個期間的利息收入。應收融資租賃款的終止確認和減值按附註三、8所述的會計政策進行會計處理。未納入租賃投資淨額計量的可變租賃付款額在實際發生時計入當期損益。

經營租賃的租賃收款額在租賃期內按直線法確認為租金收入。本集團將其發生的與經營租賃有關的初始直接費用予以資本化，在租賃期內按照與租金收入確認相同的基礎進行分攤，分期計入當期損益。未計入租賃收款額的可變租賃付款額在實際發生時計入當期損益。

經營租賃租出的固定資產按附註三、11(2)所述的折舊政策計提折舊，按附註三、16所述的會計政策計提減值準備。

III. Significant accounting policies and accounting estimates (cont'd)

25 Profit distributions

Dividends or profit distributions proposed in the profit appropriation plan, which will be approved after the balance sheet date, are not recognised as a liability at the balance sheet date but are disclosed in the notes separately.

26 Related parties

If a party has the power to control, jointly control or exercise significant influence over another party, or vice versa, or where two or more parties are subject to common control or joint control from another party, they are considered to be related parties. Related parties may be individuals or enterprises. Enterprises with which the Company is under common control only from the State and that have no other related party relationships are not regarded as related parties.

27 Segment reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organisation, management requirements and internal reporting system after taking the materiality principle into account. Two or more operating segments may be aggregated into a single operating segment if the segments have the similar economic characteristics and are same or similar in respect of the nature of each segment's products and services, the nature of production processes, the types or classes of customers for the products and services, the methods used to distribute the products or provide the services, and the nature of the regulatory environment.

Inter-segment revenues are measured on the basis of the actual transaction prices for such transactions for segment reporting. Segment accounting policies are consistent with those for the consolidated financial statements.

三、公司重要會計政策、會計估計（續）

25、股利分配

資產負債表日後，經審議批准的利潤分配方案中擬分配的股利或利潤，不確認為資產負債表日的負債，在附註中單獨披露。

26、關聯方

一方控制、共同控制另一方或對另一方施加重大影響，以及兩方或兩方以上同受一方控制、共同控制的，構成關聯方。關聯方可為個人或企業。僅僅同受國家控制而不存在其他關聯方關係的企業，不構成關聯方。

27、分部報告

本集團以內部組織結構、管理要求、內部報告制度為依據確定經營分部。如果兩個或多個經營分部存在相似經濟特徵且同時在各單項產品或勞務的性質、生產過程的性質、產品或勞務的客戶類型、銷售產品或提供勞務的方式、生產產品及提供勞務受法律及行政法規的影響等方面具有相同或相似性的，可以合併為一個經營分部。本集團以經營分部為基礎考慮重要性原則後確定報告分部。

本集團在編製分部報告時，分部間交易收入按實際交易價格為基礎計量。編製分部報告所採用的會計政策與編製本集團財務報表所採用的會計政策一致。

III. Significant accounting policies and accounting estimates (cont'd)

28 Significant accounting estimates and judgments

The preparation of the financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates as well as underlying assumptions and uncertainties involved are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Note V.11 and Note VIII contain information about the assumptions and their risk factors relating to impairment of goodwill and fair value of financial instruments. Other key sources of estimation uncertainty are as follows:

– *Impairment of accounts receivable*
  The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. Therefore, where the expectations are different from the original estimates, such differences will impact the carrying value of receivables and loss for the impairment of receivables recognised in the period in which such estimates have been changed.

三、公司重要會計政策、會計估計（續）

28、主要會計估計及判斷

編製財務報表時，本集團管理層需要運用估計和假設，這些估計和假設會對會計政策的應用及資產、負債、收入及費用的金額產生影響。實際情況可能與這些估計不同。本集團管理層對估計涉及的關鍵假設和不確定因素的判斷進行持續評估，會計估計變更的影響在變更當期和未來期間予以確認。

除附註五、11和附註八載有關於商譽減值和金融工具公允價值的假設和風險因素的數據外，其他主要估計金額的不確定因素如下：

– *應收賬款減值*
  本集團按照相當於整個存續期內預期信用損失的金額計量應收賬款的減值準備，並以逾期天數與違約損失率對照表為基礎計算其預期信用損失。違約損失率基於過去三年的實際信用損失經驗計算，並根據歷史數據收集期間的經濟狀況、當前的經濟狀況與本集團所認為的預計存續期內的經濟狀況三者之間的差異進行調整。所以，識別應收賬款減值需運用判斷和估計。如預期與原本估計存在差異，該差異將影響與有關估計變動的期間確認的應收賬款賬面價值及應收賬款減值準備。

III. Significant accounting policies and accounting estimates (cont'd)

28 Significant accounting estimates and judgments (cont'd)

– *Provision for impairment of inventories*

As described in Note III.9, the net realisable value of inventories is under management's regular review, and as a result, provision for impairment of inventories is recognised for the excess of inventories' carrying amounts over their net realisable values. When making estimates of net realisable value, the Group takes into consideration the use of inventories and other information available to form the underlying assumptions, including the inventories' market prices and the Group's historical operating costs. The actual selling price, the costs of completion and the costs necessary to make the sale and related taxes may vary based on changes in market conditions and product saleability, manufacturing technology and the actual use of the inventories, resulting in changes in the provision for impairment of inventories. The net profit or loss may then be affected in the period when the impairment of inventories is adjusted.

– *Impairment of assets other than inventories and financial assets*

As described in Note III.16, assets other than inventories and financial assets are reviewed at each balance sheet date to determine whether the carrying amount exceeds the recoverable amount of the assets. If any such indication exists, an impairment loss is recognised.

三、公司重要會計政策、會計估計（續）

28、主要會計估計及判斷（續）

– *存貨跌價準備*

如附註三、9所述，本集團定期估計存貨的可變現淨值，並對存貨成本高於可變現淨值的差額確認存貨跌價損失。本集團在估計存貨的可變現淨值時，考慮持有存貨的目的，並以可得到的資料作為估計的基礎，其中包括存貨的市場價格及本集團過往的營運成本。存貨的實際售價、完工成本及銷售費用和稅金可能隨市場銷售狀況、生產技術工藝或存貨的實際用途等的改變而發生變化，因此存貨跌價準備的金額可能會隨上述原因而發生變化。對存貨跌價準備的調整將影響估計變更當期的損益。

– *除存貨及金融資產外的其他資產減值*

如附註三、16所述，本集團在資產負債表日對除存貨及金融資產外的其他資產進行減值評估，以確定資產可收回金額是否下跌至低於其賬面價值。如果情況顯示除存貨及金融資產外的其他資產的賬面價值可能無法全部收回，有關資產便會視為已減值，並相應確認減值損失。

III. Significant accounting policies and accounting estimates (cont'd)

28 Significant accounting estimates and judgments (cont'd)

– *Impairment of assets other than inventories and financial assets (cont'd)*

The recoverable amount of an asset (or an asset group) is the greater of its fair value less costs to sell and its present value of expected future cash flows. When a market price of the asset (or the asset group) cannot be obtained reliably, the fair value of the asset cannot be estimated reliably, the recoverable amount is calculated based on the present value of estimated future cash flows. In assessing the present value of estimated future cash flows, significant judgements are exercised to estimate the asset's production, selling price, related operating expenses and discount rate to calculate the present value. All relevant materials which can be obtained are used for estimation of the recoverable amount, including the estimation of the production, selling price and related operating expenses based on reasonable and supportable assumptions.

– *Depreciation and amortisation of assets such as fixed assets and intangible assets*

As described in Notes III. 11 and 14, assets such as fixed assets and intangible assets are depreciated and amortised over their useful lives after taking into account residual value. The estimated useful lives of the assets are regularly reviewed to determine the depreciation and amortisation costs charged in each reporting period. The useful lives of the assets are determined based on historical experience of similar assets and estimated technical changes. If there have been significant changes in the factors used to determine the depreciation or amortisation, the rate of depreciation or amortisation is revised prospectively.

三、公司重要會計政策、會計估計（續）

28、主要會計估計及判斷（續）

– *除存貨及金融資產外的其他資產減值（續）*

可收回金額是資產（或資產組）的公允價值減去處置費用後的淨額與資產（或資產組）預計未來現金流量的現值兩者之間的較高者。當本集團不能可靠獲得資產（或資產組）的公開市價，且不能可靠估計資產的公允價值時，本集團將預計未來現金流量的現值作為可收回金額。在預計未來現金流量現值時，需要對該資產（或資產組）生產產品的產量、售價、相關經營成本以及計算現值時使用的折現率等作出重大判斷。本集團在估計可收回金額時會採用所有能夠獲得的相關資料，包括根據合理和可支持的假設所作出有關產量、售價和相關經營成本的預測。

– *固定資產、無形資產等資產的折舊和攤銷*

如附註三、11和14所述，本集團對固定資產和無形資產等資產在考慮其殘值後，在使用壽命內計提折舊和攤銷。本集團定期審閱相關資產的使用壽命，以決定將計入每個報告期的折舊和攤銷費用數額。資產使用壽命是本集團根據對同類資產的已往經驗並結合預期的技術改變而確定。如果以前的估計發生重大變化，則會在未來期間對折舊和攤銷費用進行調整。

III. Significant accounting policies and accounting estimates (cont'd)

28 Significant accounting estimates and judgments (cont'd)

– *Income tax*

The Group is subject to income taxes in numerous jurisdictions. There are many transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgment is required from the Group in determining the provision for income taxes in each of these jurisdictions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

29 Changes in significant accounting policies

Description of and reasons for changes in accounting policies

The Group has applied the recently revised accounting standards and interpretations in 2019:

– CAS No.21 – Leases (Revised) ("New leases standard")

– Notice on Revision of the 2019 Illustrative Financial Statements (Caikuai [2019] No.6)

– Notice on Revision of the 2019 Consolidation Financial Statements (Caikuai [2019] No.16)

– CAS No.7 – Exchange of Non-monetary Assets (Revised) ("CAS 7 (2019)")

– CAS No.12 – Debt Restructuring (Revised) ("CAS 12 (2019)")

三、公司重要會計政策、會計估計（續）

28、主要會計估計及判斷（續）

– *所得稅*

本集團在多個地區繳納企業所得稅。在正常的經營活動中，很多交易和事項的最終稅務處理都存在不確定性。在計提各個地區的所得稅費用時，本集團需要作出重大判斷。如果這些稅務事項的最終確定結果與最初入賬的金額存在差異，該差異將對作出上述最終認定期間的所得稅費用和遞延所得稅的金額產生影響。

29、主要會計政策變更

會計政策變更的內容及原因

本集團於2019年度執行了財政部於近年頒佈的以下企業會計準則修訂：

– 《企業會計準則第21號－租賃（修訂）》（「新租賃準則」）

– 《關於修訂印發2019年度一般企業財務報表格式的通知》（財會[2019] 6號）

– 《關於修訂印發合併財務報表格式（2019版）的通知》（財會[2019] 16號）

– 《企業會計準則第7號－非貨幣性資產交換（修訂）》（「準則7號（2019）」）

– 《企業會計準則第12號－債務重組（修訂）》（「準則12號（2019）」）

III. Significant accounting policies and accounting estimates (cont'd)

29 Changes in significant accounting policies (cont'd)

Description of and reasons for changes in accounting policies (cont'd)

(1) New lease standard

The new lease standard replaces CAS No.21 – Lease issued by the MOF in 2006 (the "old lease standard"). The Group has applied the new lease standard from 1 January 2019 and adjusted the related accounting policies.

The new lease standard rectifies the definition of lease. The group makes assessment of whether a contract is, or contains, a lease, under the new lease standard.

- The Group as lessee

  Under the old lease standard, a lease is classified as finance lease or operating lease by whether all the risks and rewards incidental to ownership of an underlying asset to the Group.

  Under new lease standards, the Group recognizes right-of-use assets and lease liabilities for all leases (except for short-term leases or leases of low-value assets with simplified measurement), irrespective of finance lease or operating lease.

  A lessee shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

三、公司重要會計政策、會計估計（續）

29、主要會計政策變更（續）

會計政策變更的內容及原因（續）

(1) 新租賃準則

新租賃準則修訂了財政部於2006年頒佈的《企業會計準則第21號－租賃》（簡稱「原租賃準則」）。本集團自2019年1月1日起執行新租賃準則，對會計政策相關內容進行調整。

新租賃準則完善了租賃的定義，本集團在新租賃準則下根據租賃的定義評估合同是否為租賃或者包含租賃。

- 本集團作為承租人

  原租賃準則下，本集團根據租賃是否實質上將與資產所有權有關的全部風險和報酬轉移給本集團，將租賃分為融資租賃和經營租賃。

  新租賃準則下，本集團不再區分融資租賃與經營租賃。本集團對所有租賃（選擇簡化處理方法的短期租賃和低價值資產租賃除外）確認使用權資產和租賃負債。

  在分拆合同包含的租賃和非租賃部分時，本集團按照各租賃部分單獨價格及非租賃部分的單獨價格之和的相對比例分攤合同對價。

III. Significant accounting policies and accounting estimates (cont'd)

29 Changes in significant accounting policies (cont'd)

Description of and reasons for changes in accounting policies (cont'd)

(1) New lease standard (cont'd)

- The Group as lessor
  No adjustment of the opening balance of retained earnings and the amount of other relevant items in the financial statement at 1 January 2019 is required. The Group has applied the new lease standard from the first adopt date.

- The effect of application of new lease standard to the financial statement at 1 January 2019
  There are no significant cumulative effects of initial application of new lease standard. As a result, the Group has not recognised the adjustment to the opening balance of retained earnings and the amount of other relevant items in the financial statement at 1 January 2019, and comparative information has not been restated.

三、公司重要會計政策、會計估計（續）

29、主要會計政策變更（續）

會計政策變更的內容及原因（續）

(1) 新租賃準則（續）

- 本集團作為出租人
  本集團無需對其作為出租人的租賃調整首次執行新租賃準則當年年初留存收益及財務報表其他相關項目金額。本集團自首次執行日起按照新租賃準則進行會計處理。

- 2019年1月1日執行新租賃準則對財務報表的影響
  由於本集團評估首次執行新租賃準則無重大的累計影響數，所以未調整2019年年初留存收益及財務報表其他相關項目金額，亦未對比較財務報表數據進行調整。

III. Significant accounting policies and accounting estimates (cont'd)

三、公司重要會計政策、會計估計（續）

29 Changes in significant accounting policies (cont'd)

Description of and reasons for changes in accounting policies (cont'd)

(2) Presentation of financial statements

The Group has prepared financial statements for the year 2019 in accordance with the presentation format of the financial statements specified in Caikuai [2019] No.6 and Caikuai [2019] No.16. The Group has applied the new presentation requirements retrospectively.

The following table provide the effect of adjustments:

Affected assets and liabilities items in the consolidated balance sheet and company balance sheet as at 31 December 2018:

29、主要會計政策變更（續）

會計政策變更的內容及原因（續）

(2) 財務報表列報

本集團根據財會[2019] 6號和財會[2019] 16號規定的財務報表格式編製2019年財務報表，並採用追溯調整法變更了相關財務報表列報。

相關列報調整影響如下：

2018年12月31日受影響的合併資產負債表和母公司資產負債表項目：

2018年12月31日		The Group 本集團		
		Before adjustments 調整前	**Adjustments 調整數**	**After adjustments 調整後**
Bills receivable	應收票據	–	6,119,488	6,119,488
Accounts receivable	應收賬款	–	170,512,897	170,512,897
Bills and accounts receivable	應收票據及應收賬款	176,632,385	(176,632,385)	–
Total	合計		–	

III. Significant accounting policies and accounting estimates (cont'd)

三、公司重要會計政策、會計估計（續）

29 Changes in significant accounting policies (cont'd)

Description of and reasons for changes in accounting policies (cont'd)

(2) Presentation of financial statements (cont'd)

29、主要會計政策變更（續）

會計政策變更的內容及原因（續）

(2) 財務報表列報（續）

2018年12月31日		The Company 本公司		
		Before adjustments 調整前	**Adjustments 調整數**	**After adjustments 調整後**
Bills receivable	應收票據	–	6,119,488	6,119,488
Accounts receivable	應收賬款	–	150,898,112	150,898,112
Bills and accounts receivable	應收票據及應收賬款	157,017,600	(157,017,600)	–
Total	合計		–	

(3) CAS 7 (2019)

CAS 7 (2019) further clarifies the scope of the standard, specifies the timing for recognition of assets received and derecognition of assets given up, and the accounting treatment for cases in which the timing of recognition and derecognition are inconsistent. The standard modifies the principle of measurement for multiple assets received or given up simultaneously in exchanges of non-monetary assets measured at fair value. It also requires the disclosure of whether exchanges of non-monetary assets have commercial substance and the reasons why they do or do not have commercial substance.

(3) 準則7號(2019)

準則7號(2019)細化了非貨幣性資產交換準則的適用範圍，明確了換入資產的確認時點和換出資產的終止確認時點並規定了兩個時點不一致時的會計處理方法，修訂了以公允價值為基礎計量的非貨幣性資產交換中同時換入或換出多項資產時的計量原則，此外新增了對非貨幣資產交換是否具有商業實質及其原因的披露要求。

III. Significant accounting policies and accounting estimates (cont'd)

29 Changes in significant accounting policies (cont'd)

Description of and reasons for changes in accounting policies (cont'd)

(3) CAS 7 (2019) (cont'd)

The effective date of CAS 7 (2019) is 10 June 2019. Exchanges of non-monetary assets that occurred between 1 January 2019 and the effective date shall be adjusted according to CAS 7 (2019). Retrospective adjustment is not required for exchanges of non-monetary assets prior to 1 January 2019. The adoption of CAS 7 (2019) has no material effect on the financial position and financial performance of the Group.

(4) CAS 12 (2019)

CAS 12 (2019) modifies the definition of debt restructuring to specify the scope of this standard, as well as the application of relevant financial instruments standards with respect to the recognition, measurement and presentation of financial instruments involved in debt restructuring. For debt restructuring in which a debt is settled by the transfer of assets, CAS 12 (2019) modifies the principle of measurement for initial recognition of non-financial assets received by the creditor, and gains or losses of the debtor from debt restructuring are recognised without distinguishing whether they are gains or losses from asset transfer or debt restructuring. For debt restructuring in which a debt is settled by the issuance of equity instruments to the creditor, CAS 12 (2019) revises the principle of measurement for initial recognition of its share of equity by the creditor, and provides more guidance on the principle of measurement for initial recognition of equity instruments by the debtor.

三、公司重要會計政策、會計估計（續）

29、主要會計政策變更（續）

會計政策變更的內容及原因（續）

(3) 準則7號(2019)（續）

準則7號(2019)自2019年6月10日起施行，對2019年1月1日至準則施行日之間發生的非貨幣性資產交換根據該準則規定進行調整，對2019年1月1日之前發生的非貨幣性資產交換，不再進行追溯調整。採用該準則未對本集團的財務狀況和經營成果產生重大影響。

(4) 準則12號(2019)

準則12號(2019)修改了債務重組的定義，明確了該準則的適用範圍，並規定債務重組中涉及的金融工具的確認、計量和列報適用金融工具相關準則的規定。對於以資產清償債務方式進行債務重組的，準則12號(2019)修改了債權人受讓非金融資產初始確認時的計量原則，並對於債務人在債務重組中產生的利得和損失不再區分資產轉讓損益和債務重組損益兩項損益進行列報。對於將債務轉為權益工具方式進行債務重組的，準則12號(2019)修改了債權人初始確認享有股份的計量原則，並對於債務人初始確認權益工具的計量原則增加了指引。

III. Significant accounting policies and accounting estimates (cont'd)

29 Changes in significant accounting policies (cont'd)

Description of and reasons for changes in accounting policies (cont'd)

(4) CAS 12 (2019) (cont'd)

The effective date of CAS 12 (2019) is 17 June 2019. Debt restructuring that occurred between 1 January 2019 and the effective date shall be adjusted according to CAS 12 (2019). Retrospective adjustment is not required for debt restructuring prior to 1 January 2019. The adoption of CAS 12 (2019) has no material effect on the financial position and financial performance of the Group.

三、公司重要會計政策、會計估計（續）

29、主要會計政策變更（續）

會計政策變更的內容及原因（續）

(4) 準則12號(2019)（續）

準則12號(2019)自2019年6月17日起施行，對2019年1月1日至準則施行日之間發生的債務重組根據該準則規定進行調整，對2019年1月1日之前發生的債務重組，不再進行追溯調整。採用該準則未對本集團的財務狀況和經營成果產生重大影響。

IV. Taxation 四、稅項

1 Main types of taxes and corresponding tax rates 1、主要稅種及稅率

Tax type 稅種	Tax basis 計稅依據	Tax rate 稅率
Value-added tax (VAT)	Output VAT is calculated on product sales and taxable services revenue, based on tax laws. The remaining balance of output VAT, after subtracting the deductible input VAT of the period, is VAT payable	9%, 10%, 11%, 13%, 16%, 17%
增值稅	按稅法規定計算的銷售貨物和應稅勞務收入為基礎計算銷項稅額，在扣除當期允許抵扣的進項稅額後，差額部分為應交增值稅	9%、10%、11%、13%、16%、17%
Property tax	Price based tax: 1.2% of the residual value after deducting 30% from the original value of the property; rental income based tax: 12% of the rental income	
房產稅	從價計征的：按房產原值一次減除30%後餘值的1.2%計征；從租計征的：按租金收入的12%計征	
City maintenance and construction tax	Based on VAT paid	1%, 5%, 7%
城市維護建設稅	按應交增值稅計征	1%、5%、7%
Education surcharges	Based on VAT paid	3%
教育費附加	按應交增值稅計征	3%
Local education surcharges	Based on VAT paid	2%
地方教育費附加	按應交增值稅計征	2%
Enterprise income tax	Based on taxable profits	15%, 25%
企業所得稅	按應納稅所得額計征	15%、25%

Note: According to the Notice of the Ministry of Finance and the State Administration of Taxation on the Adjustment of the VAT Rate (Cai Shui [2018] No.32), the taxable business with VAT rates of 17% and 11% were changed to 16% and 10% respectively from 1 May 2018.

註：根據《財政部、國家稅務總局關於調整增值稅稅率的通知》（財稅[2018] 32號），自2018年5月1日起，納稅人發生增值稅應稅業務，將增值稅稅率由17%和11%分別調整為16%、10%

IV. Taxation (cont'd)

1 Main types of taxes and corresponding tax rates (cont'd)

According to the Announcement on Policies for Deepening the VAT Reform of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs (Cai Shui [2019] No.39), the taxable business with VAT rates of 16% and 10% were changed to 13% and 9% respectively from 1 April 2019.

According to the Announcement of the State Administration of Taxation of Shaanxi Province and the Department of Finance of Shaanxi Province on the Trial Implementation of the Verification and Deduction Method of Input VAT of Agricultural Products for the Concentrated Fruit Juice Industry, the Notice of the Department of Finance of Shanxi Province and the State Administration of Taxation of Shanxi Province on the Inclusion of Fruit & Vegetable Juice Business and Fruit &Vegetable Beverage Business into the Pilot Scheme for the Verification and Deduction of Input VAT, as well as the Notice of the State Administration of Taxation of Dalian and the Finance Bureau of Dalian on Expanding the Verification and Deduction of Input VAT on Agricultural Products, the verification and deduction of input VAT for agricultural products has become applicable to Baishui Andre Juice Co. Ltd. and Liquan Yitong Juice Co., Ltd. since January 2014, has become applicable to Yongji Andre Juice Co., Ltd. since December 2014 and has become applicable to Dalian Andre Juice Co., Ltd. since April 2018. When purchasing agricultural products, the book value of raw materials shall be recognised according to the VAT inclusive purchase price. When selling finished goods, the approved deduction of input VAT shall offset against the operating costs in current period. Accordingly, the balance of deductible input VAT at the end of the year does not include the input VAT for agricultural products if associated finished goods have not been sold out.

四、稅項（續）

1、主要稅種及稅率（續）

根據《財政部、國家稅務總局、海關總署關於深化增值稅改革有關政策的公告》（財稅[2019] 39號），自2019年4月1日起，納稅人發生增值稅應稅業務，將增值稅稅率由16%和10%分別調整為13%、9%。

根據《陝西省國家稅務局、陝西省財政廳關於在濃縮果汁行業試行農產品增值稅進項稅額核定扣除辦法的公告》、《山西省財政廳、山西省國家稅務局關於果菜汁與果菜飲料等行業納入增值稅進項稅額核定扣除試點的通知》以及《大連市國家稅務局、大連市財政局關於擴大農產品增值稅進項稅額核定扣除試點有關問題的公告》，本集團之子公司白水安德利果蔬汁有限公司和禮泉億通果蔬汁有限公司自2014年1月起、永濟安德利果蔬汁有限公司自2014年12月起、大連安德利果蔬汁有限公司自2018年4月起適用農產品增值稅進項稅額核定扣除。在購入農產品時，按照含稅金額確認原材料入賬價值，在產成品銷售時，將進項稅核定扣除額抵減當期營業成本。由此，本集團年末待抵扣增值稅不包括適用農產品增值稅進項稅額核定扣除方法下尚未實現銷售的購入農產品的進項稅額。

IV. Taxation (cont'd)

2 Tax preferential benefit

The Company and other domestic subsidiaries are subject to income tax rate 25% in 2019 (2018: 25%) except for the following subsidiaries and the overseas subsidiaries of the Company which were taxed at the local applicable income tax rates.

(a) According to implementing the Western Development Program about taxation preferential policy issued by Ministry of Finance, State Administration of Taxation, General Administration of Customs (Cai Shui No.202[2001]), notice of the State Administration of Taxation on specific opinions for implementing taxation policies for the Great Development of the Western Regions (Guo Shui Fa No.47[2002]), notice of State Council on implementation of transitional enterprise income tax incentives (Guo Fa No.39[2007]), the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, notice of Ministry of Finance, State Administration of Taxation, General Administration of Customs on implementation of Western Development Program about taxation policy (Cai Shui No.58[2011]), the income tax rate is 15% for Baishui Andre Juice Co., Ltd. from 2011 to 2020 and 15% for Anyue Andre Lemon Industry Technology Co., Ltd. from 2017 to 2020.

四、稅項（續）

2、稅收優惠

除下述享受稅收優惠的子公司外，本公司及境內各子公司本年度適用的所得稅稅率為25%(2018：25%)，本公司的境外子公司按當地適用稅率繳納所得稅。

(a) 根據《財政部、國家稅務總局、海關總署關於西部大開發稅收優惠政策問題的通知》（財稅[2001] 202號）、《國家稅務總局關於落實西部大開發有關稅收政策具體實施意見的通知》（國稅發[2002] 47號）、國務院《關於實施企業所得稅過渡優惠政策的通知》（國發[2007] 39號）、《中華人民共和國企業所得稅法》（以下簡稱「企業所得稅法」）及其實施條例以及《財政部、國家稅務總局、海關總署關於深入實施西部大開發戰略有關稅收政策問題的通知》（財稅[2011] 58號）的規定，白水安德利果蔬汁有限公司自2011年至2020年止期間減按15%稅率計算繳納企業所得稅；安岳安德利檸檬產業科技有限公司自2017年至2020年止期間減按15%稅率計算繳納企業所得稅。

IV. Taxation (cont'd)

2 Tax preferential benefit (cont'd)

(b) According to the announcement of the Ministry of Finance and the State Administration of Taxation on the issuance of the scope of primary processing of agricultural products (for trial Implementation) enjoying preferential policies of enterprise income tax (Cai Shui [2008] No. 149), during 2018 and 2019, the produce and sale of fruit juice by Yantai North Andre Juice Co., Ltd. and the produce and sale of fruit juice and bio-stuff by Baishui Andre Juice Co., Ltd., Xuzhou Andre Juice Co., Ltd., Yantai Longkou Andre Juice Co., Ltd., Dalian Andre Juice Co., Ltd., Yongji Andre Juice Co., Ltd., Liquan Yitong Juice Co., Ltd., and Anyue Andre Lemon Industry Technology Co., Ltd. are exempt from the PRC income tax.

四、稅項（續）

2、稅收優惠（續）

(b) 根據財政部、國家稅務總局財稅[2008] 149號《關於發佈享受企業所得稅優惠政策的農產品初加工範圍（試行）的通知》，2018年度及2019年度，烟台北方安德利果汁股份有限公司生產及銷售的原漿果汁，子公司白水安德利果蔬汁有限公司、徐州安德利果蔬汁有限公司、烟台龍口安德利果汁飲料有限公司、大連安德利果蔬汁有限公司、永濟安德利果蔬汁有限公司、禮泉億通果蔬汁有限公司、安岳安德利檸檬產業科技有限公司生產及銷售的原漿果汁、果渣，享受免征所得稅的優惠政策。

V. Notes to the consolidated financial statements

五、合併財務報表項目註釋

1 Cash at bank and on hand

1、貨幣資金

Item	項目	**2019** **2019年**	2018 2018年
Cash on hand	庫存現金	**78,549**	102,994
Deposits with banks	銀行存款	**273,971,754**	378,583,613
Total	合計	**274,050,303**	378,686,607

As at 31 December 2019 and 31 December 2018, there are no bank deposits with restrictions placed on the Group's ownership.

於2019年12月31日及2018年12月31日，本集團無所有權受到限制的銀行存款。

2 Bills receivable

2、應收票據

Item	種類	**2019** **2019年**	2018 2018年
Bank acceptance bills	銀行承兑匯票	**2,944,118**	6,119,488

All of the above bills receivable were due within one year, and were not pledged.

上述應收票據均為一年內到期，且未被質押。

The carrying amount of undue bills receivable that have been endorsed and derecognized are RMB1,100,000. As at 31 December 2019, the remaining maturities of the derecognized bills ranged from 1 to 5 months.

於2019年12月31日，本集團已背書並已終止確認的未到期應收票據的賬面金額為人民幣1,100,000元。於2019年12月31日，終止確認票據剩餘期限為1至5個月。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

2 Bills receivable (cont'd)

The carrying amount of undue bills receivable that have been endorsed and derecognized are RMB4,328,596. As at 31 December 2018, the remaining maturities of the derecognized bills ranged from 1 to 4 months.

According to the Bill Law of the People's Republic of China, if the acceptance banks of bills receivable that are discounted or endorsed by the Group refuse to pay the bills, the bills holders has recourse to the Group. The Board of Directors believe that there is no significant default risk of the acceptance banks which the bills were endorsed to and the Group had substantially transferred almost all the risks and rewards of those bills which have been endorsed and derecognized. Therefore, the Group derecognized these bills in full.

2、應收票據（續）

於2018年12月31日，本集團已背書並已終止確認的未到期應收票據的賬面金額為人民幣4,328,596元。於2018年12月31日，終止確認票據剩餘期限為1至4個月。

根據中華人民共和國票據法，如本集團貼現或背書的應收票據的承兑銀行拒絕付款，持票人對本集團擁有追索權。董事會認為，已背書票據的承兑銀行不存在重大銀行違約風險，對於終止確認的已背書票據，本集團已實質上轉移了該等票據幾乎所有的風險和報酬，因此，本集團全額終止確認這些票據。

3 Accounts receivable

(1) Accounts receivable by customer type are as follows:

3、應收賬款

(1) 應收賬款按客戶類別分析如下：

Customer type	客戶類別	**2019** **2019年**	2018 2018年
Third Parties	第三方	**211,754,002**	170,568,056
Related Parties	關聯方	**13,013,291**	7,973,345
Sub-total	小計	**224,767,293**	178,541,401
Less: Provision for bad and doubtful debts	減：壞賬準備	**8,455,124**	8,028,504
Total	合計	**216,312,169**	170,512,897

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

3 Accounts receivable (cont'd)

(2) The ageing analysis of accounts receivable is as follows:

3、應收賬款（續）

(2) 應收賬款按賬齡分析如下：

Ageing		**2019** **2019年**	2018 2018年
Within 6 months (inclusive)	6個月以內（含6個月）	**223,227,441**	133,249,902
Over 6 months but within 1 year (inclusive)	6個月至1年（含1年）	**1,531,278**	45,288,886
Over 1 year but within 2 years (inclusive)	1年至2年（含2年）	**8,574**	2,613
Sub-total	小計	**224,767,293**	178,541,401
Less: Provision for bad and doubtful debts	減：壞賬準備	**8,455,124**	8,028,504
Total	合計	**216,312,169**	170,512,897

The ageing is counted starting from the date when accounts receivable are recognised.

賬齡自應收賬款確認日起開始計算。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

3 Accounts receivable (cont'd)

(3) Provision for bad and doubtful debts for accounts receivable is as follows:

The group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the group's different customer bases.

The following table provides information about the group's exposure to credit risk and ECLs for trade receivables as at 31 Dec 2019 and 31 Dec 2018:

3、應收賬款（續）

(3) 應收賬款的壞賬準備計提方法披露如下：

本集團始終按照相當於整個存續期內預期信用損失的金額計量應收賬款的減值準備，並以逾期天數與違約損失率對照表為基礎計算其預期信用損失。根據本集團的歷史經驗，不同細分客戶群體發生損失的情況沒有顯著差異，因此在根據逾期信息計算減值準備時未進一步區分不同的客戶群體。

下表列示了在2019年12月31日及2018年12月31日，本集團應收賬款的信用風險敞口及預期信用損失的相關信息：

31 Dec 2019	**截至2019年12月31日**	**Expected loss rate 違約損失率**	**Year-end gross carrying amount 年末賬面餘額**	**Year-end loss allowance 年末減值準備**
Current (not past due)	未逾期	3%	215,494,975	6,464,849
1 - 30 days past due	逾期30天內	20%	8,964,328	1,792,866
31 - 60 days past due	逾期31到60天	40%	184,302	73,721
More than 61 days past due	逾期61天以上	100%	123,688	123,688
Total	合計		224,767,293	8,455,124

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

3 Accounts receivable (cont'd)

(3) Provision for bad and doubtful debts for accounts receivable is as follows: (cont'd)

3、應收賬款（續）

(3) 應收賬款的壞賬準備計提方法披露如下：（續）

31 Dec 2018	截至2018年12月31日	Expected loss rate 違約損失率	Year-end gross carrying amount 年末賬面餘額	Year-end loss allowance 年末減值準備
Current (not past due)	未逾期	0.81%	144,034,492	1,162,479
1 – 30 days past due	逾期30天內	6%	21,427,783	1,285,667
31 – 60 days past due	逾期31到60天	26%	10,133,469	2,634,702
More than 61 days past due	逾期61天以上	100%	2,945,657	2,945,656
Total	合計		178,541,401	8,028,504

Expected loss rates are based on actual loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the group's view of economic conditions over the expected lives of the receivables.

違約損失率基於過去的實際信用損失經驗計算，並根據歷史數據收集期間的經濟狀況、當前的經濟狀況與本集團所認為的預計存續期內的經濟狀況三者之間的差異進行調整。

(4) Movement in the provision for bad and doubtful debts:

(4) 壞賬準備的變動情況：

		31 December 2019 2019年	31 December 2018 2018年
Balance under the original financial instruments standards	原金融工具準則下的餘額		5,066,262
Impact on initial application of the new financial instrument standard	首次執行新金融工具準則的調整金額		–
Balance at the beginning of the year /Adjusted balance at the beginning of the year	年初餘額／調整後的年初餘額	**8,028,504**	5,066,262
Reversals during the year	本年轉回	**(3,545,408)**	–
Additions during the year	本年計提	**3,972,028**	2,962,242
Balance at the end of the year	合計	**8,455,124**	8,028,504

V. Notes to the consolidated financial statements (cont'd)

3 Accounts receivable (cont'd)

(4) Movement in the provision for bad and doubtful debts: (cont'd)

The following significant changes in the book value of accounts receivable resulted in changes in bad debt provisions for accounts receivable:

As at 31 December 2019, the increase of book value of unexpired accounts receivable by RMB71,460,483 result in the increase of the provision for bad and doubtful debts by RMB5,302,370 while the decrease of book value of overdue accounts receivable by RMB25,234,591 results in a decrease of provision for bad and doubtful debts by RMB4,857,750.

As at 31 December 2018, the increase of the default loss rate in connection with the unexpired accounts receivable results in the increase of provision for bad and doubtful debts by RMB1,145,250 even though the book value of unexpired accounts receivable decreased by RMB28,254,711. The provision for bad and doubtful debts increase in further by RMB1,816,992 due to the increase of book value of overdue accounts receivable increased by RMB9,175,594.

五、合併財務報表項目註釋（續）

3、應收賬款（續）

(4) 壞賬準備的變動情況：（續）

下述應收賬款賬面餘額的顯著變動導致應收賬款壞賬準備的變動：

於2019年12月31日，未逾期的應收賬款賬面餘額增加71,460,483元，導致壞賬準備增加5,302,370元；逾期的應收賬款賬面餘額減少25,234,591元，導致壞賬準備減少4,857,750元。

於2018年12月31日，未逾期的應收賬款賬面餘額減少28,254,711元，同時違約損失率的增加，導致壞賬準備增加1,145,250元；逾期的應收賬款賬面餘額增加9,175,594元，導致壞賬準備增加1,816,992元。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

3 Accounts receivable (cont'd)

(5) Five largest accounts receivable by debtor at the end of the year

As at 31 December 2019, the subtotal of five largest accounts receivable of the Group is RMB102,561,300, representing 46% of the total accounts receivable, and the provisions of bad and doubtful debts is RMB3,776,117.

As at 31 December 2018, the subtotal of five largest accounts receivable of the Group is RMB101,017,128, representing 57% of the total accounts receivable, and the provisions of bad and doubtful debts is RMB4,734,992.

3、應收賬款（續）

(5) 按欠款方歸集的報告期內各年末餘額前五名的應收賬款情況

於2019年12月31日，本集團年末餘額前五名的應收賬款合計102,561,300元，佔應收賬款年末餘額合計數的46%，相應計提的壞賬準備年末餘額合計3,776,117元。

於2018年12月31日，本集團年末餘額前五名的應收賬款合計101,017,128元，佔應收賬款年末餘額合計數的57%，相應計提的壞賬準備年末餘額合計4,734,992元。

4 Prepayments

(1) Prepayments by type are as follows:

4、預付款項

(1) 預付款項按類別列示如下：

Type	類別	**2019** **2019年**	2018 2018年
Third Parties	第三方	**4,676,890**	2,756,252
Less: Provision for bad and doubtful debts	減：壞賬準備	**–**	–
Total	合計	**4,676,890**	2,756,252

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

4 Prepayments (cont'd)

(2) The ageing analysis of prepayments is as follows:

4、預付款項（續）

(2) 預付款項按賬齡列示如下：

Ageing 賬齡	**2019 2019年**		2018 2018年	
	Amount 金額	**Percentage (%) 比例(%)**	Amount 金額	Percentage (%) 比例(%)
Within 1 year (inclusive) 1年以內（含1年）	**4,676,890**	**100%**	2,756,252	100%

The ageing is counted starting from the date when prepayments are recognised.

賬齡自預付款項確認日起開始計算。

5 Other receivables

5、其他應收款

Item 項目	Notes 註	**2019 2019年**	2018 2018年
Others 其他	(1)	**86,037,197**	728,620

(1) Others

(a) Other receivables by client are as follows:

(1) 其他

(a) 按客戶類別分析如下：

Type 類別	**2019 2019年**	2018 2018年
Third parties 第三方	**86,037,197**	728,620
Less: Provision for bad and doubtful debts 減：壞賬準備	**–**	–
Total 合計	**86,037,197**	728,620

V. Notes to the consolidated financial statements (cont'd)

5 Other receivables (cont'd)

(1) Others (cont'd)

(a) Other receivables by client are as follows: (cont'd)

As at 31 December 2019, the balance of other receivables of the Group mainly include a compensation receivable of RMB84,154,999. In November 2019, a land resumption agreement was signed by Longkou Natural Resources and Planning Bureau and Longkou Andre Juice Co., Ltd. ("Longkou Andre") for compensating the resumption of the land use right of Longkou Andre. The compensation comprises: (1) RMB45,154,999 for the relocation of land, buildings and other facilities; (2) RMB39,000,000 for the construction of new plants and other production facilities. According to the land resumption agreement, Longkou Andre transferred the land use right (with a net book value of RMB13,240,080) and the buildings and other facilities (with a net book value of RMB30,880,821) to Longkou Natural Resources and Planning Bureau before the end of 2019, and has recognised the corresponding government compensation of RMB45,154,999. The compensation of RMB39,000,000 that related to the construction of new plant and other production facilities has been accounted as deferred income. The Group received the compensation of RMB84,154,999 in January 2020.

五、合併財務報表項目註釋（續）

5、其他應收款（續）

(1) 其他（續）

(a) 按客戶類別分析如下：（續）

於2019年12月31日，本集團的其他應收款餘額主要為烟台龍口安德利果汁飲料有限公司（「龍口安德利」）與龍口市自然資源和規劃局於2019年11月簽訂土地收回協議，龍口市自然資源和規劃局將收回龍口安德利的土地使用權並按照土地收回協議給予補償款人民幣84,154,999元。上述補償款包括：（1）土地收回協議項下土地、地上建築物及附著物等搬遷補償款45,154,999元；及（2）新廠房及其他生產設施建設補償款39,000,000元。依據上述土地回收協議，龍口安德利已於2019年底前已將上述土地（賬面淨值13,240,080元）及地上建築物及附著物（賬面淨值30,880,821元）交予龍口市自然資源和規劃局，並確認相應政府補償款45,154,999元以及新廠區建設相關補償39,000,000元計入遞延收益。上述合計補償款84,154,999元已於2020年1月收到。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

5 Other receivables (cont'd)

(1) Others (cont'd)

(b) The ageing analysis of other receivables is as follows:

5、其他應收款（續）

(1) 其他（續）

(b) 按賬齡分析如下：

Ageing	賬齡	**2019** **2019年**	2018 2018年
Within 1 year (inclusive)	1年以內（含1年）	**86,015,279**	706,252
Over 1 year but within 2 years (inclusive)	1年至2年（含2年）	**2,100**	22,368
Over 2 year but within 3 years (inclusive)	2年至3年（含3年）	**19,818**	–
Sub-total	小計	**86,037,197**	728,620
Less: Provision for bad and doubtful debts	減：壞賬準備	**–**	–
Total	合計	**86,037,197**	728,620

The ageing is counted starting from the date when other receivables are recognised.

賬齡自其他應收款確認日起開始計算。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

6 Inventories

(1) Inventories by category are as follows:

6、存貨

(1) 存貨分類

Item	存貨種類	2019 2019年 Book value 賬面餘額	Provision for impairment of inventories 跌價準備	Carrying amount 賬面價值	2018 2018年 Book value 賬面餘額	Provision for impairment of inventories 跌價準備	Carrying amount 賬面價值
Raw materials and packaging materials	原材料及包裝物	**33,988,932**	**–**	**33,988,932**	28,754,267	–	28,754,267
Finished goods	產成品	**614,873,140**	**(1,841,318)**	**613,031,822**	470,537,493	(4,965,230)	465,572,263
Total	合計	**648,862,072**	**(1,841,318)**	**647,020,754**	499,291,760	(4,965,230)	494,326,530

As at 31 December 2019 and 31 December 2018, no inventories were pledged as securities by the Group.

於2019年12月31日及2018年12月31日，本集團沒有用於擔保的存貨。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

6 Inventories (cont'd)

(2) An analysis of the movements of inventories for the year is as follows:

6、存貨（續）

(2) 存貨本年變動情況分析如下：

2019 **2019年**

Item	存貨種類	Balance at the beginning of the year 年初餘額	Additions during the year 本年增加額	Reductions during the year 本年減少額	Balance at the end of the year 年末餘額
Raw materials and packaging materials	原材料及包裝物	**28,754,267**	**633,484,650**	**628,249,985**	**33,988,932**
Finished goods	產成品	**470,537,493**	**749,001,652**	**604,666,005**	**614,873,140**
Sub-total	小計	**499,291,760**	**1,382,486,302**	**1,232,915,990**	**648,862,072**
Less: Provision for impairment of inventories	減：存貨跌價準備	**4,965,230**	**11,770**	**3,135,682**	**1,841,318**
Total	合計	**494,326,530**	**1,382,474,532**	**1,229,780,307**	**647,020,754**

2018 2018年

Item	存貨種類	Balance at the beginning of the year 年初餘額	Additions during the year 本年增加額	Reductions during the year 本年減少額	Balance at the end of the year 年末餘額
Raw materials and packaging materials	原材料及包裝物	32,033,062	450,791,359	454,070,154	28,754,267
Finished goods	產成品	742,649,394	537,835,617	809,947,518	470,537,493
Sub-total	小計	774,682,456	988,626,976	1,264,017,672	499,291,760
Less: Provision for impairment of inventories	減：存貨跌價準備	3,672,616	2,505,468	1,212,854	4,965,230
Total	合計	771,009,840	986,121,508	1,262,804,818	494,326,530

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

6 Inventories (cont'd)

6、存貨（續）

(3) Provision for impairment of inventories

(3) 存貨跌價準備

2019

2019年

Item	存貨種類	Balance at the beginning of the year 年初餘額	Additions During the year 本年增加	Written back during the year 本年減少金額		Balance at the end of the year 年末餘額
			Provision 計提	Reversals 轉回	Written-off 轉銷	
Finished goods	產成品	4,965,230	11,770	(399,289)	(2,736,393)	1,841,318

2018

2018年

Item	存貨種類	Balance at the beginning of the year 年初餘額	Additions During the year 本年增加	Written back during the year 本年減少金額		Balance at the end of the year 年末餘額
			Provision 計提	Reversals 轉回	Written-off 轉銷	
Finished goods	產成品	3,672,616	2,505,468	(92,689)	(1,120,165)	4,965,230

The Group recognized provision for impairment of inventories after determination of the net realisable value of its finished goods with reference to the current market price and the actual sales of its finished goods.

本集團按照目前市場價格狀況和產成品實際銷售情況，對產成品可變現淨值進行測試後，對其計提了存貨跌價準備。

The estimated selling price used to determine the net realisable value of inventories varies depending on whether a sales contract has been concluded. Where a contract has been concluded, the estimated selling price of inventories is recognised based on the contract amount, otherwise, it is determined based on the average contract price of recently concluded contracts and the market selling price of similar products.

計算存貨可變現淨值時所採用的估計售價區分已簽訂銷售合同和未簽訂銷售合同，已簽訂合同部分按照實際合同金額確認估計售價，未簽訂合同部分結合近期一般銷售價格確定估計售價。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

7 Other current assets

7、其他流動資產

Item	種類	**2019 2019年**	2018 2018年
Input VAT recoverable	待抵扣增值稅進項稅	**20,339,680**	28,741,897
Prepaid income tax	預繳所得稅	**3,251**	101,423
Total	合計	**20,342,931**	28,843,320

8 Fixed assets

8、固定資產

(1) Fixed assets

(1) 固定資產情況

Item	項目	**Plant & buildings 房屋及建築物**	**Machinery & equipment 機器設備**	**Office & other equipment 辦公設備及其他設備**	**Motor vehicles 運輸工具**	**Total 合計**
Cost	原值					
At 1 January 2018	2018年1月1日	539,839,107	896,401,476	22,316,364	9,058,448	1,467,615,395
Additions during the year	本年增加					
– Purchases	–購置	15,788,067	6,031,579	2,119,988	1,406,449	25,346,083
– Transfers from construction in progress	–在建工程轉入	2,660,881	28,105,590	572,486	191,551	31,530,508
Reductions during the year	本年減少					
– Disposals or retirement	–處置或報廢	(85,235)	(4,931,098)	(548,359)	(1,046,700)	(6,611,392)
– Transfers to construction in progress	–轉入在建工程	–	(50,216,973)	(42,288)	–	(50,259,261)
– Offset government grants against the book value	–政府補助沖減原值	–	(600,000)	–	–	(600,000)
– Other deductions	–其他減少	–	(196,719)	(58,875)	–	(255,594)
At 31 December 2018	2018年12月31日	558,202,820	874,593,855	24,359,316	9,609,748	1,466,765,739
At 1 January 2019	2019年1月1日	**558,202,820**	**874,593,855**	**24,359,316**	**9,609,748**	**1,466,765,739**
Additions during the year	本年增加					
– Purchases	–購置	**6,093,654**	**5,902,878**	**593,296**	**2,201,093**	**14,790,921**
– Transfers from construction in progress	–在建工程轉入	**6,471,381**	**6,251,261**	**–**	**–**	**12,722,642**
Reductions during the year	本年減少					
– Disposals or retirement	–處置或報廢	**(43,494,785)**	**(16,886,229)**	**(848,536)**	**(379,974)**	**(61,609,524)**
– Transfers to construction in progress	–轉入在建工程	**(293,000)**	**–**	**–**	**–**	**(293,000)**
– Offset government grants against the book value	–政府補助沖減原值	**–**	**(3,829,200)**	**–**	**–**	**(3,829,200)**
At 31 December 2019	2019年12月31日	**526,980,070**	**866,032,565**	**24,104,076**	**11,430,867**	**1,428,547,578**

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

8 Fixed assets (cont'd)

8、固定資產（續）

(1) Fixed assets (cont'd)

(1) 固定資產情況（續）

Item	項目	Plant & buildings 房屋及建築物	Machinery & equipment 機器設備	Office & other equipment 辦公設備及其他設備	Motor vehicles 運輸工具	Total 合計
Accumulated depreciation	累計折舊					
At 1 January 2018	2018年1月1日	(145,995,731)	(525,665,918)	(17,716,329)	(7,395,823)	(696,773,801)
Charge for the year	本年計提	(10,242,675)	(29,198,381)	(1,251,732)	(350,546)	(41,043,334)
Reductions during the year	本年減少					
– Disposals or retirement	–處置或報廢	76,712	2,342,393	477,280	935,465	3,831,850
– Transfers to construction in progress	–轉入在建工程	–	37,489,353	30,148	–	37,519,501
– Other deductions	–其他減少	–	97,627	26,527	–	124,154
At 31 December 2018	2018年12月31日	(156,161,694)	(514,934,926)	(18,434,106)	(6,810,904)	(696,341,630)
At 1 January 2019	2019年1月1日	**(156,161,694)**	**(514,934,926)**	**(18,434,106)**	**(6,810,904)**	**(696,341,630)**
Charge for the year	本年計提	**(10,303,186)**	**(28,747,503)**	**(1,110,335)**	**(842,265)**	**(41,003,289)**
Reductions during the year	本年減少					
– Disposals or retirement	–處置或報廢	**17,125,651**	**10,543,331**	**638,483**	**341,977**	**28,649,442**
– Transfers to construction in progress	–轉入在建工程	**101,828**	**–**	**–**	**–**	**101,828**
At 31 December 2019	2019年12月31日	**(149,237,401)**	**(533,139,098)**	**(18,905,958)**	**(7,311,192)**	**(708,593,649)**
Provision for impairment	減值準備					
At 1 January 2018	2018年1月1日	(16,731,276)	(15,687,811)	–	–	(32,419,087)
Charge for the year	本年計提	–	–	–	–	–
At 31 December 2018	2018年12月31日	(16,731,276)	(15,687,811)	–	–	(32,419,087)
At 1 January 2019	2019年1月1日	**(16,731,276)**	**(15,687,811)**	**–**	**–**	**(32,419,087)**
Charge for the year	本年計提	**–**	**–**	**–**	**–**	**–**
At 31 December 2019	2019年12月31日	**(16,731,276)**	**(15,687,811)**	**–**	**–**	**(32,419,087)**
Carrying amounts	賬面價值					
At 31 December 2019	2019年12月31日	361,011,393	317,205,656	5,198,118	4,119,675	687,534,842
At 31 December 2018	2018年12月31日	385,309,850	343,971,118	5,925,210	2,798,844	738,005,022

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

8 Fixed assets (cont'd)

(1) Fixed assets (cont'd)

As at 31 December 2019 and 31 December 2018, there are no fixed assets with restrictions placed on the Group's ownership.

As at 31 December 2019, the carrying amount of the Group's fixed assets includes the property and land ownership which were purchased in USA in 2019.

In December 2019, Longkou Andre disposed of its buildings and other facilities due to the land resumption. The original value of these fixed assets and the related accumulated depreciation amounted to RMB55,350,974 and RMB24,470,153, respectively. See note V.5(1)(a) for details.

(2) Temporarily idle fixed assets

As at 31 December 2019 and 31 December 2018, the Group's temporarily idle fixed assets are as follows:

8、固定資產（續）

(1) 固定資產情況（續）

於2019年12月31日及2018年12月31日，本集團無所有權受到限制的固定資產。

於2019年12月31日，固定資產賬面價值中包含本集團於2019年度在美國購買的房產及其土地所有權。

2019年12月，龍口安德利因土地收回將其地上建築物及附著物等固定資產處置，涉及固定資產原值55,350,974元以及累計折舊24,470,153，詳情參見附註五、5(1)(a)。

(2) 暫時閒置的固定資產情況

於2019年12月31日及2018年12月31日，本集團以下固定資產暫時閒置。

31 December 2019 / **2019年12月31日**

Item	項目	Cost 賬面原值	Accumulated depreciation 累計折舊	Provision for impairment 減值準備	Carrying amount 賬面價值
Preserved fruit production line	果脯生產線	**1,249,834**	**(644,064)**	**(480,787)**	**124,983**
Total	合計	**1,249,834**	**(644,064)**	**(480,787)**	**124,983**

31 December 2018 / 2018年12月31日

Item	項目	Cost 賬面原值	Accumulated depreciation 累計折舊	Provision for impairment 減值準備	Carrying amount 賬面價值
Lemon processing line, accessory equipment and building	檸檬加工生產線、附屬設備及廠房	114,750,644	(25,517,306)	(31,938,300)	57,295,038
Preserved fruit production line	果脯生產線	1,249,834	(644,064)	(480,787)	124,983
Total	合計	116,000,478	(26,161,370)	(32,419,087)	57,420,021

V. Notes to the consolidated financial statements (cont'd)

8 Fixed assets (cont'd)

(2) Temporarily idle fixed assets (cont'd)

As at 31 December 2019 and 31 December 2018, the Group assessed that the lemon production machinery and equipment of Anyue Andre Lemon Industry Technology Co., Ltd. ("Anyue Andre") and found indications of impairment. For the asset groups with identified indications of impairment, the management compares the carrying amount of each asset group with its recoverable amount to determine the amount of the impairment. The recoverable amount of an asset group is the higher of its fair value less costs to sell and its present value of expected future cash flows. At 31 December 2018, the Group determined the recoverable amount of the asset group in accordance with its fair value less costs to sell due to the reason that the Group can not reliably estimate the present value of expected future cash flow of relevant asset group. In December 2019, Anyue Andre resumed production, and the Group determined the recoverable amount of the asset group as at 31 December 2019 in accordance with the present value of expected future cash flow.

As at 31 December 2019 and 31 December 2018, the Group evaluated the recoverable amount of the asset group and reduced the carrying amount to its recoverable amount. No impairment loss of asset is recognised in 2019 and 2018. As at 31 December 2018, the recoverable amount is determined by the amount of fair value less costs to sell of the asset group. The fair value is calculated using the cost method with reference to the full cost to re-establish the same or similar assets at the current price valuation date, after deducting the physical devaluation, functional devaluation and economic devaluation. As at 31 December 2019, the estimated recoverable amount is based on the discounted expected future cash flow.

五、合併財務報表項目註釋（續）

8、固定資產（續）

(2) 暫時閒置的固定資產情況（續）

於2019年12月31日及2018年12月31日，本集團評估安岳安德利檸檬產業科技有限公司（「安岳安德利」）的檸檬加工生產線及其附屬設備、廠房存在減值跡象，對於已識別存在減值跡象的資產組，管理層將每個資產組的賬面價值與其可收回金額進行比較，以確定減值準備金額。可收回金額是採用資產組的預計未來現金流量的現值與資產組的公允價值減去處置費用後的淨額兩者之間較高者確定。於2018年12月31日，由於本集團無法可靠估計相關資產組的預計未來現金流量的現值。本集團最終確定以資產組的公允價值減去處置費用後的淨額為其可收回金額。2019年12月，安岳安德利恢復生產，於2019年12月31日，本集團確定以資產組的預計未來現金流量現值為其可收回金額。

於2019年12月31日及2018年12月31日，本集團對這些資產組的可收回金額作出評估並根據評估結果將這些資產組的賬面價值減少至其可收回金額，於2018年度及2019年度無需再計提資產減值損失。於2018年12月31日，估計可收回金額是基於這些資產組的公允價值減去處置費用做出的。該公允價值是利用成本法，參照以評估基準日的現時價格重新購建相同或相似資產的全部成本減實體性貶值、功能性貶值以及經濟性貶值。於2019年12月31日，估計可收回金額是基於預計未來現金流量折現做出的。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

8 Fixed assets (cont'd)

(3) Fixed assets acquired under finance leases

As at 31 December 2018, no fixed assets were acquired under finance leases.

(4) Fixed assets leased out under operating leases

As at 31 December 2019, the carrying value of the fixed assets leased out by the Group under operating leases was RMB20,656,850 (2018: RMB20,017,501), which include two office buildings, several commercial stores and an apartment building located in Muping Economic Development Zone, Yantai.

In 2019, the details of fixed assets leased out by the group under operating lease are as follows:

8、固定資產（續）

(3) 通過融資租賃租入的固定資產情況

於2018年12月31日，本集團無融資租賃租入的固定資產。

(4) 通過經營租賃租出的固定資產

於2019年12月31日，本集團通過經營租賃租出的固定資產賬面價值為人民幣20,656,850元（2018年：人民幣20,017,501元），主要是位於烟台市牟平經濟開發區的兩處辦公樓，若干處商業網點及一處公寓樓。

2019年度，本集團經營租賃租出的固定資產詳情如下：

Item	項目	Plant &buildings **房屋及建築物**
Cost	原值	
At 1 January 2019	2019年1月1日	27,307,760
Additions during the year	本年增加	–
– Transfers	－轉入	1,394,726
At 31 December 2019	2019年12月31日	28,702,486
Accumulated amortization	累計折舊	
At 1 January 2019	2019年1月1日	(7,290,259)
Charge for the year	本年計提	(647,528)
Transfer during the year	本年轉入	(107,849)
At 31 December 2019	2019年12月31日	(8,045,636)
Carrying amounts	賬面價值	
At 31 December 2019	2019年12月31日	20,656,850
At 1 January 2019	2019年1月1日	20,017,501

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

8 Fixed assets (cont'd)

(5) Fixed assets pending certificates of ownership

As at 31 December 2019 and 31 December 2018, the Group's fixed assets with pending certificates of ownership is as follows:

8、固定資產（續）

(5) 未辦妥產權證書的固定資產情況

於2019年12月31日及2018年12月31日，本集團以下固定資產未辦妥產權證書：

Item 項目	31 December 2019 2019年12月31日 Carrying amount 賬面價值	31 December 2018 2018年12月31日 Carrying amount 賬面價值	Reason why certificates of ownership are pending 未辦妥產權證書原因
Buildings of Liquan Yitong Juice Co., Ltd.* 禮泉億通果蔬汁有限公司廠區房屋*	48,795,455	50,062,960	The certificates have not been dealt with due to historical reasons 歷史遺留原因，尚未辦理
Fruit warehouse of Anyue Andre Lemon Industry Technology Co., Ltd.** 安岳安德利檸檬產業科技有限公司鮮果倉庫**	–	5,114,980	The certificates have not been dealt with due to the acceptance standard have not been met 未達到驗收合格標準，尚未辦理

* Liquan Yitong Juice Co., Ltd. obtained the property right certificate of its buildings on 20 January 2020.

** Anyue Andre Lemon Industry Technology Co., Ltd. obtained the property right certificate of its fruit warehouse on 17 April 2019.

* 禮泉億通果蔬汁有限公司廠區房屋已於2020年1月20日辦理產權證書。

** 安岳安德利檸檬產業科技有限公司鮮果倉庫已於2019年4月17日辦理產權證書。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

9 Construction in progress

(1) Construction in progress

9、在建工程

(1) 在建工程情況

Project	項目	2019 2019年 Book value 賬面餘額	Provision for impairment 減值準備	Carrying amount 賬面價值	2018 2018年 Book value 賬面餘額	Provision for impairment 減值準備	Carrying amount 賬面價值
New plant construction foundation project of Longkou	龍口新廠房建設基礎工程	**1,285,314**	**–**	**1,285,314**	–	–	–
Production line supporting project of Liquan	禮泉生產線配套工程	**792,146**	**–**	**792,146**	–	–	–
Plant renovation of Yongji	永濟工廠改造工程	**–**	**–**	**–**	5,403,653	–	5,403,653
Production line renovation of Baishui	白水工廠生產線改造工程	**–**	**–**	**–**	700,000	–	700,000
Boiler installation of Longkou	龍口工廠鍋爐改造工程	**–**	**–**	**–**	160,000	–	160,000
Others	其他	**364,862**	**–**	**364,862**	–	–	–
Total	合計	**2,442,322**	**–**	**2,442,322**	6,263,653	–	6,263,653

As at 31 December 2019 and 31 December 2018, no interest was capitalized in construction in progress of the Group.

於2019年12月31日及2018年12月31日，本集團的在建工程無利息資本化。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

9 Construction in progress (cont'd)

(2) Movements of major construction projects in progress during the year

9、在建工程（續）

(2) 重大在建工程項目變動情況

2019

2019年

Project	項目	Budget 預算數	At 1 January 2019 2019年1月1日	Transfers from fixed assets 固定資產轉入	Additions during the year 本年增加	Transfers to fixed assets 本年轉入固定資產	At 31 December 2019 2019年12月31日	Percentage of actual cost to budget (%) 工程累計投入佔預算比例(%)	Project process 工程進度	Sources of funds 資金來源
Plant renovation of Yongji	永濟工廠改造工程	8,355,302	5,403,653	-	1,139,142	(6,542,795)	-	100%	100%	Self-funded 自有資金
Production line renovation of Baishui	白水工廠生產線改造工程	3,996,000	700,000	-	2,943,263	(3,643,263)	-	100%	100%	Self-funded 自有資金
Natural gas boiler project of Yongji	永濟20噸天然氣鍋爐工程	1,972,000	-	-	1,833,199	(1,833,199)	-	100%	100%	Self-funded 自有資金
New plant construction foundation project of Longkou	龍口新廠房建設基礎工程	1,285,314	-	-	1,285,314	-	1,285,314	100%	100%	Self-funded 自有資金
Total	合計	15,608,616	6,103,653	-	7,200,918	(12,019,257)	1,285,314			

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

9 Construction in progress (cont'd)

(2) Movements of major construction projects in progress during the year (cont'd)

9、在建工程（續）

(2) 重大在建工程項目變動情況（續）

2018

2018年

Project	項目	Budget	At 1 January 2018 2018年1月1日	Transfers from fixed assets 固定資產轉入	Additions during the year 本年增加	Transfers to fixed assets 本年轉入固定資產	At 31 December 2018 2018年12月31日	Percentage of actual cost to budget (%) 工程累計投入佔預算比例(%)	Project process 工程進度	Sources of funds 資金來源
Plant renovation of Yongji	永濟工廠改造工程	37,455,332	-	12,739,760	21,542,319	(28,878,426)	5,403,653	92%	92%	Self-funded 自有資金
Boiler installation of Liquan	禮泉工廠鍋爐安裝工程	2,220,690	-	-	2,220,690	(2,220,690)	-	100%	100%	Self-funded 自有資金
Total	合計	39,676,022	-	12,739,760	23,763,009	(31,099,116)	5,403,653			

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

10 Intangible assets

10、無形資產

Item	項目	Land use right 土地使用權
Cost	賬面原值	
At 1 January 2018	2018年1月1日	113,636,944
Additions during the year	本年增加	
– Purchases	一購置	2,901,039
At 31 December 2018	2018年12月31日	116,537,983
At 1 January 2019	2019年1月1日	116,537,983
Additions during the year	本年增加	
– Purchases	一購置	19,115,111
Reductions during the year	本年減少	
– Disposals	一處置	(15,310,024)
At 31 December 2019	2019年12月31日	120,343,070
Accumulated amortization	累計攤銷	
At 1 January 2018	2018年1月1日	(24,408,553)
Charge for the year	本年計提	(2,500,195)
At 31 December 2018	2018年12月31日	(26,908,748)
At 1 January 2019	2019年1月1日	(26,908,748)
Charge for the year	本年計提	(2,770,872)
Reductions during the year	本年減少	
– Disposals	一處置	2,069,944
At 31 December 2019	2019年12月31日	(27,609,676)
Carrying amounts	賬面價值	
At 31 December 2019	2019年12月31日	92,733,394
At 31 December 2018	2018年12月31日	89,629,235

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

10 Intangible assets (cont'd)

As at 31 December 2019 and 31 December 2018, all of the Group's land use rights are on medium-term lease.

As at 31 December 2019 and 31 December 2018, no interest was capitalized in intangible assets of the Group.

As at 31 December 2019 and 31 December 2018, the Group has no intangible assets used as mortgage for bank loans.

As at 31 December 2019 and 31 December 2018, the Group did not have land use rights which pending certificates of ownership.

In December 2019, Longkou Andre disposed its land use right due to the land resumption, involving intangible assets with the cost of RMB15,310,024 and the accumulated amortization of RMB2,069,944. See note V.5(1)(a) for details.

10、無形資產（續）

於2019年12月31日及2018年12月31日，本集團所有土地使用權為中期租約。

於2019年12月31日及2018年12月31日，本集團無形資產賬面價值中無資本化的借款利息。

於2019年12月31日及2018年12月31日，本集團無抵押的無形資產。

於2019年12月31日及2018年12月31日，本集團無未辦妥產權證書的土地使用權情況。

2019年12月，龍口安德利因土地收回將其土地使用權處置，涉及無形資產賬面原值15,310,024元以及累計攤銷額2,069,944元，詳情參見附註五、5(1)(a)。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

11 Goodwill

11、商譽

(1) Changes in goodwill

(1) 商譽變動情況

Name of investee	被投資單位名稱	Note 註	Balance at 1 January 2019 2019年1月1日	Additions during the year 本年增加	Balance at 31 December 2019 2019年12月31日
Book value	賬面原值				
Anyue Andre Lemon Industry Technology Co., Ltd.	安岳安德利檸檬產業科技有限公司	(a)	3,066,599	–	3,066,599
Yongji Andre Juice Co., Ltd.	永濟安德利果蔬汁有限公司	(b)	4,566,293	–	4,566,293
Yantai Longkou Andre Juice Co., Ltd.	烟台龍口安德利果汁飲料有限公司	(c)	1,020,683	–	1,020,683
Sub-total	小計		8,653,575	–	8,653,575
Provision for impairment	減值準備				
Anyue Andre Lemon Industry Technology Co., Ltd.	安岳安德利檸檬產業科技有限公司		(3,066,599)	–	(3,066,599)
Sub-total	小計		(3,066,599)	–	(3,066,599)
Carrying amount	賬面價值		5,586,976	–	5,586,976

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

11 Goodwill (cont'd)

11、商譽（續）

(1) Changes in goodwill (cont'd)

(1) 商譽變動情況（續）

Name of investee	被投資單位名稱	Note 註	Balance at 1 January 2018 2018年1月1日	Additions during the year 本年增加	Balance at 31 December 2018 2018年12月31日
Book value	賬面原值				
Anyue Andre Lemon Industry Technology Co., Ltd.	安岳安德利檸檬產業科技有限公司	(a)	3,066,599	–	3,066,599
Yongji Andre Juice Co., Ltd.	永濟安德利果蔬汁有限公司	(b)	4,566,293	–	4,566,293
Yantai Longkou Andre Juice Co., Ltd.	烟台龍口安德利果汁飲料有限公司	(c)	1,020,683	–	1,020,683
Sub-total	小計		8,653,575	–	8,653,575
Provision for impairment	減值準備				
Anyue Andre Lemon Industry Technology Co., Ltd.	安岳安德利檸檬產業科技有限公司		(3,066,599)	–	(3,066,599)
Sub-total	小計		(3,066,599)	–	(3,066,599)
Carrying amount	賬面價值		5,586,976	–	5,586,976

(a) The Group acquired the equity interest of Anyue Andre Lemon Industry Technology Co., Ltd. at an aggregated cash consideration of RMB52,120,000 in 2014. The goodwill represents the excess of the cost of the acquisition over the Group's interests in the fair value of the identifiable assets and liabilities of Anyue Andre Lemon Industry Technology Co., Ltd.

(a) 於2014年度，本集團支付人民幣52,120,000元收購成本收購了安岳安德利檸檬產業科技有限公司的權益，收購成本超過按比例獲得的安岳安德利檸檬產業科技有限公司可辨認資產、負債公允價值的差額為與安岳安德利檸檬產業科技有限公司相關的商譽。

V. Notes to the consolidated financial statements (cont'd)

11 Goodwill (cont'd)

(1) Changes in goodwill (cont'd)

(b) The Group acquired the equity interest of Yongji Andre Juice Co., Ltd. at an aggregated cash consideration of RMB56,201,585 in 2011. The goodwill represents the excess of the cost of the acquisition over the Group's interests in the fair value of the identifiable assets and liabilities of Yongji Andre Juice Co., Ltd.

(c) The Group acquired the equity interest of Yantai Longkou Andre Juice Co., Ltd. at an aggregated cash consideration of RMB32,035,810 in 2003. The goodwill represents the excess of the cost of the acquisition over the Group's interests in the fair value of the identifiable assets and liabilities of Yantai Longkou Andre Juice Co., Ltd.

五、合併財務報表項目註釋（續）

11、商譽（續）

(1) 商譽變動情況（續）

(b) 於2011年度，本集團支付人民幣56,201,585元收購成本收購了永濟安德利果蔬汁有限公司的權益，收購成本超過按比例獲得的永濟安德利果蔬汁有限公司可辨認資產、負債公允價值的差額為與永濟安德利果蔬汁有限公司相關的商譽。

(c) 於2003年度，本集團支付人民幣32,035,810元收購成本收購了烟台龍口安德利果汁飲料有限公司的權益，收購成本超過按比例獲得的烟台龍口安德利果汁飲料有限公司可辨認資產、負債公允價值的差額為與烟台龍口安德利果汁飲料有限公司相關的商譽。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

11 Goodwill (cont'd)

(2) Provision for impairment of goodwill

The Group's asset groups which the goodwill recognised are Anyue Andre Lemon Industry Technology Co., Ltd., Yongji Andre Juice Co., Ltd. and Yantai Longkou Andre Juice Co., Ltd.

The recoverable amounts of Anyue Andre Lemon Industry Technology Co., Ltd., Yongji Andre Juice Co., Ltd. and Yantai Longkou Andre Juice Co., Ltd. are determined based on the present value of expected future cash flows. The present value of expected future cash flows was projected based on the next five-year financial forecast approved by management and a pre-tax discount rate of 10.17% (2018: 10.86%). The cash flows beyond the five-year forecast period were assumed to be stable.

Key assumptions used in estimating the present value of expected future cash flows of Anyue Andre Lemon Industry Technology Co., Ltd., Yongji Andre Juice Co., Ltd. and Yantai Longkou Andre Juice Co., Ltd. include the budgeted gross margin based on past performance and expectations on market development, and stable sales volume, which were determined by management based on past performance.

11、商譽（續）

(2) 商譽減值準備

本集團認定與上述商譽相關的資產組組合為安岳安德利檸檬產業科技有限公司、永濟安德利果蔬汁有限公司及烟台龍口安德利果汁飲料有限公司。

安岳安德利檸檬產業科技有限公司、永濟安德利果蔬汁有限公司及烟台龍口安德利果汁飲料有限公司的可收回金額以預計未來現金流量現值的方法確定。本集團根據管理層批准的最近未來5年財務預算和10.17%（2018年：10.86%）稅前折現率預計該資產組的未來現金流量現值。超過5年財務預算之後年份的現金流量均假設保持穩定。

對安岳安德利檸檬產業科技有限公司、永濟安德利果蔬汁有限公司及烟台龍口安德利果汁飲料有限公司預計未來現金流量現值的計算採用了根據歷史經驗及對市場發展預測的預算毛利率和銷售數量保持穩定作為關鍵假設。管理層根據預算年度之前的歷史情況確定這些假設。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

12 Deferred tax assets

(1) Details of unrecognised deferred tax assets

12、遞延所得稅資產

(1) 未確認遞延所得稅資產明細

Item	項目	**2019** **2019年**	2018 2018年
Deductible temporary differences	可抵扣暫時性差異	**39,101**	2,962,043
Deductible tax losses	可抵扣虧損	**12,012,339**	42,827,591
		12,051,440	45,789,634

(2) In accordance with the accounting policy set out in Note III.23, the Group has not recognised deferred tax assets in respect of cumulative tax losses of RMB12,012,339 (2018: RMB42,827,591) as it is not probable that future taxable profits against which the losses can be utilised will be available to the Group. The domestic deductible tax losses can be deducted from future taxable income within 5 years and the overseas deductible tax losses can be deducted from future taxable income within 20 years from the year when such losses were incurred under current tax laws.

(2) 按照附註三、23所載的會計政策，由於本集團不是很可能獲得可用於抵扣有關虧損的未來應稅利潤，因此本集團尚未就人民幣12,012,339元（2018年：人民幣42,827,591元）的累積可抵扣虧損確認遞延所得稅資產。根據現行稅法，這些可抵扣虧損自發生年度起，境內可抵扣虧損可以在不超過5年的期間內抵扣未來應稅利潤，境外可抵扣虧損可以在不超過20年的期間內抵扣未來應稅利潤。

(3) Expiration of deductible tax losses for unrecognised deferred tax assets

(3) 未確認遞延所得稅資產的可抵扣虧損的到期情況

Year	年份	**2019** **2019年**	2018 2018年
2018	2018年	**–**	–
2019	2019年	**–**	576,342
2020	2020年	**11,844**	11,844
2021	2021年	**–**	–
2022	2022年	**11,059,433**	41,298,343
2023	2023年	**941,062**	941,062
2024	2024年	**–**	–
Total	合計	**12,012,339**	42,827,591

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

13 Assets with restricted ownership or right of use

As at 31 December 2019 and 31 December 2018, there are no assets with restrictions placed on the Group's ownership.

13、所有權或使用權受到限制的資產

於2019年12月31日及2018年12月31日，本集團無所有權受到限制的資產。

14 Short-term loans

14、短期借款

		2018 2018年		
Item	項目	Annual interest rate 年利率	Currency 幣種	RMB 人民幣金額
Guaranteed loans	保證借款	4.44%	RMB人民幣	20,000,000
Guaranteed loans	保證借款	4.35%	RMB人民幣	30,000,000
Total	合計			50,000,000

As at 31 December 2019 and 31 December 2018, the Group did not have short-term loans past due.

於2019年12月31日及2018年12月31日，本集團無已到期未償還的短期借款。

Information for guaranteed loans is set out in Note IX.6.

有關保證借款的信息，參見附註九、6。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

15 Accounts payable

(1) Accounts payable by supplier type are as follows:

15、應付賬款

(1) 應付賬款按供應商類別列示如下：

Supplier type	供應商類別	**2019** **2019年**	2018 2018年
Third parties	應付第三方	**50,285,640**	38,174,800
Related parties	應付關聯方	**47,659**	14,694
Total	合計	**50,333,299**	38,189,494

(2) The ageing analysis of accounts payable, based on the date of receipt of goods, is as follows:

(2) 應付賬款按收貨日期呈列的賬齡分析如下：

Ageing	賬齡	**2019** **2019年**	2018 2018年
Within 1 year (inclusive)	1年以內（含1年）	**47,932,221**	35,095,445
Over 1 year	1年以上	**2,401,078**	3,094,049
Total	合計	**50,333,299**	38,189,494

16 Contract liabilities

The contract liabilities mainly represent advance payments received from the customers according to sales contracts with the amounts equivalent to 20% to 100% of the considerations. The contract liabilities are recognized as revenue after the Group satisfies its performance obligations to the customers.

16、合同負債

合同負債主要涉及本集團從特定客戶的銷售合同中收取的預收款。該預收款在合同簽訂時收取，金額為合同對價的20%～100%。該合同的相關收入將在本集團履行履約義務後確認。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

17 Employee benefits payable

(1) Details of employee benefits payable:

17、應付職工薪酬

(1) 應付職工薪酬列示：

		At 1 January 2019 2019年1月1日	Accrued during the year 本年增加	Decreased during the year 本年減少	At 31 December 2019 2019年12月31日
Short-term employee benefits	短期薪酬	**20,939,844**	**57,464,519**	**62,706,175**	**15,698,188**
Post-employment benefits – defined contribution plans	離職後福利－設定提存計劃	**–**	**4,534,063**	**4,534,063**	**–**
Total	合計	**20,939,844**	**61,988,582**	**67,240,238**	**15,698,188**

		At 1 January 2018 2018年1月1日	Accrued during the year 本年增加	Decreased during the year 本年減少	At 31 December 2018 2018年12月31日
Short-term employee benefits	短期薪酬	21,065,744	51,817,247	51,943,147	20,939,844
Post-employment benefits – defined contribution plans	離職後福利－設定提存計劃	209,923	4,397,980	4,607,903	–
Total	合計	21,275,667	56,215,227	56,551,050	20,939,844

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

17 Employee benefits payable (cont'd)

17、應付職工薪酬（續）

(2) Short-term employee benefits

(2) 短期薪酬

		At 1 January 2019 2019年1月1日	Accrued during the year 本年增加	Decreased during the year 本年減少	At 31 December 2019 2019年12月31日
Salaries, bonuses, allowances and subsidies	工資、獎金、津貼和補貼	**10,563,278**	**53,701,182**	**58,436,408**	**5,828,052**
Staff bonus and welfare fund	職工獎勵及福利基金	**10,371,394**	**50,054**	**565,891**	**9,855,557**
Social insurance	社會保險費				
Medical insurance	醫療保險費	**–**	**1,900,505**	**1,900,505**	**–**
Work-related injury insurance	工傷保險費	**–**	**293,221**	**293,221**	**–**
Maternity insurance	生育保險費	**–**	**271,501**	**271,501**	**–**
Housing fund	住房公積金	**–**	**912,235**	**912,235**	**–**
Labour union fee and staffs' education fee	工會經費和職工教育經費	**5,172**	**335,821**	**326,414**	**14,579**
Total	合計	**20,939,844**	**57,464,519**	**62,706,175**	**15,698,188**

		At 1 January 2018 2018年1月1日	Accrued during the year 本年增加	Decreased during the year 本年減少	At 31 December 2018 2018年12月31日
Salaries, bonuses, allowances and subsidies	工資、獎金、津貼和補貼	9,865,194	48,596,493	47,898,409	10,563,278
Staff bonus and welfare fund	職工獎勵及福利基金	10,727,074	–	355,680	10,371,394
Social insurance	社會保險費				
Medical insurance	醫療保險費	78,581	1,646,303	1,724,884	–
Work-related injury insurance	工傷保險費	12,124	254,001	266,125	–
Maternity insurance	生育保險費	5,613	235,186	240,799	–
Housing fund	住房公積金	377,158	720,129	1,097,287	–
Labour union fee and staffs' education fee	工會經費和職工教育經費	–	365,135	359,963	5,172
Total	合計	21,065,744	51,817,247	51,943,147	20,939,844

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

17 Employee benefits payable (cont'd)

(3) Post-employment benefits – defined contribution plans

17、應付職工薪酬（續）

(3) 離職後福利－設定提存計劃

		At 1 January 2019 2019年 1月1日	Accrued during the year 本年增加	Decreased during the year 本年減少	At 31 December 2019 2019年 12月31日
Basic pension insurance	基本養老保險	–	4,344,012	4,344,012	–
Unemployment insurance	失業保險費	–	190,051	190,051	–
Total	合計	–	4,534,063	4,534,063	–

		At 1 January 2018 2018年 1月1日	Accrued during the year 本年增加	Decreased during the year 本年減少	At 31 December 2018 2018年 12月31日
Basic pension insurance	基本養老保險	202,064	4,233,350	4,435,414	–
Unemployment insurance	失業保險費	7,859	164,630	172,489	–
Total	合計	209,923	4,397,980	4,607,903	–

As at 31 December 2019 and 31 December 2018, the Group did not have payment in arrears in the balance of employee benefits payable.

於2019年12月31日及2018年12月31日，本集團應付職工薪酬中無拖欠性質的款項。

As stipulated by the regulations of the PRC, the Group participates in various defined contribution retirement plans organised by municipal governments for its staff. The Group is required to make contributions to the retirement plans at certain percentage or certain amount of the salaries, bonuses and certain allowances of its staff of last year. The relevant local government authorities are responsible for the entire pension obligations payables to retired employees. The Group has no other material obligation for the payment of pension benefits associated with these plans beyond the annual contributions described above.

根據中國有關條例，本集團為其職工參與由地方政府安排之僱員固定供款退休計劃。本集團須就退休計劃按職工薪酬之特定百分比或特定金額作出供款。相關地方政府機關負責應付退休僱員的全部退休責任。本集團除上述年度供款以外，毋須就這些計劃承擔其他任何有關支付退休金的重大責任。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

18 Taxes payable

18、應交稅費

Item	項目	**2019 2019年**	2018 2018年
Value-added tax	增值稅	**640,169**	5,981,963
Land use tax	土地使用稅	**816,673**	597,506
Property tax	房產稅	**696,918**	515,534
Others	其他	**513,683**	2,677,665
Total	合計	**2,667,443**	9,772,668

19 Other payables

19、其他應付款

Item	項目	**2019 2019年**	2018 2018年
Interest payable	應付利息	**–**	66,990
Other	其他	**16,807,137**	17,882,203
Total	合計	**16,807,137**	17,949,193

20 Share capital

20、股本

			Changes during the year (+/-) 本年變動增減				
		Balance at the beginning of the year 年初餘額	**Issue of new shares 發行新股**	**Share consolidation 股份合併**	**Purchase of own shares 回購股份**	**Sub-total 小計**	**Balance at the end of the year 年末餘額**
2019	**2019年**						
Total number of shares	**股份總數**	**358,000,000**	**–**	**–**	**–**	**–**	**358,000,000**
Amount (RMB)	**人民幣金額**	**358,000,000**	**–**	**–**	**–**	**–**	**358,000,000**
2018	2018年						
Total number of shares	股份總數	358,000,000	–	–	–	–	358,000,000
Amount (RMB)	人民幣金額	358,000,000	–	–	–	–	358,000,000

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

21 Capital reserve

21、資本公積

2019

2019年

Item	項目	Balance at the beginning of the year 年初餘額	Additions during the year 本年增加	Reductions during the year 本年減少	Balance at the end of the year 年末餘額
Share premium	股本溢價	**17,281,789**	**-**	**-**	**17,281,789**
Foreign currency translation difference	外幣股本折算差額	**9,926**	**-**	**-**	**9,926**
Total	合計	**17,291,715**	**-**	**-**	**17,291,715**

2018

2018年

Item	項目	Balance at the beginning of the year 年初餘額	Additions during the year 本年增加	Reductions during the year 本年減少	Balance at the end of the year 年末餘額
Share premium	股本溢價	17,281,789	-	-	17,281,789
Foreign currency translation difference	外幣股本折算差額	9,926	-	-	9,926
Total	合計	17,291,715	-	-	17,291,715

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

22 Surplus reserve

22、盈餘公積

2019

2019年

Item	項目	**Balance at the beginning of the year 年初餘額**	**Additions during the year 本年增加**	**Balance at the end of the year 年末餘額**
Statutory surplus reserve	法定盈餘公積	**107,581,973**	**20,633,612**	**128,215,585**

2018

2018年

Item	項目	Balance at the beginning of the year 年初餘額	Additions during the year 本年增加	Balance at the end of the year 年末餘額
Statutory surplus reserve	法定盈餘公積	107,111,132	470,841	107,581,973

Pursuant to the requirements of the Company Law in the People's Republic of China, appropriations to statutory surplus reserve were made at 10% of after tax profit until such reserve reaches 50% of the registered capital.

根據《中華人民共和國公司法》第167條，中國大陸各公司分配當年稅後利潤時，應當提取利潤的10%列入公司法定盈餘公積。公司法定公積金累計額為註冊資本的50%時，可以不再提取。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

23 Retained earnings

23、未分配利潤

Item	項目	Note 註	Amount 金額	Appropriation or distribution rate 提取或分配比例
At 1 January 2018	2018年1月1日		1,195,065,141	
Add: Net profits for the year attributable to shareholders of the Company	加：本年歸屬於母公司股東的淨利潤		137,335,846	
Less: Appropriation for statutory surplus reserve	減：提取盈餘公積		470,841	10%
Dividends payable to ordinary shares	應付普通股股利	(1)	35,800,000	
At 31 December 2018	2018年12月31日	(2)	1,296,130,146	
At 1 January 2019	2019年1月1日		1,296,130,146	
Add: Net profits for the year attributable to shareholders of the Company	加：本年歸屬於母公司股東的淨利潤		169,268,723	
Less: Appropriation for statutory surplus reserve	減：提取盈餘公積		20,633,612	10%
Dividends payable to ordinary shares	應付普通股股利	(1)	35,800,000	
At 31 December 2019	2019年12月31日	(2)	1,408,965,257	

As at 31 December 2019, the distributable reserve of the Company amounted to RMB458,836,300 (2018: 308,933,776).

於2019年12月31日，本公司可分派予本公司股東之儲備金額為人民幣458,836,300元（2018年：人民幣308,933,776元）。

(1) Distribution of dividends of ordinary shares declared during the year

Pursuant to the resolution passed at the annual general meeting on 26 June 2019, a dividend payable to ordinary shareholders of the Company of RMB0.1 per share, totalling RMB35,800,000, was approved.

Pursuant to the resolution passed at the annual general meeting on 26 June 2018, a dividend payable to ordinary shareholders of the Company of RMB0.1 per share, totalling RMB35,800,000, was approved.

(1) 分配普通股股利

根據2019年6月26日股東大會的批准，本公司向普通股股東派發現金股利，每股0.1元，共計35,800,000元。

根據2018年6月26日股東大會的批准，本公司向普通股股東派發現金股利，每股0.1元，共計35,800,000元。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

23 Retained earnings (cont'd)

(2) Retained earnings at the end of the year

Surplus reserve made by the subsidiaries in 2019 and attributable to the Company is RMB11,010,583 (2018: RMB13,131,073).

As at 31 December 2019, the consolidated retained earnings attributable to the Company included appropriation to surplus reserves made by the Company's subsidiaries amounting to RMB153,292,142 (31 December 2018: RMB142,281,559).

23、未分配利潤（續）

(2) 年末未分配利潤的說明

子公司本年提取的歸屬於母公司的盈餘公積為人民幣11,010,583元（2018年：人民幣13,131,073元）。

於2019年12月31日，本集團歸屬於母公司的未分配利潤中包含了本公司的子公司提取的盈餘公積人民幣153,292,142元（2018年12月31日：人民幣142,281,559元）。

24 Operating income and operating costs

24、營業收入、營業成本

		2019 2019年		2018 2018年	
Item	項目	**Income 收入**	**Cost 成本**	Income 收入	Cost 成本
Principal businesses	主營業務	**831,529,867**	**571,156,383**	1,061,840,781	774,565,008
Other businesses	其他業務	**6,597,470**	**2,686,290**	5,744,027	2,028,695
Total	合計	**838,127,337**	**573,842,673**	1,067,584,808	776,593,703

Operating income generated from principal businesses represents primarily the sales of condensed juice and related products. Operating income generated from other businesses represents primarily the sales of raw materials, rental income and others.

主營業務收入系指本集團的濃縮果汁及相關產品的銷售收入。其他業務收入主要指銷售原材料收入、租金收入等。

For information about the group's operating income broken down by the location of clients, refer to Note XIII.

本集團營業收入按客戶地區類別分解後的信息，參見附註十三。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

25 Taxes and surcharges

25、稅金及附加

Item	項目	**2019 2019年**	2018 2018年
Urban maintenance and construction tax	城市維護建設稅	**1,100,971**	3,161,961
Education surcharges	教育費附加	**1,133,418**	3,218,510
Property tax	房產稅	**3,388,998**	3,579,418
Land use tax	土地使用稅	**3,476,241**	3,870,430
Others	其他	**1,103,813**	1,536,228
Total	合計	**10,203,441**	15,366,547

26 Selling and distribution expenses

26、銷售費用

Item	項目	**2019 2019年**	2018 2018年
Freight charges	運費	**29,318,003**	61,148,344
Payroll and welfare	工資福利	**1,556,311**	1,520,959
Others	其他	**13,906,520**	28,542,524
Total	合計	**44,780,834**	91,211,827

27 General and administrative expenses

27、管理費用

Item	項目	**2019 2019年**	2018 2018年
Payroll and welfare	工資福利	**24,565,391**	21,972,380
Depreciation and amortisation expenses	折舊費和攤銷費	**6,901,216**	6,257,385
Repair and motor vehicle expenses	維修費和車輛費用	**4,907,910**	8,771,111
Auditors' remuneration	審計師酬金		
– Statutory audit services	－法定審計費	**1,480,000**	1,480,000
– Other services	－其他服務費	**2,660,000**	2,360,000
Other consulting services fees	其他諮詢服務費	**4,276,683**	3,393,624
Others	其他	**9,481,603**	17,233,438
Total	合計	**54,272,803**	61,467,938

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

28 Financial expenses

28、財務費用

Item	項目	**2019** **2019年**	2018 2018年
Interest expenses arising from borrowings	貸款的利息支出	**43,123**	1,026,756
Government grants-interest subsidy	政府補助－貼息	**(1,050,000)**	(1,825,000)
Government grants-interest subsidy refunded	政府補助－貼息退回	**–**	350,000
Interest income from deposits	存款的利息收入	**(4,529,494)**	(162,730)
Net exchange gains	淨匯兑收益	**(1,235,955)**	(15,502,375)
Other financial expenses	其他財務費用	**304,386**	474,930
Total	合計	**(6,467,940)**	(15,638,419)

In 2019, Yantai Finance Bureau and Forestry Bureau grant a interest subsidy of RMB1,050,000 to the Group, which offsetted against financial expenses.

於2019年度，烟台市牟平區財政局、林業局撥付給本集團林業貸款中央財政貼息資金1,050,000元，相應沖減財務費用。

In 2018, Yantai Finance Bureau and Forestry Bureau grant a interest subsidy of RMB1,825,000 to the Group, which offsetted against financial expenses.

於2018年度，烟台市牟平區財政局、林業局撥付給本集團林業貸款中央財政貼息資金1,825,000元，相應沖減財務費用。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

29 Government grants

(1) Government grants related to assets

The government grants related to assets of the Group are as follows:

(a) Effect on assets

29、政府補助

(1) 與資產相關的政府補助

本集團與資產相關的政府補助如下：

(a) 對資產項目的影響

Item	補助項目	**2019** **2019年**	2018 2018年
Offset against book value of fixed assets	沖減固定資產賬面價值		
Subsidy for purchase of research and development equipments	購置研發設備補助	**800,000**	600,000
Grant for production line modification	生產線改造補助	**3,029,200**	–
Total	合計	**3,829,200**	600,000

(b) Effect on deferred income

(b) 對遞延收益的影響

2018

2019年

Item	補助項目	Balance at the beginning of the year 遞延收益 年初餘額	Additions 本年新增 補助金額	Offset against book value of fixed assets 沖減資產 賬面價值	Others 其他變動	Balance at the end of the year 遞延收益 年末餘額
Grant for production line modification	生產線改造補助	–	39,000,000	–	–	39,000,000

In December 2019, Longkou Andre obtained a compensation of RMB39,000,000 for the construction of new plant and other production facilities due to the land resumption. For details, please refer to Note V.(1)(a).

2019年12月，龍口安德利因土地收回獲取搬遷新廠房及其他生產設施建設補償39,000,000元，詳情參見附註五、(1)(a)。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

29 Government grants (cont'd)

(2) Government grant related to income

The government grants related to income of the Group are as follows:

29、政府補助（續）

(2) 與收益相關的政府補助

本集團與收益相關的政府補助如下：

Item	補助項目	**2019** **2019年**	2018 2018年
Industrial development fund	工業發展資金	**1,520,000**	50,000
Tax reward	納稅獎勵金	**520,000**	20,000
Foreign trade subsidies	外經貿補助	**213,800**	601,500
Research and development subsidies	研發補助	**–**	1,603,000
Others	其他	**201,642**	38,633
Total	合計	**2,455,442**	2,313,133

In 2019, the Group received grants totaling RMB2,455,442 from various government authorities, which is directly included in other income. The Group used the interest subsidy to offset against financial expenses. For the information of interest subsidy, refer to Note V.28.

於2019年度，本集團收到多個政府部門補貼共計2,455,442元，計入其他收益。本集團取得的財政貼息沖減財務費用，參見附註五、28。

In 2018, the Group received grants totaling RMB2,313,133 from various government authorities, which is directly included in other income. The Group used the interest subsidy to offset against financial expenses. For the information of interest subsidy, refer to Note V.28.

於2018年度，本集團收到多個政府部門補貼共計2,313,133元，計入其他收益。本集團取得的財政貼息沖減財務費用，參見附註五、28。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

30 Investment income

30、投資收益

Investment income by item

投資收益分項目情況

Item	項目	**2019** **2019年**	2018 2018年
Investment income from disposal of financial assets held for trading	處置交易性金融資產取得的投資收益	**8,163,368**	6,231,559
Investment income from disposal of debt investments	處置債權投資取得的投資收益	**1,899,684**	1,153,260
Total	合計	**10,063,052**	7,384,819

31 Credit losses

31、信用減值損失

Item	項目	**2019** **2019年**	2018 2018年
Accounts receivable	應收賬款	**426,620**	2,962,242

32 Impairment losses

32、資產減值損失

Item	項目	**2019** **2019年**	2018 2018年
Inventories	存貨	**(387,519)**	2,412,779

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

33 Non-operating income

Non-operating income by item is as follows:

33、營業外收入

營業外收入分項目情況如下：

Item	項目	Note 附註	**2019 2019年**	2018 2018年
Others	其他		**4,529**	7,888

34 Non-operating expenses

34、營業外支出

Item	項目	**2019 2019年**	2018 2018年
Losses from scrapping of fixed assets	固定資產報廢損失	**2,021,952**	2,507,399
Donations	捐贈支出	**–**	894,977
Fine and penalty	罰沒款項	**5,000**	20,000
Others	其他	**29,200**	87,419
Total	合計	**2,056,152**	3,509,795

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

35 Income tax expenses

35、所得稅費用

Item	項目	**2019 2019年**	2018 2018年
Current tax expenses for the year estimated in accordance with the tax law and regulations	按稅法及相關規定計算的當年所得稅	**205,986**	12,570
Difference between tax filings and assessments	匯算清繳差異	**63,229**	124,984
Total	合計	**269,215**	137,554

Reconciliation between income tax expenses and accounting profit is as follows:

所得稅費用與會計利潤的關係如下：

Item	項目	**2019 2019年**	2018 2018年
Profit before taxation	稅前利潤	**169,537,938**	137,473,400
Expected income tax expenses at tax rate of 25%	按稅率25%計算的預期所得稅	**42,384,485**	34,368,350
Effect of non-taxable income	免稅所得	**(33,361,538)**	(34,658,905)
Effect of different tax rates applied by certain subsidiaries	子公司適用不同稅率的影響	**280,236**	276,946
Effect of unrecognised deferred tax asset for deductible losses for the current year	本年度未確認遞延所得稅資產的可抵扣虧損影響	**–**	141,159
Effect of utilised deductible losses for which no deferred tax asset was recognised in previous years	使用前期未確認遞延所得稅資產的可抵扣虧損的影響	**(9,211,494)**	(1,391,071)
Difference between tax filings and assessments	匯算清繳差異	**63,229**	124,984
Effect of non-deductible costs, expenses and losses	不可抵扣的成本、費用和損失的影響	**106,144**	539,332
Tax effect of the temporary differences that were not recognized as deferred tax	未確認遞延稅項的暫時性差異的稅務影響	**8,153**	736,759
Income tax expenses	本年所得稅費用	**269,215**	137,554

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

36 Directors' and supervisors' emoluments

Details of directors' and supervisors' emoluments are as follows:

36、董事及監事酬金

董事及監事酬金之詳情如下：

Name	姓名	Directors' and supervisors' fees 董事及監事袍金		Salaries, allowances and benefits in kind 基本薪金、津貼及其他福利		Retirement scheme contributions 退休福利計劃供款		Total 合計	
		2019	2018	**2019**	2018	**2019**	2018	**2019**	2018
		RMB	RMB	**RMB**	RMB	**RMB**	RMB	**RMB**	RMB
		人民幣	人民幣	**人民幣**	人民幣	**人民幣**	人民幣	**人民幣**	人民幣
Executive Directors:	執行董事：								
Wang An	王安	**50,000**	50,000	**-**	34,606	**-**	-	**50,000**	84,606
Zhang Hui	張輝	**50,000**	50,000	**562,187**	406,392	**15,746**	15,274	**627,933**	471,666
Wang Yanhui	王豔輝	**50,000**	50,000	**196,556**	143,888	**15,746**	15,274	**262,302**	209,162
Non-executive Directors:	非執行董事：								
Liu Tsung-yi	劉宗宜	**50,000**	50,000	**-**	-	**-**	-	**50,000**	50,000
Independent non-executive Directors:	獨立非執行董事：								
Li Tongning*	李同寧*	**25,000**	50,000	**-**	-	**-**	-	**25,000**	50,000
Jiang Hongqi	姜洪奇	**50,000**	50,000	**-**	-	**-**	-	**50,000**	50,000
Li Wei	李煒	**50,000**	50,000	**-**	-	**-**	-	**50,000**	50,000
Li Yao*	李堯*	**25,000**	-	**-**	-	**-**	-	**25,000**	-
Supervisors:	監事：								
Wang Chuntang**	王春堂**	**-**	15,000	**-**	-	**-**	-	**-**	15,000
Dai Liying	戴利英	**30,000**	30,000	**203,928**	163,865	**11,922**	15,274	**245,850**	209,139
Wang Zhiwu	王志武	**30,000**	30,000	**248,858**	167,655	**15,724**	15,274	**294,582**	212,929
Wang Kun**	王坤**	**30,000**	15,000	**218,043**	192,677	**6,937**	15,274	**254,980**	222,951
Total	合計	**440,000**	440,000	**1,429,572**	1,109,083	**66,075**	76,370	**1,935,647**	1,625,453

* On 26 June 2019, Mr. Li Tongning resigned and Mr. Li Yao was appointed as independent non-executive director of the Company.

** On 26 June 2018, Mr. Wang Chuntang resigned and Mr. Wang Kun was appointed as supervisor of the Company.

For the year ended 31 December 2019 and 31 December 2018, no emoluments were paid to the directors or supervisors as an inducement to join or upon joining the Company or as compensation for loss of office.

* 於2019年6月26日，李同寧辭任本公司獨立非執行董事，李堯被委任為本公司獨立非執行董事。

** 於2018年6月26日，王春堂辭任本公司監事，王坤被委任為本公司監事。

截至2019年12月31日及2018年12月31日止年度，本公司並未向董事及監事支付任何酬金以作為吸引其加入本公司的獎勵或離職補償。

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

37 Individuals with the highest emoluments

For the year ended 31 December 2019, of the five individuals with the highest emoluments, five (2018: five) are executive directors or supervisors whose emoluments are disclosed in Note V.36 above.

37、最高薪人士

截至2019年12月31日止年度，五位最高薪人士中，五人（2018年：五人）為執行董事或監事，其酬金已於附註五、36中予以披露。

38 Basic earnings per share and diluted earnings per share

(1) Basic earnings per share

Basic earnings per share is calculated by dividing consolidated net profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding:

38、基本每股收益和稀釋每股收益的計算過程

(1) 基本每股收益

基本每股收益以歸屬於本公司普通股股東的合併淨利潤除以本公司發行在外普通股的加權平均數計算：

		2019 **2019年**	2018 2018年
Consolidated net profit attributable to ordinary shareholders of the Company	歸屬於本公司普通股股東的合併淨利潤	**169,268,723**	137,335,846
Weighted average number of ordinary shares outstanding	本公司發行在外普通股的加權平均數	**358,000,000**	358,000,000
Basic earnings per share (RMB/share)	基本每股收益（人民幣元／股）	**0.473**	0.384
Diluted earnings per share (RMB/share)	稀釋每股收益（人民幣元／股）	**0.473**	0.384

The Group had no dilutive potential ordinary shares during the reporting period.

本集團所列示的年度內均不具有稀釋性的潛在普通股。

(2) Weighted average number of ordinary shares is calculated as follows:

(2) 普通股的加權平均數計算過程如下：

		2019 **2019年**	2018 2018年
Issued ordinary shares at the beginning of the year	年初已發行普通股股數	**358,000,000**	358,000,000
Changes during the year	本年變動	**–**	–
Weighted average number of ordinary shares at the end of the year	年末普通股的加權平均數	**358,000,000**	358,000,000

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

39 Supplement to income statement

Expenses are analysed by their nature:

39、利潤表補充資料

對利潤表中的費用按性質分類：

Item	項目	**2019** **2019年**	2018 2018年
Operating income	營業收入	**838,127,337**	1,067,584,808
Less: Changes in inventories of finished goods	減：產成品的存貨變動	**(144,335,647)**	272,111,901
Raw materials and packaging materials used	耗用的原材料及包裝物	**628,249,985**	454,070,154
Employee benefits expenses	職工薪酬費用	**61,998,582**	56,215,227
Depreciation and amortisation expenses	折舊和攤銷費用	**43,774,161**	43,543,529
Financial expenses	財務費用	**(6,467,940)**	(15,638,419)
Other expenses	其他費用	**95,829,215**	120,852,496
Add: Other income	加：其他收益	**2,455,442**	2,313,133
Investment income	投資收益	**10,063,052**	7,384,819
Credit losses	信用減值損失	**(426,620)**	(2,962,242)
Impairment losses	資產減值損失	**387,519**	(2,412,779)
Gains/(losses) from asset disposals	資產處置損益	**31,187**	222,456
Operating profit	營業利潤	**171,589,561**	140,975,307

40 Explanatory notes to items in the cash flow statement

(1) Proceeds relating to other operating activities:

40、現金流量表項目註釋

(1) 收到其他與經營活動有關的現金

		2019 **2019年**	2018 2018年
Proceeds from the lease of buildings and the sales of raw materials	房屋租賃及銷售原材料等收到的現金	**6,597,470**	5,744,027
Receipts of government grants and others	政府補助等收到的現金	**6,284,642**	2,913,133
Total	合計	**12,882,112**	8,657,160

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

40 Explanatory notes to items in the cash flow statement (cont'd)

40、現金流量表項目註釋（續）

(2) Payments relating to other operating activities:

(2) 支付其他與經營活動有關的現金

		2019 **2019年**	2018 2018年
Payments for period expenses	支付的各項期間費用	**65,322,813**	124,925,040

(3) Proceeds relating to other investing activities:

(3) 收到其他與投資活動有關的現金

		2019 **2019年**	2018 2018年
Receipts of interest income on deposits	收到的存款利息收入	**4,529,494**	162,730

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

41 Supplementary information on cash flow statement

(1) Supplement to cash flow statement

a. Reconciliation of net profit to cash flows from operating activities:

41、現金流量表相關情況

(1) 現金流量表補充資料

a. 將淨利潤調節為經營活動現金流量：

Item	項目	**2019 2019年**	2018 2018年
Net profit	淨利潤	**169,268,723**	137,335,846
Add: Depreciation of fixed assets	加：固定資產折舊	**41,003,289**	41,043,334
Amortisation of intangible assets	無形資產攤銷	**2,770,872**	2,500,195
Credit losses	信用減值損失	**426,620**	2,962,242
Impairment losses	資產減值損失	**(387,519)**	2,412,779
Gains from disposal of fixed assets	處置固定資產的收益	**(31,187)**	(222,456)
Losses from scrapping of fixed assets	固定資產報廢損失	**2,021,952**	2,507,399
Financial expenses	財務費用	**(7,536,687)**	(6,054,931)
Investment income	投資收益	**(10,063,052)**	(7,384,819)
(Increase)/decrease in gross inventories	存貨的（增加）／減少	**(152,306,705)**	274,401,969
(Increase)/decrease in operating receivables	經營性應收項目的（增加）／減少	**(32,837,377)**	45,517,280
Decrease in operating payables	經營性應付項目的減少	**(970,745)**	(47,454,589)
Net cash inflow from operating activities	經營活動產生的現金流量淨額	**11,358,184**	447,564,249

b. Change in cash and cash equivalents:

b. 現金及現金等價物淨變動情況：

Item	項目	**2019 2019年**	2018 2018年
Cash and cash equivalents at the end of the year	現金及現金等價物的年末餘額	**274,050,303**	378,686,607
Less: Cash and cash equivalents at the beginning of the year	減：現金及現金等價物的年初餘額	**378,686,607**	79,398,474
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物淨（減少）／增加額	**(104,636,304)**	299,288,133

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

41 Supplementary information on cash flow statement (cont'd)

41、現金流量表相關情況（續）

(2) Information on disposal of a subsidiary during the year:

(2) 處置子公司的相關信息

		2019 **2019年**	2018 2018年
Consideration for disposal of a subsidiary	處置子公司的對價	**–**	–
Cash or cash equivalents received for disposal of the subsidiary	處置子公司收到的現金和現金等價物	**–**	40,280,000
Less: Cash or cash equivalents held by the subsidiary	減：子公司持有的現金和現金等價物	**–**	–
Net cash received for the disposal of a subsidiary	處置子公司收到的現金淨額	**–**	40,280,000

(3) Details of cash and cash equivalents

(3) 現金和現金等價物的構成

Item	項目	**2019** **2019年**	2018 2018年
Cash at bank and on hand	現金	**274,050,303**	378,686,607
Including: Cash on hand	其中：庫存現金	**78,549**	102,994
Bank deposits available on demand	可隨時用於支付的銀行存款	**273,971,754**	378,583,613
Closing balance of cash and cash equivalents	年末現金及現金等價物餘額	**274,050,303**	378,686,607

V. Notes to the consolidated financial statements (cont'd)

五、合併財務報表項目註釋（續）

42 Lease

As a lessor

Operating lease

42、租賃

本集團作為出租人的租賃情況

經營租賃

Item	項目	2019 2019年
Lease income	租賃收入	**2,673,995**
Including: Income related to the variable lease payments not included in the measurement of lease payments	其中：與未計入租賃收款額的可變租賃付款額相關的收入	**–**

For the year 2019, part of the plants and buildings were leased out by the Group for the period from 1 to 3 years. The Group classified the lease as an operating lease, because the lease did not substantially transfer all the risks and rewards incidental to ownership of the assets.

本集團於2019年將部分房屋建築物用於出租，租賃期為1至3年。本集團將該租賃分類為經營租賃，因為該租賃並未實質上轉移與資產所有權有關的幾乎全部風險和報酬。

The undiscounted lease payments received by the Group after the balance sheet date are as follows:

本集團於資產負債表日後將收到的未折現的租賃收款額如下：

Item	項目	2019 2019年
Within 1 year (inclusive)	1年以內（含1年）	**1,144,116**
Over 1 year but within 2 years (inclusive)	1年至2年（含2年）	**1,012,116**
Over 2 years but within 3 years (inclusive)	2年至3年（含3年）	**608,916**
Total	合計	**2,765,148**

VI. Interests in other entities

六、在其他主體中的權益

Interests in subsidiaries

(1) Subsidiaries acquired through establishment or investment

在子公司中的權益

(1) 通過設立或投資等方式取得的子公司

Full name 全稱	Type 類型	Place of Registration and operation 註冊地及營業地點	Business nature 業務性質	Registered-capital 註冊資本	Business scope 經營範圍	Year-end actual investment 年末實際出資額	Closing balance of other items that in substance form net investment in a subsidiary 實質上構成對子公司淨投資的其他項目餘額	Group share-holding percentage (%) 集團持股比例 (%)	Group voting rights percentage (%) 集團表決權比例 (%)	Consolidated (Y/N) 是否合並報表	Organisation code 組織機構代碼
Baishui Andre Juice Co., Ltd.	Company Limited (Sino-foreign joint venture)	Shaanxi, PRC	Manufacture and sale of condensed juice	USD17,125,000	Manufacture of juice, fruit and vegetable beverage, and related products, and iron packaging; and sale of own products	USD17,125,000	-	100%	100%	Y	73266447-8
白水安德利果蔬汁有限公司	有限責任公司（中外合資）	中國陝西省	濃縮果汁生產及銷售	17,125,000美元	生產果蔬汁濃縮汁、果蔬汁飲料及其副產品和鐵製品包裝物，銷售自產產品。	17,125,000美元	-	100%	100%	是	73266447-8
Yantai Longkou Andre Juice Co., Ltd.	Company Limited (Sino-foreign joint venture)	Shandong, PRC	Manufacture and sale of condensed juice	USD19,500,000	Manufacture of juice and sale of own products	USD19,500,000	-	100%	100%	Y	73722971-5
烟台龍口安德利果汁飲料有限公司	有限責任公司（中外合資）	中國山東省	濃縮果汁生產及銷售	19,500,000美元	生產果蔬汁，並銷售自產產品。	19,500,000美元	-	100%	100%	是	73722971-5
Xuzhou Andre Juice Co., Ltd.	Company Limited (Sino-foreign joint venture)	Jiangsu, PRC	Manufacture and sale of condensed juice	USD10,000,000	Manufacture of juice, fruit and vegetable beverage, and related products; sale of own products; and manufacture of iron barrel for juice outer packaging	USD10,000,000	-	100%	100%	Y	74313425-3
徐州安德利果蔬汁有限公司	有限責任公司（中外合資）	中國江蘇省	濃縮果汁生產及銷售	10,000,000美元	生產果蔬汁、飲料及其副產品，銷售自產產品，製作果蔬汁外包裝鐵桶。	10,000,000美元	-	100%	100%	是	74313425-3
Andre Juice Co., Ltd.	Company Limited	British Virgin Islands	Investment holding	USD50,000	Investment holding	USD1	-	100%	100%	Y	-
安德利果汁有限公司	有限責任公司	英屬維爾京群島	投資控股	50,000美元	投資控股。	1美元	-	100%	100%	是	-

VI. Interests in other entities (cont'd)

六、在其他主體中的權益（續）

Interests in subsidiaries (cont'd)

(1) Subsidiaries acquired through establishment or investment (cont'd)

在子公司中的權益（續）

(1) 通過設立或投資等方式取得的子公司（續）

Full name 全稱	Type 類型	Place of Registration and operation 註冊地及營業地點	Business nature 業務性質	Registered-capital 註冊資本	Business scope 經營範圍	Year-end actual investment 年末實際出資額	Closing balance of other items that in substance form net investment in a subsidiary 實質上構成對子公司淨投資的其他項目餘額	Group share-holding percentage (%) 集團持股比例 (%)	Group voting rights percentage (%) 集團表決權比例 (%)	Consolidated (Y/N) 是否合並報表	Organisation code 組織機構代碼
North Andre Juice (USA) Inc.	Company Limited	The United States of America	Sale of condensed juice	USD1,900,000	Sale of condensed juice	USD1,900,000	-	100%	100%	Y	-
北方安德利果汁（美國）股份有限公司	有限責任公司	美國	濃縮果汁銷售	1,900,000美元	濃縮果汁銷售。	1,900,000美元	-	100%	100%	是	-
Dalian Andre Juice Co., Ltd.	Company Limited	Liaoning, PRC	Manufacture and sale of condensed juice	RMB80,000,000	Manufacture and sale of all kinds of fruit and vegetable beverage; biological comprehensive utilization of apple essence, vegetable and pomace; and purchase of agricultural and sideline products (excluding grain); and manufacture of iron packaging; imports and exports of goods and technology.	RMB80,000,000	-	100%	100%	Y	95994248-7
大連安德利果蔬汁有限公司	有限責任公司	中國遼寧省	濃縮果汁生產及銷售	80,000,000人民幣元	生產銷售各種果蔬汁飲料，蘋果香精、蔬菜、果渣的生物綜合利用，農副產品（不含糧食）收購，製作鐵製包裝品，貨物及技術進出口業務。	80,000,000人民幣元	-	100%	100%	是	95994248-7
Yantai Andre Juice Co., Ltd.	Company Limited (Sino-foreign joint venture)	Shandong, PRC	Manufacture and sale of fruit pulp	USD4,832,000	Manufacture and processing of all kinds of fruit pulp and related products, and sale of own products; wholesale and import and export of juice and pulp	USD4,832,000	-	100%	100%	Y	73066788-6
烟台安德利果汁飲料有限公司	有限責任公司（中外合資）	中國山東省	果漿生產及銷售	4,832,000美元	生產、加工各種水果果漿及其副產品，並銷售自產產品，從事濃縮果汁、果漿的批發和進出口業務。	4,832,000美元	-	100%	100%	是	73066788-6

VI. Interests in other entities (cont'd)

六、在其他主體中的權益（續）

Interests in subsidiaries (cont'd)

(2) Subsidiaries acquired through business combinations not under common control

在子公司中的權益（續）

(2) 非同一控制下企業合併取得的子公司

Full name 全稱	Type 類型	Place of Registration and operation 註冊地及營業地點	Business nature 業務性質	Registered capital 註冊資本	Business scope 經營範圍	Year-end actual investment 年末實際出資額	Closing balance of other items that in substance form net investment in a subsidiary 實質上構成對子公司淨投資的其他項目餘額	Group shareholding percentage (%) 集團持股比例 (%)	Group voting rights percentage (%) 集團表決權比例 (%)	Consolidated (Y/N) 是否合並報表	Organisation code 組織機構代碼
Yongji Andre Juice Co., Ltd.	Company Limited (Sino-foreign joint venture)	Shanxi, PRC	Production and sale of condensed juice	USD12,960,000	Manufacture and sale of fruit and vegetable juice and beverage, high natural apple essence, and biological comprehensive utilization of pomace	USD12,960,000	-	100%	100%	Y	79638415-X
永濟安德利果蔬汁有限公司	有限責任公司（中外合資）	中國山西省	濃縮果汁生產及銷售	12,960,000美元	生產、銷售各類果蔬汁、飲料，高倍天然蘋果香精、果渣的生物綜合利用。	12,960,000美元	-	100%	100%	是	79638415-X
Anyue Andre Lemon Industry Technology Co., Ltd.	Company Limited	Sichuan, PRC	Production and sale of condensed juice	RMB50,000,000	Manufacture and sale of lemon juice, orange juice, lemon oil, orange oil, lemon essence, orange essence and pomace	RMB50,000,000	-	100%	100%	Y	56971595-9
安岳安德利檸檬產業科技有限公司	有限責任公司	中國四川省	濃縮果汁生產及銷售	50,000,000人民幣元	製造銷售檸檬汁、橙汁、檸檬油、橙油、檸檬香精、橙香精、果渣等。	50,000,000人民幣元	-	100%	100%	是	56971595-9
Liquan Yitong Juice Co., Ltd.	Company Limited	Shaanxi, PRC	Production and sale of condensed juice	RMB100,000,000	Manufacture and sale of fruit and vegetable juice and beverage	RMB100,000,000	-	100%	100%	Y	58696275-9
禮泉億通果蔬汁有限公司	有限責任公司	中國陝西省	濃縮果汁生產及銷售	100,000,000人民幣元	生產、銷售各類果蔬汁、飲料。	100,000,000人民幣元	-	100%	100%	是	58696275-9

VII. Risk related to financial instruments

The Group has exposure to the following risks from its use of financial instruments in the normal course of the Group's operations, which mainly include:

- Credit risk
- Liquidity risk
- Interest rate risk
- Foreign currency risk
- Other price risk

The following mainly presents information about the Group's exposure to each of the above risks and their sources, their changes during the year, and the Group's objectives, policies and processes for measuring and managing risks, and their changes during the year.

The Group aims to seek the appropriate balance between the risks and benefits from its use of financial instruments and to mitigate the adverse effects that the risks of financial instruments have on the Group's financial performance. Based on such objectives, the Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The internal audit department of the Group undertakes both regular and ad-hoc reviews of risk management controls and procedures.

(1) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group's credit risk is primarily attributable to cash at bank and receivables, etc. Exposure to these credit risks are monitored by management on an ongoing basis.

七、與金融工具相關的風險

本集團在日常活動中面臨各種金融工具的風險，主要包括：

- 信用風險
- 流動性風險
- 利率風險
- 匯率風險
- 其他價格風險

下文主要論述上述風險敞口及其形成原因以及在本年發生的變化、風險管理目標、政策和程序以及計量風險的方法及其在本年發生的變化等。

本集團從事風險管理的目標是在風險和收益之間取得適當的平衡，力求降低金融風險對本集團財務業績的不利影響。基於該風險管理目標，本集團已制定風險管理政策以辨別和分析本集團所面臨的風險，設定適當的風險可接受水平並設計相應的內部控制程序，以監控本集團的風險水平。本集團會定期審閱這些風險管理政策及有關內部控制系統，以適應市場情況或本集團經營活動的改變。本集團的內部審計部門也定期或隨機檢查內部控制系統的執行是否符合風險管理政策。

(1) 信用風險

信用風險，是指金融工具的一方不能履行義務，造成另一方發生財務損失的風險。本集團的信用風險主要來自貨幣資金和應收賬款等。管理層會持續監控這些信用風險的敞口。

VII. Risk related to financial instruments (cont'd)

(1) Credit risk (cont'd)

The Group generally invests only in securities (excluding long-term strategic investments) and trust products with active markets and trades in good credit. In view of this, the management of the group does not expect that the counterparty will not perform its obligations.

The cash at bank of the Group is mainly held with well-known financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Group.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. The Group does not provide any other guarantees which would expose the Group to credit risk.

Accounts receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry, country or area in which the customers operate and therefore significant concentrations of credit risk arise primarily when the Group has significant exposure to individual customers. At the balance sheet date, 40% (31 December 2018: 26%) of the total accounts receivable were due from the five largest customers of the Group.

七、與金融工具相關的風險（續）

(1) 信用風險（續）

本集團一般只會投資於有活躍市場的證券（長遠戰略投資除外）和信託理財產品，而且交易對方的信用狀況良好。鑒於此，本集團管理層並不預期交易對方會無法履行義務。

本集團除現金以外的貨幣資金主要存放於信用良好的金融機構，管理層認為其不存在重大的信用風險，預期不會因為對方違約而給本集團造成損失。

本集團所承受的最大信用風險敞口為資產負債表中每項金融資產的賬面金額。本集團沒有提供任何可能令本集團承受信用風險的擔保。

應收賬款

本集團信用風險主要是受每個客戶自身特性的影響，而不是客戶所在的行業或國家和地區。因此重大信用風險集中的情況主要源自本集團存在對個別客戶的重大應收賬款。於2019年12月31日及2018年12月31日，本集團的前五大客戶的應收賬款佔本集團應收賬款總額分別為40%、26%。

VII. Risk related to financial instruments (cont'd)

(1) Credit risk (cont'd)

Accounts receivable (cont'd)

In respect of receivables, the risk management committee of the Group has established a credit policy under which individual credit evaluations are performed on all customers to determine the credit limit and terms applicable to the customers. These evaluations focus on the customers' financial position, the external ratings of the customers and their bank credit records where available. Due dates of receivables vary from 15-240 days from the day of issue. Debtors with balances that past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

For detail information about accounts receivable, please refer to the relevant disclosures in note V(3).

(2) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in meeting obligations that are settled by delivering cash or another financial asset. The Company and its individual subsidiaries are responsible for their own cash management, including short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the Company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash, readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

七、與金融工具相關的風險（續）

(1) 信用風險（續）

應收賬款（續）

對於應收賬款，本集團風險管理委員會已根據實際情況制定了信用政策，對客戶進行信用評估以確定賒銷額度與信用期限。信用評估主要根據客戶的財務狀況、外部評級及銀行信用記錄（如有可能）。有關的應收賬款自出具賬單日起15-240天到期。應收賬款逾期的債務人會被要求先清償所有未償還餘額，才可以獲得進一步的信用額度。在一般情況下，本集團不會要求客戶提供抵押品。

有關應收賬款的具體信息，請參見附註五、3的相關披露。

(2) 流動性風險

流動性風險，是指企業在履行以交付現金或其他金融資產的方式結算的義務時發生資金短缺的風險。本公司及各子公司負責自身的現金管理工作，包括現金盈餘的短期投資和籌措貸款以應付預計現金需求（如果借款額超過某些預設授權上限，便需獲得本公司董事會的批准）。本集團的政策是定期監控短期和長期的流動資金需求，以及是否符合借款協議的規定，以確保維持充裕的現金儲備和可供隨時變現的有價證券，同時獲得主要金融機構承諾提供足夠的備用資金，以滿足短期和較長期的流動資金需求。

VII. Risk related to financial instruments (cont'd)

七、與金融工具相關的風險（續）

(2) Liquidity risk (cont'd)

The following tables set out the remaining contractual maturities at the balance sheet date of the Group's financial liabilities, which are based on contractual cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group can be required to pay:

(2) 流動性風險（續）

本集團於資產負債表日的金融負債按未折現的合同現金流量（包括按合同利率（如果是浮動利率則按12月31日的現行利率）計算的利息）的剩餘合約期限，以及被要求支付的最早日期如下：

		2019 Contractual undiscounted cash flow 2019年未折現的合同現金流量					
Item	**項目**	**Within 1 year or on demand 1年內或實時償還**	**More than 1 year but less than 2 years 1年至2年**	**More than 2 years but less than 5 years 2年至5年**	**More than 5 years 5年以上**	**Total 合計**	**Carrying amount at balance sheet date 資產負債表賬面價值**
Financial liabilities	金融負債						
Accounts payable	應付賬款	**50,333,299**	**–**	**–**	**–**	**50,333,299**	**50,333,299**
Other payables	其他應付款	**16,807,137**	**–**	**–**	**–**	**16,807,137**	**16,807,137**
Long-term payables	長期應付款	**90,000**	**–**	**629,840**	**1,111,000**	**1,830,840**	**1,634,491**
Total	合計	**67,230,436**	**–**	**629,840**	**1,111,000**	**68,971,276**	**68,774,927**

		2018 Contractual undiscounted cash flow 2018年未折現的合同現金流量					
Item	項目	Within 1 year or on demand 1年內或實時償還	More than 1 year but less than 2 years 1年至2年	More than 2 years but less than 5 years 2年至5年	More than 5 years 5年以上	Total 合計	Carrying amount at balance sheet date 資產負債表賬面價值
Financial liabilities	金融負債						
Short-term loans	短期借款	50,884,065	–	–	–	50,884,065	50,000,000
Accounts payable	應付賬款	38,189,494	–	–	–	38,189,494	38,189,494
Other payables	其他應付款	17,882,203	–	–	–	17,882,203	17,882,203
Long-term payables	長期應付款	90,000	90,000	629,840	1,111,000	1,920,840	1,687,458
Total	合計	107,045,762	90,000	629,840	1,111,000	108,876,602	107,759,155

VII. Risk related to financial instruments (cont'd)

(3) Interest rate risk

Interest-bearing financial instruments at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest risk, respectively. The Group determines the appropriate weightings of the fixed and floating rate interest-bearing instruments based on the current market conditions and performs regular reviews and monitoring to achieve an appropriate mix of fixed and floating rate exposure. The Group does not enter into financial derivatives to hedge interest rate risk.

(a) As at 31 December, the Group held the following interest-bearing financial instruments:

Fixed rate instruments:

Item	項目	2019 2019年 Effective interest rate 實際利率	2019 2019年 Amount 金額	2018 2018年 Effective interest rate 實際利率	2018 2018年 Amount 金額
Financial liabilities	金融負債				
– Short-term loans	–短期借款	–	–	4.35% ~ 4.44%	(50,000,000)
Total	合計		–		(50,000,000)

Variable rate instruments:

Item	項目	2019 2019年 Effective interest rate 年利率	2019 2019年 Amount 金額	2018 2018年 Effective interest rate 年利率	2018 2018年 Amount 金額
Financial assets	金融資產				
– Cash at bank	–銀行存款	0.01% ~ 0.3%	273,971,754	0.01% ~ 0.30%	378,583,613

七、與金融工具相關的風險（續）

(3) 利率風險

固定利率和浮動利率的帶息金融工具分別使本集團面臨公允價值利率風險及現金流量利率風險。本集團根據市場環境來決定固定利率與浮動利率工具的比例，並通過定期審閱與監察維持適當的固定和浮動利率工具組合。本集團並未以衍生金融工具對沖利率風險。

(a) 本集團於12月31日持有的計息金融工具如下：

固定利率金融工具：

浮動利率金融工具：

VII. Risk related to financial instruments (cont'd)

(3) Interest rate risk (cont'd)

(b) Sensitivity analysis

As at 31 December 2019, it is estimated that a general increase of 50 basis points in interest rates, with all other variables held constant, would increase the Group's equity and net profit by RMB1,027,394 (2018: RMB1,419,689).

The sensitivity analysis above indicates the instantaneous change in the net profit and equity that would arise assuming that the change in interest rates had occurred at the balance sheet date and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the balance sheet date. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the balance sheet date, the impact on the net profit and equity is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis for the previous year.

(4) Foreign currency risk

In respect of cash at bank and on hand, accounts receivable and payable, short-term loans and other assets and liabilities denominated in foreign currencies other than the functional currency, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

七、與金融工具相關的風險（續）

(3) 利率風險（續）

(b) 敏感性分析

於2019年12月31日，在其他變量不變的情況下，假定利率上升50個基點將會導致本集團股東權益和淨利潤增加人民幣1,027,394元（2018年：增加人民幣1,419,689元）。

對於資產負債表日持有的使本集團面臨公允價值利率風險的金融工具，上述敏感性分析中的淨利潤及股東權益的影響是假設在資產負債表日利率發生變動，按照新利率對上述金融工具進行重新計量後的影響。對於資產負債表日持有的、使本集團面臨現金流量利率風險的浮動利率非衍生工具，上述敏感性分析中的淨利潤及股東權益的影響是上述利率變動對按年度估算的利息費用或收入的影響。上一年度的分析基於同樣的假設和方法。

(4) 匯率風險

對於不是以記賬本位幣計價的貨幣資金、應收款項和應付款項、短期借款等外幣資產和負債，如果出現短期的失衡情況，本集團會在必要時按市場匯率買賣外幣，以確保將淨風險敞口維持在可接受的水平。

VII. Risk related to financial instruments (cont'd)

(4) Foreign currency risk (cont'd)

(a) As at 31 December, the Group's exposure to currency risk arising from recognised assets or liabilities denominated in foreign currencies is presented in the following tables. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the balance sheet date. Differences resulting from the translation of foreign currency financial statements and the description of other exposure items that are excluded.

七、與金融工具相關的風險（續）

(4) 匯率風險（續）

(a) 本集團於12月31日的各外幣資產負債項目匯率風險敞口如下。出於列報考慮，風險敞口金額以人民幣列示，以資產負債表日即期匯率折算。外幣報表折算差額未包括在內。

		2019 2019年		2018 2018年	
Item	項目	**Balance at foreign currency 外幣餘額**	**Balance at RMB equivalent 折算人民幣餘額**	Balance at foreign currency 外幣餘額	Balance at RMB equivalent 折算人民幣餘額
Cash at bank and on hand	貨幣資金				
USD	美元	**6,786,937**	**47,347,032**	28,372,585	194,726,723
HKD	港幣	**558,572**	**500,358**	851,421	746,015
Accounts receivable	應收賬款				
USD	美元	**22,384,608**	**156,159,501**	22,999,288	157,848,717
Accounts payable	應付賬款				
USD	美元	**(274,142)**	**(1,912,469)**	(1,054,866)	(7,239,756)
Net balance sheet exposure	資產負債表敞口淨額				
USD	美元	**28,897,403**	**201,594,065**	50,317,007	345,335,684
HKD	港幣	**558,572**	**500,358**	851,421	746,015

VII. Risk related to financial instruments (cont'd) 七、與金融工具相關的風險（續）

(4) Foreign currency risk (cont'd)

(b) The following are the exchange rates for Renminbi against foreign currencies applied by the Group:

(4) 匯率風險（續）

(b) 本集團適用的人民幣對外幣的匯率分析如下：

		Average rate 平均匯率		Reporting date mid-spot rate 報告日中間匯率	
		2019 2019年	2018 2018年	**2019 2019年**	2018 2018年
HKD	港幣	**0.8860**	0.8561	**0.8958**	0.8762
USD	美元	**6.9197**	6.6987	**6.9762**	6.8632

(c) Sensitivity analysis

Assuming all other risk variables remained constant, a 5% strengthening of the Renminbi against the US dollar and Hong Kong dollar at 31 December would have decreased the Group's equity and net profit by the amount shown below, whose effect is in Renminbi and translated using the spot rate at the year-end date.

(c) 敏感性分析

假定除匯率以外的其他風險變量不變，本集團於12月31日人民幣對美元和港幣的匯率變動使人民幣升值5%將導致股東權益和淨利潤的減少情況如下。此影響按資產負債表日即期匯率折算為人民幣列示。

		Equity 股東權益	**Net profit 淨利潤**
As at 31 December 2019	2019年12月31日		
USD	美元	**7,559,777**	**7,559,777**
HKD	港幣	**18,763**	**18,763**
Total	合計	**7,578,541**	**7,578,541**
As at 31 December 2018	2018年12月31日		
USD	美元	12,950,088	12,950,088
HKD	港幣	27,976	27,976
Total	合計	12,978,064	12,978,064

VII. Risk related to financial instruments (cont'd)

(4) Foreign currency risk (cont'd)

(c) Sensitivity analysis (cont'd)

A 5% weakening of the Renminbi against the US dollar and Hong Kong dollar at 31 December would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remained constant.

The sensitivity analysis above 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 balance sheet date. The analysis excludes differences that would result from the translation of foreign currency financial statements. The analysis is performed on the same basis for the previous year.

(5) Other price risks

Other price risks include commodity price risk.

七、與金融工具相關的風險（續）

(4) 匯率風險（續）

(c) 敏感性分析（續）

於12月31日，在假定其他變量保持不變的前提下，人民幣對美元和港幣的匯率變動使人民幣貶值5%將導致股東權益和損益的變化和上表列示的金額相同但方向相反。

上述敏感性分析是假設資產負債表日匯率發生變動，以變動後的匯率對資產負債表日本集團持有的、面臨匯率風險的金融工具進行重新計量得出的。上述分析不包括外幣報表折算差異。上一年度的分析基於同樣的假設和方法。

(5) 其他價格風險

其他價格風險包括商品價格風險。

VIII. Fair value disclosure

1 Fair value of assets and liabilities measured at fair value at the end of the year

As at 31 December 2019 and 31 December 2018, there is no financial assets and liabilities measured at fair value.

2 Fair values of financial assets and liabilities not measured at fair value

All financial instruments are carried at amounts not materially different from their fair value as at 31 December 2019 and 31 December 2018 on the Group's ownership.

八、公允價值的披露

1、公允價值計量

於2019年12月31日及2018年12月31日，本集團不持有以公允價值計量的金融工具。

2、其他金融工具的公允價值（年末非以公允價值計量的項目）

於2019年12月31日及2018年12月31日，本集團各項金融資產和金融負債的賬面價值與公允價值之間無重大差異。

IX. Related parties and related party transactions

九、關聯方及關聯交易

1 Ultimate holding party of the Company

The ultimate holding party of the Company are Mr. Wang An and Ms. Wang Meng.

1、本公司的最終控制方情況

本公司的最終控制方為自然人王安先生和王萌女士。

2 Information about the subsidiaries of the Company

For information about the subsidiaries of the Company, refer to Note VI.

2、本公司的子公司情況

本公司的子公司有關信息參見附註六。

3 Information on other related parties

3、其他關聯方情況

Name of other related parties 其他關聯方名稱	Related party relationship 關聯關係
Shandong Andre Group Co., Ltd. 山東安德利集團有限公司	An entity which has significant influence over the Group (i) 對本集團實施重大影響的企業(i)
President Enterprises (China) Investment Co., Ltd. and its subsidiaries 統一企業(中國)投資有限公司及其子公司	An entity which has significant influence over the Group (i) 對本集團實施重大影響的企業(i)
Guangzhou President Enterprises Co., Ltd. 廣州統一企業有限公司	A subsidiary of the President Enterprises (China) Investment Co., Ltd. 統一企業股份有限公司的子公司
Chengdu President Enterprises Food Co., Ltd. 成都統一企業食品有限公司	A subsidiary of the President Enterprises (China) Investment Co., Ltd. 統一企業股份有限公司的子公司
Yantai Andre Yangma Resort Co., Ltd. 烟台養馬島安德利度假村有限公司	Under control of the same ultimate holding company 同受最終控制方控制的企業
Yantai Andre Real Estate Development Co., Ltd. 烟台安德利房地產開發有限公司	Under control of the same ultimate holding company 同受最終控制方控制的企業
Yantai Andre Property Management Co., Ltd. 烟台安德利物業管理有限公司	Under control of the same ultimate holding company 同受最終控制方控制的企業
Yantai Andre Pectin Co., Ltd. 烟台安德利果膠股份有限公司	Under significant influence of the same ultimate holding company 受最終控制方重大影響的企業
Yantai Hengtong Heat Co., Ltd. 烟台亨通熱電有限公司	Under control of the same ultimate holding company 同受最終控制方控制的企業
Liquan Yitong Heat Co., Ltd. 禮泉億通熱力有限公司	Under control of the same ultimate holding company (ii) 同受最終控制方控制的企業(ii)
Yantai Yitong Heat Co., Ltd. 烟台億通熱電有限公司	Under control of the same ultimate holding company 同受最終控制方控制的企業
Yantai Hengda Cement Co., Ltd. 烟台亨達水泥有限公司	Under control of the same ultimate holding company 同受最終控制方控制的企業
Yantai Hengli Contrete LLC. 烟台亨力混凝土有限責任公司	Under significant influence of the same ultimate holding company 受最終控制方重大影響的企業
Yantai Xinping Jian'an Co., Ltd. 烟台新平建安工程有限公司	Under control of a close family member of the Company's key management personnel 最終控制方關係密切的家庭成員控制的企業
Yantai Xingan Investment Centre (Limited Partnership) 烟台興安投資中心(有限合夥)	Under control of the Company's key management personnel 本集團關鍵管理人員控制的企業

IX. Related parties and related party transactions (cont'd)

九、關聯方及關聯交易（續）

3 Information on other related parties (cont'd)

3、其他關聯方情況（續）

Name of other related parties 其他關聯方名稱	Related party relationship 關聯關係
Donghua Fruit Industry Co., Ltd.	Under control of the same ultimate holding company
Donghua Fruit Industry Co., Ltd.	同受最終控制方控制的企業
China Pingan Investment Holdings Limited	Under control of the same ultimate holding company
China Pingan Investment Holdings Limited	同受最終控制方控制的企業
Yantai Andre holiday Hotel Plaza Limited	Under control of the same ultimate holding company
烟台安德利度假酒店有限公司	同受最終控制方控制的企業
Yantai Andre construction and Installation Engineering Company Limited	Under control of the same ultimate holding company
烟台安德利建築安裝工程有限公司	同受最終控制方控制的企業
Kunlong Spring Resort Ltd	Under control of the same ultimate holding company
烟台崑龍溫泉有限公司	同受最終控制方控制的企業
Mitsui & Co., Ltd.	Own more than 5% of the shares of the Company (iii)
Mitsui & Co., Ltd.	持有本公司5%以上股份的企業(iii)
Mitsui Foods Inc.	Under the control of Mitsui & Co., Ltd (iii)
Mitsui Foods Inc.	受Mitsui & Co., Ltd.控制的企業(iii)
Bussan Food Materials Co., Ltd.	Under the control of Mitsui & Co., Ltd (iii)
Bussan Food Materials Co., Ltd.	受Mitsui & Co., Ltd.控制的企業(iii)
Yantai Andre Biotechnology Co., Ltd.	Under the control of Yantai Andre Pectin Co., Ltd.
烟台安德利生物科技有限公司	受烟台安德利果膠股份有限公司控制的企業

(i) Shandong Andre Group Co., Ltd. and President Enterprises (China) Investment Co., Ltd. exercised their significant influence over the Company through their representation on the board of directors of the Company.

(i) 山東安德利集團有限公司和統一企業（中國）投資有限公司通過股東會及其於本公司董事會的代表行使有效表決權，從而對本公司實施重大影響。

(ii) Yantai Yitong Heat Co., Ltd. disposed the 100% shares of Liquan Yitong Heat Co., Ltd. to Yantai Anlin Fruit Co., Ltd., on 1 April 2019.

(ii) 2019年4月1日，烟台億通熱電有限公司處置所持有的禮泉億通熱力有限公司100%股權予烟台安林果業有限公司。

(iii) Mitsui & Co., Ltd. owns more than 5% of the shares of the Company. Mitsui Foods Inc. and Bussan Food Materials Co., Ltd. are the subsidiaries of Mitsui & Co., Ltd. These entities are regarded as related parties in accordance with the Measures for the Administration of Information Disclosure of Listed Companies promulgated by the China Securities Regulatory Commission.

(iii) Mitsui & Co., Ltd.（三井物產株式會社）持有本公司5%以上股份，Mitsui Foods Inc.和Bussan Food Materials Co., Ltd.分別為其控股子公司。根據中國證監會頒佈的《上市公司信息披露管理辦法》，將其認定為關聯方。

IX. Related parties and related party transactions (cont'd)

九、關聯方及關聯交易（續）

4 Transactions with related parties

For the year ended 31 December 2019, the Group entered into transactions with related parties as set out as follows. Apart from the items disclosed in the Report of the Directors under the section "Connected Transactions", all the material related party transactions disclosed below did not constitute non-exempt connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

4、關聯交易情況

截至2019年12月31日止年度，本集團與關聯方進行如下附註中載列之交易。除披露於董事會報告內「關連交易」一節外，所有下述披露之重大關聯方交易不會構成按上市規則第14A章界定為不獲豁免關連交易或持續關連交易。

(1) Related party transactions

(1) 關聯交易

			The Group 本集團		The Company 本公司	
		Note 註	**2019 2019年**	2018 2018年	**2019 2019年**	2018 2018年
Sales of goods and service	銷售商品及提供勞務		**119,069,855**	66,762,076	**64,061,086**	83,284,548
Purchases of goods and service	購買商品及購買勞務		**8,021,705**	18,436,938	**317,469,269**	438,889,489
Purchases of assets	購買資產		**–**	–	**128,267**	280,700
Sales of assets	銷售資產		**88,496**	–	**166,824**	14,450,213
Storage incomes	倉儲費收入		**–**	336,600	**–**	336,600
Rental income	租金收入		**963,079**	978,220	**559,879**	642,220
Advance money received	收回代墊款項		**–**	–	**–**	86,833,523
Advance money released	發放代墊款項		**–**	–	**134,011,188**	–
Fund received	接收資金		**–**	20,000,000	**–**	–
Fund returned	償還資金		**–**	20,000,000	**–**	–

IX. Related parties and related party transactions (cont'd)

九、關聯方及關聯交易（續）

4 Transactions with related parties (cont'd)

(2) Remuneration of key management personnel

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Group's directors and supervisors. Remuneration for key management personnel of the Group is as follows:

4、關聯交易情況（續）

(2) 關鍵管理人員的薪金

關鍵管理人員是指有權力和責任直接或間接策劃、指導和控制本集團活動的人員，包括本集團的董事及監事。對關鍵管理人員的報酬如下：

The Group **本集團**

Item	項目	**2019 2019年**	2018 2018年
Remuneration of key management personnel	關鍵管理人員報酬	**3,902,380**	3,331,561

The Company **本公司**

Item	項目	**2019 2019年**	2018 2018年
Remuneration of key management personnel	關鍵管理人員報酬	**2,473,371**	2,455,324

For the year ended 31 December 2019 and 31 December 2018, no emoluments were paid to the directors or supervisors as an inducement to join or upon joining the Company or as compensation for loss of office. For the year ended 31 December 2019 and 31 December 2018, no fees or any other emoluments were waived by directors or supervisors.

截至2019年12月31日及2018年12月31日止年度，本集團及本公司並未向董事及監事支付任何酬金以作為吸引其加入本公司的獎勵或離職補償。截至2019年12月31日及2018年12月31日止年度，董事或監事概無放棄袍金或其他酬金。

IX. Related parties and related party transactions (cont'd) 九、關聯方及關聯交易（續）

5 Receivables from and payables to related parties 5、關聯方應收應付款項

		The Group 本集團		The Company 本公司	
		31 December 2019 2019年 12月31日	31 December 2018 2018年 12月31日	**31 December 2019 2019年 12月31日**	31 December 2018 2018年 12月31日
Accounts receivable	應收賬款	**13,013,291**	7,973,345	**10,292,001**	42,096,010
Other receivable-dividends receivable	其他應收款－應收股利	**–**	–	**25,699,658**	25,699,658
Other receivables-others	其他應收款－其他	**–**	–	**252,921,563**	119,058,112
Accounts payable	應付賬款	**47,659**	14,694	**16,668,439**	5,244,670
Other payables-others	其他應付款－其他	**–**	–	**291,347,559**	441,389,335

6 Guarantee 6、關聯擔保

(1) The Group as a guarantee *(1) 本集團作為被擔保方*

		2019 2019年		2018 2018年	
Name of guarantor	擔保方	**Amount of guaranty 擔保金額**	**Guaranty completed (Y/N) 擔保是否已經履行完畢**	Amount of guaranty 擔保金額	Guaranty completed (Y/N) 擔保是否已經履行完畢
Shandong Andre Group Co., Ltd.	山東安德利集團有限公司	**–**	**N/A 不適用**	50,000,000	N 否
Shandong Andre Group Co., Ltd.	山東安德利集團有限公司	**50,000,000**	**Y 是**	70,000,000	Y 是
Total	合計	**50,000,000**		120,000,000	

IX. Related parties and related party transactions (cont'd)

九、關聯方及關聯交易（續）

6 Guarantee (cont'd)

6、關聯擔保（續）

(2) The Company as a guarantee

(2) 本公司作為被擔保方

		2019 2019年		2018 2018年	
Name of guarantor	擔保方	**Amount of guaranty** **擔保金額**	**Guaranty completed (Y/N)** **擔保是否已經履行完畢**	Amount of guaranty 擔保金額	Guaranty completed (Y/N) 擔保是否已經履行完畢
Shandong Andre Group Co., Ltd.	山東安德利集團有限公司	**–**	**N/A** **不適用**	50,000,000	N 否
Shandong Andre Group Co., Ltd.	山東安德利集團有限公司	**50,000,000**	**Y** **是**	70,000,000	Y 是
Total	合計	**50,000,000**		120,000,000	

X. Capital management

The Group's primary objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group defines "capital" as including all components of equity plus any loans from related parties with no fixed terms of repayment, less unaccrued proposed dividends. The balances of related party transactions are not regarded by the Group as capital.

The Group's capital structure is regularly reviewed and managed to achieve an optimal structure and return for shareholders. Factors for the Group's consideration include: its future funding requirements, capital efficiency, actual and expected profitability, expected cash flows, and expected capital expenditure. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Group.

The Group's capital structure is monitored on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes short-term loans and long-term payables) plus unaccrued proposed dividends, less related-party loans with no fixed repayment terms and cash and cash equivalents.

During 2019, the Group's strategy, which was unchanged from 2018, was to maintain an adjusted net debt-to-capital ratio of no more than 30%. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, request new loans, issue new shares, or sell assets to reduce debt.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

十、資本管理

本集團資本管理的主要目標是保障本集團的持續經營，能夠通過制定與風險水平相當的產品和服務價格並確保以合理融資成本獲得融資的方式，持續為股東提供回報。

本集團對資本的定義為股東權益加上沒有固定還款期限的關聯方借款並扣除未確認的已提議分配的股利。本集團的資本不包括與關聯方之間的業務往來餘額。

本集團定期覆核和管理自身的資本結構，力求達到最理想的資本結構和股東回報。本集團考慮的因素包括：本集團未來的資金需求、資本效率、現實的及預期的盈利能力、預期的現金流、預期資本支出等。如果經濟狀況發生改變並影響本集團，本集團將會調整資本結構。

本集團通過經調整的淨債務資本率來監管集團的資本結構。經調整的淨債務為總債務（包括短期借款及長期應付款），加上未確認的已提議分配的股利，扣除沒有固定還款期限的關聯方借款以及現金和現金等價物。

本集團2019年的資本管理戰略與2018年度一致，維持經調整的淨債務資本率不超過30%。為了維持或調整該比例，本集團可能會調整支付給股東的股利金額，增加新的借款，發行新股，或出售資產以減少負債。

本公司或本公司的子公司均無需遵循的外部強制性資本要求。

XI. Commitments and Contingencies

十一、承諾及或有事項

1 Significant commitments

(1) Capital commitments

1、重要承諾事項

(1) 資本承擔

Item	項目	**2019 2019年**	2018 2018年
Signed contracts for acquisition of fixed assets being or to be executed	已簽訂的正在或準備履行的固定資產採購合同	**9,218,398**	1,670,668

(2) Operating lease commitments

As at 31 December 2018, the Group and the Company had no non-cancellable operating leases.

(2) 經營租賃承擔

於2018年12月31日，本集團及本公司沒有不可撤銷的經營租賃協議。

2 Contingent liabilities arising from outstanding litigations and arbitration and related financial impact

As at 31 December 2019 and 31 December 2018, the Group did not have contingent liabilities arising from outstanding litigations and arbitration.

2、未決訴訟仲裁形成的或有負債及其財務影響

於2019年12月31日及2018年12月31日，本集團沒有未決訴訟仲裁形成的或有負債。

3 Contingent liabilities arising from guarantees provided for other entities and related financial impact

As at 31 December 2019 and 31 December 2018, the Group did not provide guarantees in respect of the bank loans of other companies.

3、為其他單位提供債務擔保形成的或有負債及其財務影響

於2019年12月31日及2018年12月31日，本集團沒有為其他單位提供債務擔保。

XII. Subsequent events

The coronavirus outbreak since early 2020 has brought about additional uncertainties in the Group's operating environment and may impact the Group's operations and financial position.

The Group has been closely monitoring the impact of the developments on the Group's businesses and has put in place contingency measures. These contingency measures include: increasing our options for logistics and transportation, evaluating the supply readiness of our raw materials suppliers, negotiating with customers on delivery schedule, and continuously monitoring the operations of our domestic customers. The Group will keep our contingency measures under review as the situation evolves.

As far as the Group's businesses are concerned, the coronavirus outbreak occurred after the end of the Group's production season and did not affect the Group's production, but the outbreak may increase the risk of delivery delays and the transportation cost. The Group has initiated the above contingency measures to respond. Based on the information currently available, the management estimated that the coronavirus outbreak may impact the repayment abilities of certain small and medium-sized domestic customers and, as a result, may lead to additional provision for bad and doubtful debts subsequent to the balance sheet date. Such impact has not been reflected in the financial statements as at 31 December 2019. The actual impact may differ from the estimate as more information may become available to the Group while the situation continue to evolve.

十二、 資產負債表日後事項

自2020年初以來，新型冠狀病毒感染的肺炎疫情的發生使得本集團的經營環境存在不確定性，可能對本集團的經營成果和財務狀況產生影響。

本集團一直密切關注事態發展對集團業務的影響，並制定了應急措施。這些應急措施包括：增加我們的物流運輸選擇；評估我們原料果供應商的供給準備情況；與客戶就交貨時間表進行談判；持續關注國內客戶的經營狀況。隨著形勢的發展，本集團將不斷審查我們的應急措施。

就本集團業務而言，該疫情發生在本集團季節性生產結束之後，未對本集團生產造成影響，但該疫情可能帶來交貨延誤的風險以及運輸費用上升的影響。本集團已啟動上述應急措施予以應對。根據目前掌握的信息，管理層估計，該疫情可能對國內個別中小型客戶的還款能力產生影響，這將導致資產負債表日後的應收賬款餘額產生額外減值的財務報表影響，上述影響未反映在截至2019年12月31日財務報表中。本集團將隨著情況的發展而獲得更多信息，實際影響可能與上述估計不同。

XIII Other significant items

十三、 其他重要事項

Segment reporting

The Group is principally operating in a single reportable segment, which is engaged in manufacture and sales of condensed fruit juice and related products, and provision of juice processing services, therefore the Group has not disclose any further information with respect to reportable segment.

分部報告

本集團主要在單一經營分部內經營，即生產銷售濃縮果汁及相關產品，以及提供果汁加工服務，所以本集團沒有披露經營分部信息。

The geographical location of the Group's operating income from external customers is set out as follows:

以下是本集團按客戶地區列示的營業收入：

Geographical location	地區	**2019 2019年**	2018 2018年
China	中國	**296,689,334**	240,873,341
North America	北美洲	**83,522,194**	408,497,782
Asia (excluding China)	亞洲（中國以外）	**214,540,584**	157,120,674
Europe	歐洲	**127,374,582**	112,841,327
Oceania	大洋洲	**53,108,374**	51,451,203
Africa	非洲	**62,344,081**	96,401,274
South America	南美洲	**548,188**	399,207
Total	合計	**838,127,337**	1,067,584,808

As at 31 December 2019, the carrying amount of non-current assets located overseas is RMB12,652,430 (31 December 2018: RMB12,806,254).

於2019年12月31日，本集團在海外擁有的非流動資產總額為人民幣12,652,430元（2018年：人民幣12,806,254元）。

For the year ended 31 December 2019, the Group has 1 customer (For the year ended 31 December 2018: no customer), the operating income from which is over 10% of the Group's total operating income. The operating income from this customer represents approximately 10% of the Group's total operating income. The income amount of this customer is set out as follows:

2019年度及2018年度，在本集團客戶中，本集團來源於單一客戶收入佔本集團總收入10%或以上的客戶數量分別為1個及0個，2019年度該第一大客戶約佔本集團總收入10%。來自該等客戶的收入金額列示如下：

Customers 客戶	**2019 2019年 Geographical location 地區**	**Amount 金額**	2018 2018年 Geographical location 地區	Amount 金額
Customer 1	**Europe**	**86,532,450**	Europe	below 10% of the Group's total operating income
客户1	**歐洲**	**86,532,450**	歐洲	低於集團收入的10%

XIV Notes to major items in the parent company's financial statements

十四、母公司財務報表主要項目註釋

1 Bills receivable

1、應收票據

Item	種類	**2019** **2019年**	2018 2018年
Bank acceptance bills	銀行承兑匯票	**1,875,118**	6,119,488

All of the above bills receivable were due within one year, and were not pledged.

應收票據均為一年內到期，且未被質押。

The carrying amount of undue bills receivable that have been endorsed and derecognized are RMB309,296. As at 31 December 2019, the remaining maturities of the derecognized bills ranged from 1 to 5 months.

於2019年12月31日，已背書並已終止確認的未到期應收票據的賬面金額為人民幣309,296元。於2019年12月31日，終止確認票據剩餘期限為1至5個月。

The carrying amount of undue bills receivable that have been endorsed and derecognized are RMB4,028,596. As at 31 December 2018, the remaining maturities of the derecognized bills ranged from 1 to 4 months.

於2018年12月31日，已背書並已終止確認的未到期應收票據的賬面金額為人民幣4,028,596元。於2018年12月31日，終止確認票據剩餘期限為1至4個月。

According to the Bill Law of the People's Republic of China, if the acceptance banks of bills receivable that are discounted or endorsed by the Company refuse to pay the bills, the bills holders has recourse to the Company. The Board of Directors believe that there is no significant default risk of the acceptance banks which the bills were endorsed to and the Company had substantially transferred almost all the risks and rewards of those bills which have been endorsed and derecognized. Therefore, the Company derecognized these bills in full.

根據中華人民共和國票據法，如本公司貼現或背書的應收票據的承兑銀行拒絕付款，持票人對本公司擁有追索權。董事會認為，已背書票據的承兑銀行不存在重大銀行違約風險，對於終止確認的已背書票據，本公司已實質上轉移了該等票據幾乎所有的風險和報酬，因此，本公司全額終止確認這些票據。

XIV Notes to major items in the parent company's financial statements (cont'd)

十四、母公司財務報表主要項目註釋（續）

2 Accounts receivable

(1) Accounts receivable by customer type are as follows:

Customer type	客戶類別	**2019 2019年**	2018 2018年
Subsidiaries	子公司	**9,425,152**	41,464,465
Other related parties	其他關聯公司	**866,849**	631,545
Third parties	第三方	**133,809,356**	116,830,606
Sub-total	小計	**144,101,357**	158,926,616
Less: Provision for bad and doubtful debts	減：壞賬準備	**4,483,096**	8,028,504
Total	合計	**139,618,261**	150,898,112

(2) The ageing analysis of accounts receivable is as follows:

Ageing	賬齡	**2019 2019年**	2018 2018年
Within 6 months (inclusive)	6個月以內（含6個月）	**142,637,294**	117,492,619
After 6 months but within 1 year (inclusive)	6個月至1年（含1年）	**1,461,450**	41,431,384
After 1 year but within 2 years (inclusive)	1年至2年（含2年）	**2,613**	2,613
Sub-total	小計	**144,101,357**	158,926,616
Less: Provision for bad and doubtful debts	減：壞賬準備	**4,483,096**	8,028,504
Total	合計	**139,618,261**	150,898,112

The ageing is counted starting from the date when accounts receivable are recognised.

2、應收賬款

(1) 應收賬款按客戶類別分析如下：

(2) 應收賬款按賬齡分析如下：

賬齡自應收賬款確認日起開始計算。

XIV Notes to major items in the parent company's financial statements (cont'd)

十四、母公司財務報表主要項目註釋（續）

2 Accounts receivable (cont'd)

2、應收賬款（續）

(3) Addition, reversal or written-off of provision for bad and doubtful debts during the year:

(3) 本報告期內各年度計提、轉回或核銷的壞賬準備情況：

		2019 **2019年**	2018 2018年
Balance under the original financial instruments standard	原金融工具準則下的餘額		5,066,262
Impact on initial application of the new financial instruments standards	首次執行新金融工具準則的調整金額		–
Adjusted balance at the beginning of the year	調整後的年初餘額	**8,028,504**	5,066,262
Reversals during the year	本年轉回	**(3,545,408)**	–
Additions during the year	本年計提	**–**	2,962,242
Balance at the end of the year	年末餘額	**4,483,096**	8,028,504

3 Other receivables

3、其他應收款

Item	項目	Notes 註	**2019** **2019年**	2018 2018年
Dividends receivable	應收股利		**25,699,658**	25,699,658
Others	其他	(1)	**253,081,083**	119,294,470
Total	合計		**278,780,741**	144,994,128

XIV Notes to major items in the parent company's financial statements (cont'd)

十四、母公司財務報表主要項目註釋（續）

3 Other receivables (cont'd)

(1) Others

(a) Other receivables analysis by type are as follows:

Type	類別	**2019 2019年**	2018 2018年
Subsidiaries	子公司	**252,921,563**	119,058,112
Third parties	第三方	**159,520**	236,358
Sub-total	小計	**253,081,083**	119,294,470
Less: Provision for bad and doubtful debts	減：壞賬準備	**–**	–
Total	合計	**253,081,083**	119,294,470

3、其他應收款（續）

(1) 其他

(a) 按客戶類別分析如下：

(b) The ageing analysis of other receivables is as follows:

Ageing	賬齡	**2019 2019年**	2018 2018年
Within 1 year (inclusive)	1年以內（含1年）	**186,282,373**	52,495,760
Over 3 years	3年以上	**66,798,710**	66,798,710
Sub-total	小計	**253,081,083**	119,294,470
Less: Provision for bad and doubtful debts	減：壞賬準備	**–**	–
Total	合計	**253,081,083**	119,294,470

The ageing is counted starting from the date when other receivables are recognised.

(b) 按賬齡分析如下：

賬齡自其他應收款確認日起開始計算。

XIV Notes to major items in the parent company's financial statements (cont'd)

十四、母公司財務報表主要項目註釋（續）

4 Long-term equity investments

(1) Long-term equity investments by category are as follows:

4、長期股權投資

(1) 長期股權投資分類如下：

Item	種類	**2019** **2019年**	2018 2018年
Investments in subsidiaries	對子公司的投資	**465,462,159**	465,462,159
Less: Provision for impairment	減：減值準備	**35,667,335**	34,867,415
Total	合計	**429,794,824**	430,594,744

As at 31 December 2019 and 31 December 2018, the Company recognised impairment provisions of RMB35,667,335 and RMB34,867,415, respectively for the long-term equity investment in Anyue Andre Lemon Industry Technology Co., Ltd.

於2019年12月31日及2018年12月31日，本公司對子公司安岳安德利檸檬產業科技有限公司的長期股權投資計提資產減值準備35,667,335元及34,867,415元。

XIV Notes to major items in the parent company's financial statements (cont'd)

十四、母公司財務報表主要項目註釋（續）

4 Long-term equity investments (cont'd)

(2) Movements of long-term equity investments for the year are as follows:

4、長期股權投資（續）

(2) 長期股權投資本年變動情況分析如下：

2019

2019年

Investee	被投資單位	Investment cost 投資成本	Book value of long-term equity investment 長期股權投資賬面價值: At 1 January 1月1日	Increase/ Decrease 增減變動	At 31 December 12月31日	Provision for impairment 本年計提減值準備	Balance of provision for impairment at the end of the year 減值準備年末餘額	Shareholding percentage (%) 在被投資單位持股比例(%)	Voting rights percentage (%) 在被投資單位表決權比例(%)	Cash dividend for the year 本年現金紅利
Cost method-subsidiaries	成本法－子公司									
Baishui Andre Juice Co., Ltd.	白水安德利果蔬汁有限公司	110,630,130	110,630,130	-	110,630,130	-	-	74.44%	74.44%	-
Yantai Longkou Andre Juice Co., Ltd.	烟台龍口安德利果汁飲料有限公司	80,622,696	80,622,696	-	80,622,696	-	-	46.50%	46.50%	84,263,070
Xuzhou Andre Juice Co., Ltd.	徐州安德利果蔬汁有限公司	58,645,418	58,645,418	-	58,645,418	-	-	75%	75%	-
Andre Juice Co., Ltd.	安德利果汁有限公司	8	8	-	8	-	-	100%	100%	-
Dalian Andre Juice Co., Ltd.	大連安德利果蔬汁有限公司	56,000,000	56,000,000	-	56,000,000	-	-	70%	70%	-
Yantai Andre Juice Co., Ltd.	烟台安德利果汁飲料有限公司	30,000,000	30,000,000	-	30,000,000	-	-	75%	75%	-
Yongji Andre Juice Co., Ltd.	永濟安德利果蔬汁有限公司	77,443,907	77,443,907	-	77,443,907	-	-	75%	75%	63,000,000
Anyue Andre Lemon Industry Technology Co., Ltd.	安岳安德利檸檬產業科技有限公司	52,120,000	52,120,000	-	52,120,000	(799,920)	(35,667,335)	100%	100%	-
Total	合計	465,462,159	465,462,159	-	465,462,159	(799,920)	(35,667,335)			147,263,070

XIV Notes to major items in the parent company's financial statements (cont'd)

十四、母公司財務報表主要項目註釋（續）

4 Long-term equity investments (cont'd)

(2) Movements of long-term equity investments for the year are as follows: (cont'd)

4、長期股權投資（續）

(2) 長期股權投資本年變動情況分析如下：（續）

2018

2018年

		Book value of long-term equity investment 長期股權投資賬面價值								
Investee	被投資單位	Investment cost 投資成本	At 1 January 1月1日	Increase/ Decrease 增減變動	At 31 December 12月31日	Provision for impairment 本年計提減值準備	Balance of provision for impairment at the end of the year 減值準備年末餘額	Shareholding percentage (%) 在被投資單位持股比例(%)	Voting rights percentage (%) 在被投資單位表決權比例(%)	Cash dividend for the year 本年現金紅利
Cost method-subsidiaries	成本法－子公司									
Baishui Andre Juice Co., Ltd.	白水安德利果蔬汁有限公司	110,630,130	110,630,130	-	110,630,130	-	-	74.44%	74.44%	-
Yantai Longkou Andre Juice Co., Ltd.	烟台龍口安德利果汁飲料有限公司	80,622,696	80,622,696	-	80,622,696	-	-	74.11%	74.11%	-
Xuzhou Andre Juice Co., Ltd.	徐州安德利果蔬汁有限公司	58,645,418	58,645,418	-	58,645,418	-	-	75%	75%	-
Andre Juice Co., Ltd.	安德利果汁有限公司	8	8	-	8	-	-	100%	100%	-
Dalian Andre Juice Co., Ltd.	大連安德利果蔬汁有限公司	56,000,000	56,000,000	-	56,000,000	-	-	70%	70%	-
Yantai Andre Juice Co., Ltd.	烟台安德利果汁飲料有限公司	30,000,000	30,000,000	-	30,000,000	-	-	75%	75%	-
Yongji Andre Juice Co., Ltd.	永濟安德利果蔬汁有限公司	77,443,907	77,443,907	-	77,443,907	-	-	75%	75%	-
Anyue Andre Lemon Industry Technology Co., Ltd.	安岳安德利檸檬產業科技有限公司	52,120,000	52,120,000	-	52,120,000	4,312,933	34,867,415	100%	100%	-
Total	合計	465,462,159	465,462,159	-	465,462,159	4,312,933	34,867,415			-

The detail of the Company's subsidiaries is set out in note VI(1).

本公司子公司的相關信息參見附註六、1。

XIV Notes to major items in the parent company's financial statements (cont'd)

十四、母公司財務報表主要項目註釋（續）

5 Operating income and operating costs

5、營業收入、營業成本

Item	項目	2019 2019年 Income 收入	2019 2019年 Cost 成本	2018 2018年 Income 收入	2018 2018年 Cost 成本
Principal businesses	主營業務	**495,367,974**	**414,319,987**	612,300,096	548,566,586
Other businesses	其他業務	**9,455,387**	**7,166,387**	9,121,165	7,305,922
Total	合計	**504,823,361**	**421,486,374**	621,421,261	555,872,508

Operating income generated from principal businesses represents primarily the sales of condensed juice and related products. Operating income generated from other businesses represents primarily the sales of packaging materials, rental income and others.

主營業務收入系指本公司的濃縮果汁及相關產品的銷售收入。其他業務收入主要指銷售包裝物等材料收入及租金收入等。

6 Investment income

6、投資收益

Item	項目	2019 2019年	2018 2018年
Income from long-term equity investments accounted for using cost method	成本法核算的長期股權投資收益	**147,263,070**	–
Investment income from disposal of financial assets held for trading	處置交易性金融資產取得的投資收益	**7,687,080**	6,231,384
Investment income from disposal of debt investments	處置債權投資取得的投資收益	**1,899,684**	1,087,260
Total	合計	**156,849,834**	7,318,644