

WEICHAI
潍柴

股份編號 Stock code:2338.HK

2020 | 年報

Annual Report

維柴動力股份有限公司
WEICHAI POWER CO., LTD.

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DIRECTORS

Executive Directors

Tan Xuguang (*Chairman and Chief Executive Officer*)

Zhang Quan (*Executive President*)

Xu Xinyu

Sun Shaojun (*Executive President*)

Yuan Hongming (*Executive President*)

Yan Jianbo (*Executive President*)

Non-executive Directors

Zhang Liangfu (appointed on 29 June 2020)

Jiang Kui

Gordon Riske

Michael Martin Macht

Wang Yuepu (resigned on 26 March 2020)

Independent Non-executive Directors

Li Hongwu

Wen Daocai

Jiang Yan (appointed on 29 June 2020)

Yu Zhuoping (appointed on 29 June 2020)

Zhao Huifang (appointed on 29 June 2020)

Zhang Zhong (retired on 29 June 2020)

Wang Gongyong (retired on 29 June 2020)

Ning Xiangdong (retired on 29 June 2020)

SUPERVISORS

Lu Wenwu

Ma Changhai

Wu Hongwei

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Kwong Kwan Tong (*CPA, FCCA, ACMA*)

SECRETARY TO THE BOARD

Wang Li

董事

執行董事

譚旭光(董事長兼首席執行官)

張泉(執行總裁)

徐新玉

孫少軍(執行總裁)

袁宏明(執行總裁)

嚴鑒鉞(執行總裁)

非執行董事

張良富(於二零二零年六月二十九日上任)

江奎

Gordon Riske

Michael Martin Macht

王日普(於二零二零年三月二十六日辭任)

獨立非執行董事

李洪武

聞道才

蔣彥(於二零二零年六月二十九日上任)

余卓平(於二零二零年六月二十九日上任)

趙惠芳(於二零二零年六月二十九日上任)

張忠(於二零二零年六月二十九日退任)

王貢勇(於二零二零年六月二十九日退任)

寧向東(於二零二零年六月二十九日退任)

監事

魯文武

馬常海

吳洪偉

公司秘書暨財務總監

鄭焜堂 (*CPA, FCCA, ACMA*)

董事會秘書

王麗

SECURITIES AFFAIR REPRESENTATIVE

Wu Di
197, Section A, Fu Shou East Street
High Technology Industrial Development Zone
Weifang
Shandong Province
The People's Republic of China
Postal Code: 261061
Tel: (86) (536)-229 7056
Fax: (86) (536)-819 7073
Website: <http://www.weichaipower.com>

AUTHORISED REPRESENTATIVES

Xu Xinyu
Kwong Kwan Tong

REGISTERED ADDRESS AND HEADQUARTERS OF THE COMPANY

197, Section A, Fu Shou East Street
High Technology Industrial Development Zone
Weifang
Shandong Province
The People's Republic of China
Postal Code: 261061
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Website: <http://www.weichaipower.com>

PLACE OF BUSINESS IN HONG KONG

Room 3407-3408
34/F Gloucester Tower
Landmark
15 Queen's Road Central
Central, Hong Kong

LEGAL ADVISOR

Reed Smith Richards Butler

AUDITOR

Deloitte Touche Tohmatsu Certified Public Accountant LLP

證券事務代表

吳迪
中華人民共和國
山東省
濰坊
高新技術產業開發區
福壽東街197號甲
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電話：(86) (536)-229 7056
傳真：(86) (536)-819 7073
網址：<http://www.weichaipower.com>

授權代表

徐新玉
鄭焜堂

註冊辦事處及公司總部

中華人民共和國
山東省
濰坊
高新技術產業開發區
福壽東街197號甲
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電話：(86) (536)-229 7056
傳真：(86) (536)-819 7073
網址：<http://www.weichaipower.com>

香港營業地點

香港中環
皇后大道中15號
置地廣場
告羅士打大廈
34樓3407-3408室

法律顧問

禮德齊伯禮律師行

核數師

德勤華永會計師事務所(特殊普通合伙)

AUDIT COMMITTEE

Jiang Yan (*Chairman*)
(appointed on 29 June 2020)
Li Hongwu
Wen Daocai
Yu Zhuoping (appointed on 29 June 2020)
Zhao Huifang (appointed on 29 June 2020)
Wang Gongyong (retired on 29 June 2020)
Zhang Zhong (retired on 29 June 2020)
Ning Xiangdong (retired on 29 June 2020)

STRATEGIC DEVELOPMENT AND INVESTMENT COMMITTEE

Tan Xuguang (*Chairman*)
Michael Martin Macht (*Vice-chairman*)
Zhang Quan
Xu Xinyu
Sun Shaojun
Yuan Hongming
Yan Jianbo
Zhang Liangfu (appointed on 29 June 2020)
Yu Zhuoping (appointed on 29 June 2020)
Wang Yuepu (resigned on 26 March 2020)
Ning Xiangdong (retired on 29 June 2020)

REMUNERATION COMMITTEE

Zhao Huifang (*Chairman*)
(appointed on 29 June 2020)
Tan Xuguang
Jiang Yan (appointed on 29 June 2020)
Zhang Zhong (retired on 29 June 2020)
Wang Gongyong (retired on 29 June 2020)

NOMINATION COMMITTEE

Li Hongwu (*Chairman*)
(appointed as chairman on 29 June 2020)
Xu Xinyu
Zhao Huifang (appointed on 29 June 2020)
Zhang Zhong (retired on 29 June 2020)
Wang Gongyong (retired on 29 June 2020)

PRINCIPAL BANKERS

Industrial and Commercial Bank of China
China Construction Bank Corporation
Bank of China
HSBC

審核委員會

蔣彥(*主席*)
(於二零二零年六月二十九日上任)
李洪武
聞道才
余卓平(於二零二零年六月二十九日上任)
趙惠芳(於二零二零年六月二十九日上任)
王貢勇(於二零二零年六月二十九日退任)
張忠(於二零二零年六月二十九日退任)
寧向東(於二零二零年六月二十九日退任)

戰略發展及投資委員會

譚旭光(*主席*)
Michael Martin Macht(*副主席*)
張泉
徐新玉
孫少軍
袁宏明
嚴鑒鉞
張良富(於二零二零年六月二十九日上任)
余卓平(於二零二零年六月二十九日上任)
王日普(於二零二零年三月二十六日辭任)
寧向東(於二零二零年六月二十九日退任)

薪酬委員會

趙惠芳(*主席*)
(於二零二零年六月二十九日上任)
譚旭光
蔣彥(於二零二零年六月二十九日上任)
張忠(於二零二零年六月二十九日退任)
王貢勇(於二零二零年六月二十九日退任)

提名委員會

李洪武(*主席*)
(於二零二零年六月二十九日上任主席)
徐新玉
趙惠芳(於二零二零年六月二十九日上任)
張忠(於二零二零年六月二十九日退任)
王貢勇(於二零二零年六月二十九日退任)

主要往來銀行

中國工商銀行
中國建設銀行
中國銀行
滙豐銀行

HONG KONG H-SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712–1716 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

SHARE INFORMATION

Number of issued shares as at 31 December 2020: 7,933,873,895 Shares
(5,990,833,895 A Shares,
and 1,943,040,000 H Shares)

Board lot (H Shares) 1,000 H Shares
(A Shares) 100 A Shares

Abbreviation of the Company's share and Stock Codes

A Shares: Weichai Power (濰柴動力) 000338

H Shares: Weichai Power (濰柴動力) 2338

Stock Exchange Listings

A Shares: Shenzhen Stock Exchange

H Shares: The Stock Exchange of Hong Kong Limited
(the "Hong Kong Stock Exchange")

INVESTORS AND MEDIA RELATIONS

The Company: **Capital Operation Department**
Tel: (86) 536-229 7056
Fax: (86) 536-819 7073
Website: www.weichaipower.com

Public Relations Consultant: **Wonderful Sky Financial Group Limited**
Tel: (852) 2851 1038
Fax: (852) 2598 1588
Website: www.wsfg.hk

香港H股登記及過戶處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓1712–1716號舖

股份資料

於二零二零年十二月三十一日的已發行股份數目： 7,933,873,895股
(5,990,833,895股A股，及1,943,040,000股H股)

交易單位(H股) 1,000股H股
(A股) 100股A股

本公司股份簡稱及股份代號

A股：濰柴動力(Weichai Power) 000338

H股：濰柴動力(Weichai Power) 2338

上市交易所

A股：深圳證券交易所

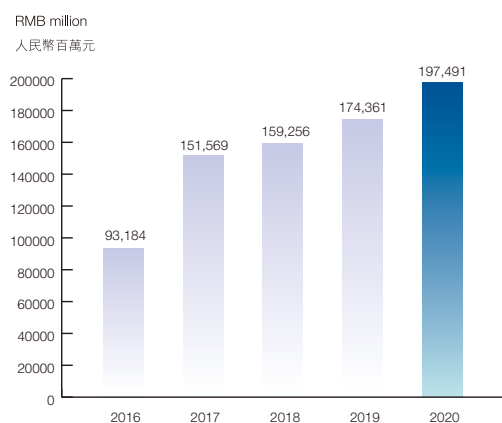
H股：香港聯合交易所有限公司
(「香港聯交所」)

投資者及媒體關係

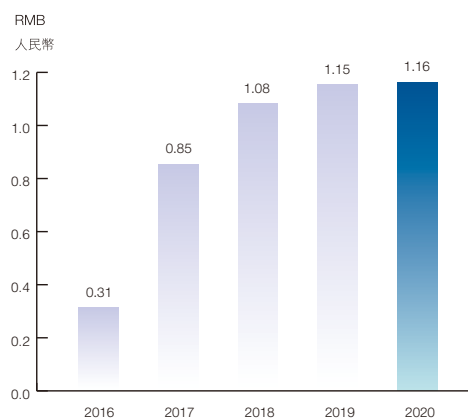
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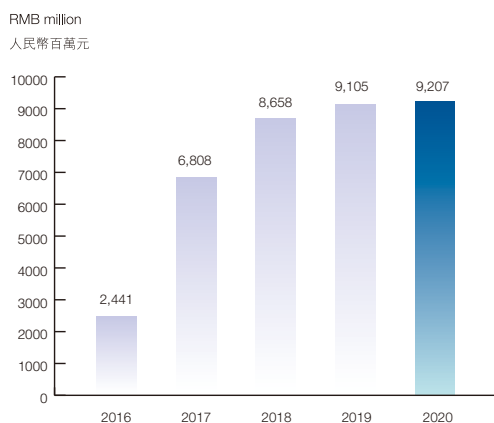
REVENUE 營業收入



BASIC EARNINGS PER SHARE 每股基本盈利



NET PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT 歸屬於母公司股東的淨利潤



(Important notice: This report is published in Chinese and English versions. In case of inconsistency, the Chinese version shall prevail.)

(重要提示：本報告分別以中英文刊載。如中英文有任何差異，概以中文為準。)



Dear Shareholders,

On behalf of the Board, I would like to present the audited annual results of the Company for the year ended 31 December 2020.

I. REVIEW OF OPERATING CONDITIONS

In 2020, facing the severe and complicated environment domestically and abroad, particularly the outbreak of the novel coronavirus ("COVID-19"), the Chinese government has implemented various measures to prevent and control the spread of COVID-19 and to facilitate economic and social developments. China's economy recovered steadily and the progress of fulfillment of the key targets of economic and social development was better than expected. The annual gross domestic product reached RMB101.6 trillion, representing a year-on-year increase of 2.3% in terms of comparable prices. The heavy-duty truck industry of China delivered sales volume of 1,619,000 units, representing a year-on-year growth of 37.9%; the construction machinery industry of China delivered sales volume of 919,000 units (including forklift trucks using internal combustion engines), representing a year-on-year growth of 23.9% and the agricultural equipment industry¹ of China delivered sales volume of 521,000 units, representing a year-on-year growth of 53.9%.

¹ The data of agricultural equipment industry is the data of purchase subsidies of agricultural machineries, including tractors with 50 horsepower or above, corn harvesters, wheat harvesters, rice harvesters and others.

各位股東：

本人謹代表董事會呈報本公司截止二零二零年十二月三十一日經審計後的全年業績。

一、經營情況回顧

2020年，面對嚴峻複雜的國內外環境，特別是新冠肺炎疫情的嚴重衝擊，中國政府統籌推進疫情防控和經濟社會發展工作，經濟運行穩定恢復，經濟社會發展主要目標任務完成情況好於預期。全年國內生產總值101.6萬億元，按可比價格計算，比上年增長2.3%。中國重卡行業銷量為161.9萬輛，同比增長37.9%；中國工程機械行業銷量為91.9萬台（其中的叉車為內燃叉車），同比增長23.9%；中國農業裝備行業¹銷量為52.1萬台，同比增長53.9%。

¹ 農業裝備行業數據為農機購置補貼數據，包括50馬力及以上拖拉機、玉米收穫機、小麥收穫機、水稻收穫機及其他。

During the reporting period, the Company scientifically prevented and controlled the pandemic, took the lead in resuming operation and production, focused on technological innovation, seized market opportunities and continuously optimised its business structure and enhanced its operational efficiency, leading to significant improvement in its core competitiveness. In 2020, the Company's revenue increased by approximately 13.3% as compared with that in the corresponding period of 2019 to approximately RMB197,491 million. Net profit attributable to shareholders of the listed company was approximately RMB9,207 million, representing an increase of 1.1% as compared with that in the corresponding period of 2019. Basic earnings per share was RMB1.16, representing an increase of 1.1% as compared with that in the corresponding period of 2019.

1. Power System Business

The Company upheld an innovation-driven approach to establish its core competitiveness. Through simultaneous growth in both products with competitive advantages and strategic products, its product mix became more reasonable. The new generation of the high-end platforms "N+H+M" are constantly upgraded and market performance of products such as WP8, WP10.5H and N series are outstanding with exponential growth in accumulated sale volume. The performance of N-series products has been significantly improved in terms of prime power in high-altitude environment and fuel consumption of complete vehicles. The Company has made breakthroughs in a brand new H-series products development project that aims to benchmark the world's most advanced standard and large diameter engines project that strives to achieve the first class in the world. Reliability of natural gas engines has been further enhanced and the research and development (R&D) of the technology of high thermal efficiency and zero emission diesel engines continued to progress. All series of engines met the China VI-b Emission Standard and preparation work for products complying with standards including non-road-going China IV was completed ahead of schedule, which will enable the Company to firmly secure its leading position amidst

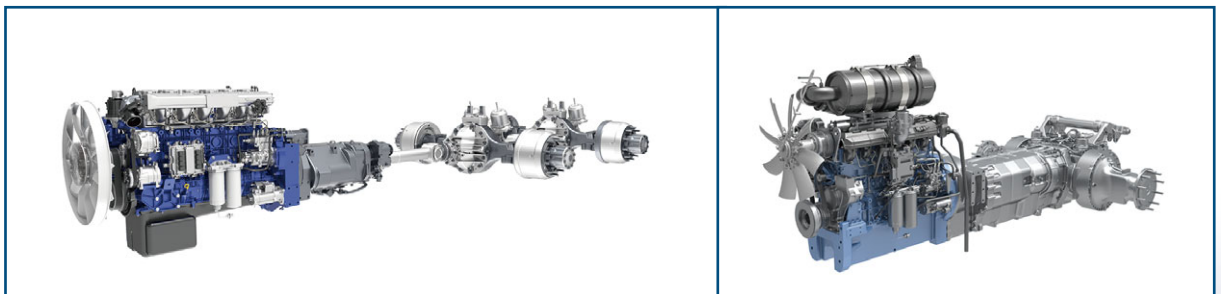
報告期內，公司科學防控疫情，率先復工複產，聚焦科技創新，搶抓市場機遇，業務結構不斷優化，運營效率持續提升，核心競爭力顯著提升。2020年，公司實現營業收入約為197,491百萬元人民幣，較2019年同期增長約13.3%。歸屬於上市公司股東的淨利潤約為9,207百萬元人民幣，較2019年同期增長1.1%。基本每股收益為1.16元人民幣，較2019年同期增長1.1%。

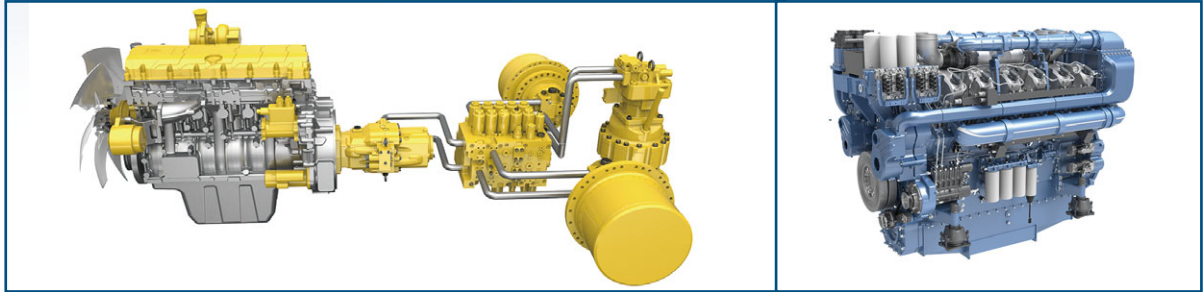
1. 動力系統業務

堅持創新引領，打造企業核心競爭力。優勢產品與戰略產品協同並進，產品結構更趨合理。持續升級「N+H+M」新一代高端平台，WP8、WP10.5H、N系列等產品市場表現優異，累計銷量呈指數式增長，N系列產品高原動力、整車油耗等性能實現大幅優化，對標世界最先進指標的H系列全新平台產品開發項目、挑戰全球一流的大缸徑發動機項目等，均取得突破性進展，天然氣發動機產品可靠性進一步提升，高熱效率及零排放柴油機技術研究深入推進；全系列發動機已達到國六b排放標準，並提前完成非道路國四等法規產品準備，將在新一輪排放升

the new round of emission standards upgrade. Leveraging the globally coordinated R&D platform, we made strenuous efforts in achieving breakthroughs in core technologies, and our product competitiveness was significantly strengthened by continuously optimising engines and performance strengths of parts and components, lowering costs and fuel consumption, light-weighting, etc. The Company was committed to creating synergy by combining its resources and speeding up the integration of the industrial chain. With engines as our principal axis, the Company achieved rapid breakthroughs in core technology of three major powertrain systems, namely, commercial vehicles, construction machineries and agricultural equipment, and took full advantage of systematic matching of its products, thereby forming Weichai's unique technological solutions. Following the completion of test for multi-operating conditions of hydraulic powertrain for construction machineries and agricultural equipment CVT powertrain, the Company achieved self-development of and full control over its core technologies. By strengthening self-development and innovation, the Company made fruitful technological achievements. The Company launched the first commercial diesel engine in the world with an over 50% thermal efficiency, setting a benchmark for thermal efficiency of diesel engines worldwide. Its "Key Technology and Application of Diesel Engines with High Efficiency and High Reliability" project was awarded the special prize for technological advancement in the mechanical industry in the PRC (中國機械工業科技進步特等獎).

級中牢牢佔據領先優勢；依托全球協同研發平台，強化核心技術攻關，不斷優化發動機、零部件性能，降成本、降油耗、輕量化等成效顯著，產品競爭力顯著提升。堅持資源協同，加速產業鏈一體化。以發動機為主軸，加快突破商用車、工程機械、農業裝備三大動力總成核心技術，充分發揮系統匹配優勢，形成濰柴獨有的技術方案，工程機械液壓動力總成和農業裝備CVT動力總成完成多工況試驗，實現了關鍵核心技術的自主可控。加強自主創新，科技創新碩果累累。發佈全球首款本體熱效率突破50%的商業化應用柴油機，樹立了全球柴油機熱效率的新標桿；「高效高可靠性柴油機關鍵技術及應用」項目榮獲中國機械工業科技進步特等獎。





During the reporting period, the performance of the Company's power system business hit another record high: sales volume of engines increased year-on-year by 32.2% to 981,000 units; sales volume of gear boxes increased year-on-year by 18.4% to 1.186 million units; sales volume of axles increased year-on-year by 39.7% to 1.09 million units. In addition, our strategic high-end products continued to develop, with sales revenue of large-diameter engines achieving RMB950 million, representing a year-on-year growth of 21.7%, and sales revenue of high-end hydraulic products achieving RMB500 million, representing a year-on-year growth of 53.8%.

2. Commercial Vehicles Business

Upholding a strategy driven by complete vehicles and machineries, the Company sped up resources coordination and industrial chain structural upgrades, and further enhanced the comprehensive competitiveness of our products. Shaanxi Heavy-duty Motor Company Limited (陝西重型汽車有限公司), a controlling subsidiary of the Company, effectively overcame the impacts brought by COVID-19 pandemic by making continuous efforts in the adjustment of the major products, market structure and services network, and achieved stable growth with a total heavy-duty trucks sales volume of 181,000 units, representing a year-on-year growth of 16.4%. We focused on the segment markets and consolidated our leading advantages. The Company sustained the top position in various segment markets such as coal transportation, port tractor, sand and gravel transportation and crane truck. The Company also overcame the impacts of

報告期內，動力系統業務再創歷史新高，銷售發動機98.1萬台，同比增長32.2%；銷售變速箱118.6萬台，同比增長18.4%；銷售車橋109.0萬根，同比增長39.7%。同時，戰略高端產品繼續發力，大缸徑發動機實現收入9.5億元，同比增長21.7%；高端液壓實現國內收入5.0億元，同比增長53.8%。

2. 商用車業務

堅定不移推動整車整機龍頭帶動戰略，加速資源協同和產業鏈結構升級，持續提升產品競爭力。本公司控股子公司陝西重型汽車有限公司持續優化調整主銷產品、市場結構以及服務網絡，有效克服疫情影響，實現穩健增長，累計銷售重型卡車18.1萬輛，同比增長16.4%。聚焦細分市場，夯實領先優勢。實現煤炭運輸、港口牽引、砂石料運輸、隨車吊等多個細分行業第一；克服海外疫情影響，積極拓展合作渠道，把握市場機遇的能力顯著提升。深化創新驅動，打造領先優勢。結合中短途運



COVID-19 pandemic in the overseas market and actively expanded channels of cooperation, thereby significantly enhanced our ability in grasping market opportunities. We continued to uphold an innovation-driven approach to create a leading edge. To satisfy the demands in the short-to-medium distance transportation market, the Company launched new generation of M3000S products, fully covering tractors, self-unloading, loading and special vehicles; and developed Delong X6000 heavy-duty trucks, which are internationally leading in key performance such as fuel efficiency, comfort, safety and intelligence and taking lead in the era of smart heavy-duty trucks in China. The Company accelerated the development of battery electric vehicles and hybrid vehicles and the application of new energy technologies so as to win the market initiative; we also expedited the exploration of effective combination of management of customers' demands with the Internet throughout the life cycle of trucks and introduced innovative models of cooperation with major customers and platform customers on an ongoing basis, proactively forming a new business format.

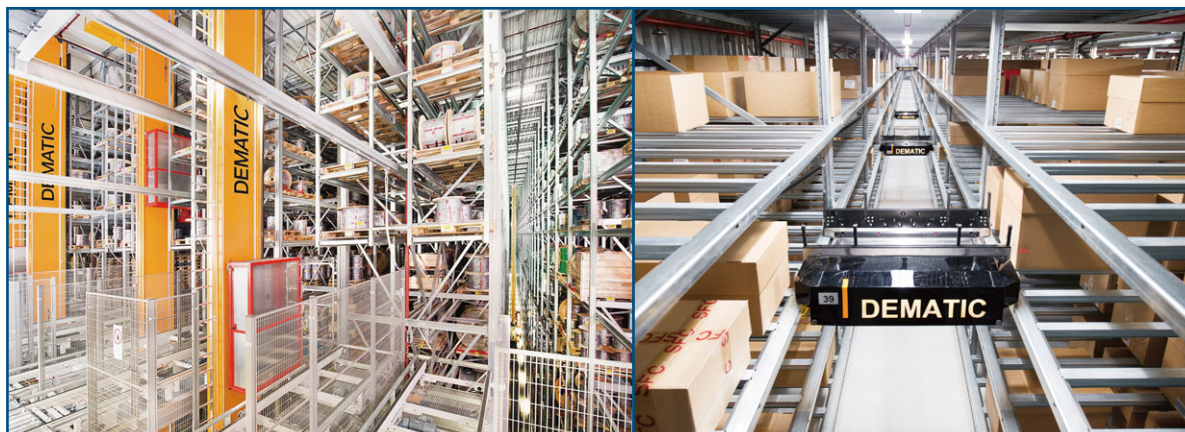
3. Intelligent Logistics Business

KION Group AG ("KION"), an overseas controlling subsidiary, is a globally leading supplier in the area of intralogistics which assists factories, warehouses and distribution centres to optimise their materials flow and information flow through the design, establishment and improvement of logistics solutions in over a hundred countries and regions around the world. Dematic Group is a globally leading automated logistics expert, with its products meeting the comprehensive needs in areas of intelligent supply chain and automated solutions. In 2020, the total order value of KION amounted to EUR9.44 billion, representing a year-on-year increase of 3.6%, among which the order value of supply chain solutions amounted to EUR3.65 billion, representing a year-on-year increase of 31.9%.

輸市場需求，推出全新一代產品M3000S，實現牽引、自卸、載貨、專用車型全覆蓋；發佈自主正向開發的德龍X6000重卡產品，節油、舒適、安全、智能等關鍵性能國際領先，引領中國智能重卡新時代；提速純電動、混合動力車型開發，加快新能源技術應用落地，掌握市場主動權；加快探索卡車全生命周期客戶需求管理與互聯網的有效融合，不斷創新頭部客戶、平台客戶的合作模式，積極培育新的經營業態。

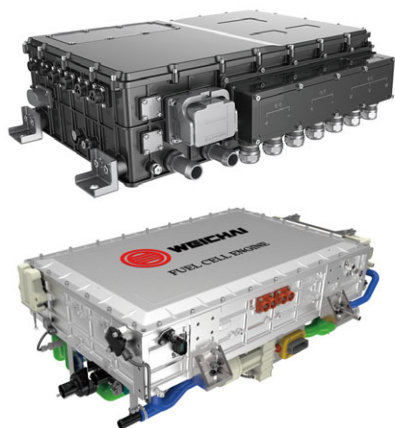
3. 智能物流業務

本公司海外控股子公司KION Group AG (「凱傲」) 是內部物流領域的全球領先供應商，在全球一百多個國家和地區通過對物流解決方案的設計、建設和完善，幫助工廠、倉庫和配送中心不斷優化其物資流和信息流。德馬泰克是世界領先的自動化物流專家，其產品滿足智能化供應鏈和自動化解決方案領域裏的全面需求。2020年凱傲總訂單金額94.4億歐元，同比增加3.6%，其中供應鏈解決方案訂單36.5億歐元，同比增加31.9%。



4. New Business Format, New Energy and New Technology

While we have been devoted to our traditional business, we also focused on our 2020-2030 strategy by actively facilitating the re-engineering of the industrial chain and upgrade of the value chain as well as accelerating our expansion in new industries such as new energy, hydraulics and smart driving. The Company focused on key technologies to take lead in the development of the industry. The strategic restructure of Germany-based ARADEX AG allowed the Company to make up for the weakness in electric control system and successfully developed a new energy power system integrating "cell+ motor+ ECU" providing a market advantage. The strategic restructure of Austria-based VDS Holding GmbH filled the gaps in large-scale CVT power system of agricultural equipment technology in China. We have built a hydrogen-fueled batteries engine factory with a production capacity of 20,000 units, which is currently the world's largest manufacturing base of engines powered by hydrogen-fueled batteries. With the support of the new generation of information technology, the Company sped up the pace of digital transformation. With customers as the centre and digital technology as the carrier, the Company served and empowered our business and sped up the pace of digital transformation. We have actively developed artificial intelligence and internet of vehicles businesses. For the intelligent connection network, the development and testing of major functions of driving assistance and development of the auto-driving system have been completed, the technology of which is capable of being transferred to different models of vehicles under different driving conditions. We have been continuously optimising our supply chain business and empowering upstream and downstream suppliers and customers, so as to achieve highly-efficient synergy in the industry chain and enhance the consistency in product quality.



4. 新業態、新能源、新科技

在做好傳統業務的同時，聚焦2020-2030戰略，積極推動產業鏈再造和價值鏈升級，新能源、液壓、智能駕駛等新產業加速佈局。聚焦關鍵技術，引領行業發展。戰略重組德國歐德思公司，補齊電機控制系統短板，成功構築起「電池+電機+電控」為一體的新能源動力系統集成優勢；戰略重組奧地利威迪斯公司，填補了我國大型農業裝備CVT動力系統的技術空白；建成2萬台產能的氫燃料電池發動機工廠，成為目前全球最大的氫燃料電池發動機製造基地。以新一代信息技術為支撐，加快數字化轉型。以客戶為中心，數字化技術為載體，服務業務、賦能業務，加快數字化轉型。積極佈局人工智能、車聯網等業務，智能網聯已完成輔助駕駛主要功能的開發和測試驗證，開發自動駕駛技術系統，具備了向多車型、多工況的技術轉移條件；持續推進供應鏈業務優化，賦能上下游供應商及客戶，實現產業鏈高效協同，提升產品質量一致性。



II. DIVIDENDS AND CAPITALISATION OF RESERVE

It is proposed that the Company will not make profit distribution for 2020 nor will it convert its capital reserve funds into share capital given that Company is currently proceeding with the non-public issuance of A shares, after making comprehensive consideration of factors such as the interests of shareholders and the development of the Company. Following the completion of the non-public issuance of A shares, the Company will conduct profit distribution as soon as possible in compliance with the requirements of relevant regulatory authorities and its articles of association.

III. OUTLOOK AND PROSPECTS

Looking into 2021, due to the impact of pandemic, the overall global economy will be in a sluggish recovery under a number of constraints including the impact brought by a new wave of the pandemic, weak growth momentum and gloomy employment market, resulting in a high level of uncertainties in economic outlook. From the perspective of the domestic economy, making progress while maintaining stability remains the general keynote. As China has a stronger momentum of economic recovery, the domestic consumption power will be further stimulated through the strategy of expanding domestic demand under the development model of domestic and international dual circulation. Remediation of shortcomings in infrastructures, "new infrastructure, new urbanisation initiatives and major projects" ("兩新一重") and the expansion of strategic investments in emerging industries will constantly boost the demands in auxiliary markets such as trucks and construction machineries markets. Limitations on production for environmental protection, replacement of China III vehicles, and anti-overloading policies will continue to drive replacement demands in industries including the truck industry. Motivated by the development of new infrastructures such as 5G facility construction, market demand for energy and electricity will gradually expand. The work concerning agriculture, rural areas and farmers ("三農") has shifted from "winning the battle against poverty" to "comprehensive rural vitalisation", thereby creating development opportunities for agricultural machinery auxiliaries. In view of the goals of "CO2 Emission Peak by 2030 and Carbon Neutrality by 2060" and the huge potential brought by the trend of energy saving and intelligent network, there will be a rapid development in the new energy business, which will bring opportunities for the high-quality development of related businesses of the Company.

二、股息及資本金轉增股本

鑒於目前公司非公開發行A股股票正在推進過程之中，從股東利益和公司發展等綜合因素考慮，建議公司二零二零年度暫不進行利潤分配，也不進行資本公積轉增股本。待公司本次非公開發行A股股票完成後，盡快按照監管部門的要求與《公司章程》規定進行利潤分配相關事宜。

三、發展前景與展望

2021年，受疫情影響，全球經濟總體恢復緩慢，經濟復蘇面臨新一輪疫情衝擊、經濟增長動力不足、就業狀況不容樂觀等制約，經濟前景充滿高度不確定性。從國內經濟來看，穩中求進依然是主基調，中國經濟修復的動能較強，國內國際雙循環發展格局下實施擴大內需戰略，居民消費潛力將進一步激發；基礎設施補短板、「兩新一重」項目、擴大戰略性新興產業投資等，將持續提振卡車、工程機械等配套市場需求；環保限產、國三置換、治超治限將繼續帶動卡車等行業置換需求；隨著5G建設等新基建因素影響，能源電力市場需求將逐步擴大；「三農」工作由脫貧攻堅轉向全面鄉村振興，為農機產品配套帶來發展機遇；面對「2030碳達峰、2060碳中和」的目標以及節能化、智能網聯化提供的巨大機遇，新能源業務將迎來快速發展，為公司相關業務高質量發展帶來機遇。

The Company will continue to carefully implement pandemic prevention and control measures as part of our normal operations, make continuous effort in optimising production and operation, fully expedite the pace of technological innovation, enhance product competitiveness and brand influence, and make best efforts to accomplish our full-year goals.

Focusing on the annual sales target, the Company will strive for market expansion. Adhering to a customer demand-oriented approach, the Company will seize the development opportunities in the “post-pandemic era”, make efforts to improve product offerings, steadfastly capture the market demands and secure orders. We will cultivate different segment markets and adjust our marketing strategies from time to time to precisely address diversified needs from different customers, as well as to further upgrade our business model with innovative marketing models and optimised sales and service systems. Through scientific research on emission-related regulations and policies and the development pattern of the industry, we will make scientific planning of products and technologies based on the Company's “14th Five-Year” development plan. We also aim to digitalise all business processes and efficiently respond to the needs of customers and market through enhancement of product development, delivery, quality and services. We will accelerate the pace of technological innovation and move towards the high end in all aspects. Through coordinating global R&D resources, we will continuously work on optimising the new four-in-one technology innovation system consisting of “self-developed innovation+ open innovation+ professional innovation+ basic-research innovation”. In particular, in terms of the basic research area and “bottleneck” technologies, we will strive to make breakthroughs to address thorny issues and master the core technologies. We will efficiently introduce road-going China VI and non-road-going China IV products and improve product consistency to maintain a leading edge in the new cycle of emission standard upgrade. Moreover, we will make efforts to expedite breakthroughs in key and core technologies of fuel cells to significantly lower the cost of fuel cell engines so as to reach a leading position in the industry. We will accelerate the development of electric control of engine, new energy and hydraulics to master key control technologies and improve our forward development capacity of both software and hardware. We will also speed up the implementation of additive manufacturing by developing a design and simulation platform for additive manufacturing in order to achieve the goal of integrating product design and manufacturing. We will strengthen risk management and control, and comprehensively enhance the quality of operation. We will adopt innovative management approach and tools, establish a data administration system and explore data value based on the needs of our

本公司將繼續毫不放鬆抓好常態化疫情防控，持續優化生產經營，全面提速科技創新步伐，提升產品競爭力和品牌影響力，努力完成全年目標任務。

圍繞年度銷售目標，打贏市場開拓攻堅戰。堅持以客戶需求為導向，搶抓「後疫情時代」發展機遇，打好產品組合拳，堅定不移搶市場、保訂單；深耕各细分市场，不斷轉變市場理念，精準滿足不同客戶的差異化需求，創新營銷模式，優化銷服體系，實現商業模式再升級；科學研判排放法規政策和行業發展規律，結合公司「十四五」發展規劃，科學做好產品、技術規劃；數字化賦能全業務流程，圍繞客戶與市場需求，推進產品開發、交付、質量、服務等全過程高效響應。加快科技創新步伐，全面邁向高端。統籌全球研發資源，持續完善「自主創新+開放創新+工匠創新+基礎研究創新」四位一體新科技創新體系，特別是在基礎研究領域和「卡脖子」技術上，全力向「無人區」進軍，突破一批別人拿不走的核心技術；高效導入道路國六、非道路國四產品，提高產品一致性，在新一輪排放升級中繼續保持領先優勢；加快突破燃料電池關鍵核心技術，大幅降低燃料電池發動機成本，實現行業引領；加速推進發動機、新能源、液壓等電控系統的開發，掌握關鍵控制技術，提升軟硬件正向開發能力；加快增材製造理念落地，搭建增材製造工藝設計與仿真平台，實現產品設計製造一體化目標。強化風險管控，全面提升運營質量。創新管理方法和管理工具，構建數據治理體系，圍繞客戶需求與業務特點，挖掘數據價值，助推企業管理實現數字化轉型；持續開展降本增效，全面提升各系列產品盈利能力；進一步優化WOS管理體系方法論和工具方法，加快推進WOS分類分級推廣實施，以業務為導向，系統查找運營短板，推進公司運營管控水平持續提升；建立以風險為導

customers and characteristics of their businesses, with a view to facilitating the digital transformation of the management of the Company. We will make continuous effort to lower costs, improve efficiency and enhance the profitability of all series of products in a comprehensive manner. We will further enhance the methodology, tools and approaches of the WOS management system, and accelerate the promotion and implementation of WOS at different classes and levels. With a business-oriented approach, we will systematically identify weakness in our operation and make continuous improvement to the Company's operational management and control. We will establish a risk-oriented internal control system focusing on the supervision of compliance and based on internal control guidelines in order to promote the sound and orderly operation of domestic and overseas subsidiaries. We will step up the construction of an innovative eco-system and build a pool of talents. In the new era, under the new landscape and to meet new demands, the Company will strive to establish an optimal top-level design of the innovative eco-system, enhance the integration of industry-university-research innovation chain and coordinate the innovation resources for optimised allocation. We will optimise the precise appraisal and incentive system, establish a multi-level incentive system, innovate incentive measures such as equity-based incentive, results-sharing and upfront incentives to encourage innovation and creativity. We will formulate human resources planning in a scientific way, step up the recruitment of strategic talents and expedite the training of skillful talents with craftsmanship, with a view to building a team of international talents with a reasonable mix of different age groups and a scientific medium-to-high level hierarchy, thereby providing full support for the Company to move towards high-end.

IV. APPRECIATION

Last but not least, I would like to express my sincere appreciation to all our shareholders, the general public and our customers for their care and support, as well as to all of our staff for their hard work and dedication!

Tan Xuguang

Chairman and Chief Executive Officer

Hong Kong, 30 March 2021

向、合規監督為重點、內控指引為核心的內控體系，推動海內外子公司健康有序運營。深化創新生態建設，打造人才聚集高地。立足新時期、新形勢、新要求，做好創新生態頂層優化設計，加強產學研創新鏈融合，統籌創新資源優化配置；優化精準考核激勵體系，建立多層次激勵機制，創新股權激勵、成果分紅、前置激勵手段，激發創新創造活力；科學制定人力資源規劃，加強戰略人才引進力度，加快工匠型技能人才隊伍培養，打造一支老中青結構合理、中高端梯次科學的國際化人才隊伍，全面支撐企業邁向高端。

四、致謝

最後，我謹向關心和支持本公司的所有股東及社會各界人士、廣大客戶，向勤勉工作的全體員工，表示衷心的感謝！

董事長兼首席執行官

譚旭光

香港，二零二一年三月三十日

The Directors are pleased to present a management discussion and analysis of the results of operations of the Group for the year ended 31 December 2020 as follows:

I. INDUSTRY ANALYSIS

The Company is one of the vehicle and equipment manufacturing conglomerates in the PRC with the best comprehensive strengths. It is a leading company in the areas of powertrain, complete vehicles and machineries, hydraulic controlling parts, new energy cells and automotives ECU and parts and components, and is equipped with the most comprehensive supply chain of engines, gear boxes and axles, and offers related aftersales market services. Meanwhile, with its leading advantages in intelligent logistics, the Group is able to provide the most comprehensive logistics solutions to its customers.

1. Commercial Vehicles, Construction Machinery and Agricultural Equipment Industries

In 2020, as the global economy was severely stricken by the COVID-19 pandemic, various industries including international trading, tourism, and air transportation were all impacted on an unprecedented scale. To control the pandemic, different countries had implemented various restrictive measures and the industry and supply chain cycles had been significantly affected. Facing the complex and challenging domestic and overseas environments, the Chinese government implemented effective measures to prevent and control the spread of COVID-19 and to resume economic activities, which resulted in a steady recovery in the economy. The gross domestic product of the PRC last year reached RMB101.6 trillion, representing a year-on-year increase of approximately 2.3%. The report of International Monetary Fund published in January 2021 showed that the global gross domestic product for 2020 was -3.5% and that major economies recorded different degrees of negative growth and China is the only exception with a positive growth.

董事欣然提呈本集團截至二零二零年十二月三十一日止年度經營業績之管理層討論與分析，詳情如下：

一、行業分析

本公司為中國綜合實力最強的汽車及裝備製造產業集團之一，是動力總成、整車整機、液壓控制、新能源電池和汽車電子電控及零部件領先公司，具有最完善的發動機、變速箱及車橋供應鏈和後市場服務。同時，本集團憑藉在智能物流領先優勢，為客戶提供最完善整體物流解決方案。

1. 商用車、工程機械和農業裝備行業

在二零二零年全球經濟受到新冠肺炎疫情嚴重衝擊，國際貿易、旅遊、航空交通等不同行業都受到史無前例的影響。各國政府為了控制疫情需要，都實施了不同程度的限制措施，產業供應鏈循環深受影響。面對複雜嚴峻的國內外環境，中國政府有效統籌推進疫情疫情防控和恢復經濟活動，經濟運行穩步復蘇。去年全國國內生產總值達人民幣101.6萬億元，同比增長約2.3%。國際貨幣基金會在二零二一年一月報告顯示二零二零年全球國內生產總值為-3.5%，而各主要經濟體都出現不同程度的負增長，只有中國為正增長。

The pandemic in China began to come under control during the Year. In the overall environment of the domestic and international dual circulation, investment activities gradually resumed to the level before the outbreak of the pandemic. Benefited from favorable factors such as China's investment in infrastructure, upgrade of emission standards and the rapid development of domestic logistics and transportation, the markets of commercial vehicles, construction machinery and agricultural equipment continued to operate at a high level. The heavy truck market achieved an annual sales volume of approximately 1.619 million units, representing a year-on-year increase of approximately 37.9%; the construction machinery industry (including forklift trucks using internal combustion engines) achieved an annual sales volume of approximately 919,000 units, representing a year-on-year increase of approximately 23.9%; the agricultural equipment industry achieved an annual sales volume of approximately 521,000 units, representing a year-on-year increase of approximately 53.9%.

2. Forklift Truck and Supply Chain Solutions Industry

During the Year, despite the impact of COVID-19 pandemic, the global orders for industrial forklift trucks increased from approximately 1,509,000 units in 2019 to approximately 1,639,000 units, representing a year-on-year increase of approximately 8.6%. Due to the successful control of the pandemic and rapid market recovery in China, the orders for industrial forklift trucks in China increased by 37.0% to 648,000 units during the Year. On the other hand, negative growth was recorded in Europe, the Middle East, Africa, and North America regions. In the supply chain solution industry, increasing consumers switched to online shopping due to the pandemic. As companies have to reorganise their supply chains, demands for warehouse automation and sortation systems increased. As estimated by a research institution, global orders for warehouse automation recorded a high single digit growth in 2020.

於本年度，中國疫情開始受控，在國內國際雙循環格局下，投資活動漸漸恢復至疫情前水平。受惠於國家基建投資、排放標準升級和國內物流運輸迅速發展等有利因素影響，商用車、工程機械和農業裝備市場保持高位運行。重卡市場全年實現銷售約161.9萬輛，同比上升約37.9%；工程機械行業（包括內燃叉車）全年實現銷售約91.9萬台，同比增長約23.9%；農業裝備行業全年實現銷售約52.1萬台，同比增長約53.9%。

2. 叉車及供應鏈解決方案行業

於本年度，雖然受新冠肺炎疫情影響，但全球工業叉車訂單量由二零一九年約150.9萬輛增加至本年度約163.9萬輛；同比上升約8.6%。主要受惠於中國疫情受到控制市場快速恢復，中國工業叉車訂單量於本年度增幅達37.0%至64.8萬輛。而歐洲、中東、非洲和北美洲地區都出現負增長。在供應鏈解決方案行業，消費者因疫情而轉向更多網上購物。企業須重新組織供應鏈，促使倉庫自動化和分揀系統需求增加。根據研究機構估計，二零二零年全球倉庫自動化訂單量有高單位數增幅。

II. THE GROUP'S BUSINESS

An analysis of the Group's business segments is set out in Note XIV. 3 to the consolidated financial statements. The following is an overview of the operating conditions of the major products of the Group:

1. Powertrain, Complete Vehicles and Machines and Key Components

The Group adhered to the innovation-oriented approach and continued to invest in research and development. In September 2020, the Company released the first commercial diesel engines in the world with a thermal efficiency of over 50%. The Group's existing full-series engines reached China VI-b emission standard, and we had completed the preparation of non-road-going China IV product ahead of schedule. The Group was committed to creating synergy by combining its resources and achieving rapid breakthroughs in core technology of three major powertrain systems, namely, commercial vehicles, construction machineries and agricultural equipment with engines as our principal axis, as well as taking full advantage of systematic matching of its products, thereby creating competitive advantage of differentiation and speeding up the integration of the industrial chain. During the year of 2020, the Company sold approximately 981,000 units of engines; approximately 1.186 million units of gear boxes, representing an increase of approximately 32.2% and 18.4% as compared to approximately 742,000 units and 1.002 million units in the same period in 2019, respectively. The engines segment contributed RMB47,694 million to the sales revenue of the Group during the year, representing a year-on-year increase of 27.8%.

Shaanxi Heavy-duty Motor Company Limited (陝西重型汽車有限公司), a controlling subsidiary of the Group, fully took a leading role in complete vehicles and ranked top in multiple segment markets including coal transportation, port tractor, sand and gravel transportation and crane trucks. During the Year, the Group sold approximately 181,000 units of heavy-duty trucks, an increase of approximately 16.4% as compared to that of the same period in 2019.

二、本集團之業務

本集團業務分部之分析載於合併財務報表附註十四、3。本集團主要產品之經營狀況概述如下：

1. 動力總成、整車整機及關鍵零部件

本集團一直堅持創新引領，不斷投入研發，於二零二零年九月公司發佈了全球首款本體熱效率突破50%商業化應用柴油機。現時集團全系列發動機已達到國六b排放標準，並提前完成非道路國四產品準備。本集團同時堅持資源協同，以發動機為主軸，加快突破商用車、工程機械、農業裝備三大動力總成核心技術，充分發揮系統匹配優勢，加速產業鏈一體化。於二零二零年度，本公司共銷售發動機約98.1萬台；變速箱約118.6萬台，比二零一九年同期約74.2萬台和100.2萬台，分別增長約32.2%和18.4%。發動機業務於本年度為本集團貢獻銷售收入達人民幣47,694百萬元，同比增長27.8%。

本集團控股子公司陝西重型汽車有限公司充分發揮整車龍頭帶動作用，聚焦細分市場和持續優化調整產品結構，實現煤炭運輸、港口牽引、砂石料運輸、隨車吊等多個細分行業第一。於本年度內，本集團售出重型卡車約18.1萬輛，比二零一九年同期增長約16.4%。

2. Intelligent Logistics

During the Year, despite the increase in the number of global orders for industrial forklift trucks, the number of the Group's forklift truck orders decreased from approximately 213,700 units in the previous year to approximately 198,300 units, representing a year-on-year decrease of approximately 7.2%. The annual amount of orders decreased by approximately 8.8% to approximately EUR5,776 million, as compared to approximately EUR6,331 million in the same period of the previous year. As the major markets of Group's forklift trucks were severely affected by the pandemic last year, negative growth of approximately 5.2% was recorded in the Europe, the Middle East and Africa regions. The order value of supply chain solution services amounted to approximately EUR3,654 million, representing a significant year-on-year increase of approximately 31.9%, which was mainly due to the rapid growth of e-commerce and outstanding innovation capacity of the Group. Dematic Group, an overseas company of the Group, successfully developed a new generation of warehouse system Multishuttle 2.0 which is able to enhance the transportation speed and accuracy of warehouses and distribution centres. Intelligent logistics business contributed approximately RMB64,979 million to the Group's sales revenue of the Year, representing a decrease of approximately 3.0% as compared to approximately RMB67,005 million last year.

Last year, the Company expected that its sales revenue in 2020 would reach approximately RMB188.5 billion, representing an increase of approximately 8%, while the actual sales revenue amounted to approximately RMB197.5 billion, representing a year-on-year increase of approximately 13%. Against the complicated domestic and international landscape in the Year brought about by the COVID-19 pandemic, the Company implemented policies precisely to seize the opportunities arising from domestic economic recovery and recorded a new high for its domestic business. The Group's new business format and diversified business structure provided an obvious advantage and equipped the Company with strong risk-resistance capacity to generate greater-than-expected actual sales revenue.

2. 智能物流

於本年度，全球工業叉車訂單量雖然上升，但本集團叉車訂單量由去年約21.37萬輛減少至本年度約19.83萬輛；同比下降約7.2%。全年訂單金額由去年同期約6,331百萬歐元下跌約8.8%至約5,776百萬歐元。因本集團主要叉車銷售市場在過去一年受疫情影響較為嚴重，歐洲、中東和非洲區域出現負增長約5.2%。供應鏈解決方案服務訂單金額比去年同期則大幅增加約31.9%至約3,654百萬歐元，主要受惠於電子商貿快速增長和集團卓越創新能力。本集團海外公司德馬泰克(Dematic Group)成功開發新一代倉庫系統Multishuttle 2.0，能提升倉庫和配送中心的運輸速度和準確度。智能物流業務於本年度為本集團貢獻銷售收入約人民幣64,979百萬元，比去年約人民幣67,005百萬元減少約3.0%。

去年公司預計二零二零年銷售收入約人民幣1,885億元，增長約8%。實際銷售收入約人民幣1,975億元，同比增長約13%。於本年度雖然面對新冠疫情帶來國內外複雜形勢，本公司精準施策，搶抓國內經濟復蘇機遇，國內業務再創歷史新高。集團新業態多元化業務結構優勢明顯，企業抗風險能力凸出，實際銷售收入超出預期。

In 2021, the global economy is still affected by the recurring pandemic and the economic outlook is highly uncertain. The Company will seize the development opportunities in the “post-pandemic era” by continuing to optimise its production and operation, fully accelerating its pace of technological innovation and enhancing product competitiveness and brand influence in striving to achieve the annual target. As at 31 December 2020, the Company’s order on hand amounted to approximately RMB35.6 billion. The Company expects that its sales revenue in 2021 would increase by approximately 15% to approximately RMB227 billion.

二零二一年全球經濟仍然面對疫情反覆影響，經濟前景充滿高度不確定性。公司將搶抓「後疫情時代」發展機遇，持續優化生產經營，全面提速科技創新步伐，提升產品競爭力和品牌影響力，努力完成全年目標。於二零二零年十二月三十一日公司手頭定單約人民幣356億元。公司預計二零二一年銷售收入約人民幣2,270億元，增長約15%。

III. FINANCIAL REVIEW

1. The Group’s Results of Operations

a. Revenue

In 2020, the Group’s revenue amounted to approximately RMB197,491 million, representing an increase of approximately RMB23,130 million or approximately 13.3% from approximately RMB174,361 million in the corresponding period in 2019. Benefiting from the favourable factors such as the gradual control against the spread of COVID-19 across the PRC, resumption of investing activities and favourable government policies, the domestic markets of commercial vehicles, construction machinery and agricultural equipment continued to operate at a high level. Driven by the change in the pattern of global consumption and increased demand for warehouse automation and sorting systems, the number of orders of the Group’s supply chain solution services significantly increased. In particular, revenue from principal operations increased by approximately RMB20,887 million or approximately 12.2% from approximately RMB171,001 million in the corresponding period last year to approximately RMB191,888 million.

三、財務回顧

1. 本集團之經營業績

a. 營業收入

於二零二零年本集團營業收入約為人民幣197,491百萬元，比二零一九年同期的約人民幣174,361百萬元增長約人民幣23,130百萬元，同比增長約13.3%。主要受惠於中國疫情漸漸受控、投資活動恢復和國家政策提振等有利因素影響，國內商用車、工程機械和農業裝備行業保持高位運行。而全球消費者購物模式轉變，企業倉庫自動化和分揀系統需求上升，帶動集團供應鏈解決方案服務訂單大幅增加。其中，主營業務收入約人民幣191,888百萬元，比去年同期的約人民幣171,001百萬元上升約人民幣20,887百萬元或約12.2%。

b. Profit from Principal Operations

During the Year, the Group generated profit from principal operations in the amount of approximately RMB37,476 million, representing a decrease of approximately RMB133 million or 0.4% from approximately RMB37,609 million recorded in the corresponding period in 2019. This was mainly attributable to the restrictive measures adopted by various countries in Europe and the United States to control the spread of COVID-19 which led to a decrease in the profit contributed by overseas businesses and intelligent logistics business. The recovery in domestic business and engines segment was more obvious, offsetting most of the adverse impact. The Group strictly controlled the costs to maintain a stable profit margin from principal operations at approximately 19.5%.

c. Distribution and Selling Expenses

Distribution and selling expenses decreased by approximately 3.5% to approximately RMB10,862 million in the Year from approximately RMB11,254 million in the corresponding period of 2019. This was primarily attributable to the decrease in marketing expenses and travel expenses. The distribution and selling expenses as a percentage of revenue dropped from approximately 6.5% in the corresponding period of last year to approximately 5.5% during the Year.

d. General and Administrative Expenses

General and administrative expenses increased by approximately RMB810 million or approximately 11.7% from approximately RMB6,900 million in the corresponding period of 2019 to approximately RMB7,710 million in the Year. The increase was mainly due to the effects of the consolidation of Power Solutions International Inc. in the United States and the increase in depreciation and amortisation expenses during the Year. However, the overall expenses were under effective control. The general and administrative expenses as a percentage of revenue decreased from approximately 4.0% as in the corresponding period last year to approximately 3.9% during the Year.

b. 主營業務利潤

於本年度，本集團主營業務利潤約人民幣37,476百萬元，比二零一九年同期的約人民幣37,609百萬元，減少約133百萬元或0.4%。主要受歐美國為控制疫情而實施限制措施所影響，海外業務和智能物流業務利潤貢獻有所減少。國內業務和發動機業務恢復較為明顯，抵消大部份不利影響。本集團在嚴格效控制成本下，主營業務利潤率維持平穩約19.5%。

c. 銷售費用

銷售費用由二零一九年同期的約人民幣11,254百萬元，下降至本年度的約人民幣10,862百萬元，減少約3.5%。主要是市場開拓費用和差旅費有所下降，全年銷售費用佔營業收入的百分由去年同期約6.5%下降至本年度約5.5%。

d. 管理費用

管理費用由二零一九年同期的約人民幣6,900百萬元上升至本年度的約人民幣7,710百萬元，增加約人民幣810百萬元，增幅約11.7%。主要是在本年度合併美國Power Solutions International Inc.和折舊及攤銷費用增加所影響。但整體費用得到有效控制，管理費用佔營業收入的百分比由去年同期約4.0%下降至本年度約3.9%。

e. *Earnings Before Interest and Tax (EBIT)*

During the Year, the Group's EBIT was approximately RMB13,821 million, representing a decrease of approximately RMB1,764 million or 11.3% from approximately RMB15,585 million in the corresponding period of 2019. The decrease in EBIT was primarily attributable to the decrease in the profit contributed by the intelligent logistics business, increase in loss of impairment of credit of account receivables and provision for decline in value of inventory, and the continuous increase in investment in research and development of the Company. As a result, EBIT margin dropped from approximately 8.9% last year to approximately 7.0% this Year.

f. *Finance Expenses*

Finance expenses increased by approximately 26.6% to approximately RMB279 million in the Year from approximately RMB220 million in the corresponding period of 2019. This was mainly attributable to exchange losses and the increase in handling fees on bank loans, which offset the increase in the net interest income.

g. *Income Tax Expenses*

The Group's income tax expenses decreased by approximately 42.5% from approximately RMB2,445 million in the corresponding period in 2019 to approximately RMB1,407 million in the Year. The Group's average effective tax rate was 11.1%, representing a decrease from approximately 17.0% in the corresponding period last year, which was mainly attributable to the decrease in offshore profits.

h. *Net Profit and Net Profit Margin*

The Group's net profit decreased by approximately 5.3% from approximately RMB11,907 million in the corresponding period of 2019 to approximately RMB11,275 million in the Year. During the Year, the net profit margin of the Group was approximately 5.7%, representing a decrease of approximately 1.1 percentage points. This was primarily attributable to the decrease in net profit due to the impact of COVID-19.

e. *息稅前利潤(EBIT)*

於本年度，本集團的息稅前利潤由二零一九年同期的約人民幣15,585百萬元減少至本年度的約人民幣13,821百萬元，下跌約人民幣1,764百萬元或11.3%。息稅前利潤減少主要是智能物流業務利潤貢獻減少，應收賬款信用減值和存貨跌價損失增加和公司繼續加大對研發費用投入，使息稅前利潤率由去年約8.9%下降至本年度約7.0%。

f. *財務費用*

財務費用由二零一九年同期的約人民幣220百萬元上升至本年度的約人民幣279百萬元，上升約26.6%，主要是因為匯兌損失和銀行貸款手續費增加抵消淨利息收入增加。

g. *所得稅費用*

本集團的所得稅費用由二零一九年同期的約人民幣2,445百萬元減少至本年度的約人民幣1,407百萬元，同比下跌約42.5%。本集團的平均實際稅率於由去年同期約17.0%下降至11.1%，主要是受境外利潤減少所影響。

h. *淨利潤及淨利潤率*

本集團的淨利潤由二零一九年同期的約人民幣11,907百萬元減少至本年度的約人民幣11,275百萬元，下降約5.3%；於本年度，本集團淨利潤率下降約1.1個百分點至約5.7%，主要是受疫情影響淨利潤減少所致。

i. Liquidity and Cash Flow

During the Year, the Group generated operating cashflows of approximately RMB22,928 million and net increase in cash and cash equivalents amounted to approximately RMB10,448 million. A portion of that was applied to the acquisition of 100% equity interest of Digital Applications International Limited (total consideration amounting to approximately EUR110 million), 38% equity interest of Shengrui Transmission Corporation Limited (total consideration amounting to approximately RMB760 million), and 5,934,520 new shares of KION (total consideration amounting to approximately EUR368 million), the repayment of the US\$400 million bonds issued in 2015, the repayment of borrowings, payment of interest, as well as the acquisition of property, plant and equipment for the expansion of the Group's business. As of 31 December 2020, the Group's cash and cash equivalents (net of interest-bearing debts) amounted to net cash of RMB23,513 million (as of 31 December 2019, the Group's cash and cash equivalents (net of interest-bearing debts) amounted to net cash of RMB19,116 million). Based on the above calculations, the Group is in a net cash position. As at 31 December 2020, the Group's gearing ratio (net interest-bearing debts/(shareholders' equity + net interest-bearing debts)) was approximately 26.6% (as at 31 December 2019: 29.9%).

2. Financial Position

a. Assets and Liabilities

As at 31 December 2020, the Group had total assets of approximately RMB270,750 million, of which approximately RMB152,515 million were current assets. As at 31 December 2020, the Group had cash and cash equivalents of approximately RMB62,216 million (as at 31 December 2019: RMB48,818 million). On the same date, the Group's total liabilities amounted to approximately RMB190,317 million, of which approximately RMB123,713 million were current liabilities. The current ratio was approximately 1.23x (as at 31 December 2019: 1.19x).

i. 流動資金及現金流

於本年度，本集團產生經營現金流約人民幣22,928百萬元，全年現金及現金等價物淨增加額約人民幣10,448百萬元。其中，部分已用於收購Digital Applications International Limited 100%股權(總代價約為110百萬歐元)，收購盛瑞傳動股份有限公司38%股權(總代價為人民幣760百萬元)和認購凱傲5,934,520股新股(總代價約為368百萬歐元)、償還二零一五年發行的4億美元債券、償還借款、支付利息和購建物業、機器及設備以擴展本集團之業務。於二零二零年十二月三十一日本集團之現金及現金等價物扣除計息債務為現金淨額人民幣23,513百萬元(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扣除計息債務為現金淨額人民幣19,116百萬元)，按上述計算，本集團處於淨現金狀況。於二零二零年十二月三十一日本集團資本負債比率(計息債務/(股東權益+計息債務))約為26.6%(於二零一九年十二月三十一日：29.9%)。

2. 財務狀況

a. 資產及負債

於二零二零年十二月三十一日，本集團資產總額約為人民幣270,750百萬元，其中流動資產為人民幣約152,515百萬元。於二零二零年十二月三十一日，本集團擁有約62,216百萬元的貨幣資金(於二零一九年十二月三十一日：人民幣48,818百萬元)。同日，本集團負債總額為人民幣約190,317百萬元，其中流動負債為人民幣約123,713百萬元。流動比率約為1.23倍(於二零一九年十二月三十一日：1.19倍)。

b. Capital Structure

As at 31 December 2020, the Group had total equity of approximately RMB80,433 million, of which approximately RMB51,202 million was attributable to equity holders of the Company and the remaining balance was minority interests. Interest attributable to minority interest holders includes the perpetual capital securities in the principal amount of US\$775 million issued in September 2017. The borrowings of the Group as at 31 December 2020 amounted to approximately RMB29,221 million, which included bonds of approximately RMB8,703 million and bank borrowings of approximately RMB20,518 million. Borrowings repayable on demand or within a period not exceeding one year were approximately RMB8,491 million, borrowings repayable within a period of more than one year but not exceeding two years were approximately RMB832 million; borrowings repayable within a period of more than two years but not exceeding five years were approximately RMB10,584 million; and borrowings repayable within a period of more than 5 years were approximately RMB611 million. The bank borrowings included approximately RMB9,173 million of fixed interest rate bank borrowings and approximately RMB11,345 million of floating interest rate bank borrowings. Other than Euro-denominated borrowings equivalent to approximately RMB16,321 million, USD-denominated borrowings equivalent to approximately RMB1,138 million, GBP-denominated borrowings equivalent to approximately RMB247 million and INR-denominated borrowings equivalent to approximately RMB21 million, other borrowings are primarily Renminbi-denominated borrowings. The revenue of the Group is mainly in Renminbi and Euro. Contracts have been entered into with financial institutions to swap the USD775 million USD-denominated perpetual capital securities issued in September 2017 to Euro, therefore the Group does not consider its currency risk significant. As a policy, the Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debts and equity balance. The Group's overall strategy remains unchanged from prior years.

b. 資本結構

於二零二零年十二月三十一日，本集團總權益約為人民幣80,433百萬元，其中約人民幣51,202百萬元為本公司權益持有人應佔權益，剩餘權益為少數股東權益。少數股東權益持有人應佔權益中已包括在二零一七年九月份發行7.75億美元永續債券。本集團於二零二零年十二月三十一日的借貸金額約為人民幣29,221百萬元，其中包括人民幣約8,703百萬元的債券及約人民幣20,518百萬元的銀行借貸。借款金額中約人民幣8,491百萬元為一年內到期或隨時要求償付借款；約人民幣832百萬元為多於一年但不超過兩年內到期借款；約人民幣10,584百萬元為多於兩年但不超過五年內到期借款和約人民幣611百萬元為五年後到期借款。銀行借貸包括定息銀行借貸約人民幣9,173百萬元及浮息銀行借貸約人民幣11,345百萬元。除人民幣折約16,321百萬元、人民幣折約1,138百萬元、人民幣折約247百萬元及人民幣折約21百萬元分別為歐元、美元、英鎊及印度盧比借款外，其他借款主要為人民幣借款。本集團收入主要是人民幣和歐元收入，而在二零一七年九月發行7.75億美元永續債券已與金融機構簽定合約掉期為歐元，所以本集團認為其外匯風險並不重大。本集團的政策為管理其資本以確保本集團實體能夠持續經營，同時透過優化負債及權益比例為股東提供最大回報。本集團整體策略與過往年度維持不變。

c. Pledge of Assets

As at 31 December 2020, bank deposits, notes receivable and receivable financing of approximately RMB24,429 million (as at 31 December 2019: approximately RMB22,897 million) were pledged to banks to secure the Group's notes payable, letter of guarantee, acceptance bills and letter of credit, etc. issued by banks. The pledged bank deposits carry prevailing bank interest rates. The pledge will be released upon the settlement of the relevant bank borrowings. The fair value of the bank deposits as at the balance sheet date was approximately the same as the carrying amount. Certain other assets were also pledged by the Group to secure the Group's borrowings.

d. Contingencies

As at 31 December 2020, the Group provided certain distributors and agents bank guarantee amounting to approximately RMB3,587 million (as at 31 December 2019: approximately RMB2,643 million) to secure their obtaining and use of banking facilities.

As at 31 December 2020, the Group provided guarantee for joint liabilities in respect of failure of the lessee under finance lease to settle instalment payments plus interest. Risk exposure in respect of possible guarantee for joint liabilities amounted to approximately RMB3,550 million (as at 31 December 2019: approximately RMB2,734 million).

c. 資產抵押

於二零二零年十二月三十一日，本集團將約人民幣24,429百萬元(於二零一九年十二月三十一日：人民幣22,897百萬元)的銀行存款、應收票據和應收款項融資質押予銀行，作為本集團所獲得銀行發出應付票據、保函、承兌票據、信用證等的抵押品。已抵押銀行存款按現行銀行利率計息。該項抵押將於相關銀行借款償還時予以解除。於資產負債表日，銀行存款的公平值與其賬面值相若。本集團亦已抵押若干其他資產，作為本集團借款之擔保。

d. 或有事項

於二零二零年十二月三十一日，本集團為若干經銷商及代理商提供約人民幣3,587百萬元(於二零一九年十二月三十一日：約人民幣2,643百萬元)之銀行擔保以使其獲授權並使用銀行信貸。

於二零二零年十二月三十一日，本集團為融資租賃的承租方未能支付的融資租賃分期付款及利息提供連帶保證責任，連帶責任保證風險敞口約為人民幣3,550百萬元(二零一九年十二月三十一日：約人民幣2,734百萬元)。

e. *Commitments*

As at 31 December 2020, the Group had capital commitments of approximately RMB3,285 million (as at 31 December 2019: approximately RMB3,088 million), principally for the capital expenditure for the acquisition of property, plant and equipment. The capital expenditure will be financed by internal resources.

As at 31 December 2020, the Group had other investment commitments of approximately RMB682 million, for the conditional subscription of up to 236,705,601 new shares (as at 31 December 2019: Nil) in Shantui Engineering Machinery Co., Ltd. pursuant to a subscription agreement entered into between the Company and Shantui Engineering Machinery Co., Ltd. This investment will be financed by internal resources.

3. Other Financial Information

a. *Employees*

As at 31 December 2020, the Group had approximately 81,600 employees (including approximately 36,200 employees of KION). During the Year, the Group paid remuneration of approximately RMB27,071 million. The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merits, qualifications and competence.

During the Year, following the orientation of “empowering the group and the individuals, leading all members towards our strategic targets”, the Company provided diversified training totalling 1.505 million training hours to 205,000 participants in the Year, which translated to an average of 100.3 training hours per person, incurring training expenses of approximately RMB34 million in total.

e. *承諾事項*

於二零二零年十二月三十一日，本集團擁有的資本承諾約人民幣3,285百萬元(於二零一九年十二月三十一日：約人民幣3,088百萬元)，主要是購買物業、機器及設備的資本開支。此等開支將會以內部資源來支付。

於二零二零年十二月三十一日，本集團有其他投資承諾約人民幣682百萬元為本公司與山推工程機械股份有限公司訂立認購協議，有條件認購其不超過236,705,601股新股(於二零一九年十二月三十一日：無)，有關投資將會以內部資源支付。

3. 其他財務資料

a. *僱員資料*

於二零二零年十二月三十一日，本公司共聘用約8.16萬名僱員(包括約3.62萬名凱傲僱員)。於本年度，本集團人工成本約人民幣27,071百萬元。本集團僱員的薪酬政策由本公司薪酬委員會根據彼等的長處、資歷及工作能力釐定。

於本年度，公司遵循「為組織與個人賦能，牽引全員向戰略目標邁進」的定位提供多元化培訓，全年累計培訓150.5萬學時，參訓人員20.5萬人次，人均100.3學時，累計投入培訓費用約人民幣34百萬元。

b. Material Investment, Major Acquisition and Disposal

During the Year, the Group did not have any material investment, major acquisition or disposal.

c. Subsequent Events

- (i) On 24 December 2020, a resolution in relation to the non-public issuance of A shares of the Company (“A Shares”) have been considered and approved at the Company’s tenth provisional meeting of the board of directors (the “Board”) for the year 2020, and on 29 January 2021, a resolution in relation to the grant of the general mandate to the Board was approved at the extraordinary general meeting. Pursuant to the general mandate, the Company will issue a maximum of 793,387,389 new A Shares, representing not more than 10% of the total issued share capital of the Company prior to the completion of the non-public issuance of A Shares, and the proceeds expected to be raised will be not more than RMB13,000 million. The issuance will be implemented by the Company in due course by way of non-public issuance to specific targets within the validity period upon obtaining the approval from the China Securities Regulatory Commission (the “CSRC”). The maximum number of A Shares to be issued under the non-public issuance of A Shares will be based on the approval granted by the CSRC. The non-public issuance of A Shares is still subject to the obtaining of the approval of the CSRC.

b. 重大投資、收購及出售

於本年度本集團並無重大投資、收購或出售事項。

c. 資產負債表日後事項

- (i) 於二零二零年十二月二十四日，本公司二零二零年第十次臨時董事會審議通過了關於公司非公開發行A股股票方案的議案，並於二零二一年一月二十九日舉行的股東特別大會通過相關議案批准授權公司董事會於一般性授權項下以非公開發行方式發行最多793,387,389股新A股，不超過本次非公開發行前公司總股本10%，預期募集資金將不超過人民幣13,000百萬元。本次發行採用向特定對象非公開發行的方式，在獲得中國證券監督管理委員會（「中國證監會」）核准後由公司在規定的有效期內選擇適當時機向特定對象發行股票，最終發行數量上限以中國證監會關於本次發行的核准批覆為準。有關建議非公開發行A股仍需獲得中國證監會批准後方可作實。

- (ii) At the board meeting held on 25 February 2021, a proposal in relation to the possible spin-off and separate listing of the spark plug business of the Group on the ChiNext Board of the Shenzhen Stock Exchange (the “Possible Spin-off”) was considered and approved. The Possible Spin-off is subject to the approval of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) and the approval at the general meeting of the Company.
- (iii) On 30 March 2021, the Company’s seventh meeting of the fifth session of the Board considered and approved that the Company will not make profit distribution for 2020 nor will it convert its capital reserve funds into share capital given that Company is currently proceeding with the non-public issuance of A Shares, after making comprehensive consideration of factors such as the interests of shareholders and the development of the Company. Following the completion of the non-public issuance of A Shares, the Company will conduct profit distribution as soon as possible in compliance with the requirements of relevant regulatory authorities and the articles of association of the Company.
- (ii) 於二零二一年二月二十五日舉行的董事會會議，已批准可能分拆本集團火花塞業務並於深圳證券交易所創業板獨立上市(「可能分拆」)。有關可能分拆須取得香港聯合交易所有限公司(「香港聯交所」)和本公司股東大會有關批准後方可落實。
- (iii) 於二零二一年三月三十日，本公司五屆七次董事會審議通過鑒於目前公司非公開發行A股股票正在推進過程之中，從股東利益和公司發展等綜合因素考慮，建議公司二零二零年度暫不進行利潤分配，也不進行資本公積轉增股本。待公司本次非公開發行A股股票完成後，盡快按照監管部門的要求與《公司章程》規定進行利潤分配相關事宜。

(1) DIRECTORS

Mr. Tan Xuguang, Chinese, aged 59, is the Chairman and the Chief Executive Officer of the Company, chairman of Shandong Heavy Industry Group Co., Ltd., chairman of Weichai Group Holdings Limited (which holds A Shares of the Company with details as set out below and is thus interested in the shares of the Company under Part XV of the Securities and Futures Ordinance) and chairman of China National Heavy Duty Truck Group Co., Ltd.,. He is also the chairman of Shaanxi Heavy-duty Motor Company Limited and Shaanxi Fast Gear Co., Ltd., and the supervisor of KION Group AG. Mr. Tan joined Weifang Diesel Engine Factory in 1977 and had held various positions including chairman and general manager of Shandong Weichai Import and Export Co., Ltd., general manager of Weifang Diesel Engine Factory, chairman of Torch Automobile Group Co., Ltd., chairman of Weichai Heavy-duty Machinery Co., Ltd., and chairman of Shandong Communications Industry Group Holding Co., Ltd. Mr. Tan is a senior engineer and holds a doctor's degree in engineering. Mr. Tan was appointed as a Representative of the Tenth, Eleventh, Twelfth and Thirteenth National People's Congress of the PRC. He was awarded various honours including "National Labour Model", "第四屆袁寶華企業管理金獎" (the Gold Award of the 4th Yuan Baohua Enterprise Management), China Outstanding Quality Person, "Liu Yuan Zhang Quality and Technology Contribution Award", the "Leonardo Award" granted in Italy, Qilu Outstanding Talent Award (齊魯傑出人才獎), "The Most Beautiful Fighter" in the 70th Anniversary of the establishment of the New China, Guanghua Engineering Science and Technology Award, National Innovation Award and Top Science and Technology Award of Shandong Province.

Mr. Zhang Quan, Chinese, aged 57, is an Executive Director and Executive President of the Company. Mr. Zhang joined Weifang Diesel Engine Factory in 1986 and had held various positions including the director of the quality control department and the marketing department, general manager of marketing and general manager of the sales and marketing company of Weifang Diesel Engine Factory. Mr. Zhang is currently holding various positions including a director of Weichai Group Holdings Limited, Weichai Heavy-duty Machinery Co., Ltd., Beiqi Foton Motor Co., Ltd., XCMG Construction Machinery Co., Ltd., and Weichai Lovol Heavy Industry Co., Ltd. Mr. Zhang is a senior economist and holds a bachelor's degree in engineering and an MBA degree.

(1) 董事

譚旭光先生，中國籍，59歲，本公司董事長兼首席執行官，山東重工集團有限公司董事長，濰柴控股集團有限公司（濰柴控股持有本公司的A股（有關詳情載於下文），因而在本公司股份中擁有證券及期貨條例第XV部所界定的權益）董事長，中國重型汽車集團有限公司董事長，陝西重型汽車有限公司董事長，陝西法士特齒輪有限責任公司董事長，KION Group AG（凱傲公司）監事等；1977年加入濰坊柴油機廠，歷任山東濰柴進出口有限公司董事長兼總經理、濰坊柴油機廠廠長、湘火炬汽車集團股份有限公司董事長、濰柴重機股份有限公司董事長、山東省交通工業集團控股有限公司董事長等職；正高級工程師，工學博士，第十屆、十一屆、十二屆、十三屆全國人大代表，曾榮獲全國勞動模範，第四屆袁寶華企業管理金獎、中國傑出質量人、劉源張質量技術貢獻獎、意大利「萊昂納多國際獎」、齊魯傑出人才獎、新中國成立70周年「最美奮鬥者」、光華工程科技獎、全國創新爭先獎、山東省科學技術最高獎等榮譽。

張泉先生，中國籍，57歲，本公司執行董事及執行總裁；1986年加入濰坊柴油機廠，歷任濰坊柴油機廠質量部部長、市場部部長、市場總經理兼營銷公司總經理等職；現任濰柴控股集團有限公司董事，濰柴重機股份有限公司董事，北汽福田汽車股份有限公司董事，徐工集團工程機械股份有限公司董事，濰柴雷沃重工股份有限公司董事等職；高級經濟師，工學學士，MBA碩士學位。

Mr. Xu Xinyu, Chinese, aged 57, is an Executive Director of the Company. Mr. Xu joined Weifang Diesel Engine Factory in 1986 and had held various positions including executive president of the Company, the deputy general manager of Shandong Weichai Import and Export Co., Ltd., deputy general manager and executive deputy general manager of Weifang Diesel Engine Factory, director of Torch Automobile Group Co., Ltd., chairman of Weichai Power (Weifang) Investment Co., Ltd., chairman of Weichai Power (Shanghai) Technology Development Co., Ltd., chairman of Weichai Power (Beijing) International Resource Investment Co., Ltd., chairman of Société Internationale des Moteurs Baudouin and chairman of Weichai America Corp. Mr. Xu is currently holding various positions including a vice chairman and deputy general manager of Weichai Group Holdings Limited, director of Weichai Power (Hong Kong) International Development Co., Ltd., chairman of Weichai Power (Luxembourg) Holding S.à r.l. and chairman of Ferretti International Holdings S.p.A. Mr. Xu is a senior economist and holds a bachelor's degree in science and an MBA degree.

Mr. Sun Shaojun, Chinese, aged 55, is an Executive Director and Executive President of the Company. Mr. Sun joined Weifang Diesel Engine Factory in 1988 and had held various positions including a supervisor of the engineering department, the chief engineer of Weifang Diesel Engine Factory, director of Torch Automobile Group Co., Ltd. and director of Weichai Heavy-duty Machinery Co., Ltd. Mr. Sun is currently holding various positions including a director of Weichai Group Holdings Limited, chairman of the U.S.- based PSI Inc., director of Shandong Weichai Import and Export Co., Ltd., director of Weichai (Weifang) New Energy Technology Co., Ltd, director of the Canada-based Ballard Power Systems Inc., and a director of KAMAZ Weichai LLC. He is a researcher in applied engineering technology, and holds a doctoral degree in engineering. He is a candidate of “國家百千萬人才工程” (National Million and Ten Million Talents Project), receives a special subsidy from the State Council and was appointed as “山東省人民政府泰山學者特聘專家” (Taishan Mountain scholar specialist appointed by Shandong People's Government).

Mr. Yuan Hongming, Chinese, aged 55, was appointed as an Executive Director of the Company on 8 June 2017 and as an Executive President of the Company on 5 September 2017. He held various positions including the deputy general manager and chief engineer of Shaanxi Automotive Group Co., Ltd. (陝西汽車集團有限責任公司), deputy general manager and general manager of Shaanxi Heavy-duty Motor Company Limited (陝西重型汽車有限公司) and general manager and chief accountant of Shaanxi Automotive Holdings Group Co., Ltd. (陝西汽車控股集團有限公司). He is currently holding various positions including the chairman of the board of directors of Shaanxi Automotive Holdings Group Co., Ltd. (陝西汽車控股集團有限公司), the chairman of the board of directors and director of Shaanxi Automotive Group Co., Ltd. (陝西汽車集團有限責任公司), and the vice chairman of Shaanxi Heavy-duty Motor Company Limited (陝西重型汽車有限公司). Mr. Yuan is a senior engineer and a holder of a bachelor's degree in engineering. Mr. Yuan also obtained the qualification of a machinery senior professional manager (機械工業企業高級職業經理人).

徐新玉先生，中國籍，57歲，本公司執行董事；1986年加入濰坊柴油機廠，歷任本公司執行總裁，山東濰柴進出口有限公司副總經理，濰坊柴油機廠副廠長、常務副廠長，湘火炬汽車集團股份有限公司董事，濰柴動力(濰坊)投資有限公司董事長、濰柴動力(上海)科技發展有限公司董事長、濰柴動力(北京)國際資源投資有限公司董事長、法國博杜安動力國際有限公司董事長、濰柴北美公司董事長等職；現任濰柴控股集團有限公司副董事長、副總經理、濰柴動力(香港)國際發展有限公司董事、濰柴動力(盧森堡)控股有限公司董事長、法拉帝國際控股有限公司董事會主席等職；高級經濟師，理學學士，MBA碩士學位。

孫少軍先生，中國籍，55歲，本公司執行董事及執行總裁；1988年加入濰坊柴油機廠，歷任濰坊柴油機廠技術中心主任、總工程師，湘火炬汽車集團股份有限公司董事，濰柴重機股份有限公司董事等職；現任濰柴控股集團有限公司董事，美國PSI公司董事長，山東濰柴進出口有限公司董事長，濰柴(濰坊)新能源科技有限公司董事，加拿大巴拉德動力系統有限公司董事，卡瑪斯濰柴有限公司董事等職；工程技術應用研究員，工學博士，國家百千萬人才工程人選，享受國務院特殊津貼，山東省人民政府泰山學者特聘專家。

袁宏明先生，中國籍，55歲，於二零一七年六月八日委任為本公司執行董事及於二零一七年九月五日聘任為本公司執行總裁；歷任陝西汽車集團有限責任公司副總經理、總工程師，陝西重型汽車有限公司副總經理、總經理，陝西汽車控股集團有限公司總經理，總會會計師等職；現任陝西汽車控股集團有限公司董事長，陝西汽車集團有限責任公司董事長、董事，陝西重型汽車有限公司副董事長等職；高級工程師，工學學士，獲得機械工業企業高級職業經理人資格認證。

Mr. Yan Jianbo, Chinese, aged 58, was appointed as an Executive Director of the Company on 8 June 2017 and as an Executive President of the Company on 5 September 2017. He held various positions including the deputy general manager of Shaanxi Auto Gear General Works (陝西汽車齒輪總廠), deputy general manager and director of Shaanxi Fast Gear Co. Ltd. (陝西法士特齒輪有限責任公司), and deputy general manager, general manager and director of Shaanxi Fast Gear Automotive Transmission Co., Ltd. (陝西法士特汽車傳動集團有限責任公司). He is currently holding various positions including the secretary of the party committee and the chairman of the board of directors of Shaanxi Fast Gear Automotive Transmission Co., Ltd. (陝西法士特汽車傳動集團有限責任公司), the general manager and a director of Shaanxi Fast Gear Co. Ltd. (陝西法士特齒輪有限責任公司), and the party committee secretary and the chairman of Qinchuan Machine Tool & Tool (Group) Corp. Mr. Yan is a senior engineer and a holder of an executive master of business administration degree.

Mr. Zhang Liangfu, Chinese, aged 51, was appointed as a Non-executive Director of the Company on 29 June 2020. He had held various positions including the division head of the general division and the division head of the finance budget division of the Finance Bureau of Weifang, an executive director and the general manager of Weifang New Energy Investment and Development Company Limited, and the deputy party committee secretary and the general manager of Weifang Financial Holding Group Company Limited. Mr. Zhang is currently the chairman and party committee secretary of Weifang Investment Group Company Limited, a director of Weichai Heavy-duty Machinery Co., Ltd. Mr. Zhang is a senior accountant and a holder of master's degree in public administration.

Mr. Jiang Kui, Chinese, aged 56, was appointed as a Non-executive Director of the Company on 29 June 2012. He had held various positions including engineer and deputy general manager of assembly department of Shandong Bulldozer General Factory (山東推土機總廠), deputy general manager of Shantui Import and Export Company (山推進出口公司), deputy director, director of manufacturing department, deputy general manager and director of Shantui Construction Machinery Co., Ltd. (山推工程機械股份有限公司), deputy general manager of Shandong Engineering Machinery Group Co., Ltd. (山東工程機械集團有限公司), executive deputy general manager and vice chairman of Weichai Group Holdings Limited, chairman of Shanzhong Jianji Co., Ltd., director of Shandong Heavy Industry Group Co., Ltd. and a director of the U.S.-based PSI Inc. He is currently holding various positions including the general manager of Shandong Heavy Industry Group Co., Ltd., a director of Shantui Construction Machinery Co., Ltd., a supervisor of KION Group AG, a director of Sinotruk (Hong Kong) Limited, a director of Sinotruk (BVI) Limited, a director of the Canada-based Ballard Power Systems Inc., and the chairman of Weichai Ballard Hydrogen Energy Technology Company Limited. He is a senior engineer and holds an MBA degree.

嚴鑒鉞先生，中國籍，58歲，於二零一七年六月八日委任為本公司執行董事及於二零一七年九月五日聘任為本公司執行總裁；歷任陝西汽車齒輪總廠副廠長，陝西法士特齒輪有限責任公司副總經理、董事，陝西法士特汽車傳動集團有限責任公司副總經理、總經理、董事等職；現任陝西法士特汽車傳動集團有限責任公司黨委書記、董事長，陝西法士特齒輪有限責任公司總經理、董事，秦川機床工具集團股份公司黨委書記、董事長等職；正高級工程師，高級工商管理碩士。

張良富先生，中國籍，51歲，於二零二零年六月二十九日獲委任為本公司非執行董事；歷任濰坊市財政局綜合科長、預算科科長，濰坊市新能源投資開發有限公司執行董事兼總經理，濰坊市金融控股集團有限公司黨委副書記、總經理等職；現任濰坊市投資集團有限公司董事長、黨委書記，濰柴重機股份有限公司董事；高級會計師，公共管理碩士。

江奎先生，中國籍，56歲，於二零一二年六月二十九日獲委任為本公司非執行董事；歷任山東推土機總廠工程師、總裝分廠副廠長，山推進出口公司副總經理，山推工程機械股份有限公司製造部副本部長、本部長、副總經理、董事，山東工程機械集團有限公司副總經理，濰柴控股集團有限公司常務副總經理、副董事長，山重建機有限公司董事長，山東重工集團有限公司董事，美國PSI公司董事等職；現任山東重工集團有限公司總經理、山推工程機械股份有限公司董事、凱傲公司監事，中國重汽(香港)有限公司董事，中國重汽(維爾京群島)有限公司董事，加拿大巴拉德動力系統有限公司董事，濰柴巴拉德氫能科技有限公司董事長等職；高級工程師，MBA碩士學位。

Mr. Gordon Riske, American/German, aged 63, was appointed as a Non-executive Director of the Company on 24 June 2013. He was the chief executive officer of KUKA Roboter GmbH, chairman of the executive board of directors of Deutz AG in Cologne, Germany, chief executive officer of KION Material Handling GmbH and a member of the board of directors of KION Holding 2 GmbH. He is currently the chief executive officer of KION Group AG and a director of Atlas Copco AB. He holds a degree in electronic engineering and a bachelor's degree in business administration.

Mr. Michael Martin Macht, German, aged 60, was appointed as a Non-executive Director of the Company on 14 June 2018. He was previously a researcher at the Fraunhofer Institute for Industrial Engineering IAO, a director of Porsche Consulting Co., Ltd., chairman of the board of Dr. Ing. h.c. F. Porsche AG, a director of Porsche Holding SE and a director of Volkswagen AG and a director of Ferrett. S.P.A. He is currently a director of Endurance Capital AG, the chairman of the supervisory committee of KION Group AG and a supervisor of MAHLE GmbH. He holds an honorary doctorate degree granted by Universität Stuttgart.

Mr. Li Hongwu, Chinese, aged 58, was appointed as an Independent Non-executive Director of the Company on 8 June 2017. He is currently an associate professor at the Law School of Shandong University, a solicitor at Shandong Wenhan Law Firm (山東文瀚律師事務所), and an independent director of Shandong Jinling Mining Co., Ltd. and of Shandong Head Co., Ltd. Mr. Li holds a master of laws degree granted by Shandong University.

Mr. Wen Daocai, Chinese, aged 63, was appointed as an Independent Non-executive Director of the Company on 14 June 2018. He was previously the chairman and general manager of the Yangzhou Silk Group. Mr. Wen is an engineer and holds a degree in agricultural machinery granted by Jiangsu University. He is a postgraduate from the Central Party School of the Community Party of China.

Gordon Riske先生，美國／德國籍，63歲，於二零一三年六月二十四日獲委任為本公司非執行董事。歷任德國庫卡機器人有限公司首席執行官，德國科隆道依茨股份有限公司執行董事會主席，KION Material Handling GmbH(凱傲物料搬運有限公司)首席執行官及凱傲控股II有限公司董事會成員；現任凱傲公司首席執行官，Atlas Copco AB董事。電機工程學位和工商管理學士學位。

Michael Martin Macht先生，德國籍，60歲，於二零一八年六月十四日委任為本公司非執行董事，歷任Fraunhofer工業工程研究所研究員，Porsche諮詢股份有限公司董事，Dr. Ing. h.c. F. Porsche AG董事會主席，Porsche Holding SE董事，Volkswagen AG董事，Ferrett. S.P.A董事，現任Endurance Capital AG董事，KION Group AG監事會主席，MAHLE GmbH監事；斯圖加特大學榮譽博士學位。

李洪武先生，中國籍，58歲，於二零一七年六月八日委任為本公司獨立非執行董事，現任山東大學法學院副教授，山東文瀚律師事務所律師，山東金嶺礦業股份有限公司獨立董事，山東赫達股份有限公司獨立董事；山東大學法學碩士。

聞道才先生，中國籍，63歲，於二零一八年六月十四日委任為本公司獨立非執行董事，曾任揚州市蠶絲綢集團董事長、總經理；工程師，江蘇大學農業機械專業，中央黨校研究生學歷。

Ms. Jiang Yan, Chinese, aged 47, was appointed as an Independent Non-executive Director of the Company on 29 June 2020. She successively held various positions including the head of the audit division II of the issuance supervision department of the CSRC, and is currently an internal audit consultant of various investment banks including Minsheng Securities Co., Ltd. and an independent director of Liaoning Wellhope Agri-Tech Joint Stock Co., Ltd. She is a certified public accountant, a certified public valuer and a holder of a doctor's degree in management.

Mr. Yu Zhuoping, Chinese, aged 60, was appointed as an Independent Non-executive Director of the Company on 29 June 2020. He successively held various positions including an assistant to the president, the head of the Department of Automotive Engineering and the executive deputy head of the New Energy Center of Automotive Engineering and the dean of the School of Automotive Studies at Tongji University, a director of SAIC Motor Corporation Limited, an independent director of Shanghai Aerospace Automobile Electromechanical Co., Ltd. and an independent non-executive director of China Titans Energy Technology Group Co., Limited. He is currently holding various positions including the head of the Collaborative Innovation Center for Intelligent New Energy Vehicle at Tongji University, the chairman of Tongji Automotive Design and Research Institute Co., Ltd., a member of the general expert panel of the national "New Energy Vehicle" pilot special project, the academic leader of the "Chang Jiang Scholars and Innovation Team of Energy-saving and Environmental-friendly Vehicles", a member of the academic committees of the State Key Laboratory of Automotive Safety and Energy-saving, the State Key Laboratory of Automotive Simulation and Control and the State Key Laboratory of Advanced Design and Manufacturing of Vehicle Body, the vice president of executive council of Society of Automotive Engineers of China, an independent director of Guangdong Dazhi Environmental Protection Technology Co., Ltd., an independent director of Shanghai Highly (Group) Co., Ltd., an independent director of Ningbo Shenglong Automotive Powertrain System Co., Ltd. and a non-executive director of Huazhong In-Vehicle Holdings Company Limited. Mr. Yu holds a doctor's degree in engineering, and is a professor and doctoral advisor.

蔣彥女士，中國籍，47歲，於二零二零年六月二十九日委任為本公司獨立非執行董事；歷任中國證監會發行監管部審核二處處長等職；現任民生證券股份有限公司等多家投資銀行內核顧問，遼寧禾豐牧業股份有限公司獨立董事；註冊會計師，註冊資產評估師，管理學博士。

余卓平先生，中國籍，60歲，於二零二零年六月二十九日委任為本公司獨立非執行董事；歷任同濟大學校長助理、汽車工程系主任兼新能源汽車工程中心常務副主任、汽車學院院長，上海汽車集團股份有限公司董事，上海航天汽車機電股份有限公司獨立董事，中國泰坦能源技術集團有限公司獨立非執行董事等職；現任同濟大學智能型新能源汽車協同創新中心主任，同濟汽車設計研究院有限公司董事長，國家「新能源汽車」試點專項總體專家組成員，「節能與環保汽車長江學者與創新團隊」學術帶頭人，汽車節能與安全國家重點實驗室、汽車仿真與控制國家重點實驗室、汽車車身先進設計製造國家重點實驗室學術委員會委員，中國汽車工程學會副理事長，廣東達志環保科技股份有限公司獨立董事、上海海立(集團)股份有限公司獨立董事、寧波聖龍汽車動力系統股份有限公司獨立董事、華眾車載控股有限公司非執行董事等職；工學博士，教授，博士生導師。

Ms. Zhao Huifang, Chinese, aged 68, was appointed as an Independent Non-executive Director of the Company on 29 June 2020. She successively held various positions including the dean of the School of Management, the director of the MBA/MPA management centre and the director of the Institute of Financial Management of Hefei University of Technology, a committee member of the Tertiary Education Guidance Committee for Professional Industry and Business Administration Education of the Ministry of Education, and an independent director of Huanan Securities Co., Ltd. and Anhui Transport Consulting & Design Institute Co., Ltd. She is currently holding various positions including an independent director of iFLYTEK Co., Ltd., Sinomach General Machinery Science & Technology Co., Ltd., Anhui Ankai Automobile Co., Ltd. and Time Publishing and Media Co., Ltd., and concurrently the honorary president of the Tertiary Engineering School Sub-Society of the Accounting Society of China, the committee member of the Accounting Education Professional Committee of the Accounting Society of China, the executive council member of Anhui Provincial Audit Society and the council member of Anhui Provincial Federation of Social Sciences. Ms. Zhao holds a bachelor's degree and is a professor and supervisor of master students.

趙惠芳女士，中國籍，68歲，於二零二零年六月二十九日委任為本公司獨立非執行董事；歷任合肥工業大學管理學院院長、MBA/MPA管理中心主任、財務管理研究所所長，教育部高等學校工商管理類專業教學指導委員會委員，華安證券股份有限公司、安徽省交通規劃設計研究總院股份有限公司獨立董事等職；現任科大訊飛股份有限公司、國機通用機械科技股份有限公司、安徽安凱汽車股份有限公司、時代出版傳媒股份有限公司獨立董事，兼任中國會計學會高等工科院校分會名譽會長、中國會計學會會計教育專業委員會委員、安徽省審計學會常務理事、安徽省社會科學聯合會理事等職；大學本科，教授，碩士生導師。

(2) SUPERVISORS

Mr. Lu Wenwu, Chinese, aged 56, is the chairman of the supervisory committee of the Company. Mr. Lu joined Weichai Diesel Engine Factory in 1982 and had held various positions at Weichai Diesel Engine Factory including the deputy general manager of the 615 Factory and deputy general manager of the mid-speed engine factory, deputy director of the human resources department, and at Weichai Power Co., Ltd. as general manager of the 615 Factory, general manager of No. 1 Factory and director of the production department, and a director of staff career development centre. He is now holding various positions including the chairman of the labour union and a director of the party committee working department of the Company. He is also the chairman of supervisory committee of Weichai Group Holdings Limited. Mr. Lu is a senior political engineer and holds a bachelor's degree.

(2) 監事

魯文武先生，中國籍，56歲，本公司監事會主席；1982年加入濰坊柴油機廠，歷任濰坊柴油機廠615廠副廠長、中速機廠副廠長、人力資源部副部長，濰柴動力股份有限公司615廠廠長、一號工廠廠長、製造部部長、員工職業發展中心主任等職；現任本公司工會主席、黨委工作部部長，濰柴控股集團有限公司監事會主席等職；高級政工師，大學學歷。

Mr. Wu Hongwei, Chinese, aged 54, was appointed as a supervisor of the Company on 30 August 2017. He joined Weifang Diesel Engine Factory in 1991 and held various positions including the deputy manager of the finance department of Shandong Weichai Import and Export Co., Ltd, executive deputy director of the finance department of Weifang Diesel Engine Factory, chief accountant of Chongqing Weichai Diesel Engine Factory, director of the finance department of Weichai Power Co., Ltd., director of the finance department of Weichai Group Holdings Limited, and a director of Kama Co., Ltd. He is currently a director and chief financial officer of Weichai Group Holdings Limited, and a director of Weichai Heavy-duty Machinery Co., Ltd. He is an accountant and holds a Master of Business Administration degree.

Mr. Ma Changhai, Chinese, aged 46, is a supervisor of the Company. Mr. Ma joined Weifang Diesel Engine Factory in 1997. He held various positions including the deputy manager of administration department of Shandong Weichai Import and Export Co., Ltd., administrative officer, head of brand management department, and officer at the administrative office of external affairs of the Company. He is currently holding various positions including the deputy party committee secretary, board secretary, head of the organisation department of the party committee of Weichai Group Holdings Limited, party committee secretary of the Company, a director of Weichai Power (Hong Kong) International Development Co., Ltd., a director of Weichai International (Hong Kong) Energy Group Co., Ltd., and chairman of Weichai Power (Beijing) International Resource Investment Co., Ltd. He is a senior political engineer and holds a bachelor's degree.

(3) SENIOR MANAGEMENT

Mr. Wang Zhijian, Chinese, aged 49, is the Executive President and deputy chief designer of the Company. Mr. Wang joined Weifang Diesel Engine Factory in 1993. He held various positions including an assistant to the general manager of Weifang Weichai Deutz Diesel Engine Co., Ltd., assistant to the head of the marketing department of the Company, assistant to the general manager of the marketing company, director of the application engineering department, director of the quality department, chief quality engineer, chief quality director, director of the technical centre, chief technical director, assistant to the president, deputy vice president and vice president of the new technology research institute. He is currently holding various positions including the head of the engine research institute and the director of the new product manufacturing centre of the Company. He is a senior engineer and holds a master's degree in engineering and a master's degree in business administration.

吳洪偉先生，中國籍，54歲，於二零一七年八月三十日委任為本公司監事，1991年加入濰坊柴油機廠，歷任山東濰柴進出口有限公司財務部副經理，濰坊柴油機廠財務部常務副部長，重慶濰柴發動機廠總會計師，濰柴動力股份有限公司財務部部長，濰柴控股集團有限公司財務部部長，恒天凱馬股份有限公司董事等職；現任濰柴控股集團有限公司董事、財務總監，濰柴重機股份有限公司董事等職；會計師，MBA碩士學位。

馬常海先生，中國籍，46歲，本公司監事；1997年加入濰坊柴油機廠，歷任山東濰柴進出口公司管理部副經理、本公司辦公室主任，品牌管理部部長、外事管理辦公室主任等職；現任濰柴控股集團有限公司黨委副書記、董事會秘書、黨委組織部部長，本公司黨委書記，濰柴動力(香港)國際發展有限公司董事、濰柴國際(香港)能源集團有限公司董事、濰柴動力(北京)國際資源投資有限公司董事長等職；高級政工師，大學學歷。

(3) 高級管理人員

王志堅先生，中國籍，49歲，本公司執行總裁、副總設計師；1993年加入濰坊柴油機廠，歷任濰坊濰柴道依茨柴油機有限公司總經理助理，本公司市場部部長助理、營銷公司總經理助理、應用工程部部長、質量部部長、總質量師、質量總監、技術中心主任、技術總監、總裁助理、新科技研究院常務副院長、副總裁等職；現任本公司發動機研究院院長、新產品製造中心主任等職；高級工程師，工程碩士、工商管理碩士。

Mr. Hu Haihua, Chinese, aged 40, is a Vice President of the Company. Mr. Hu joined the Company in 2003. He held various positions including an assistant to the general manager of Weifang Weichai Deutz Diesel Engine Co., Ltd., head of the No. 2 Factory of the Company, assistant to the operation director of Ferretti S.P.A., general manager of Maz-Weichai Limited Liability Company, assistant to the president of the Company, and director of the production department and director of the quality control department of the Company. He is currently holding various positions including the chief director of quality, chief director of manufacturing, chief process officer and chief quality director of the Company. He is a senior engineer and holds a master's degree in engineering and a master's degree in business administration.

Mr. Feng Gang, Chinese, aged 56, is a Vice President of the Company. He joined Weichai Diesel Engine Factory in 1986 and held various positions including the manager of technology service department and executive deputy general manager of sales department of the head office and executive deputy director of marketing management department of Weifang Diesel Engine Factory and deputy manager of Weichai Power Co., Ltd.. He is currently holding various positions including a director of Kama Co., Ltd. Mr. Feng is a senior engineer and holds a bachelor's degree in engineering. He is an awardee of the National May 1st Labor Medal of China.

Mr. Ding Yingdong, Chinese, aged 52, is a Vice President of the Company. Mr. Ding joined Weifang Diesel Engine Factory in 1990 and had held various positions including deputy director of corporate planning department and director of human resources department of Weifang Diesel Engine Factory, director of human resources and corporate management department, the director, supervisor and assistant to president of the operational management department and a supervisor of Weichai Group Holdings Limited. He is currently holding various positions including the general manager of the Company's Shanghai branch and a director of Yangzhou Yaxing Motor Coach Co., Ltd. Mr. Ding is a senior economist and holds the qualification of senior manager of corporate human resources, a bachelor's degree in engineering and an MBA degree.

Mr. Zhang Jiyuan, Chinese, aged 56, is a Vice President and chief designer of the Company. He joined Weichai Diesel Engine Factory in 1990 and had held various positions including the deputy director and chief designer of the technology centre and assistant to president of the Company. He is a researcher in applied engineering technology and holds a master's degree in engineering. He receives special subsidy from the State Council. Mr. Zhang is a Taishan Industry Leading Talent.

胡海華先生，中國籍，40歲，本公司副總裁；2003年加入本公司，歷任濰坊濰柴道依茨柴油機有限公司總經理助理，本公司二號工廠廠長，意大利法拉帝有限公司運營總監助理，馬茲濰柴有限公司總經理，本公司總裁助理、製造部部長、質量部部長等職；現任本公司質量總監、製造總監、總工藝師、總質量師等職；高級工程師，工程碩士、工商管理碩士。

馮剛先生，中國籍，56歲，本公司副總裁；1986年加入濰坊柴油機廠，歷任濰坊柴油機廠銷售總公司技術服務部經理、常務副總經理，市場管理部常務副部長，濰柴動力股份有限公司副總經理等職；現任恒天凱馬股份有限公司董事等職；高級工程師，工學學士，全國五一勞動獎章獲得者。

丁迎東先生，中國籍，52歲，本公司副總裁；1990年加入濰坊柴油機廠，歷任濰坊柴油機廠企業策劃部副部長、人力資源部部長，本公司人力資源與企業管理部部長、運營管理部部長、監事、總裁助理，濰柴控股集團有限公司監事等職；現任本公司上海分公司總經理，揚州亞星客車股份有限公司董事等職；高級經濟師，高級企業人力資源管理師職業資格，工學學士，工商管理碩士。

張紀元先生，中國籍，56歲，本公司副總裁、總設計師；1990年加入濰坊柴油機廠，歷任本公司技術中心副主任、首席設計師、總裁助理等職；工程技術應用研究員，工學碩士，享受國務院特殊津貼，泰山產業領軍人才。

Ms. Cao Zhiyue, Chinese, aged 48, is a Vice President and director of information of the Company. She joined the industry in 2001, and had previously worked at the state-managed quality supervision and examination centre for the application of software products in the PRC. She joined the Company in 2007, and held various positions including the deputy head of the department of corporate management and information development, deputy manager of the No. 2 Factory, deputy director of information, and head of the department of corporate management and information development. She is currently holding various positions including an executive director and general manager of Weichai Digital Technology Co., Ltd. Ms. Cao holds a doctoral degree in cartography and geographic information system granted by the Chinese Academy of Sciences and an EMBA degree granted by Missouri State University. She is a researcher in engineering technology application, and a Taishan Industry Leading Talent.

Mr. Cheng Guangxu, Chinese, aged 48, is a Vice President of the Company. He held various positions including a technical engineer of Yangzhou Diesel Engine Factory, deputy chief technical officer and deputy general manager of marketing department of Yangzhou Diesel Engine Co., Ltd., an assistant to the general manager of Weichai Power Yangzhou Diesel Engine Co., Ltd., general manager and assistant to president of truck power sales company of the Company. He is currently holding various positions including the director of the marketing department of the Company. He is a senior engineer and holds a bachelor's degree.

Mr. Chen Wenmiao, Chinese, aged 37, is a Vice President and deputy chief designer of the Company. Mr. Chen joined the Company in 2010 and held various positions including the director of the product test centre of the technology centre of the Company, deputy head of the engine technology research institute, deputy general manager of Weichai (Weifang) New Energy Technology Co., Ltd, assistant to president of the Company, executive vice-president of the engine research institute, vice-president of the scientific research institute and president of the new technology research institute. He is currently holding various positions including the president of the new energy research institute. He is a senior engineer and holds a doctoral degree in engineering.

曹志月女士，中國籍，48歲，本公司副總裁、信息化總監；2001年參加工作，曾就職國家應用軟件產品質量監督檢驗中心；2007年加入本公司，歷任本公司企業管理與信息化部副部長、二號工廠副廠長、信息化副總監、企業管理與信息化部部長等職；現任濰柴數字科技有限公司執行董事、總經理等職；中國科學院地圖學與地理信息系統專業博士，美國密蘇里州立大學EMBA，工程技術應用研究員，泰山產業領軍人才。

程廣旭先生，中國籍，48歲，本公司副總裁；歷任揚州柴油機廠技術工程師，揚州柴油機有限責任公司副總工程師、營銷部副總經理，濰柴動力揚州柴油機有限責任公司總經理助理，本公司卡車動力銷售公司總經理、總裁助理等職；現任本公司市場部部長等職；高級工程師，本科學歷。

陳文淼先生，中國籍，37歲，本公司副總裁、副總設計師；2010年加入本公司，歷任公司技術中心產品試驗中心主任、發動機技術研究院副院長、濰柴(濰坊)新能源科技有限公司副總經理、公司總裁助理、發動機研究院常務副院長、科學研究院副院長、新科技研究院院長等職；現任本公司新能源研究院院長等職；高級工程師，工學博士。

Mr. Sun Jian, Chinese, aged 50, is a Vice President of the Company. Mr. Sun joined Weichai Diesel Engine Factory in 1992 and held various positions including the director of the product development department and director, assistant to the president, director of purchasing centre and chief procurement officer of the purchasing management department. He is a senior engineer and holds a master's degree in engineering.

Mr. Liu Yuanqiang, Chinese, aged 49, is a Vice President of the Company. He joined Weifang Diesel Engine Factory in 1993, and held various positions including the manager of the 615 Factory, head of the technology re-engineering department, head of manufacturing engineering, the director of the WOS lean management office, chief director of quality, chief director of manufacturing and president of the arts and crafts research institute. Mr. Liu is a senior engineer. He holds a bachelor's degree.

Mr. Kwong Kwan Tong, Chinese, aged 54, is the Chief Financial Officer, Company Secretary and Authorised Representative of the Company. He is currently a director of Weichai International (Hong Kong) Energy Group Co., Ltd. Mr. Kwong joined the Company in 2013. Mr. Kwong obtained a diploma in accountancy from the Morrison Hill Technical Institute in Hong Kong in 1987. He is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants and the Chartered Institute of Management Accountants. He has worked for companies listed on the Hong Kong Stock Exchange and has over 30 years' experience in the accounting and financial management fields.

Ms. Wang Li, Chinese, aged 36, is the secretary to the Board of the Company. She joined the Company in 2011. She is an economist, and holds a master's degree of management and a bachelor's degree of economics.

孫健先生，中國籍，50歲，本公司副總裁；1992年加入濰坊柴油機廠，歷任公司產品發展部部長、採購管理部部長、總裁助理、採購中心主任、採購總監等職；高級工程師，工程碩士。

劉元強先生，中國籍，49歲，本公司副總裁；1993年加入濰坊柴油機廠，歷任615廠廠長，技術改造部部長，製造工程部部長，WOS精益推進辦公室主任，質量總監，製造總監，工藝工匠研究院院長等職；高級工程師，本科學歷。

鄭焜堂先生，中國籍，54歲，本公司財務總監、公司秘書及授權代表，現任濰柴國際(香港)能源集團有限公司董事。於2013年加入本公司；於1987年獲摩理臣山工業學院頒授會計學文憑，為英國特許公認會計師公會資深會員、香港會計師公會會員及英國特許管理會計師公會會員；曾於多家香港聯交所上市公司工作，並擁有逾30年的會計及財務管理經驗。

王麗女士，中國籍，36歲，公司董事會秘書；二零一一年加入本公司；經濟師、管理學碩士、經濟學學士。

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements of the Group for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Group is the manufacture and sale of diesel engines, automobiles and other major automobile components, other components, new energy powertrain systems and ancillary products, import and export services, and forklift trucks and supply chain solution services. There were no significant changes in the nature of the Group's principal activities during the Year. The activities of its principal subsidiaries and associates are set out in Note VII to the financial statement.

BUSINESS REVIEW

The business review, major risks, financial analysis and future prospects of the Group for the year ended 31 December 2020 are set out in Chairman's Statement on pages 7 to 15 and Management Discussion and Analysis on pages 16 to 28. The Chairman's Statement and the Management Discussion and Analysis form part of the Directors' Report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2020 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 113 to 415. On 30 March 2021, the Company's seventh meeting of the fifth session of the Board considered and approved that the Company will not make profit distribution for 2020 nor will it convert its capital reserve funds into share capital given that Company is currently proceeding with the non-public issuance of A Shares, after making comprehensive consideration of factors such as the interests of shareholders and the development of the Company. Following the completion of the non-public issuance of A Shares, the Company will conduct profit distribution as soon as possible in compliance with the requirements of relevant regulatory authorities and its articles of association.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the audited financial statements and restated/reclassified as appropriate, is set out on page 416. This summary does not form part of the audited financial statements.

董事會報告

董事會謹此提呈截至二零二零年十二月三十一日止年度的年度董事會報告及本集團經審核財務報表。

主要業務

本集團主要從事生產及銷售柴油機、汽車及其他主要汽車零部件、其他零部件、新能源動力總成系統及配套產品、進出口服務和叉車及供應鏈解決方案業務。本集團主要業務之性質於年內並無重大變動。本公司旗下主要附屬公司及聯營公司的業務載於財務報表附註七。

業績回顧

本集團截至二零二零年十二月三十一日止年度業績回顧、公司面對的主要風險、財務分析及未來展望載於第7頁至第15頁主席報告書和第16頁至第28頁管理層討論與分析。主席報告書及管理層討論與分析構成董事會報告一部分。

業績及分配

本集團截至二零二零年十二月三十一日止年度的業績及本公司與本集團於該日的財務狀況載於第113至415頁的財務報表。於二零二一年三月三十日，本公司五屆七次董事會審議通過鑒於目前公司非公開發行A股股票正在推進過程之中，從股東利益和公司發展等綜合因素考慮，建議公司二零二零年度暫不進行利潤分配，也不進行資本公積轉增股本。待公司本次非公開發行A股股票完成後，盡快按照監管部門的要求與《公司章程》規定進行利潤分配相關事宜。

財務資料摘要

本集團過去五個財政年度的公佈業績及資產、負債及少數股東權益的摘要(摘自經審核財務報表及經重列/重新分類(如適用))載於第416頁。此摘要並不構成經審核財務報表的一部份。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company and the Group during the Year are set out in Note V.17 to the financial statements.

INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group during the Year are set out in Note V.16 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in Note V.44 to the financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the Year are set out in Notes V.45 to 49 to the financial statements and in the statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2020, the Company's reserve available for distribution, calculated in accordance with the relevant regulations, amounted to RMB34,883,003,581.58.

CHARITABLE CONTRIBUTIONS

During the Year, the Group made charitable contributions totaling approximately RMB8,190,790.

物業、機器及設備

本公司及本集團物業、機器及設備的年內變動詳情載於財務報表附註五、17。

投資物業

本集團投資物業的年內變動詳情載於財務報表附註五、16。

股本

本公司股本的年內變動詳情載於財務報表附註五、44。

儲備

本公司及本集團儲備的年度變動詳情載於財務報表附註五、45至49及股東權益變動表。

可分派儲備

於二零二零年十二月三十一日，根據相關規例計算，本公司的可供分派儲備為人民幣34,883,003,581.58元。

慈善捐款

年內，本集團作出約人民幣8,190,790元之慈善捐款。

DIRECTORS AND SUPERVISORS

The directors and supervisors of the Company during the Year and up to the date of this report were:

Executive Directors

Tan Xuguang (*Chairman and Chief Executive Officer*)

Zhang Quan (*Executive President*)

Xu Xinyu

Sun Shaojun (*Executive President*)

Yuan Hongming (*Executive President*)

Yan Jianbo (*Executive President*)

Non-executive Directors

Zhang Liangfu (appointed on 29 June 2020)

Jiang Kui

Gordon Riske

Michael Martin Macht

Wang Yuepu (resigned on 26 March 2020)

Independent Non-executive Directors

Li Hongwu

Wen Daocai

Jiang Yan (appointed on 29 June 2020)

Yu Zhuoping (appointed on 29 June 2020)

Zhao Huifang (appointed on 29 June 2020)

Zhang Zhong (retired on 29 June 2020)

Wang Gongyong (retired on 29 June 2020)

Ning Xiangdong (retired on 29 June 2020)

SUPERVISORS

Lu Wenwu

Ma Changhai

Wu Hongwei

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), and as at the date of this report, the Company still considers that all of the independent non-executive directors are independent.

董事及監事

於本年度及截至本報告日期，本公司董事及監事如下：

執行董事

譚旭光(董事長兼首席執行官)

張 泉(執行總裁)

徐新玉

孫少軍(執行總裁)

袁宏明(執行總裁)

嚴鑒鉞(執行總裁)

非執行董事

張良富(於二零二零年六月二十九日上任)

江 奎

Gordon Riske

Michael Martin Macht

王日普(於二零二零年三月二十六日辭任)

獨立非執行董事

李洪武

聞道才

蔣 彥(於二零二零年六月二十九日上任)

余卓平(於二零二零年六月二十九日上任)

趙惠芳(於二零二零年六月二十九日上任)

張 忠(於二零二零年六月二十九日退任)

王貢勇(於二零二零年六月二十九日退任)

寧向東(於二零二零年六月二十九日退任)

監事

魯文武

馬常海

吳洪偉

本公司已接獲各獨立非執行董事根據香港聯合交易所有限公司證券上市規則(「上市規則」)第3.13條就其獨立身份作出的年度確認，於本報告日期，本公司仍認為各獨立非執行董事均屬獨立人士。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 29 to 38 of the annual report.

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

Each of the executive directors, non-executive directors, independent non-executive directors and supervisors of the Company has entered into a service contract with the Company and their relevant terms of office shall be from 14 June 2018 to the conclusion of the 2020 annual general meeting of the Company, save that the terms of office of Mr. Zhang Liangfu, a non-executive director, Ms. Jiang Yan, Mr. Yu Zhuoping and Ms. Zhao Huifang, all being independent non-executive directors, shall be from 29 June 2020 to the conclusion of the 2020 annual general meeting of the Company.

None of the above directors and supervisors has entered into a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without the payment of compensation (other than statutory compensation).

DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Mr. Gordon Riske holds interest in KION and was interested in contracts for the sales of commodities, provision of product testing, casting, catering and leasing services by Linde Hydraulics GmbH & Co. KG, a subsidiary of the Group, to KION and its subsidiaries, in contracts for the provision of information technology services, accounting, human resources, logistics services etc. by KION and its subsidiaries to Linde Hydraulics GmbH & Co. KG and in contracts for the sales of forklift trucks and provision of services by KION and its subsidiaries to the Company. Save as disclosed above, no director, supervisor or entity connected with a director or supervisor had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party during or at the end of the Year.

PERMITTED INDEMNITY PROVISION

The Company has taken out and maintained directors' liability insurance which provides appropriate cover for the directors of the Group. At no time during the year ended 31 December 2020 and up to the date of this report, was or is there any permitted indemnity provision being in force for the benefit of any of the directors of the Group.

董事及高級管理人員的簡歷

本公司董事及本集團高級管理人員的簡歷詳情載於年報第29至38頁。

董事及監事服務合約

本公司各執行董事、非執行董事、獨立非執行董事及監事已各自與本公司訂立服務合約，有關任期自二零一八年六月十四日起，至二零二零年度股東周年大會結束止，唯非執行董事張良富先生，獨立非執行董事蔣彥女士、余卓平先生和趙惠芳女士的任期為自二零二零年六月二十九日至二零二零年度股東周年大會結束止。

上述董事及監事概無與本公司或其任何子公司訂立任何不可於一年內由本公司毋須賠償(法定補償除外)而予終止的服務合約。

董事及監事於重大合約的權益

Gordon Riske先生在凱傲公司擁有權益，於本集團之附屬公司林德液壓合夥企業向凱傲公司及其附屬公司銷售商品，提供產品測試、鑄造、餐廳及租賃服務和凱傲公司及其附屬公司向林德液壓合夥企業提供信息技術服務、會計、人力資源、後勤等服務的合約中擁有權益，亦於凱傲公司及其附屬公司向本公司銷售叉車及提供服務的合約中擁有權益。除上述披露者外，概無董事、監事或與董事或監事關聯的企業於本公司、其控股公司、附屬公司或同系附屬公司年內或年終所訂立，對本集團業務屬重大的任何交易、安排或合約中直接或間接擁有重大權益。

獲許可彌償條文

本公司已投購董事責任保險，為本集團董事提供合適保障。於二零二零年十二月三十一日止年度內及截至本報告日，概無任何有利本集團任何董事的獲許可彌償條文生效。

DIRECTORS' AND SUPERVISORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2020, the interests and short position (if any) of the directors, the chief executives and the supervisors 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 (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

董事及監事於股份及相關股份的權益

於二零二零年十二月三十一日，董事、高級管理人員及監事於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條規定本公司須存置的登記冊所記錄，或根據上市公司董事進行證券交易的標準守則(「標準守則」)規定已知會本公司及香港聯交所的權益及短倉(如有)如下：

Name of director	Capacity	Number of "A" shares held	Number of "H" shares held	Percentage of the issued share capital of the Company
董事姓名	身份	所持A股數目	所持H股數目	已發行股本百分比
Tan Xuguang 譚旭光	Beneficial owner 實益擁有人	58,842,596 (Note 1) (附註1)	–	0.74%
Zhang Quan 張泉	Beneficial owner 實益擁有人	13,684,324 (Note 1) (附註1)	–	0.17%
Xu Xinyu 徐新玉	Beneficial owner 實益擁有人	13,684,324 (Note 1) (附註1)	–	0.17%
Sun Shaojun 孫少軍	Beneficial owner 實益擁有人	13,684,324 (Note 1) (附註1)	–	0.17%
Yuan Hongming 袁宏明	Beneficial owner 實益擁有人	1,000,440	–	0.013%
	Interest held by spouse 配偶持有人權益	444	–	0.000006%
		1,000,884		0.013%
Yan Jianbo 嚴鑒鉞	Beneficial owner 實益擁有人	1,097,904	–	0.014%
Wen Daocai 聞道才	Beneficial owner 實益擁有人	21,940	–	0.0003%

Name of supervisor	Capacity	Number of "A" shares held	Number of "H" shares held	Percentage of the issued share capital of the Company 佔本公司 已發行股本百分比
監事姓名	身份	所持A股數目	所持H股數目	
Lu Wenwu 魯文武	Beneficial owner 實益擁有人	600,000	–	0.0076%
Wu Hongwei 吳洪偉	Beneficial owner 實益擁有人	4,789,516	–	0.06%

Notes:

1. These shares were derived from the previous domestic shares of the Company. The domestic shares were ordinary shares issued by the Company, with a Renminbi denominated par value of RMB1.00 each, which were subscribed for and paid up in Renminbi or credited as fully paid up. These shares became A shares of the Company upon the A share listing of the Company on the Shenzhen Stock Exchange.
2. All the shareholding interests listed in the above table are "long" position.
3. The percentages disclosed in the above table were calculated based on the total number of issued shares of the Company as at 31 December 2020, i.e. 7,933,873,895 shares (comprised of 5,990,833,895 A shares and 1,943,040,000 H shares).

附註:

1. 該等股份之前為本公司內資股。內資股為本公司發行的普通股，以人民幣列值，每股面值人民幣1.00元，以人民幣認購及繳足或入賬列為繳足。該等股份於本公司A股在深圳證券交易所上市後成為本公司之A股。
2. 上表所列的所有股權權益均為好倉。
3. 上表所披露的百分比是根據本公司在二零二零年十二月三十一日發行的股份總數7,933,873,895 (含5,990,833,895股A股及1,943,040,000股H股)計算的。

Interests in the shares of associated corporations of the Company

於本公司相關法團股份的權益

Name of director	Name of associated corporation	Nature of interest	Class and number of securities interested or deemed to be interested 持有權益或被視為持有權益的證券類別及數目	Approximate percentage interest in the entire issued share capital of associated corporation 佔相關法團全部已發行股本的權益概約百分比
董事姓名	相關法團名稱	權益性質		
Gordon Riske (Note)	KION Group AG ("KION")	Beneficial owner	146,460 ordinary shares	0.11%
Gordon Riske (附註)		實益擁有人	146,460 股普通股	
		Interest held by spouse	93,940 ordinary shares	0.07%
		由配偶持有的權益	93,940 股普通股	
			240,400 ordinary shares	0.18%
			240,400 股普通股	

Note: Gordon Riske, a non-executive Director, was the beneficial owner of 146,460 shares in KION and he was also deemed to be interested in 93,940 shares in KION which were beneficially held by his wife, Ms. Benita Riske.

附註：非執行董事 Gordon Riske 為 KION 的 146,460 股股份的實益擁有人，並被視為於其妻子 Benita Riske 女士實益持有的 93,940 股 KION 股份中持有權益。

Save as disclosed above, as at 31 December 2020, none of the Directors, the chief executives nor the supervisors had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was recorded in the register required to be kept pursuant to Section 352 of the SFO, or as otherwise notified to the Company pursuant to the Model Code.

除上文所披露者外，於二零二零年十二月三十一日，概無董事、最高行政人員或監事於本公司或其任何相聯法團的股份、相關股份或債券中擁有根據證券及期貨條例第352條規定須記錄於該條例所述存置的登記冊內的權益或淡倉，或根據標準守則須知會本公司的權益或淡倉。

DETAILS OF CHANGES IN SHARE CAPITAL AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

股本變動和主要股東持股情況

(I) Changes in share capital

1. Changes in share capital (as at 31 December 2020)

(I) 股本變動情況

1. 股本變動情況表(截至二零二零年十二月三十一日)

	Before the movement 本次變動前		Increase/decrease in the movement (+, -) 本次變動增減(+,-)					After the movement 本次變動後	
	No. of shares 數量	Percentage 比例 (%)	New shares issued 發行新股	Bonus issue 送股	Transfer of surplus to capital 公積金轉股	Others 其他	Sub-total 小計	No. of shares 數量	Percentage 比例 (%)
I. Restricted circulating shares 有限售條件股份	1,745,832,270	22.00%	-	-	-	685,800	685,800	1,746,518,070	22.01%
1. State-owned shares 國家持股	-	-	-	-	-	-	-	-	-
2. State-owned legal person shares 國有法人持股	1,642,531,008	20.70%	-	-	-	-	-	1,642,531,008	20.70%
3. Shares held by other domestic entities 其他內資持股	103,301,262	1.30%	-	-	-	685,800	685,800	103,987,062	1.31%
including: Shares held by domestic non-state-owned legal persons 其中：境內非國有法人持股	-	-	-	-	-	-	-	-	-
Shares held by domestic natural persons 境內自然人持股	103,301,262	1.30%	-	-	-	685,800	685,800	103,987,062	1.31%
4. Shares held by foreign entities 外資持股	-	-	-	-	-	-	-	-	-
including: Shares held by overseas legal persons 其中：境外法人持股	-	-	-	-	-	-	-	-	-
Shares held by overseas natural persons 境外自然人持股	-	-	-	-	-	-	-	-	-
II. Non-restricted circulating shares 無限售條件股份	6,188,041,625	78.00%	-	-	-	(685,800)	(685,800)	6,187,355,825	77.99%
1. RMB ordinary shares 人民幣普通股	4,245,001,625	53.51%	-	-	-	(685,800)	(685,800)	4,244,315,825	53.50%
2. Domestic listed foreign shares 境內上市的外資股	-	-	-	-	-	-	-	-	-
3. Overseas listed foreign shares 境外上市的外資股	1,943,040,000	24.49%	-	-	-	-	-	1,943,040,000	24.49%
4. Others 其他	-	-	-	-	-	-	-	-	-
III. Total number of shares 股份總數	7,933,873,895	100.00%	-	-	-	-	-	7,933,873,895	100.00%

(II) Shareholdings of the Substantial Shareholders (as at 31 December 2020)

Total number of Shareholders The number of shareholders is 199,047 among which 198,806 are shareholders of "A" shares and 241 are shareholders of "H" shares.

(II) 主要股東持股情況(於二零二零年十二月三十一日)

股東總數 共199,047戶，其中A股股東198,806戶，H股股東241戶。

*Shareholdings of the top ten shareholders**前10名股東持股情況*

Name of shareholder	Type of shareholder	Percentage of shares held	Total number of shares held as at the end of there porting period	Number of restricted shares held	Pledged or frozen
股東名稱	股東性質	持股比例 (%)	報告期末持股數量	持有有限售條件的股份數量	質押或凍結情況
HKSCC Nominees Limited 香港中央結算代理人有限公司	Foreign shareholder 外資股東	24.43%	1,938,491,156	-	-
Weichai Group Holdings Limited 濰柴控股集團有限公司	State-owned legal person 國有法人	17.72%	1,406,100,000	1,345,905,600	-
Hong Kong Securities Clearing Company Limited (Note) 香港中央結算有限公司(註)	Overseas legal person 境外法人	10.28%	815,400,522	-	-
Weifang Investment Group Company Limited 濰坊市投資集團有限公司	State-owned legal person 國有法人	3.74%	296,625,408	296,625,408	-
China Securities Finance Corporation Limited 中國證券金融股份有限公司	Domestic non-state-owned legal person 境內非國有法人	2.06%	163,608,906	-	-
IVM Technical Consultants Wien Gesellschaft m.b.H. 奧地利IVM技術諮詢維也納有限公司	Overseas legal person 境外法人	1.49%	118,358,700	-	-
Central Huijin Assets Management Company Limited 中央匯金資產管理有限責任公司	State-owned legal person 國有法人	1.37%	108,492,800	-	-
Tan Xuguang 譚旭光	Domestic natural person 境內自然人	0.74%	58,842,596	44,131,947	-
Hu Zhongxiang 胡中祥	Domestic natural person 境內自然人	0.68%	53,587,741	-	-
Bank of Communications – Rong Tong Industry Prosperous Securities Invest Fund 交通銀行-融通行業景氣證券投資基金	Fund and wealth management product, etc. 基金、理財產品等	0.52%	41,302,610	-	-

Note: Hong Kong Securities Clearing Company Limited holds 815,400,522 A Shares on behalf of shareholders under the Shenzhen - Hong Kong Stock Connect mechanism.

註：香港中央結算有限公司持有815,400,522股A股為深港通股東持有。

Shareholdings of the top ten non-restricted shareholders

前10名無限售條件股東持股情況

Name of shareholder	Number of the non-restricted shares held as at the end of the reporting period	Types of shares
股東名稱	報告期末持有無限售條件股份數量	股份種類
HKSCC Nominees Limited 香港中央結算代理人有限公司	1,938,491,156	Overseas listed foreign shares 境外上市外資股
Hong Kong Securities Clearing Company Limited 香港中央結算有限公司	815,400,522	RMB ordinary shares 人民幣普通股
China Securities Finance Corporation Limited 中國證券金融股份有限公司	163,608,906	RMB ordinary shares 人民幣普通股
IVM Technical Consultants Wien Gesellschaft m.b.H. 奧地利IVM技術諮詢維也納有限公司	118,358,700	RMB ordinary shares 人民幣普通股
Central Huijin Assets Management Company Limited 中央匯金資產管理有限責任公司	108,492,800	RMB ordinary shares 人民幣普通股
Weichai Group Holdings Limited 濰柴控股集團有限公司	60,194,400	RMB ordinary shares 人民幣普通股
Hu Zhongxiang 胡中祥	53,587,741	RMB ordinary shares 人民幣普通股
Bank of Communications – Rong Tong Industry Prosperous Securities Invest Fund 交通銀行—融通行業景氣證券投資基金	41,302,610	RMB ordinary shares 人民幣普通股
China AMC Fund – Agricultural Bank – China AMC China Securities and Financial Assets Management Program 華夏基金—農業銀行—華夏中證金融資產管理計劃	33,002,800	RMB ordinary shares 人民幣普通股
Dacheng Fund – Agricultural Bank – Dacheng CSI Financial Assets Management Program 大成基金—農業銀行—大成中證金融資產管理計劃	31,855,600	RMB ordinary shares 人民幣普通股

Notes:

- Among the aforesaid shareholders, Mr. Tan Xuguang is the chairman of Weichai Group Holdings Limited. It is not certain whether there is any connected relationship among other top ten shareholders and the other top ten non-restricted shareholders, or whether there is any acting in concert relationship among them.
- Among the top ten shareholders of the Company, Mr. Hu Zhongxiang holds 53,587,741 shares through the client credit trading guarantee securities account.

附註:

- 以上股東中，譚旭光先生為濰柴控股集團有限公司董事長。本公司未知其他前十名股東及其他前十名無限售條件股東之間是否存在關聯關係，也未知其是否屬於一致行動人士。
- 公司前十名股東中，胡中祥通過客戶信用交易擔保證券賬戶持有53,587,741股。

SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO (including interests filed with the Hong Kong Stock Exchange) shows that as at 31 December 2020, the following persons (other than directors, chief executives and supervisors) had the following interests and short positions (if any) in the shares and underlying shares of the Company:

主要股東

本公司根據證券及期貨條例第336條存置的主要股東登記冊(包括向香港聯交所申報的利益)顯示,於二零二零年十二月三十一日,下列人士(董事、高級管理人員及監事除外)在本公司股份及相關股份中擁有下列權益及短倉(如有):

Name	Capacity	Long/ Short position	Number of A shares	Percentage of	Number of H shares	Percentage of	Percentage of total issued share capital
				share capital comprising only A shares		share capital comprising only H shares	
名稱	身份	好倉/淡倉	A股數目	佔A股 股本 百分比	H股數目	佔H股 股本 百分比	佔已發行 股本總數 百分比
Weichai Group Holdings Limited 濰柴控股集團有限公司	Beneficial owner 實益擁有人	Long 好倉	1,406,100,000	23.47%	-	-	17.72%
Shandong Heavy Industry Group Co., Ltd. (Note 1) 山東重工集團有限公司(附註1)	Interest of corporation controlled by you 你所控制的法團的權益	Long 好倉	1,406,100,000	23.47%	-	-	17.72%
Brandes Investment Partners, LP (Note 3) (附註3)	Investment manager 投資經理	Long 好倉	-	-	78,578,612	16.18%	3.96%
Lazard Emerging Markets Equity Portfolio (Note 4)(附註4)	Investment manager 投資經理	Long 好倉	-	-	23,707,500	5.86%	1.43%
Barclays PLC (Note 3)(附註3)	Person having a security interest in shares 持有股份的保證權益的人	Long 好倉	-	-	525,552	0.11%	0.03%
	Interest of corporation controlled by you 你所控制的法團的權益	Long 好倉	-	-	25,453,050	5.24%	1.28%
					25,978,602	5.35%	1.31%
	Interest of corporation controlled by you 你所控制的法團的權益	Short 淡倉	-	-	24,102,475	4.96%	1.22%

Name	Capacity	Long/ Short position	Number of A shares	Percentage of share capital comprising only A shares 佔A股 股本 百分比	Number of H shares	Percentage of share capital comprising only H shares 佔H股 股本 百分比	Percentage of total issued share capital 佔已發行 股本總數 百分比
名稱	身份	好倉／淡倉	A股數目	百分比	H股數目	百分比	百分比
Morgan Stanley (Note 2)(附註2)	Interest of corporation controlled by you 你所控制的法團的權益	Long 好倉	-	-	49,335,508	5.08%	1.24%
	Interest of corporation controlled by you 你所控制的法團的權益	Short 淡倉	-	-	42,078,545	4.33%	1.06%
BlackRock, Inc.	Interest of corporation controlled by you 你所控制的法團的權益	Long 好倉	-	-	105,948,135	5.45%	1.34%
	Interest of corporation controlled by you 你所控制的法團的權益	Short 淡倉	-	-	2,270,000	0.12%	0.03%
Lazard Asset Management LLC	Investment manager 投資經理	Long 好倉	-	-	328,810,940	16.92%	4.14%
Schroders Plc	Investment manager 投資經理	Long 好倉	-	-	136,853,130	7.04%	1.72%
Citigroup Inc.	Interest of corporation controlled by you 你所控制的法團的權益	Long 好倉	-	-	2,334,605	0.12%	0.03%
	Approved lending agent 核準借出代理人	Long 好倉	-	-	133,245,756	6.85%	1.68%
					135,580,361	6.97%	1.71%
	Interest of corporation controlled by you 你所控制的法團的權益	Short 淡倉	-	-	279,000	0.01%	0.00%

Name	Capacity	Long/ Short position	Percentage of share capital comprising		Percentage of share capital comprising		Percentage of total issued share capital 佔已發行 股本總數 百分比
			Number of A shares A股數目	only A shares 佔A股 股本 百分比	Number of H shares H股數目	only H shares 佔H股 股本 百分比	
名稱	身份	好倉／淡倉	A股數目	百分比	H股數目	百分比	百分比
Brown Brothers Harriman & Co.	Agent 代理人	Long 好倉	-	-	116,949,106	6.02%	1.47%
Pandanus Associates Inc.	Interest of corporation controlled by you 你所控制的法團的權益	Long 好倉	-	-	97,806,000	5.03%	1.23%
Pandanus Partners L.P. (Note 5) (附註5)	Interest of corporation controlled by you 你所控制的法團的權益	Long 好倉	-	-	97,806,000	5.03%	1.23%
FIL Limited (Note 5) (附註5)	Interest of corporation controlled by you 你所控制的法團的權益	Long 好倉	-	-	97,806,000	5.03%	1.23%

Notes:

1. Shandong Heavy Industry Group Co., Ltd., a subsidiary of State-owned Assets Supervision and Administration Commission of Shandong Province, held the entire share capital of Weichai Group Holdings Limited (formerly known as Weifang Diesel Engine Works).
2. The number of H shares reported above held by the relevant substantial shareholder does not take into consideration the Company's bonus share issuance on 21 July 2017 as there is no disclosure of interest obligation under the SFO where there is no change in percentage of shareholdings for a substantial shareholder.
3. The number of H shares reported above held by the relevant substantial shareholder does not take into consideration the Company's bonus share issuance on 20 August 2015 and 21 July 2017 as there is no disclosure of interest obligation under the SFO where there is no change in percentage of shareholdings for a substantial shareholder.
4. The number of H shares reported above held by the relevant substantial shareholder does not take into consideration the Company's bonus share issuance on 17 August 2012, 20 August 2015 and 21 July 2017 as there is no disclosure of interest obligation under the SFO where there is no change in percentage of shareholdings for a substantial shareholder.
5. Pandanus Partners L.P. had 37.01% interests in FIL Limited.

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital or underlying shares of the Company as at 31 December 2020.

附註:

1. 山東省國有資產監督管理委員會的附屬公司山東重工集團有限公司持有濰柴控股集團有限公司(前稱為濰坊柴油機廠)的全部股本。
2. 上述呈列之相關主要股東持有之H股數目並無計及本公司於二零一七年七月二十一日的紅股派發行動，此乃由於根據證券及期貨條例，倘主要股東之股權百分比並無變動，則毋須披露權益。
3. 上述呈列之相關主要股東持有之H股數目並無計及本公司於二零一五年八月二十日及二零一七年七月二十一日的紅股派發行動，此乃由於根據證券及期貨條例，倘主要股東之股權百分比並無變動，則毋須披露權益。
4. 上述呈列之相關主要股東持有之H股數目並無計及本公司於二零一二年八月十七日、二零一五年八月二十日及二零一七年七月二十一日的紅股派發行動，此乃由於根據證券及期貨條例，倘主要股東之股權百分比並無變動，則毋須披露權益。
5. Pandanus Partners L.P.於FIL Limited中持有37.01%權益。

除上文披露者外，於二零二零年十二月三十一日，本公司並無獲告知在本公司已發行股本或相關股份中的任何其他相關權益或淡倉。

DETAILS OF THE APPOINTMENT OR RESIGNATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

1. At the Board meeting convened on 6 January 2020, the Board considered and approved the appointment of Mr. Cheng Guangxu as a vice president of the Company and Ms. Wu Di as a securities affair representative of the Company.
2. At the Board meeting convened on 17 February 2020, the Board considered and approved the resignation of Mr. Hu Haoyan as a vice president of the Company and approved the appointment of Mr. Chen Wenmiao, Mr. Wang Zhijian, Mr. Sun Jian and Mr. Hu Haihua as vice presidents of the Company.
3. At the Board Meeting convened on 26 March 2020, the Board considered and approved the resignation of Mr. Wang Yuepu as a non-executive Director and a member of the strategic development and investment committee of the Company with effect from 26 March 2020 and the nomination of Mr. Zhang Liangfu as a non-executive director of the Company, with effect from the date of approval by the shareholders of the Company at the general meeting of the Company for the year ended 31 December 2019 (the "2019 Annual General Meeting") and until the conclusion of the annual general meeting of the Company for the year ended 31 December 2020, which is the expiration of the term of the current session of the Board.
4. At the 2019 Annual General Meeting convened on 29 June 2020, it was approved that Mr. Zhang Liangfu be appointed as a non-executive director of the Company, and that Ms. Jiang Yan, Mr. Yu Zhuoping and Ms. Zhao Huifang be appointed as independent non-executive directors of the Company, each for a term from 29 June 2020 to the conclusion of the annual general meeting of the Company for the year ending 31 December 2020.

董事、監事、高級管理人員的新聘或解聘情況

1. 於二零二零年一月六日舉行的董事會議上，董事會已審議批准，同意聘任程廣旭先生為本公司副總裁和吳迪女士為本公司證券事務代表。
2. 於二零二零年二月十七日舉行的董事會議上，董事會已審議批准胡浩然先生辭任本公司副總裁和同意聘任陳文淼先生，王志堅先生，孫健先生和胡海華先生為本公司副總裁。
3. 於二零二零年三月二十六日舉行的董事會議上，董事會已審議批准王曰普先生自二零二零年三月二十六日起辭任本公司非執行董事以及戰略發展及投資委員會成員和提名張良富先生為本公司非執行董事，由本公司股東於本公司截至二零一九年十二月三十一日止年度股東大會（「二零一九年股東週年大會」）批准當日起生效，直至本屆董事會任期於本公司截至二零二零年十二月三十一日止年度股東週年大會結束時為止。
4. 於二零二零年六月二十九日舉行的二零一九年股東週年大會上，通過委任張良富先生為本公司非執行董事，以及蔣彥女士、余卓平先生及趙惠芳女士為本公司的獨立非執行董事，各自任期由二零二零年六月二十九日起至本公司截至二零二零年十二月三十一日止年度股東週年大會結束止。

5. At the conclusion of the 2019 Annual General Meeting on 29 June 2020, Mr. Zhang Zhong, Mr. Wang Gongyong and Mr. Ning Xiangdong retired as independent non-executive directors and members of the relevant board committees of the Company.
 6. At the Board meeting convened on 29 June 2020, the Board considered and approved the appointment of Mr. Zhang Liangfu and Mr. Yu Zhuoping as members of the strategic development and investment committee of the Company, Ms. Jiang Yan as the chairman and Mr. Yu Zhuoping and Ms. Zhao Huifang as members of the audit committee of the Company, Ms. Zhao Huifang as the chairman and Ms. Jiang Yan as a member of the remuneration committee of the Company, and Mr. Li Hongwu as the chairman and Ms. Zhao Huifang as a member of the nomination committee of the Company.
 7. At the Board meeting convened on 27 August 2020, the Board considered and approved (i) the resignation of Mr. Xu Xinyu as an executive president of the Company, and (ii) the resignation of Mr. Tong Dehui, Mr. Li Shaohua and Ms. Ren Bingbing, each as a vice president of the Company.
 8. At the Board meeting convened on 30 March 2021, the Board considered and approved the appointment of Mr. Wang Zhijian as an executive president of the Company.
5. 於二零二零年六月二十九日的二零一九年股東週年大會結束時，張忠先生、王貢勇先生及寧向東先生退任本公司獨立非執行董事及相關董事會委員會成員。
 6. 於二零二零年六月二十九日舉行的董事會議上，董事會已審議批准委任張良富先先和余卓平先生為本公司戰略發展及投資委員會委員，委任蔣彥女士為本公司審核委員會主席和余卓平先生及趙惠芳女士為本公司審核委員會委員，委任趙惠芳女士為本公司薪酬委員會主席和蔣彥女士為本公司薪酬委員會委員，及委任李洪武先生為本公司提名委員會主席和趙惠芳女士為本公司提名委員會委員。
 7. 於二零二零年八月二十七日舉行的董事會議上，董事會已審議批准(i)徐新玉先生辭任本公司執行總裁，及(ii)佟德輝先生、李紹華先生及任冰冰女士各自辭任本公司副總裁。
 8. 於二零二一年三月三十日舉行的董事會議上，董事會已審議批准聘任王志堅先生為本公司執行總裁。

CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 December 2020, the Company and the Group had the following continuing connected transactions, certain details of which are disclosed in compliance with the requirements of Chapter 14A of the Listing Rules.

List of Connected Persons who had transactions and the relationship with the Group

持續性關連交易

截至二零二零年十二月三十一日止年度，本公司與本集團有下列持續性關連交易，該等交易的若干詳情已根據上市規則第14A章的規定披露。

與本集團存在關連關係和關連交易的關連人士之清單

Name of Connected Persons 關連人士名稱	Abbreviation 簡稱	Relationship between the Connected Persons and the Group 關連人士與本集團之關連關係
Shaanxi Automotive Group Co., Ltd. 陝西汽車集團有限責任公司	Shaanxi Automotive 陝汽集團	Held a 49% interest in a subsidiary of the Company, Shaanxi Heavy Duty Automotive Co., Ltd. ("Shaanxi Zhongqi") 擁有本公司之附屬公司陝西重型汽車有限公司(「陝西重汽」)49%權益
Shaanxi Fast Gear Automotive Transmission Co., Ltd. 陝西法士特汽車傳動集團	Fast Transmission 法士特集團	Held a 49% interest in a subsidiary of the Company, Shaanxi Fast Gear Co., Ltd. ("SFGC") 擁有本公司之附屬公司陝西法士特齒輪有限公司(「陝西法士特齒輪」)49%權益
Shandong Heavy Industry Group Finance Co., Ltd. 山東重工集團財務有限公司	Shandong Finance 山重財務	Shandong Heavy Industry Group Co., Ltd. ("Shandong Heavy Industry"), a substantial shareholder of the Company, indirectly held a 37.50% interest in Shandong Finance 本公司之主要股東山東重工集團有限公司(「山東重工」)間接擁有山重財務37.50%權益
Weichai Group Holdings Limited 濰柴控股集團有限公司	Weichai Holdings 濰柴控股	Held a 17.72% interest in the Company, one of the Promoters of the Company 擁有本公司17.72%權益，本公司發起人之一
Chongqing Weichai Diesel Engine Limited 重慶濰柴發動機有限公司	Chongqing Weichai 重慶濰柴	Wholly-owned by Weichai Holdings 濰柴控股之全資附屬公司
Shandong Weichai Import and Export Co., Ltd. 山東濰柴進出口有限公司	Weichai Import and Export 濰柴進出口	Wholly-owned by Weichai Holdings 濰柴控股之全資附屬公司

Name of Connected Persons 關連人士名稱	Abbreviation 簡稱	Relationship between the Connected Persons and the Group 關連人士與本集團之關連關係
Weichai Power Westport New Energy Engine Co., Ltd. 濰柴西港新能源動力有限公司	Weichai Westport 西港新能源	Weichai Holdings held a 51% interest in Weichai Westport 濰柴控股擁有西港新能源51%權益
Yangzhou Yaxing Motor Coach Co., Ltd. 揚州亞星客車股份有限公司	Yangzhou Yaxing 揚州亞星	Indirectly held as to 51% by Weichai Holdings 濰柴控股間接擁有揚州亞星51%權益
Weichai Heavy-duty Machinery Co., Ltd. 濰柴重機股份有限公司	Weichai Heavy Machinery 濰柴重機	Weichai Holdings held a 30.59% interest in Weichai Heavy Machinery 濰柴控股擁有濰柴重機30.59%權益
Weichai Electrical Equipment Co., Ltd. 濰柴電力設備有限公司	Weichai Electrical Equipment 濰柴電力設備	Wholly-owned by Weichai Heavy Machinery 濰柴重機之全資附屬公司

During the year ended 31 December 2020, the Group had continuing connected transactions entered into in accordance with the following agreements.

A. Provision of general services and labour services by Weichai Holdings and its associates to the Company and its subsidiaries

Pursuant to (i) the general services agreement entered into between the Company and Weichai Holdings on 17 November 2003 (as amended and supplemented by various supplemental agreements, including the agreement dated 2 August 2019), and (ii) the general services agreement entered into between the Company and Chongqing Weichai on 17 November 2003 (as amended and supplemented by various supplemental agreements, including the agreement dated 2 August 2019), Weichai Holdings and Chongqing Weichai and their respective associates have agreed to provide certain labour services and general services (namely, environmental protection, security, fire protection, repair, maintenance and other general services and the payment of certain town land use right tax in relation to the property occupied and/or used by the Company, its Chongqing office branch and/or other members of the Group) to the Company, Weichai Power (Weifang) Casting and Forging Co., Ltd. ("Weichai Casting", a subsidiary of the Company), Shandong Huadong Casting Co., Ltd. ("Huadong Casting", a subsidiary of the Company), Weichai Power (Weifang) Intensive Logistics Co., Ltd. ("Weichai Logistics", a subsidiary of the Company), the Company's Chongqing branch office (the "Chongqing Branch") and/or other members of the Group for a period of three years ending 31 December 2022, upon the expiry of which the parties may extend the term for another three years on a mutually agreed basis.

截至二零二零年十二月三十一日止年度，本集團根據下列協議訂立若干持續性關連交易：

A. 濰柴控股及其附屬(關聯)公司向本公司及其附屬公司提供綜合服務及勞務服務

根據(i)本公司與濰柴控股於二零零三年十一月十七日訂立的綜合服務協議(經包括日期為二零一九年八月二日的協議在內的多項補充協議修訂及補充)；及(ii)本公司與重慶濰柴於二零零三年十一月十七日訂立的綜合服務協議(經包括日期為二零一九年八月二日的協議在內的多項補充協議修訂及補充)，濰柴控股及重慶濰柴以及彼等各自之關聯公司同意向本公司、濰柴動力(濰坊)鑄鍛有限公司(「濰柴鑄鍛」，本公司之附屬公司)、山東華動鑄造有限公司(「華動鑄造」，本公司之附屬公司)、濰柴動力(濰坊)集約配送有限公司(「濰柴集約」，本公司之附屬公司)、本公司重慶分公司(「重慶分公司」)及／或本集團之其他成員公司提供若干勞務服務及綜合服務(即環保、保安、消防、維修、保養及其他綜合服務等，以及代為支付本公司、其重慶分公司及／或集團內其他成員佔用及／或使用的物業的若干城鎮土地使用稅)，協議年期為截至二零二二年十二月三十一日止為期三年，於屆滿後雙方有權選擇重續協議，期限為三年。

The fees payable by the Company (and its Chongqing Branch) and/or its subsidiaries to Weichai Holdings and/or Chongqing Weichai (and their respective associates) with respect to the provision of the said services are determined based on the actual costs incurred by Weichai Holdings and/or Chongqing Weichai (and their respective associates) and apportioned on a pro-rata basis according to the area of the relevant property occupied and/or used by the Company, the Chongqing Branch and/or the Company's subsidiaries plus a service charge representing not more than 20% of such costs (save that the town land use right tax paid by Chongqing Weichai (and its associates) on behalf of the Chongqing Branch and/or other members of the Group will not be subject to the said 20% service charge) and settled by the parties on a monthly basis.

B. Supply and/or connection of utilities by Weichai Holdings and its associates to the Company and its subsidiaries

Pursuant to (i) the utility services agreement entered into between the Company and Weichai Holdings on 17 November 2003 (as amended and supplemented by various supplemental agreements, including the agreement dated 13 July 2018, collectively, the "Weichai Holdings Utilities Services Agreement") and (ii) the utility services agreement entered into between the Company and Chongqing Weichai on 17 November 2003 (as amended and supplemented by various supplemental agreements, including the agreement dated 13 July 2018, collectively, the "Chongqing Weichai Utilities Services Agreement"), Weichai Holdings, Chongqing Weichai and their respective associates have agreed to provide the connection of certain utility and energy services (namely, water, electricity, gas, steam, oxygen, nitrogen, compressed air, waste water treatment and supply of treated waste water, etc.), to the Company, Weichai Casting, Weichai Power (Weifang) Reproduction Company Limited ("Weichai Reproduction", a subsidiary of the Company), Huadong Casting, Weichai Logistics, the Chongqing Branch and/or other subsidiaries of the Company for a period of three years ended 31 December 2020, upon the expiry of which the parties may extend the term for another three years on a mutually agreed basis.

就提供上述服務而言，本公司(及其重慶分公司)及／或其附屬公司應向濰柴控股及／或重慶濰柴及彼等各自之附屬(關聯)公司支付的費用乃根據濰柴控股及／或重慶濰柴及其附屬(關聯)公司所產生的實際成本及本公司、重慶分公司及／或本公司附屬公司佔用及／或使用的有關物業面積比例分攤，另加佔該等成本不多於20%的服務附加費計算(惟重慶濰柴及其附屬(關聯)公司代重慶分公司及／或本集團內其他成員支付的城鎮土地使用稅將不包括於上述20%服務附加費內)，由雙方按月結算。

B. 濰柴控股及其附屬(關聯)公司向本公司及附屬公司供應及／或接駁動能服務

根據(i)本公司與濰柴控股於二零零三年十一月十七日訂立的動能服務協議(經包括日期為二零一八年七月十三日的協議在內的多項補充協議修訂及補充(統稱「濰柴控股動能服務協議」)及(ii)根據本公司與重慶濰柴於二零零三年十一月十七日訂立的動能服務協議(經包括日期為二零一八年七月十三日的協議在內的多項補充協議修訂及補充(統稱「重慶濰柴動能服務協議」)，濰柴控股、重慶濰柴及彼等各自之其附屬(關聯)公司同意向本公司、濰柴鑄鍛、濰柴動力(濰坊)再製造有限公司(「濰柴再製造」，本公司之附屬公司)、華動鑄造、濰柴集約、重慶分公司及／或本公司之其他附屬公司提供接駁若干動能及能源服務(即水、電、煤氣、蒸汽、氧、氮、壓縮空氣、污水淨化處理及供應經淨化處理的污水等)，協議年期為截至二零二零年十二月三十一日止，為期三年。於屆滿後雙方可選擇重續協議，為期三年。

The fees payable by the Company and/or its subsidiaries to Weichai Holdings and/or Chongqing Weichai (and their respective associates) with respect to the provision of the said services are determined based on the actual usage of the Company, its Chongqing branch office and/or its subsidiaries and by reference to the market prices of such utilities, or, if it is not possible to measure such usage, pro-rated according to the respective sales of Chongqing Weichai and the Company's Chongqing branch office and/or other members of the Group and by reference to the market prices of such utilities. If only government published rates are available with respect to certain utilities, the fees payable would be determined by reference to the government published rates plus the wastage, depreciation and repair expenses incurred by Weichai Holdings and/or Chongqing Weichai (and their respective associates) in relation thereto. If no market price or government published rates with respect to the above utilities and energy services are available, the Company and/or its subsidiaries will pay the actual costs incurred by Weichai Holdings and/or Chongqing Weichai (and their respective associates) in relation to the provision of such utilities and energy services plus a service charge representing not more than 20% of such costs. The fees are settled by the parties on a monthly basis.

Pursuant to the latest supplemental agreement to the Weichai Holdings Utilities Services Agreement and the Chongqing Weichai Utilities Services Agreement dated 27 August 2020, Weichai Holdings (and its associates) (as the case may be) shall provide or provide the connection of (as the case may be) the said services to the Company, Weichai Casting, Weichai Reproduction, Huadong Casting, Weichai Logistics and/or other Group Company (as the case may be) for a period of three years ending 31 December 2023.

本公司及／或其附屬公司就提供上述服務應向濰柴控股及／或重慶濰柴及其附屬(關聯)公司支付的費用，乃根據本公司、重慶分公司及／或其附屬公司的實際用量及參照該等動能的市價，或(倘不可能計算該等用量)重慶濰柴和本公司之重慶分公司及／或集團內其他成員各自的銷售額比例及參照該等動能的市價釐定。若一些動能僅有政府公佈價格可供參考，則應付服務費將按該等政府公佈價格，另加濰柴控股及／或重慶濰柴及其附屬(關聯)公司就此產生的損耗、折舊及維修開支而釐定。若上述動能及能源服務並無市價或政府公佈價格，本公司及／或其附屬公司將須向濰柴控股及／或重慶濰柴及其附屬(關聯)公司支付其提供該等動能及能源服務所產生的實際成本，另加佔該等成本不多於20%的服務附加費。該等費用由雙方按月結算。

根據二零二零年八月二十七日訂立的濰柴控股動能服務協議之最新補充協議，濰柴控股(及其聯繫人)(視情況而定)向本公司、濰柴鑄鍛、濰柴再製造、華動鑄造、濰柴集約及／或其他集團公司(視情況而定)提供或提供接駁上述服務(視情況而定)，協議年期為截至二零二三年十二月三十一日止，為期三年。

C. Purchase of diesel engine parts and components, gas and scrap metals etc., materials, diesel engines and related products, processing services and import and export agency services by the Company and its subsidiaries from Weichai Holdings and its associates

Pursuant to the purchase and processing services agreement entered into between the Company, Weichai Holdings and Chongqing Weichai on 27 November 2008 (as amended and supplemented by various supplemental agreements, including the agreement dated 2 August 2019), Weichai Holdings, Chongqing Weichai and Weichai Import and Export (and other associates of Weichai Holdings) have agreed to provide parts and components of diesel engines, gas, scrap metals, etc., materials, diesel engines and related products and relevant processing services and import and export agency services to the Company, Weichai Singapore Pte. Ltd. ("Weichai Singapore"), Weichai Middle East FZE ("Weichai Middle East", a subsidiary of the Company) Société Internationale des Moteurs Baudouin (a subsidiary of the Company), Maz-Weichai Limited Liability Company (a subsidiary of the Company) and Weichai Ballard Hydrogen Energy Technology Company Limited (a subsidiary of the Company) and/or other members of the Company for a period of three years ending 31 December 2022, upon the expiry of which the parties may extend the term for another three years on a mutually agreed basis. The said purchases and processing services are transacted at market prices and are settled by the parties on a monthly basis.

C. 本公司及其附屬公司向濰柴控股及其附屬(關聯)公司採購柴油機零部件、煤氣及廢金屬等、原材料、柴油機及相關產品、加工服務和進出口代理服務

根據本公司與濰柴控股及重慶濰柴於二零零八年十一月二十七日訂立的採購及加工服務協議(經包括日期為二零一九年八月二日的協議在內的多項補充協議修訂及補充), 濰柴控股、重慶濰柴及濰柴進出口及濰柴控股其他附屬(關聯)公司同意向本公司、Weichai Singapore Pte. Ltd. (「Weichai Singapore」)、Weichai Middle East FZE (「濰柴中東」, 本公司之附屬公司)、法國博杜安動力國際有限公司(本公司之附屬公司)、馬茲濰柴有限公司(本公司之附屬公司)、濰柴巴拉德氫能科技有限公司(本公司之附屬公司)及/或本公司之其他成員公司提供柴油機零部件、煤氣、廢金屬等、原材料、柴油機及相關產品及相關加工服務及進出口代理服務, 協議年期為截至二零二二年十二月三十一日止, 為期三年。於屆滿後雙方可選擇重續協議, 為期三年。上述採購和加工服務按市價交易, 由雙方按月結算。

D. Sale of diesel engines, diesel engines parts and components, materials, semi-finished products, hydraulic products and related products and provision of processing services by the Company and its subsidiaries to Weichai Holdings and its associates

Pursuant to the sale and processing services agreement entered into between the Company and Weichai Power (Weifang) After-sales Service Co., Ltd. ("Weichai After-sales Services", a subsidiary of the Company, formally known as Weichai Power Reserves and Resources Company) as suppliers and Weichai Holdings and its certain associates as customers on 27 November 2008 (as amended and supplemented by various supplemental agreements, including the agreement dated 13 July 2018, collectively, the "Weichai Sale and Processing Services Agreement"), the Company (and its Chongqing branch office), Weichai After-sales Services, Weichai Casting, Weichai Reproduction, Weichai Logistics and other subsidiaries of the Company have agreed to (i) sell certain diesel engines, diesel engine parts and components, materials, semi-finished products and related products, and (ii) provide certain processing services in relation to the production of diesel engines to Weichai Holdings, Weichai Import and Export, Chongqing Weichai, Yangzhou Shengda Special Vehicles Co., Ltd. ("Yangzhou Special Vehicle"), Dezhou Degong Machinery Co., Ltd. ("Dezhong Degong") and other associates of Weichai Holdings and other associates of Weichai Holdings at market prices. The transactions are settled by the parties on a monthly basis.

Pursuant to the latest supplemental agreement to the Weichai Sale and Processing Services Agreement dated 27 August 2020, the Company (and Chongqing Branch), Weichai Casting, Weichai Reproduction, Weichai Logistics and/or other Group Company (as the case may be) shall sell the said diesel engines, diesel engine parts and components, materials, semi-finished products, hydraulic products and related products and to provide the said processing services (as the case may be) to Weichai Holdings, Weichai Import and Export, Chongqing Weichai, Yangzhou Special Vehicles, Dezhou Degong and/or other associates of Weichai Holdings (as the case may be) at market prices and settled on a monthly basis, for a term of three years ending 31 December 2023.

D. 本公司及其附屬公司向濰柴控股及其附屬(關聯)公司銷售柴油機、柴油機零部件、原材料、半成品、液壓產品、相關產品及提供加工服務

根據本公司及濰柴(濰坊)後市場服務有限公司(「濰柴後市場服務」,本公司之附屬公司,原濰柴動力(濰坊)備品資源有限公司)作為供貨商與濰柴控股及其若干聯繫人士作為客戶於二零零八年十一月二十七日訂立的銷售及加工服務協議(經包括日期為二零一八年七月十三日的協議在內的多項補充協議修訂及補充(統稱「濰柴銷售及加工服務協議」)),本公司及本公司之重慶分公司、濰柴後市場服務、濰柴鑄鍛、濰柴再製造、濰柴集約及本公司之其他附屬公司同意按市價向濰柴控股、濰柴進出口、重慶濰柴、揚州盛達特種車有限公司(「揚州特種車」)、德州德工機械有限公司(「德州德工」)及濰柴控股之其他附屬(關聯)公司, (i)出售若干柴油機、柴油機零部件、原材料、半成品及相關產品,及(ii)提供與柴油機生產有關的加工服務。相關交易由雙方按月結算。

根據二零二零年八月二十七日訂立的濰柴銷售及加工服務協議之最新補充協議,本公司(及重慶分公司)、濰柴鑄鍛、濰柴再製造、濰柴集約及/或其他集團公司(視情況而定)將按市價向濰柴控股、濰柴進出口、重慶濰柴、揚州特種車、德州德工及/或濰柴控股之其他附屬(關聯)公司(視情況而定)出售上述柴油機、柴油機零部件、原材料、半成品、液壓產品及相關產品以及提供上述加工服務(視情況而定),按月結算,協議年期為截至二零二三年十二月三十一日止,為期三年。

E. Sale of diesel engines and related products by the Company and its subsidiaries to Weichai Heavy Machinery and its subsidiaries

The Company and Weichai Holdings entered into a framework agreement on 17 November 2003 (as supplemented by various supplemental agreements). The rights and obligations of Weichai Holdings in the aforesaid agreement were assumed by Weichai Heavy Machinery pursuant to the supplemental framework agreement entered into between the Company and Weichai Heavy Machinery on 27 August 2015.

Pursuant to such framework agreement (as supplemented by various supplemental agreements, including the agreement dated 13 July 2018), the Company, Weichai Reproduction, Weichai Power Yangzhou Diesel Engine Co., Ltd. ("Weichai Yangzhou", a subsidiary of the Company) and Baudouin (Weifang) Power Co., Ltd. ("Baudouin China", a subsidiary of the Company) and/or other subsidiaries of the Company have agreed to sell to Weichai Heavy Machinery, Weichai Electrical Equipment and/or other associates of Weichai Heavy Machinery certain diesel engines and related products, at market prices and settled on a monthly basis for a term ending 31 December 2021, upon the expiry of which the parties may extend the term for another three years on a mutually agreed basis.

F. Purchase of diesel engine parts and components, materials, steel and scrap metal etc., diesel engines and related products and processing and labour services by the Company and its subsidiaries from Weichai Heavy Machinery and its subsidiaries

Pursuant to the purchase and processing services agreement entered into between the Company and Weichai After-sales Services and Weichai Heavy Machinery on 27 November 2008 (as supplemented by various supplemental agreements, including the agreement dated 13 July 2018, collectively, the "Weichai Heavy Machinery Purchase and Processing Services Agreement"), the Company (and its Chongqing branch office), Weichai After-sales Services, Weichai Casting, Weichai Reproduction, Huadong Casting, Weichai Logistics, Baudouin China and/or other members of the Group have agreed to purchase from Weichai Heavy Machinery, Weichai Electrical Equipment and/or other associates of Weichai Heavy Machinery certain diesel engine parts and components, materials, steel and scrap metal etc., diesel engines and related products and processing and labour services, at market prices and settled on a monthly basis.

E. 本公司及其附屬公司向濰柴重機及其附屬公司銷售柴油機及相關產品

本公司與濰柴控股於二零零三年十一月十七日訂立一項框架協議(經多項補充協議補充)。濰柴控股於該協議之權利及義務由濰柴重機根據本公司與濰柴重機於二零一五年八月二十七日訂立的補充框架協議承擔。

根據這項框架協議(經包括日期為二零一八年七月十三日的協議在內的多項補充協議補充),本公司、濰柴再製造、濰柴動力揚州柴油機有限責任公司(「濰柴揚州」,本公司之附屬公司)、博杜安(濰坊)動力有限公司(「博杜安中國」,本公司之附屬公司)及/或本公司之其他附屬公司同意向濰柴重機、濰柴電力設備及/或濰柴重機之其他附屬(關聯)公司銷售若干柴油機及相關產品,由各方按市價按月結算,協議年期截至二零二一年十二月三十一日止,於屆滿後各方均可選擇重續協議,為期三年。

F. 本公司及其附屬公司向濰柴重機及其附屬公司採購柴油機零部件、原材料、鋼材及廢金屬等、柴油機及相關產品和加工及勞務服務

根據本公司及濰柴後市場服務與濰柴重機於二零零八年十一月二十七日訂立的採購及加工服務協議(經包括日期為二零一八年七月十三日的協議在內的多項補充協議補充(統稱「濰柴重機採購及加工服務協議」)),本公司及本公司之重慶分公司、濰柴後市場服務、濰柴鑄鍛、濰柴再製造、華動鑄造、濰柴集約、博杜安中國及/或集團內其他成員同意向濰柴重機、濰柴電力設備及/或濰柴重機之其他附屬(關聯)公司採購若干柴油機零部件、原材料、鋼材及廢金屬等、柴油機及相關產品和加工及勞務服務,由各方按市價按月結算。

Pursuant to the latest supplemental agreement to the Weichai Heavy Machinery Purchase and Processing Services Agreement dated 27 August 2020, the Company (and Chongqing Branch), Weichai Casting, Weichai Reproduction, Huadong Casting, Weichai Logistics, Baudouin China and/or other Group Company (as the case may be) shall purchase the said parts and components, steel and scarp metal etc., materials, diesel engines and labour and processing services from Weichai Heavy Machinery, Weichai Electric Equipment and/or other associates of Weichai Heavy Machinery (as the case may be) at market prices and settled on a monthly basis, for a term of three years ending 31 December 2023.

G. Supply of semi-finished diesel engine parts, diesel engine parts components, reserve parts and related products and provision of labour services by the Company its subsidiaries to Weichai Heavy Machinery and its subsidiaries

The Company and Weichai Holdings entered into a semi-finished diesel engine parts supply agreement on 17 November 2003 (as amended and supplemented by various supplemental agreements). The rights and obligations of Weichai Holdings in the aforesaid agreement were assumed by Weichai Heavy Machinery pursuant to the supplemental agreement entered into between the Company, Weichai Holdings and Weichai Heavy Machinery on 27 August 2015.

Pursuant to such framework agreement (as supplemented by various supplemental agreements, including the agreement dated 13 July 2018), the Company, Weichai Reproduction, Weichai After-sales Services, Weichai Casting, Huadong Casting, Weichai Logistics and/or other subsidiaries of the Company have agreed to sell certain semi-finished diesel engine parts, diesel engine parts and components, reserve parts and related products and to provide the said labour services to Weichai Heavy Machinery, Weichai Electrical Equipment and/or its associates at market prices and settled on a monthly basis for a period of three years ending 31 December 2021, upon the expiry of which the parties may renew the term for another three years on a mutually agreed basis.

H. Sale of parts and components of transmissions and related products by SFGC to Fast Transmission

Pursuant to the parts and components sale agreement entered into between SFGC and Fast Transmission on 1 August 2007 (as amended and supplemented by various supplemental agreements, including the agreement dated 13 July 2018), SFGC has agreed to sell to Fast Transmission certain parts and components of transmissions, namely, gearboxes, and related products at market prices and settled every two to three months, for a term of three years ending 31 December 2021, upon the expiry of which the parties shall have an option to extend the term for another three years on a mutually agreed basis.

根據二零二零年八月二十七日訂立的濰柴重機採購及加工服務協議之最新補充協議，本公司(及重慶分公司)、濰柴鑄鍛、濰柴再製造、華動鑄造、濰柴集約、博杜安中國及／或其他集團公司(視情況而定)將按市價向濰柴重機、濰柴電力設備及／或濰柴重機的其他聯繫人(視情況而定)採購上述零部件、鋼材及廢金屬等、原材料、柴油機及勞務和加工服務，按月結算，協議年期為截至二零二三年十二月三十一日止，為期三年。

G. 本公司及其附屬公司向濰柴重機及其附屬公司供應柴油機零部件毛坯、柴油機零部件、備件及相關產品以及提供勞務服務

本公司與濰柴控股於二零零三年十一月十七日訂立一項柴油機零部件毛坯供應協議(經多項補充協議修訂及補充)。濰柴控股於上述協議之權利及義務由濰柴重機根據本公司、濰柴控股與濰柴重機於二零一五年八月二十七日訂立的一項補充協議承擔。

根據這項框架協議(經包括日期為二零一八年七月十三日的協議在內的多項補充協議補充)，本公司、濰柴再製造、濰柴後市場服務、濰柴鑄鍛、華動鑄造、濰柴集約及／或本公司之其他附屬公司同意向濰柴重機、濰柴電力設備及／或其附屬(關聯)公司銷售若干柴油機零部件毛坯、柴油機零部件、備件及相關產品以及提供上述勞務服務，由各方按市價按月結算，協議年期為截至二零二一年十二月三十一日止，為期三年。於屆滿後雙方可選擇重續協議，為期三年。

H. 陝西法士特齒輪向法士特集團銷售傳動零部件及相關產品

根據陝西法士特齒輪與法士特集團於二零零七年八月一日訂立之零部件銷售協議(經包括日期為二零一八年七月十三日的協議在內的多項補充協議修訂及補充)，陝西法士特齒輪同意按市價向法士特集團銷售變速箱等若干傳動零部件及相關產品，每兩至三個月結算一次。協議年期為截至二零二一年十二月三十一日止三個月，於屆滿後雙方可選擇重續協議，為期三年。

I. Purchase of parts and components of transmissions and related products by SFGC from Fast Transmission

Pursuant to the parts and components purchase agreement entered into between SFGC and Fast Transmission on 1 August 2007 (as amended and supplemented by various supplemental agreements, including the agreement dated 13 July 2018), SFGC has agreed to purchase from Fast Transmission certain parts and components of transmissions and gears, namely, power take off assemblies and castings, and related products at market prices and settled every two to three months, for a term of three years ending 31 December 2021, upon the expiry of which the parties shall have an option to extend the term for another three years on a mutually agreed basis.

J. Sale of vehicles, parts and components of vehicles, raw materials and related products and provision of the relevant services by the Company and its subsidiaries to Shaanxi Automotive and its associates

Pursuant to the vehicles, parts and components and raw materials sale and heat processing services agreement entered into between Shaanxi Zhongqi and certain other subsidiaries of the Company as suppliers and Shaanxi Automotive and its associates as customers (the "Shaanxi Customers") on 1 August 2007 (as supplemented by various supplemental agreements including the agreement dated 2 August 2019), the Company, Shaanxi Zhongqi and their respective subsidiaries have agreed to sell certain vehicles, parts and components of vehicles, raw materials and related products, and provide the relevant services to the Shaanxi Customers, at market prices and settled by the parties generally every one to three months, for a term of three years ending 31 December 2022, upon the expiry of which the parties shall have an option to renew the agreement for a term of three years on a mutually agreed basis.

I. 陝西法士特齒輪向法士特集團採購傳動零部件及相關產品

根據陝西法士特齒輪與法士特集團於二零零七年八月一日訂立之零部件採購協議(經包括日期為二零一八年七月十三日的協議在內的多項補充協議修訂及補充), 陝西法士特齒輪同意按市價向法士特集團採購動力輸出部件及鑄件等若干傳動零部件及相關產品, 每兩至三個月結算一次。協議年期為截至二零二一年十二月三十一日止三個年度, 於屆滿後雙方可選擇重續協議, 為期三年。

J. 本公司及其附屬公司向陝汽集團及其附屬(關聯)公司銷售汽車、汽車零部件、原材料及相關產品和提供相關服務

根據陝西重汽及本公司若干其他附屬公司作為供貨商與陝汽集團及其附屬(關聯)公司作為客戶(「陝重汽客戶」)於二零零七年八月一日訂立之汽車、零部件及原材料銷售及熱加工服務協議(經多項補充協議補充, 包括於二零一九年八月二日訂立之協議), 本公司、陝西重汽及彼等各自之附屬公司同意按市價向陝重汽客戶出售若干汽車及汽車零部件、原材料及相關產品, 以及提供相關服務, 由各方每一至三個月結算一次。協議年期為截至二零二二年十二月三十一日止三個年度, 於屆滿後雙方可選擇重續協議, 為期三年。

K. Purchase of parts and components of vehicles, scrap steel and related products and labour services by the Company and its subsidiaries from Shaanxi Automotive and its associates

Pursuant to the parts and components and scrap steel purchase agreement entered into between Shaanxi Zhongqi and certain other subsidiaries of the Company as buyers and Shaanxi Automotive and certain of its associates as sellers (the "Shaanxi Sellers") on 1 August 2007 (as supplemented by various supplemental agreements including the agreement dated 2 August 2019), the Company, Shaanxi Zhongqi and their respective subsidiaries have agreed to purchase certain parts and components of vehicles, scrap steel and related products and labour services from the Shaanxi Sellers, at market prices and settled by the parties every one to three months, for a term of three years ending 31 December 2022, upon the expiry of which the parties shall have an option to renew the agreement for a term of three years on a mutually agreed basis.

L. Sale of engines, new energy powertrain and related products by the Company to Yangzhou Yaxing and its subsidiaries

The diesel engines supply framework agreement entered into between the Company and Yangzhou Yaxing on 26 October 2012 (as supplemented by various supplemental agreements, including the agreement dated 28 March 2018, collectively, the "Diesel Engine Supply Framework Agreement") sets out the general terms and conditions for the sale of engines, new energy powertrain and related products by the Company and Weichai Yangzhou to Yangzhou Yaxing and its subsidiaries for a period of three years ended 31 December 2020. The said engines, new energy powertrain and related products shall be sold by the Company and Weichai Yangzhou to Yangzhou Yaxing and its subsidiaries from time to time with reference to market prices and/or price agreed according to the principle of fairness and reasonableness and settled on a monthly basis. The transactions shall be subject to normal commercial terms and terms no less favourable to the Group than those available to the Group from independent third parties.

K. 本公司及其附屬公司向陝汽集團及其附屬(關聯)公司採購汽車零部件、廢鋼、相關產品及勞務服務

根據陝西重汽及本公司若干其他附屬公司作為買方與陝汽集團及其若干附屬(關聯)公司作為賣方(「陝重汽賣方」)於二零零七年八月一日訂立之零部件及廢鋼採購協議(經多項補充協議補充,包括於二零一九年八月二日訂立之協議),本公司、陝西重汽及彼等各自之附屬公司同意按市價向陝重汽賣方採購若干汽車零部件、廢鋼、相關產品及勞務服務,由各方按每一至三個月結算一次。協議年期為截至二零二二年十二月三十一日止三個年度,於屆滿後雙方可選擇重續協議,為期三年。

L. 本公司向揚州亞星及其附屬公司銷售發動機、新能源動力總成及相關產品

於二零一二年十月二十六日,本公司與揚州亞星訂立柴油機供應框架協議(經多項補充協議補充,包括於二零一八年三月二十八日訂立之協議,統稱為「柴油機供應框架協議」),協議載有本公司和濰柴揚州向揚州亞星及其附屬公司銷售發動機、新能源動力總成及相關產品之一般條款及條件,協議年期為截至二零二零年十二月三十一日止,為期三年。上述發動機、新能源動力總成及相關產品將由本公司和濰柴揚州不時參考市價及/或根據公平合理原則協定的價格向揚州亞星及其附屬公司出售,並按每月基準結算。該等交易乃按一般商業條款及按對本集團而言不遜於本集團從獨立第三方可得的條款進行。

Pursuant to the latest supplemental agreement to the Diesel Engine Supply Framework Agreement dated 27 August 2020, the Company, Weichai Logistics and/or other subsidiaries of the Company shall sell engines, new energy powertrain and related products to Yangzhou Yaxing and its subsidiaries on the same terms for a term of three years ending 31 December 2023, upon the expiry of which the parties may renew the term for a period of three years on a mutually agreed basis.

M. Sale of transmissions by SFGC to Yangzhou Yaxing and its subsidiaries

The transmissions supply framework agreement entered into between SFGC and Yangzhou Yaxing on 26 October 2012 (as supplemented by various supplemental agreements, including the agreement dated 28 March 2018, collectively, the "Transmissions Supply Framework Agreement") sets out the general terms and conditions for the sale of transmissions by SFGC to Yangzhou Yaxing and its subsidiaries for a period of three years ended 31 December 2020. The said transmissions shall be sold by SFGC to Yangzhou Yaxing and its subsidiaries from time to time with reference to market prices and/or price agreed according to the principle of fairness and reasonableness and settled on a monthly basis. The transactions shall be subject to normal commercial terms and terms no less favourable to the Group than those available to the Group from independent third parties.

Pursuant to the latest supplemental agreement to the Transmissions Supply Framework Agreement dated 27 August 2020, SFGC has agreed to sell the said transmissions to Yangzhou Yaxing and its subsidiaries on the same terms for a term of three years ending 31 December 2023, upon the expiry of which the parties may renew the term for a period of three years on a mutually agreed basis.

根據二零二零年八月二十七日訂立的柴油機供應框架協議之最新補充協議，本公司、濰柴集約及／或本公司其他附屬公司須按相同條款向揚州亞星及其附屬公司出售發動機、新能源動力總成及相關產品，年期為截至二零二三年十二月三十一日止三個年度，協議屆滿後訂約各方可按相互協定基準重續年期三年。

M. 陝西法士特齒輪向揚州亞星及其附屬公司銷售變速箱

於二零一二年十月二十六日，陝西法士特齒輪與揚州亞星訂立變速箱供應框架協議(經多項補充協議補充，包括於二零一八年三月二十八日訂立之協議(統稱「變速器供應框架協議」))，協議載有陝西法士特齒輪向揚州亞星及其附屬公司銷售變速箱之一般條款及條件，協議年期為截至二零二零年十二月三十一日止，為期三年。上述變速箱將由陝西法士特齒輪不時參考市價及／或根據公平合理原則協定的價格向揚州亞星及其附屬公司出售，並按每月基準結算。該等交易乃按一般商業條款及按對本集團而言不遜於本集團從獨立第三方可得的條款進行。

根據二零二零年八月二十七日訂立的變速器供應框架協議之最新補充協議，陝西法士特齒輪同意按相同條款向揚州亞星及其附屬公司銷售上述變速器，年期至二零二三年十二月三十一日止為期三年，協議屆滿後訂約各方可按相互協定基準重續年期三年。

N. Sale of axles by Shaanxi Hande Axle Co., Ltd. ("Hande Axle", a subsidiary of Shaanxi Zhongqi) to Yangzhou Yaxing and its subsidiaries

The axles supply framework agreement entered into between Hande Axle and Yangzhou Yaxing on 26 October 2012 (as supplemented by various supplementary agreements, including the agreement dated 28 March 2018, collectively, the "Axles Supply Framework Agreement") sets out the general terms and conditions for the sales of axles by Hande Axle to Yangzhou Yaxing and its subsidiaries for a period of three years ended 31 December 2020. The said axles shall be sold by Hande Axle to Yangzhou Yaxing and its subsidiaries from time to time with reference to market prices and/or price agreed according to the principle of fairness and reasonableness and with a payment term of two months. The transactions shall be subject to normal commercial terms and terms no less favourable to the Group than those available to the Group from independent third parties.

Pursuant to the latest supplemental agreement to the Axles Supply Framework Agreement dated 27 August 2020, Hande Axle has agreed to sell the said axles to Yangzhou Yaxing and its subsidiaries on the same terms for a term of three years ending 31 December 2023, upon the expiry of which the parties may renew the term for a period of three years on a mutually agreed basis.

O. Supply of base engines, gas engine parts, utility and labour services, technology development services and related products and services by the Company and its subsidiaries and associates to Weichai Westport

Pursuant to the framework supply agreement entered into between the Company, Weichai Reproduction, Weichai After-sales Services and Weichai Westport on 25 December 2012 (as amended and supplemented by the supplemental agreements dated 8 December 2014 and 14 July 2017, collectively, the "Weichai Westport Supply Agreement"), each of the Company, Weichai After-sales Services, Weichai Reproduction, Weichai Freshen Air Technology Co., Ltd. ("Weichai Freshen Air", a subsidiary of the Company) and other associates of the Company has agreed to supply certain base engines, gas engine parts, utility and labour services, technology development services and related products and services to Weichai Westport, at market prices and/or prices agreed according to the principle of fairness and reasonableness and settled on a monthly basis for a term from 1 January 2018 to 31 December 2020, upon the expiry of which the parties may extend the term for three years on a mutually agreed basis.

N. 陝西漢德車橋有限公司(「漢德車橋」, 陝西重汽之附屬公司)向揚州亞星及其附屬公司銷售車橋

於二零一二年十月二十六日, 漢德車橋與揚州亞星訂立車橋供應框架協議(經多項補充協議補充, 包括於二零一八年三月二十八日訂立之協議(統稱「車橋供應框架協議」)), 協議載有漢德車橋向揚州亞星及其附屬公司銷售車橋之一般條款及條件, 協議年期為截至二零二零年十二月三十一日止, 為期三年。上述車橋將由漢德車橋不時參考市價及/或根據公平合理原則協定的價格向揚州亞星及其附屬公司出售, 付款期限為兩個月。該等交易乃按一般商業條款及按對本集團而言不遜於本集團從獨立第三方可得的條款進行。

根據二零二零年八月二十七日訂立的車橋供應框架協議之最新補充協議, 漢德車橋同意按相同條款向揚州亞星及其附屬公司銷售上述車橋, 年期至二零二三年十二月三十一日止為期三年, 協議屆滿後訂約各方可按相互協定基準重續年期三年。

O. 本公司及其附屬(關聯)公司向西港新能源供應本體機、氣體機配件、提供動能與勞務、技術開發服務及相關產品及服務

根據本公司、濰柴再製造及濰柴後市場服務與西港新能源於二零一二年十二月二十五日訂立《供貨框架協議》(經二零一四年十二月八日及二零一七年七月十四日訂立的補充協議修訂及補充(統稱「濰柴西港供應協議」)), 本公司、濰柴後市場服務、濰柴再製造、濰柴動力空氣淨化科技有限公司(「濰柴空氣淨化」, 本公司之附屬公司)及本公司之其他附屬(關聯)公司各自同意以市場價及/或以公正合理為原則制定的價格向西港新能源供應若干本體機、氣體機配件、提供動能與勞務、技術開發服務及相關產品及服務, 由各方按每月結算一次, 協議年期自二零一八年一月一日起至二零二零年十二月三十一日止, 於屆滿後雙方可選擇重續協議, 為期三年。

Pursuant to the latest supplemental agreement to the Weichai Westport Supply Agreement dated 27 August 2020, each of the Company, Weichai Reproduction and Weichai Freshen Air (and/or other associates of the Company) shall supply certain base engines, gas engine parts, utility and labour services, technology development services and related products and services to Weichai Westport, on the same terms for a term from 1 January 2021 to 31 December 2023, upon the expiry of which the parties may extend the term for three years on a mutually agreed basis.

P. Purchase of gas engines, gas engine parts, labour services and related products and services by the Company and its subsidiaries and associates from Weichai Westport

Pursuant to the framework purchase agreement entered into between the Company, Weichai Reproduction and Weichai After-sales Services and Weichai Westport on 25 December 2012 (as amended and supplemented by the supplemental agreements dated 8 December 2014 and 14 July 2017, collectively, the "Weichai Westport Purchase Agreement"), each of the Company, Weichai After-sales Services, Weichai Reproduction, Weichai Freshen Air and other associates of the Company has agreed to purchase certain gas engines, gas engine parts, labour services and related products and services from Weichai Westport, at market prices and/or prices agreed according to the principle of fairness and reasonableness and settled on a monthly basis for a term from 1 January 2018 to 31 December 2020, upon the expiry of which the parties may extend the term for three years on a mutually agreed basis.

Pursuant to the latest supplemental agreement to the Weichai Westport Purchase Agreement dated 27 August 2020, each of the Company and Weichai Reproduction (and/or other associates of the Company) shall purchase certain gas engines, gas engine parts, labour services and related products and services from Weichai Westport, on the same terms for a term from 1 January 2021 to 31 December 2023, upon the expiry of which the parties may extend the term for three years on a mutually agreed basis.

根據二零二零年八月二十七日訂立的濰柴西港供應協議之最新補充協議，本公司、濰柴再製造及濰柴空氣淨化(及/或本公司其他聯繫人)各自按相同條款，向濰柴西港供應若干本體機、氣體機配件、動能及勞務服務、技術開發服務以及相關產品及服務，年期由二零二一年一月一日起至二零二三年十二月三十一日止，協議屆滿後訂約各方可經相互協定重續三年。

P. 本公司及其附屬(關聯)公司向西港新能源採購氣體機、氣體機配件、接受勞務及相關產品及服務

根據本公司、濰柴再製造、濰柴後市場服務與西港新能源於二零一二年十二月二十五日訂立《採購框架協議》(經二零一四年十二月八日及二零一七年七月十四日訂立的補充協議修訂及補充(統稱「濰柴西港採購協議」))，本公司、濰柴後市場服務、濰柴再製造、濰柴空氣淨化及本公司之其他附屬(關聯)公司各自同意以市場價及/或以公正合理為原則制定的價格向西港新能源採購若干氣體機、氣體機配件、接受勞務及相關產品及服務，由各方按每月結算一次，協議年期自二零一八年一月一日起至二零二零年十二月三十一日止，於屆滿後雙方可選擇重續協議，為期三年。

根據二零二零年八月二十七日訂立的濰柴西港採購協議之最新補充協議，本公司及濰柴再製造(及/或本公司其他聯繫人)各自按相同條款，向濰柴西港採購若干氣體機、氣體機配件、勞務服務以及相關產品及服務，年期由二零二一年一月一日起至二零二三年十二月三十一日止，協議屆滿後訂約各方可經相互協定重續三年。

Q. Provision financial services to the Company and its subsidiaries by Shandong Finance

Pursuant to the financial services agreement entered into between the Company and Shandong Finance on 25 March 2019, Shandong Finance has agreed to provide, inter alia, certain deposit services to the Company and its subsidiaries for a period of three years ending 29 June 2022, upon the expiry of which the parties may extend the term on a mutually agreed basis.

Pursuant to the said financial services agreements, Shandong Finance shall provide certain deposit services to the Group, the principal terms of which are as follows:

- (a) the interest rate for the deposit of the Group's funds with Shandong Finance shall, subject to the compliance of the relevant requirements of the People's Bank of China, be no less than the highest interest rate for the same type of deposit offered by the major commercial banks in the PRC for the same period; and
- (b) the maximum daily balance (including interests) of the Group's deposit with Shandong Finance shall not exceed RMB24.5 billion from 30 June 2019 to 29 June 2020, RMB28 billion from 30 June 2020 to 29 June 2021 and RMB33 billion from 30 June 2021 to 29 June 2022.

Q. 山東財務向本公司及其附屬公司提供金融服務

根據本公司與山東財務於二零一九年三月二十五日訂立之金融服務協議，山東財務同意向本公司及其附屬公司提供(其中包括)若干存款服務，協議年期為三年，至二零二二年六月二十九日止，於屆滿後雙方可選擇重續協議。

根據上述金融服務協議，山東財務須向本集團提供若干存款服務，其主要條款如下：

- (a) 在符合中國人民銀行相關規定的前提下，本集團資金存於山東財務的利率，不低於同期中國國內主要商業銀行同類存款的最高存款利率；及
- (b) 本集團分別於二零一九年六月三十日至二零二零年六月二十九日、二零二零年六月三十日至二零二一年六月二十九日及二零二一年六月三十日至二零二二年六月二十九日存入山東財務的每日最高存款餘額(含利息)分別不得超過上限人民幣245億元、人民幣280億元及人民幣330億元。

Details of the annual cap and the actual transaction amount for the year ended 31 December 2020 in respect of these continuing connected transactions are as follows:

此等持續關連交易截至二零二零年十二月三十一日止年度之年度上限及實際交易金額詳情如下：

		2020	
		二零二零年	
		RMB'000	
		人民幣千元	
A. Provision of general services and labour services by Weichai Holdings and its associates to the Company and its subsidiaries			
A. 濰柴控股及其附屬(關聯)公司向本公司及其附屬公司提供綜合服務及勞務服務			
		Cap 上限	Actual 實際
Provide general services and labour services by Weichai Holdings and its associates	濰柴控股及其附屬(關聯)公司提供綜合服務及勞務服務	75,000	47,648
B. Supply and/or connection of utilities by Weichai Holdings and its associates to the Company and its subsidiaries			
B. 濰柴控股及其附屬(關聯)公司向本公司及附屬公司供應及/或接駁動能服務			
		Cap 上限	Actual 實際
Supply and/or connection of utilities by Weichai Holdings and its associates	濰柴控股及其附屬(關聯)公司供應及/或接駁動能服務	840,000	442,850
C. Purchase of diesel engine parts and components, gas and scrap metals etc., materials, diesel engines and related products, processing services and import and export agency services by the Company and its subsidiaries from Weichai Holdings and its associates			
C. 本公司及其附屬公司向濰柴控股及其附屬(關聯)公司採購柴油機零部件、煤氣及廢金屬等、原材料、柴油機及相關產品、加工服務和代理進出口服務			
		Cap 上限	Actual 實際
Purchase products and services from Weichai Holdings and its associates	向濰柴控股及其附屬(關聯)公司採購產品及服務	1,750,000	1,093,423
D. Sale of diesel engines, diesel engines parts and components, materials, semi-finished products, hydraulic products and related products and provision of processing services by the Company and its subsidiaries to Weichai Holdings and its associates			
D. 本公司及其附屬公司向濰柴控股及其附屬(關聯)公司銷售柴油機、柴油機零部件、原材料、半成品、液壓產品、相關產品及提供加工服務			
		Cap 上限	Actual 實際
Provide diesel engines and related products and services to Weichai Holdings and its associates	向濰柴控股及其附屬(關聯)公司供應柴油機及相關產品及服務	4,610,000	2,009,848

2020
二零二零年
RMB'000
人民幣千元

E. Sale of diesel engines and related products by the Company and its subsidiaries to Weichai Heavy Machinery and its subsidiaries

E. 本公司及其附屬公司向濰柴重機及其附屬公司銷售柴油機及相關產品

		Cap 上限	Actual 實際
Provide diesel engines and related products to Weichai Heavy Machinery and its subsidiaries	向濰柴重機及其附屬公司供應柴油機及相關產品	650,000	332,049

F. Purchase of diesel engine parts and components, materials, steel and scrap metal etc., diesel engines and related products and processing and labour services by the Company and its subsidiaries from Weichai Heavy Machinery and its subsidiaries

F. 本公司及其附屬公司向濰柴重機及其附屬公司採購柴油機零部件、原材料、鋼材及廢金屬等、柴油機及相關產品和加工及勞務服務

		Cap 上限	Actual 實際
Purchase diesel engines and related materials and services from Weichai Heavy Machinery and its subsidiaries	向濰柴重機及其附屬公司採購柴油機及相關原材料及服務	720,000	462,919

G. Supply of semi-finished diesel engine parts, diesel engine parts and components, reserve parts and related products and provision of labour services by the Company its subsidiaries to Weichai Heavy Machinery and its subsidiaries

G. 本公司及其附屬公司向濰柴重機及其附屬公司供應柴油機零部件毛坯、柴油機零部件、備件及相關產品以及提供勞務服務

		Cap 上限	Actual 實際
Provide diesel engines related materials and services to Weichai Heavy Machinery and its subsidiaries	向濰柴重機及其附屬公司供應柴油機及相關原材料及服務	180,000	79,436

H. Sale of parts and components of transmissions and related products by SFGC to Fast Transmission

H. 陝西法士特齒輪向法士特集團銷售傳動零部件及相關產品

		Cap 上限	Actual 實際
Provide parts and components of transmissions and related products by SFGC	陝西法士特齒輪供應傳動零部件及相關產品	5,000,000	2,753,065

2020
二零二零年
RMB'000
人民幣千元

I. Purchase of parts and components of transmissions and related products and labour services by SFGC from Fast Transmission

I. 陝西法士特齒輪向法士特集團採購傳動零部件及相關產品

	Cap 上限	Actual 實際
Purchase of parts and components of transmissions and related products and services by SFGC	9,150,000	6,575,095

J. Sale of vehicles, parts and components of vehicles, raw materials and related products and provision of the relevant services by the Company and its subsidiaries to Shaanxi Automotive and its associates

J. 本公司及其附屬公司向陝汽集團及其附屬(關聯)公司銷售汽車、汽車零部件、原材料及相關產品和提供相關服務

	Cap 上限	Actual 實際
Provide vehicles, raw materials and related products and services to Shaanxi Automotive and its associates	2,950,000	2,621,739

K. Purchase of parts and components of vehicles, scrap steel and related products and labour services by the Company and its subsidiaries from Shaanxi Automotive and its associates

K. 本公司及其附屬公司向陝汽集團及其附屬(關聯)公司採購汽車零部件、廢鋼、相關產品及勞務服務

	Cap 上限	Actual 實際
Purchase parts and components of vehicles, scrap steel and related products and labour services from Shaanxi Automotive and its associates	13,300,000	11,801,831

L. Sale of engines, new energy powertrain and related products by the Company and its subsidiaries to Yangzhou Yaxing and its subsidiaries

L. 本公司向揚州亞星及其附屬公司銷售發動機、新能源動力總成及相關產品

	Cap 上限	Actual 實際
Provide new energy powertrain and related products to Yangzhou Yaxing and its subsidiaries	1,090,000	97,741

2020
二零二零年
RMB'000
人民幣千元

M. Sale of transmissions by SFGC to Yangzhou Yaxing and its subsidiaries

M. 陝西法士特齒輪向揚州亞星及其附屬公司銷售變速箱

	Cap 上限	Actual 實際
Provide transmissions to Yangzhou Yaxing and its subsidiaries 向揚州亞星及其附屬公司供應變速箱	95,000	17,067

N. Sale of axles by Shaanxi Hande Axle Co., Ltd. ("Hande Axle", a subsidiary of Shaanxi Zhongqi) to Yangzhou Yaxing and its subsidiaries

N. 陝西漢德車橋有限公司(「漢德車橋」, 陝西重汽之附屬公司)向揚州亞星及其附屬公司銷售車橋

	Cap 上限	Actual 實際
Provide axles to Yangzhou Yaxing and its subsidiaries 向揚州亞星及其附屬公司供應車橋	110,000	45,243

O. Supply of base engines, gas engine parts, utility and labour services, technology development services and related products and services by the Company and its subsidiaries and/or associates to Weichai Westport

O. 本公司及其附屬(關聯)公司向西港新能源供應本體機、氣體機配件、提供動能與勞務、技術開發服務及相關產品及服務

	Cap 上限	Actual 實際
Provide base engines, gas engine parts and related products and services to Weichai Westport 向西港新能源供應本體機、氣體機配件及相關產品及服務	3,500,000	834,599

P. Purchase of gas engines, gas engine parts, labour services and related products and services by the Company and its subsidiaries and/or associates from Weichai Westport

P. 本公司及其附屬(關聯)公司向西港新能源採購氣體機、氣體機配件、接受勞務及相關產品及服務

	Cap 上限	Actual 實際
Purchase gas engines, gas engine parts and related products and services from Weichai Westport 向西港新能源採購氣體機、氣體機配件及相關產品及服務	7,000,000	3,036,351

2020
二零二零年
RMB'000
人民幣千元

Q. Provision of financial services to the Company and its subsidiaries by Shandong Finance

Q. 山東財務向本公司及其附屬公司提供金融服務

		From 1 January 2020 to 29 June 2020 二零二零年一月一日至 二零二零年六月二十九日	
		Cap 上限	Actual 實際
The maximum daily balance (including interests) on the deposit services provided by Shandong Finance to the Company and its subsidiaries	山東財務向本公司及其附屬公司提供的存款服務的每日最高存款餘額(含利息)	24,500,000	24,341,369
		From 30 June 2020 to 31 December 2020 二零二零年六月三十日至 二零二零年十二月三十一日	
		Cap 上限	Actual 實際
The maximum daily balance (including interests) on the deposit services provided by Shandong Finance to the Company and its subsidiaries	山東財務向本公司及其附屬公司提供的存款服務的每日最高存款餘額(含利息)	28,000,000	27,985,999

The independent non-executive directors of the Company have reviewed the internal control procedures put in place by the Company and the continuing connected transactions set out above and have confirmed that the internal control procedures were adequate and effective, and these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company was engaged to report on the Group's continuing connected transactions in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information," and with reference to Practice Note 740, "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules," issued by the Hong Kong Institute of Certified Public Accountants. The auditors have issued an unqualified letter containing their findings and conclusions in respect of the above continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules.

本公司獨立非執行董事已審閱本公司既有的內部控制程序及上文所載的持續性關連交易，並確認內部控制程序足夠有效，且該等持續性關連交易乃(i)在本集團的一般及日常業務過程中；(ii)按一般商業條款或不遜於獨立第三方向或獲本集團提供之條款；及(iii)根據規管該等交易之相關協議訂立，協議條款公平合理且符合本公司股東之整體利益。

本公司核數師已獲委聘根據香港會計師公會頒佈的《香港核證聘用準則3000(經修訂)》「歷史財務資料審計或審閱以外的核證聘用」及參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」報告本集團的持續關連交易。核數師已按照上市規則第14A.56條就上述持續性關連交易出具載有其發現及結論的無保留意見函件。

In the letter the auditors have confirmed and stated that:

- a. nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors.
- b. for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group.
- c. nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions.
- d. with respect to the aggregate amount of each of the continuing connected transactions set out above, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the annual cap as approved by the Company.

A copy of the auditors' letter has been provided by the Company to The Stock Exchange of Hong Kong Limited.

CONNECTED TRANSACTIONS

During the year ended 31 December 2020, the Group entered into the following connected transaction which was not exempt from the annual review and disclosure requirements under Chapter 14A of the Listing Rules. Details of such connected transaction have been disclosed in compliance with the requirements under Chapter 14A of the Listing Rules.

Subscription of shares in Shantui Engineering Machinery Co., Ltd ("Shantui Engineering")

On 26 November 2020, the Company entered into a subscription agreement with Shantui Engineering, pursuant to which the Company has conditionally agreed to subscribe for up to 236,705,601 new A shares of Shantui Engineering which will be issued by Shantui Engineering through non-public offering, at a price of RMB2.88 per share. Shantui Engineering was held by Shandong Heavy Industry as to 29.37% and was accounted for as a subsidiary of Shandong Heavy Industry.

Following completion of the subscription, the Company will become a holder of up to approximately 16.02% of the total share capital of Shantui Engineering (as enlarged by the non-public offering), and Shantui Engineering will not be accounted for as a subsidiary of the Company.

核數師在函件中確認及指出：

- a. 彼等概無注意到任何事宜致令彼等相信所披露的持續性關連交易並未經由本公司董事會批准。
- b. 涉及本集團提供貨品或服務的交易而言，彼等概無注意到任何事宜致令彼等相信交易並非在各重大方面根據本集團的定價政策進行。
- c. 彼等概無注意到任何事宜致令彼等相信交易並非在各重大方面根據規管有關交易的相關協議進行。
- d. 就上述持續性關連交易的交易總額而言，彼等概無注意到任何事宜致令彼等相信所披露的持續性關連交易超出本公司批准的最高年度總額。

本公司已向香港聯合交易所有限公司提供該核數師函件的副本。

關連交易

於截至二零二零年十二月三十一日止年度，本集團訂立下列不獲豁免遵守上市規則第14A章的年度審閱及披露規定的關連交易。關連交易詳情已遵照上市規則第14A章的規定予以披露。

認購山推工程機械股份有限公司(「山推工程」)股份

於二零二零年十一月二十六日，本公司與山推工程訂立認購協議，據此，本公司有條件同意認購山推工程不超過236,705,601股新A股，其將由山推工程透過非公开发售按每股人民幣2.88元的價格發行。山推工程由山東重工持有29.37%權益，並入賬列為山東重工的附屬公司。

完成認購事項後，本公司將成為山推工程總股本(經非公开发售擴大)最多約16.02%的持有人，而山推工程將不會入賬列為本公司的附屬公司。

Except for the transactions with associates, all the transactions of goods and services with related parties, leasing with related parties and transfer of assets with related parties as disclosed in Note X.5(1) to (3) to the financial statements also constitute connected transactions or continuing connected transactions as defined under Chapter 14A of the Listing Rules and the Company has complied with relevant requirements in Chapter 14A of the Listing Rules.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the remuneration committee of the Company (the "Remuneration Committee") on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

DIVIDEND POLICY

Acknowledging the importance of shareholders' interest and return, the Company has always adopted a policy of stable dividend distribution. Prior to proposing dividend distribution, the Board considers a multitude of factors including the Company's financial performance, distributable reserve, capital expenditure, expected financial performance, expected working capital requirement and such other factors as the Board may consider relevant.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the Year was the Company or any of its subsidiaries a party to any arrangements that enabled the directors or supervisors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PURCHASE, SALE OR REDEMPTION OF SECURITIES OF THE COMPANY

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

除與聯營公司進行之交易外，所有財務報表附註十、5(1)至(3)中披露的關聯方商品和勞務交易、關聯方租賃及關聯方資產轉讓同時構成上市規則第14A章中定義的關連交易或持續關連交易且本公司已遵守上市規則第14A章相關規定。

薪酬政策

本集團僱員的薪酬政策由本公司薪酬委員會(「薪酬委員會」)根據彼等的長處、資歷及工作能力釐訂。

本公司董事的薪酬由薪酬委員會經考慮本集團營業績、個人表現及可資比較市場統計數據後決定。

股息政策

本公司十分重視股東的利益及回報，並一直奉行較為穩定的派息政策。董事會在建議派發股息前，會考慮因素包括本公司的財務表現、可分派儲備、資本開支、預期財務表現、預期營運資金需求及董事會認為相關的其他因素等。

購買股份或債券的安排

本公司及其任何附屬公司於本年度任何時間，概無參與可以使本公司董事或監事通過收購本公司或任何其他法人團體的股份或債券以取得利益的安排。

購買、出售或贖回本公司的證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the PRC, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

INCOME TAX FOR H SHAREHOLDERS

According to the regulations in the Enterprise Income Tax Law of the People's Republic of China, Implementation Regulations on Enterprise Income Tax Law of People's Republic of China which came into effect in 2008 and the Notice of the State Administration of Taxation on Issues Relating to the Withholding and Remittance of Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to Overseas Non-resident Enterprises which hold H Shares (Guo Shui Han [2008] No. 897) (《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稅有關問題的通知》(國稅函[2008]897號)) issued by China's State Administration of Taxation on 6 November 2008 (collectively, the "Tax Law"), any domestic enterprise of the PRC which pays dividends to non-resident enterprise shareholders (as defined in the Tax Law) for the year of 2008 and thereafter shall withhold and remit enterprise income tax with the payer as withholding agent. After receiving dividends, non-resident enterprise shareholders may, where applicable, apply for tax refund pursuant to relevant requirements under tax treaty (arrangement).

In accordance with the Tax Law, the Company is obliged to withhold and remit enterprise income tax at the rate of 10% on behalf of the non-resident enterprise holders of H Shares whose names appear on the register of members for H Shares of the Company on the Record Date when distributing dividends to them. For holders of H Shares who are registered in the name of non-natural person registered shareholders (including HKSCC (Nominees) Limited, other corporate nominees, trustees, or other organisations or groups which are all treated as "non-resident enterprise" shareholders) on the register of members for H Shares of the Company on the Record Date, the Company will distribute the cash dividends, after withholding for payment of 10% enterprise income tax.

Pursuant to the Notice on the Tax Policies Concerning the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》), for mainland corporate investors that invest in a company via the Shenzhen-Hong Kong Stock Connect, corporate income tax will be levied according to the law. In particular, for any dividend to be distributed to resident enterprises in the mainland China which hold H shares for more than 12 consecutive months, corporate income tax may be exempted according to the law. Such mainland enterprises shall declare and pay taxes by themselves in respect of such dividends, which will not be withheld by such H share company.

優先購買權

本公司的公司章程或中國法律均無訂立有關優先購買權條文，規定本公司須按比例向現有股東發售新股。

H股股東所得稅

根據二零零八年實施的《中華人民共和國企業所得稅法》、《中華人民共和國企業所得稅法實施條例》以及中國國家稅務總局於二零零八年十一月六日頒佈的《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稅有關問題的通知》(國稅函[2008]897號)(以下統稱「稅法」)的規定，凡中國境內企業向非居民企業股東(定義見稅法)派發二零零八年度及往後年度股息時，需代扣代繳企業所得稅，並以支付人為扣繳義務人。非居民企業股東在獲得股息之後，可以根據稅收協議(安排)等相關規定申請辦理退稅(如符合)。

根據稅法，本公司向於記錄日期名列本公司H股股東名冊的H股非居民企業股東派發股息時，須按10%稅率代扣代繳企業所得稅。就於記錄日期名列本公司H股股東名冊以非自然人登記股東名義登記的H股股東(包括皆被視為「非居民企業」股東的香港中央結算(代理人)有限公司、其他企業代名人、受託人、或其他組織或團體)而言，本公司將於代扣代繳10%企業所得稅後派發現金股息。

根據《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》，對於深港通內地企業投資者，依法計徵企業所得稅。其中，內地居民企業連續持有H股滿12個月取得的股息紅利所得，依法免徵企業所得稅。H股公司對內地企業投資者不代扣股息紅利所得稅款，應納稅款由企業自行申報繳納。

According to the Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax (Cai Shui Zi [1994] No. 20) (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》(財稅字 [1994]第20號)), foreign individual resident shareholders are exempt from personal income tax in respect of the dividends or bonus received from domestic foreign invested enterprises for now. As the Company is a foreign invested enterprise, for all natural person shareholders whose names are registered on the register of members for H Shares of the Company on the Record Date, the Company does not need to withhold personal income tax. The Company shall obtain latest updates by consulting relevant tax authorities in the PRC in due course.

In respect of dividends for the H shares of a company invested in by mainland individual investors and listed on the Hong Kong Stock Exchange through the Shenzhen-Hong Kong Stock Connect, the H share company shall apply to China Securities Depository and Clearing Co., Ltd., which will then provide the H share company with the register of mainland individual investors. The H share company shall withhold an individual income tax at the rate of 20% on such dividends.

For dividends received by investors (including enterprise and individual investors) in the Hong Kong market from investing in A shares listed on the Shenzhen Stock Exchange, and before Hong Kong Securities Clearing Company Limited is able to furnish China Securities Depository and Clearing Co., Ltd. with the identity, holding period and other detailed data of the investors in the Hong Kong market, the differentiated tax treatment based on the holding period of shares will not be implemented temporarily. Listed companies shall withhold income tax at the rate of 10% and make withholding filings with the relevant tax authorities. For those investors who are tax residents of other countries and the tax rate applicable to dividends is lower than 10% under the tax treaty between China and the relevant countries, such investors may, by themselves or request the withholding agent to act on their behalf to, apply to the relevant tax authorities in respect of the listed company for the preferential relevant treatment under the relevant treaties. Upon the verification of the relevant tax authorities, the amount being the difference between the tax withheld and the tax calculated at the rate as prescribed under the corresponding tax treaty shall be refunded.

If anyone would like to change the identity of the holders in the register of members, please enquire about the relevant procedures with the nominees or trustees. The Company will withhold for payment of the enterprise income tax for its non-resident enterprise shareholders strictly in accordance with the relevant laws and requirements of the relevant government departments and adhere strictly to the information set out in the Company's register of members on the Record Date.

根據財稅字[1994]第20號《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》，境外居民個人股東從境內外商投資企業取得的股息、紅利所得，暫免徵收個人所得稅。本公司作為一間外商投資企業就於記錄日期名列本公司H股股東名冊的所有自然人股東而言，本公司則無需代扣代繳個人所得稅。本公司會適時向中國有關稅務機關作出諮詢獲取最新情況。

對內地個人投資者通過深港通投資香港聯交所上市H股取得的股息紅利，H股公司應向中國證券登記結算有限責任公司提出申請，由中國結算向H股公司提供內地個人投資者名冊，H股公司按照20%的稅率代扣個人所得稅。

對香港市場投資者(包括企業和個人)投資深交所上市A股取得的股息紅利所得，在香港中央結算有限公司(以下簡稱香港結算)不具備向中國結算提供投資者的身份及持股時間等明細數據的條件之前，暫不執行按持股時間實行差別化徵稅政策，由上市公司按照10%的稅率代扣所得稅，並向其主管稅務機關辦理扣繳申報。對於香港投資者中屬於其他國家稅收居民且其所在國與中國簽訂的稅收協定規定股息紅利所得稅率低於10%的，企業或個人可以自行或委託代扣代繳義務人，向上市公司主管稅務機關提出享受稅收協定待遇退還多繳稅款的申請，主管稅務機關查實後，對符合退稅條件的，應按已徵稅款和根據稅收協定稅率計算的應納稅款的差額予以退稅。

倘任何人有意更改股東名冊內的股東身份，請向代名人或受托人查詢相關手續。本公司將嚴格恪守有關政府部門的相關法律及規定，並嚴格遵循本公司記錄日期的股東名冊所載資料，代扣代繳非居民企業股東的企業所得稅。

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the aggregate sales attributable to the Group's five largest customers were less than 30% of the Group's total sales.

During the Year, the aggregate purchase attributable to the Group's five largest suppliers were less than 30% of the Group's total purchases.

At no time during the Year did a director, a supervisor, an associate of a director or a shareholder of the Company, which to the knowledge of the directors, own more than 5% of the Company's share capital, have an interest in any of the Group's five largest suppliers or customers.

SUBSEQUENT EVENTS

- (i) On 24 December 2020, a resolution in relation to the non-public issuance of A Shares has been considered and approved at the Company's tenth provisional meeting of the Board for the year 2020, and on 29 January 2021, a resolution in relation to the grant of the general mandate to the Board was approved at the extraordinary general meeting. Pursuant to the general mandate, the Company will issue a maximum of 793,387,389 new A Shares, representing not more than 10% of the total issued share capital of the Company prior to the completion of the non-public issuance of A Shares, and the proceeds expected to be raised will be not more than RMB13,000 million. The issuance will be implemented by the Company in due course by way of non-public issuance to specific targets within the validity period upon obtaining the approval from the CSRC. The maximum number of A Shares to be issued under the non-public issuance of A Shares will be based on the approval granted by the CSRC.
- (ii) At the Board meeting held on 25 February 2021, a proposal in relation to the Possible Spin-off was considered and approved. The Possible Spin-off is subject to the approval of the Hong Kong Stock Exchange and the approval at the general meeting of the Company.
- (iii) On 30 March 2021, the Company's seventh meeting of the fifth session of the Board considered and approved that the Company will not make profit distribution for 2020 nor will it convert its capital reserve funds into share capital given that Company is currently proceeding with the non-public issuance of A Shares, after making comprehensive consideration of factors such as the interests of shareholders and the development of the Company. Following the completion of the non-public issuance of A Shares, the Company will conduct profit distribution as soon as possible in compliance with the requirements of relevant regulatory authorities and its articles of association.

主要客戶及供應商

於回顧年內，本集團五大客戶所佔總銷售額佔本集團總銷售額少於30%。

於回顧年內，本集團五大供應商所佔總採購額佔本集團總採購額少於30%。

於回顧年內任何時間，任何董事、監事、董事的任何聯繫人或據董事所知擁有本公司股本超過5%的本公司任何股東，概無擁有本集團五大供應商或客戶任何權益。

期後事項

- (i) 於二零二零年十二月二十四日，本公司二零二零年第十次臨時董事會審議通過了關於公司非公開發行A股股票方案的議案，並於二零二一年一月二十九日舉行的股東特別大會通過相關議案批准授權公司董事會於一般性授權項下以非公開發行方式發行最多793,387,389股新A股，不超過本次非公開發行前公司總股本10%，預期募集資金將不超過人民幣13,000百萬元。本次發行採用向特定對象非公開發行的方式，在獲得中國證監會核准後由公司在規定的有效期內選擇適當時機向特定對象發行股票，最終發行數量上限以中國證監會關於本次發行的核准批覆為準。
- (ii) 於二零二一年二月二十五日舉行的董事會會議，已批准可能分拆。有關可能分拆須取得香港聯交所和本公司股東大會有關批准後方可落實。
- (iii) 於二零二一年三月三十日，本公司五屆七次董事會審議通過鑒於目前公司非公開發行A股股票正在推進過程之中，從股東利益和公司發展等綜合因素考慮，建議公司二零二零年度暫不進行利潤分配，也不進行資本公積轉增股本。待公司本次非公開發行A股股票完成後，盡快按照監管部門的要求與《公司章程》規定進行利潤分配相關事宜。

ENVIRONMENTAL POLICY AND ITS IMPLEMENTATION

The Group keeps itself updated with and ensures the strict compliance with all such relevant environmental laws and regulations as applicable in the respective jurisdictions. Meanwhile, all-round and comprehensive internal management system and rules are in place to ensure the effective implementation of relevant policies and regulations.

During the Year, the Group passed the audit of the environmental management system. During the course of production, hazardous and non-hazardous wastes are also disposed of in a safe and efficient manner, without polluting the environment. Pollutants so produced are in compliance with national or local emission standards. The Group has never been included in any list of highly-polluting enterprises by environmental authorities, nor has it been penalised by any environmental authorities.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group keeps itself updated with and ensures the strict compliance with all such relevant laws and regulations as applicable in the respective jurisdictions. During the Year, the Group has complied with all applicable relevant laws and regulations in the respective jurisdictions in all material respects.

MAJOR RELATIONSHIPS INVOLVING THE GROUP

(1) Employees

In compliance with relevant laws and regulations of the PRC, the Company firmly upholds the human resources management philosophy of "taking up the responsibility for forming order, to allocate suitable people to suitable posts, encourage staff members to work hard on a long-term basis, and serve the overall development goal of the enterprise". In strict adherence to the strategy of "Talents Come First" and the principle of equality, the Company strives to provide the employees with a safe and good working environment and experience, a sound system of remuneration and benefits and a series of training activities in order to attract, retain and motivate the employees. The management team and staff team of the Group have been stable. During the Year, the Group considered that the relationship with its employees and the turnover rate were acceptable. In recent years, the Company have received various awards including a "National Model of Harmonious Enterprise with Good Labour Relations (全國模範勞動關係和諧企業)" and "Outstanding Enterprise Award in Human Resource Development and Management (企業人力資源開發與管理優秀企業)".

環保政策及履行

本集團對所適用的國家相關環保法律法規進行適時更新，並確保已經嚴格遵從。同時，公司制定了齊備完善的內部管理制度和辦法，確保相關政策法規有效落地。

於本年度內，本集團通過環境管理體系監督審核。對生產製造過程中，產生的有害及無害廢棄物均進行安全有效處置，未對環境造成污染；所產生的污染物均達到國家或地方規定的排放標準，未被環保部門列入污染嚴重企業名單以及被處罰。

遵守法律及法規

本集團不斷更新彼於多個國家所適用的相關法律法規，並確保已經嚴格遵從。於本年度內，本集團在所有重大方面均已遵守彼於多個國家適用的相關法律法規。

計及本集團的主要關係

(1) 僱員

公司嚴格遵守國家相關法律法規，踐行「以建立秩序為己任，把合適的人配置到合適崗位，鼓勵員工長期奮鬥，服務企業發展大局」的人力資源管理理念，堅定不移的實施「人才第一」戰略，堅持平等原則為僱員提供安全良好的工作環境和體驗、完善的薪酬和福利體系，開展系列培訓活動，以吸引、保留和激勵員工。一直以來，公司管理團隊及僱員隊伍較為穩定。於本年度內，本集團認為與僱員的關係良好及離職率為可接受。近年來，公司獲得「全國模範勞動關係和諧企業」、「企業人力資源開發與管理優秀企業」等榮譽。

(2) Suppliers

With mergers and reorganisation on a global basis and overseas market expansion, the Group owns production factories in many countries and regions and its suppliers are all over the world. Currently, the Group is in the course of forming its global supply chain system. All major suppliers have close and long-term relationship with the Group. During the Year, the Group considered that the relationship with suppliers was sound and stable.

(3) Customers

Insisting on "Aiming for customer satisfaction", the Group steadfastly implements the key quality requirements of "goal assessment, effective system, strict compliance, and responsibility performance", and deepened the philosophy of "Quality is in our hands" in pursuit of high quality development. During the Year, the Company was granted the "National Customer Grade A Satisfaction Benchmarking Enterprise"* (全國市場質量信用A等用戶滿意標杆企業). The Group considered that the relationship with assembling factories and users was sound and stable.

(4) Society

With the notion of "Developing economy and service the community", the Group goes beyond achieving its own growth to contribute to society by fighting against COVID-19 and having started a variety of charitable donations and volunteer activity to actively perform its social responsibilities and spread its positive energy as a corporation and strives to achieve win-win development vis-à-vis society, gaining recognition from different sectors of society.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises all independent non-executive directors of the Company. The chairman of the Audit Committee is Ms. Jiang Yan, an independent non-executive director. Ms. Jiang has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules, for the purpose of this appointment. Throughout the Year, the Audit Committee discharged its responsibilities, reviewed and discussed the financial results and internal control matters of the Company. In accordance with the requirements of Appendix 16 to the Listing Rules, the Audit Committee has reviewed the audited consolidated financial statements for the Year.

(2) 供應商

本集團通過全球範圍內的兼併重組及海外市場開拓，在多個國家和地區擁有生產工廠，供應商遍佈全球各地。目前本集團正在搭建全球化供應鏈體系。所有主要供應商與本集團有緊密長期關係。於本年度內，本集團認為與供應商的關係良好且穩定。

(3) 客戶

本集團堅持「客戶滿意是我們的宗旨」，堅定不移落實質量16字要求：目標考核、體系有效、嚴防死守、責任擔當，不斷深化「質量在我手中」理念，始終追求高質量發展。於本年度內，公司獲得「全國市場質量信用A等用戶滿意標杆企業」。本集團認為與主機廠及用戶的關係良好且穩定。

(4) 社會

本集團始終堅持「發展經濟、服務社會」的理念，在實現自身成長的同時，不忘回饋社會，積極抗擊疫情，開展多種慈善捐助及志願活動，積極踐行社會責任，傳遞企業正能量，致力於實現企業與社會共贏發展，得到了社會各界的肯定。

審核委員會

本公司審核委員會（「審核委員會」）由本公司所有獨立非執行董事組成。審核委員會主席為獨立非執行董事蔣彥女士。蔣女士具備上市規則第3.10(2)條對該委任所要求之適當的專業資格，或具備適當的會計或相關的財務管理專長。於本年度內，審核委員會履行其職責，檢討及討論本公司的財務業績及內部監控事宜。根據上市規則附錄十六的規定，審核委員會已審閱本年度之經審核合併財務報表。

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE IN APPENDIX 14 TO THE LISTING RULES

During the Year, other than the roles of the Chairman and the Chief Executive Officer being performed by Mr. Tan Xuguang ("Mr. Tan") and directors not being able to attend all annual general meeting and extraordinary general meetings due to other important work-related affairs, the Company has complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

Mr. Tan is in charge of the overall management of the Company. The Company considers that the combination of the roles of the Chairman and the Chief Executive Officer can promote the efficient formulation and implementation of the Company's strategies which will enable the Group to grasp business opportunities efficiently and promptly. The Company considers that through the supervision of its board and its independent non-executive directors, there is adequate balance of power and authority in place.

COMPLIANCE WITH THE MODEL CODE

During the Year, the Company adopted a code of conduct regarding securities transactions by directors on terms no less than the required standard set out in the Model Code. Having made specific enquiry of all directors, the directors have confirmed that they have complied with the required standard set out in the Model Code during the Year.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, the Company has maintained the prescribed public float under the Listing Rules as at the date of this report.

遵守上市規則附錄十四所載的企業管治守則

於本年度，除譚旭光先生(「譚先生」)擔任本公司董事長兼首席執行官及本公司董事在本年度內因彼等有其他重要公務在身而未能每次出席本公司股東周年大會及股東特別大會外，本公司一直遵守上市規則附錄十四所載「企業管治守則」的所有守則條文。

譚先生負責本公司之整體管理。本公司認為，讓譚先生同時兼任董事長及首席執行官可讓本公司更有效地計劃及執行本公司之策略，從而令本集團能夠有效而迅速地把握商機。本公司相信，通過其董事會及其獨立非執行董事之監督，此足以維持職權平衡。

遵守標準守則

於本年度，本公司已就董事進行證券交易採納操守準則，有關條款不比標準守則規定的標準寬鬆，且董事向全體董事作出特定查詢後確認，彼等於回顧年內已遵守標準守則所載規定的標準。

充足公眾持股量

根據本公司獲得之公開資料並就本公司董事所知，本公司於本報告刊發日期維持上市規則所規定的公眾持股量。

AUDITORS

The Company appointed Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) as the Company's auditors on 20 June 2019 in place of Ernst & Young Hua Ming LLP. Deloitte Touche Tohmatsu Certified Public Accountants LLP will retire and a resolution for their reappointment as auditors of the Company for the year of 2021 will be proposed at the forthcoming annual general meeting.

APPROVAL OF THE FINANCIAL STATEMENTS

The audited consolidated financial statements for the Year were approved by the Board on 30 March 2021.

PUBLICATION OF THE ANNUAL REPORT ON THE WEBSITES OF THE HONG KONG STOCK EXCHANGE AND THE COMPANY

The 2020 annual report of the Company will be despatched to the shareholders as well as made available on the Hong Kong Stock Exchange's website at www.hkexnews.hk and the Company's website at www.weichai.com in due course.

On behalf of the Board

Tan Xuguang

Chairman and Chief Executive Officer

Hong Kong,
30 March 2021

核數師

德勤華永會計師事務所(特殊普通合夥)於二零一九年六月二十日獲委任代替安永華明會計師事務所(特殊普通合夥)為本公司核數師。德勤華永會計師事務所(特殊普通合夥)將退任，而本公司將於應屆股東週年大會上提呈一項決議案以續聘其為本公司二零二一年度的核數師。

批准財務報表

董事會已於二零二一年三月三十日批准本年度的經審核合併財務報表。

於香港聯交所及本公司網站公佈年報

本公司二零二零年度報告將適時寄送予各位股東及刊登於香港聯交所網 www.hkexnews.hk 及本公司網站 www.weichai.com。

代表董事會

譚旭光

董事長兼首席執行官

香港，
二零二一年三月三十日

Dear Shareholders,

In 2020, in accordance with relevant requirements including the Company Law, the Articles of Association and the Rules of Procedure of the Supervisory Committee, in compliance with the principle of integrity, all members of the Supervisory Committee of Weichai Power Co., Ltd. (the "Company") (the "Supervisory Committee") performed their duties of supervision by exercising effective supervision and examination, in a lawful manner, of the Company's procedures of making operational decisions, its state of operation, its financial conditions and its acquisition and disposal of assets and material connected transactions, thereby providing strong support to the Company's regulated operations and healthy development, and protecting the legitimate interests of the Company and its investors.

I. DETAILS OF CONVENING MEETINGS OF THE SUPERVISORY COMMITTEE

In this year, the Company held five meetings of the Supervisory Committee.

1. On 26 March 2020, the fifth meeting of the fifth session of the Supervisory Committee was convened, during which the Supervisory Committee considered and approved the full text and summary of the 2019 annual report of the Company, the work report of the Supervisory Committee for 2019, the financial report and auditors' report for 2019, the final financial report for 2019, the financial budget report 2020, profit distribution proposal for 2019, as well as the re-appointment of Shandong Hexin Accountants LLP as the internal control auditors of the Company for the year 2020, the internal control self-evaluation report for 2019 and the internal audit report for 2019.
2. On 29 April 2020, the first provisional meeting of the Supervisory Committee of the Company in 2020 was convened, during which the Supervisory Committee considered and approved the 2020 first quarterly report of the Company. The contents of the first quarterly report gave a true, accurate and complete view of the actual situation of the Company and do not contain false statements, misleading representations or material omissions.

各位股東：

2020年，濰柴動力股份有限公司(下稱「公司」)監事會根據《公司法》、《公司章程》及《監事會議事規則》等有關規定，認真履行監督職責，依法對公司經營決策程序、依法運作情況、財務情況、收購出售資產及重大關聯交易等方面進行了有效監督和核查，為公司規範運作和健康發展提供了有力保障，切實維護公司和投資者合法權益。

一、監事會會議召開情況

濰柴動力股份有限公司(下稱「公司」)本年度共召開監事會會議5次。

1. 2020年3月26日，公司召開五屆五次監事會，會議審議通過了公司2019年年度報告全文及摘要、2019年度監事會工作報告、2019年度財務報告及審計報告、2019年度財務決算報告、2020年度財務預算報告、2019年度利潤分配、續聘山東和信會計師事務所(特殊普通合伙)為公司2020年度內部控制審計服務機構、2019年度內部控制評價報告和2019年度內部控制審計報告等議案。
2. 2020年4月29日，公司召開2020年第一次臨時監事會，會議審議通過了公司2020年第一季度報告。第一季度報告內容真實、準確、完整地反映了公司的實際情況，不存在任何虛假記載、誤導性陳述或者重大遺漏。

3. On 27 August 2020, the sixth meeting of the fifth session of the Supervisory Committee of the Company was convened, during which the Supervisory Committee considered and approved the full text and summary of the 2020 interim report of the Company, and the implementation of the 2020 interim profit distribution proposal by the Company. The contents of the interim report gave a true, accurate and complete view of the actual situation of the Company and do not contain false statements, misleading representations or material omissions.
 4. On 30 October 2020, the second provisional meeting of the Supervisory Committee of the Company in 2020 was convened, during which the Supervisory Committee considered and approved the 2020 third quarterly report of the Company. The contents of the third quarterly report gave a true, accurate and complete view of the actual situation of the Company and do not contain false statements, misleading representations or material omissions.
 5. On 24 December 2020, the third provisional meeting of the Supervisory Committee of the Company in 2020 was convened, during which the Supervisory Committee considered and approved the proposal in relation to non-public issuance of A Shares.
3. 2020年8月27日，公司召開五屆六次監事會，會議審議通過了公司2020年半年度報告全文及摘要、公司實施2020年中期利潤分配。半年度報告內容真實、準確、完整地反映了上市公司的實際情況，不存在任何虛假記載、誤導性陳述或者重大遺漏。
 4. 2020年10月30日，公司召開2020年第二次臨時監事會，會議審議通過了公司2020年第三季度報告。第三季度報告內容真實、準確、完整地反映了公司的實際情況，不存在任何虛假記載、誤導性陳述或者重大遺漏。
 5. 2020年12月24日，公司召開2020年第三次臨時監事會，會議審議通過了公司非公開發行A股股票預案等議案。

II. OPINION OF THE SUPERVISORY COMMITTEE ON SUPERVISED MATTERS OF THE COMPANY IN THE REPORTING PERIOD

二、監事會對報告期內監督事項的意見

1. Compliance of the Company's operations with legal requirements

1、公司依法運作情況

During the reporting period, pursuant to the laws and regulations of the PRC and the Articles of Association, the Supervisory Committee duly supervised the convening procedures and resolutions of general meetings of Shareholders and meetings of the Board, the Board's execution of resolutions approved at general meetings of shareholders, the performance of duties by the senior management of the Company. The Supervisory Committee was of the view that the Board and the senior management of the Company performed their duties with integrity and diligence, made decisions in a scientific approach, maintained sound production and operation. The Supervisory Committee was not aware of any action which would result in a breach of laws or regulations or the Articles of Association or would damage the interests of the Company and investors in the Company.

報告期內，公司監事會按照國家有關法律、法規和《公司章程》的規定，對公司股東大會、董事會的召開程序、決議事項以及董事會對股東大會決議的執行情況、公司高級管理人員的履職情況等進行了監督，認為公司董事會及高級管理人員勤勉盡責，科學決策，保持了較好的生產經營狀況，未發現有違反法律、法規、《公司章程》或損害公司及投資者利益的行為。

2. Financial position of the Company

During the reporting period, the Supervisory Committee further enhanced its internal control, especially the examination of the financial system. The Company has established a sound system on external investment, asset transfer and connected transactions, etc. In its operation, the Company observed the relevant laws and regulations of the PRC and the relevant provisions of the China Securities Regulatory Commission. On the control of the movement of funds and administrative expenses, the Company strictly controlled on each grade which ensured the normal operation of the Company and avoided financial risk.

The Supervisory Committee was of the view that the procedures adopted by the Board in preparing and considering the annual financial report of the Company are in compliance with the laws, administrative regulations and stipulations of the CSRC. The contents of the report gave a true, accurate and complete view of the actual situation of the listed company and do not contain false statements, misleading representations or material omissions.

3. There was no use of proceeds this year

4. Acquisition and disposal of assets of the Company

During the reporting period, the Company's acquisitions and disposals of assets were conducted in such a way where the approval procedures were lawful, at reasonable considerations, and under effective decision-making, benefiting the integration of resources of the Company and aligning with the Company's development strategies. No insider dealing or other actions which would damage the interests of the shareholders or cause any asset loss occurred or emerged.

5. Material connected transactions

During the reporting period, the connected transactions of the Company were conducted under the principle of fairness and the procedures of the transactions were in compliance with laws and regulations. The Supervisory Committee was not aware of any action which would damage the interests of the Company and the shareholders.

In conclusion, the Supervisory Committee has no disagreement on the matters supervised during the reporting period.

Lu Wenwu

Chairman of the Supervisory Committee

Weifang, Shandong Province
30 March 2021

2、公司的財務情況

報告期內，公司監事會加強了對內控制度，特別是財務制度的檢查，公司在對外投資、資產轉讓、關聯交易等方面均建立了比較健全的制度。在運作過程中，均按照國家有關法律、法規及中國證券監督管理委員會的有關規定執行。在資金周轉、管理費用的控制上，分級把關，既保證了公司正常運營，又規避了風險。

監事會認為：董事會編製和審議公司年度財務報告的程序符合法律、行政法規及中國證監會的規定，報告內容真實、準確、完整地反映了公司的實際情況，不存在任何虛假記載、誤導性陳述或者重大遺漏。

3、本年度無募集資金使用情況

4、公司收購及出售資產情況

報告期內，公司發生的收購、出售資產行為，審批程序合法、交易價格合理、決策有效，有利于公司的資源整合，符合公司的發展戰略，未發生和出現內幕交易、損害股東權益和造成資產流失的情況。

5、重大關聯交易事項

報告期內，公司發生的各項關聯交易均體現了市場公平的原則，交易程序合法、合規，未發現損害公司利益和股東利益的情況。

綜上所述，監事會對報告期內的監督事項無異議。

魯文武

監事會主席

山東省濰坊
二零二一年三月三十日

The Company has always regarded the consistent maintenance of an excellent, solid and reasonable corporate governance structure as its top priority.

本公司一直視持續維持良好、穩健及合理之企業管治架構為首要任務。

CORPORATE GOVERNANCE CODE

For the year ended 31 December 2020, the Company has reviewed its corporate governance documents and is of the view that the Company has fully complied with the code provisions of the Corporate Governance Code (the "Corporate Governance Code") set out in the Appendix 14 to the Listing Rules other than Code A.2.1, which requires that the roles of chairman and chief executive officer should be two separate roles and should not be performed by the same individual, and that certain directors of the Company did not attend all of the Company's annual general meeting and extraordinary general meeting in 2020 as required under code provisions A.6.7 and E.1.2 of the Corporate Governance Code due to other important work-related affairs. Currently, Mr. Tan Xuguang ("Mr. Tan") serves as the Chairman as well as the Chief Executive Officer of the Company. Despite such deviation, the directors believe that the combination of the roles of the Chairman and the Chief Executive Officer can promote the efficient formulation and implementation of the Company's strategies which will enable the Group to grasp business opportunities efficiently and promptly. The Company considers that through the supervision of its board and its independent non-executive directors, there is adequate balance of power and authority in place.

企業管治守則

截至二零二零年十二月三十一日止年度，本公司已審閱其企業管治文件，認為除守則第A.2.1條規定董事長及首席執行官應分為兩個獨立職位，而不應由同一人兼任，及本公司某些董事因彼等有其他重要公務在身而未能按照企業管治守則第A.6.7條及第E.1.2條的守則條文所載規定每次出席本公司於二零二零年內舉行之股東周年大會和股東特別大會，本公司已全面遵守上市規則附錄十四所載「企業管治守則」的所有守則條文。譚旭光先生（「譚先生」）現為董事長兼本公司首席執行官。儘管出現上述偏離情況，董事相信，讓譚先生同時兼任上述兩個職位有助更有效地計劃及執行本公司業務策略，從而令本集團能夠有效而迅速地把握商機。本公司相信，通過其董事會及其獨立非執行董事之監督，此足以維持職權平衡。

The directors believe that the Articles of Association, the scope of responsibilities of the Audit Committee, the scope of responsibilities of the Supervisory Committee and the codes on securities dealings by directors and certain executives, which constitute the basis for the regular codes on corporate governance of the Company, have covered the principles and the code provisions of the Corporate Governance Code. In respect of the following areas, our internal corporate governance documents are more stringent than the Corporate Governance Code:

董事相信，公司組織章程細則、審核委員會之職責範圍、監事會之職責範圍及董事與若干執行人員買賣證券之守則構成本公司日常企業管治守則之基準，並涵蓋企業管治守則之原則及守則條文。本公司之內部企業管治文件於以下範疇較企業管治守則嚴謹：

1. In addition to the Audit Committee, Remuneration Committee and Nomination Committee, the Company has also established the Strategic Development and Investment Committee (the "SDIC").
2. All members of the Audit Committee are Independent Non-executive Directors, of whom Ms. Jiang Yan, the Chairman of the committee, holds the relevant professional qualification or professional knowledge related to accounting or financial management.

1. 除審核委員會、薪酬委員會及提名委員會外，本公司另設立戰略發展及投資委員會（「戰略發展及投資委員會」）。
2. 審核委員會全體成員均為獨立非執行董事，當中委員會主席蔣彥女士具備有關會計或財務管理之專業履歷或專業知識。

BOARD OF DIRECTORS

The key responsibilities of the Board include, among other things, formulating the Company's overall strategies and corporate governance policies, setting management targets, regulating internal controls and financial management, and supervising the management's performance, while the day-to-day operations and management are delegated by the Board to the executives of the Company.

The Board currently comprises 15 directors, whose details are set out on pages 29 to 34 of this annual report. The Board currently includes six executive directors, four non-executive directors and five independent non-executive directors, namely, Mr. Tan Xuguang (Chairman and CEO), Mr. Zhang Quan, Mr. Xu Xinyu, Mr. Sun Shaojun, Mr. Yuan Hongming and Mr. Yan Jianbo as Executive Directors; Mr. Zhang Liangfu, Mr. Jiang Kui, Mr. Gordon Riske and Mr. Michael Martin Macht as Non-executive Directors; and Mr. Li Hongwu, Mr. Wen Daocai, Ms. Jiang Yan, Mr. Yu Zhuoping and Ms. Zhao Huifang as Independent Non-executive Directors.

The Company has formulated and implemented a "Diversity Policy regarding Members of the Board of Directors" to support the attainment of strategic goals and the needs for sustainable development. The composition of the Board of Directors will be based on a range of diversity elements, including but not limited to gender, age, cultural and educational background, race, professional experience, skills, knowledge and length of service. Final decisions will be made based upon the merits of the individuals and his or her contributions to be made to the Board.

The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and considers each of the independent non-executive directors to be independent.

The Board has notified each of the directors and supervisors in advance that they should not trade in the securities of the Company within the period as stipulated under the Listing Rules. All directors and supervisors confirmed that they were in compliance with the Listing Rules in this respect.

Other than their working relationships with the Company, none of the directors, supervisors or the senior management has any financial, business or family relationship or any relationship in other material aspects with each other.

Other than the service contracts entered into by them or as otherwise disclosed in this annual report, none of the directors or the supervisors has any personal and substantive interest, direct or indirect, in the material contracts entered into by the Company or any of its subsidiaries during 2020.

董事會

董事會的主要職責包括(其中包括)制訂本公司的整體策略和企業管治政策、確立管理目標、規管內部監控及財務管理以及監察管理層的表現，而本公司的日常運作及管理工作的則由董事會授權本公司執行人員負責。

董事會現有十五名董事，彼等之個人履歷載於本年報第29至34頁。董事會成員目前包括六名執行董事、四名非執行董事及五名獨立非執行董事：譚旭光先生(董事長兼首席執行官)、張泉先生、徐新玉先生、孫少軍先生、袁宏明先生及嚴鑾鉞先生為執行董事，張良富先生、江奎先生、Gordon Riske先生及Michael Martin Macht先生為非執行董事，而李洪武先生、聞道才先生、蔣彥女士、余卓平先生及趙惠芳女士為獨立非執行董事。

本公司已制定和執行《董事會成員多元化政策》，以支持公司達到其戰略目標及可持續均衡發展的須要。在甄選董事會成員組合時將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選的長處及可為董事會提供的貢獻而作決定。

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性作出的年度確認，並認為各獨立非執行董事均具獨立性。

董事會已預先知會各董事及監事，於上市規則規定期間不得買賣本公司證券。全體董事及監事確認，彼等於此方面已遵守上市規則。

除與本公司的工作關係外，董事、監事或高級管理人員彼此之間概無財務、商業或家庭關係或其他重大關係。

除訂立服務合約及本年報另有披露者外，董事或監事概無於本公司或其任何附屬公司在二零二零年間訂立的重大合約中，直接或間接擁有個人重大權益。

Each of the executive directors, non-executive directors, independent non-executive directors and supervisors of the Company has entered into a service contract with the Company and their relevant terms of office shall be from 14 June 2018 to the conclusion of the 2020 annual general meeting of the Company, save that the terms of office of Mr. Zhang Liangfu, a non-executive director, and Ms. Jiang Yan, Mr. Yu Zhuoping and Ms. Zhao Huifang, all being independent non-executive directors, shall be from 29 June 2020 to the conclusion of the 2020 annual general meeting of the Company.

The Company attached great importance to the continuous professional development of the directors and company secretary and paid close attention to and actively organised relevant trainings for them. Each of the directors of the Company actively participated in various special trainings in respect to corporate governance and directors' responsibilities in full compliance with Code A.6.5 of Corporate Governance Code as set out in Appendix 14 to the Hong Kong Listing Rules and regulatory requirements of the PRC. The company secretary of the Company completed relevant trainings as required under Rule 3.29 of the Hong Kong Listing Rules.

In 2020, the Board reviewed and revised, where necessary, the corporate governance policies and practice of the Company, reviewed and supervised the training and continuing professional development attended by the directors and senior management, reviewed and supervised the Company's policies and practice in its compliance with laws and regulations, reviewed and supervised the code of conduct of employees and directors, and reviewed the Company's compliance with the Corporate Governance Code.

In 2020, the Company held twelve Board meetings. The principal activities of the Board in 2020 were as follows:

- Review of the annual and interim results of the Company;
- Review of the auditors' report, internal control audit report, final financial report, financial budget report and corporate social responsibilities report of the Company;
- Review of the annual profit distribution, interim dividend and the 2019 final dividend distribution proposal;
- Consideration and approval of connected transactions and continuing connected transactions in relation to the subscription of the non-public issuance of shares of Shantui Engineering Machinery Co., Ltd.;
- Consideration and approval of the Company's banking facilities;
- Consideration and approval of the amendments to the Articles of Association, Rules of Procedure for General Meetings of Weichai Power Co., Ltd., Rules of Procedure for Board Meetings of Weichai Power Co., Ltd. and Rules for the Management of the Use of Proceeds of Weichai Power Co., Ltd.;

本公司各執行董事、非執行董事、獨立非執行董事及監事已各自與本公司訂立服務合約，有關任期自二零一八年六月十四日起至二零二零年度股東周年大會結束止，唯非執行董事張良富先生和本公司獨立非執行董事蔣彥女士、余卓平先生和趙惠芳女士的任期自二零二零年六月二十九日起至本公司二零二零年股東周年大會結束之日止。

本公司注重董事和公司秘書的持續專業發展，關注並積極組織他們參加相關的培訓。本公司各董事全面按照香港上市規則附錄十四《企業管治守則》A.6.5以及內地監管的要求，積極參加了以公司治理監管、董事職責等為主題的多次專項培訓。本公司公司秘書已按照香港上市規則第3.29條的要求完成相關培訓。

董事會已在二零二零年度內檢討及修訂(如須要)本公司的企業管治政策及常規、檢討及監察董事及高級管理人員的培訓及持續專業發展、檢討及監察公司在遵守法律及監管規定方面的政策及常規、檢討及監察僱員及董事的操守準則和檢討公司遵守《企業管治守則》的情況。

本公司於二零二零年舉行十二次董事會會議。董事會二零二零年度的主要工作如下：

- 審閱本公司年度及中期業績；
- 審閱本公司審計報告，內部控制審計報告，財務決算報告，財務預算報告和社會責任報告；
- 審閱年度利潤分配、中期股息及二零一九年末期股息派發方案；
- 審批公司認購山推工程機械股份有限公司非公開發行股份暨關連交易及持續性關連交易；
- 審批公司辦理銀行授信業務；
- 審批修訂《公司章程》、《濰柴動力股份有限公司股東大會議事規則》、《濰柴動力股份有限公司董事會議事規則》及《濰柴動力股份有限公司募集資金使用管理辦法》；

- Consideration and approval of the provision of financial guarantee to subsidiaries;
- Consideration and approval of the engagement in the structured deposits business by its subsidiaries and its controlling subsidiaries;
- Consideration and approval of the election of non-executive directors and independent non-executive directors;
- Consideration and approval of the election of specialized committees of the Company;
- Consideration and approval of the appointment of senior management members of the Company;
- Consideration and approval of the non-public issuance of A Shares of the Company;

The total remuneration of the directors in 2020, including the basic salary, performance-linked salary, incentive salary and discretionary bonus, amounted to approximately RMB9.49 million. Independent non-executive directors were only entitled to receive director's fees but not other salary or remuneration. For details of the remuneration of directors, please refer to Note X.5(5) to the financial statements of the Company.

AUDIT COMMITTEE

An Audit Committee has been established by the Board.

The Audit Committee is principally responsible for supervising the Company's internal audit system and its implementation, reviewing the Company's financial controls, risk management and internal control policies and systems as well as material connected transactions and proposing the engagement or removal of external auditors. It is also responsible for the communications between the internal auditors and the external auditors as well as review of financial information of the Company and the disclosure thereof.

The Audit Committee comprises all the independent non-executive directors of the Company, currently including Ms. Jiang Yan, Mr. Li Hongwu, Mr. Wen Daocai, Mr. Yu Zhuoping and Ms. Zhao Huifang. As Ms. Jiang Yan has the appropriate professional qualifications and experience in financial matters, she acts as the chairman of the Audit Committee. The terms of reference of the Audit Committee are aligned with the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants.

During the reporting period, the Company held six meetings of the Audit Committee.

- 審批為子公司融資提供擔保；
- 審批子公司及其控股子公司開展結構性存款業務；
- 審批公司選舉非執行董事、獨立非執行董事；
- 審批公司各專業委員會選舉；
- 審批公司聘任高級管理人員；
- 審批公司非公開發行A股股票事項；

二零二零年度董事酬金總計約為人民幣9.49百萬元，包括基本薪金、績效薪金、獎勵薪金及酌情花紅。獨立非執行董事僅有權獲取董事袍金，而並無其他薪金或報酬。有關董事酬金詳情請參閱本公司財務報表附註十、5(5)。

審核委員會

董事會已成立審核委員會。

審核委員會主要負責監督公司的內部審計制度及其實施，審查公司財務監控、風險管理、內部控制制度及體系，並對重大關聯交易進行審計，提議聘請或更換外部審計機構，負責內部審計與外部審計的溝通以及審核公司的財務信息及披露。

審核委員會由全體獨立非執行董事組成，成員目前包括蔣彥女士、李洪武先生、聞道才先生、余卓平先生及趙惠芳女士。蔣彥女士具備適當的財務專業資格及經驗，故擔任審核委員會主席。審核委員會的工作細則符合香港會計師公會頒佈的《審核委員會有效運作指引》所載建議。

報告期內，公司共召開六次審核委員會會議。

1. On 12 February 2020, the first provisional meeting in 2020 of the Audit Committee was convened by way of facsimile. The meeting considered and approved the resolution regarding engagement in the structured deposits business by the Company and its controlling subsidiaries, and resolved to submit the same resolution to the Board for consideration and approval.
 2. On 23 March 2020, the fourth meeting of the Audit Committee of the fifth session of the Board was convened by way of concurrent phone conference and on-site meeting. The meeting considered and approved the resolutions regarding the financial report and auditors' report for 2019, the re-appointment of Deloitte Touche Tohmatsu Certified Public Accountants LLP as the auditors of the Company for year 2020, the re-appointment of Hexin Accountants LLP as the internal control auditors of the Company for the year 2020, the internal control self-evaluation report for 2019 and the internal audit report for 2019, and resolved to submit the same resolutions to the Board for consideration and approval. The meeting also considered and approved the Company's internal audit work plan for 2020.
 3. On 24 April 2020, the second provisional meeting in 2020 of the Audit Committee was convened by way of facsimile. The meeting considered and approved the resolution regarding the review of the 2020 first quarterly report of the Company, and resolved to submit the same resolution to the Board for consideration and approval.
 4. On 31 July 2020, the third provisional meeting in 2020 of the Audit Committee was convened by way of facsimile. The meeting considered and approved the resolution regarding the determination of the auditors' fee for the year 2020, and resolved to submit the same resolution to the Board for consideration and approval.
1. 2020年2月12日，公司以傳真方式召開了2020年第一次臨時審核委員會，本次會議審議通過了關於公司及其控股子公司開展結構性存款業務的議案，並決議將上述議案提交公司董事會審議。
 2. 2020年3月23日，公司以電話會議與現場會議相結合的方式召開了五屆四次董事會審核委員會，本次會議審議通過了公司2019年度財務報告及審計報告、公司續聘德勤華永會計師事務所(特殊普通合夥)為公司2020年度審計服務機構、公司續聘和信會計師事務所(特殊普通合夥)為公司2020年度內部控制審計服務機構、公司2019年度內部控制評價報告、公司2019年度內部控制審計報告的議案，並決議將上述議案提交公司董事會審議；同時本次會議審閱通過了公司2020年度內部審計工作計劃。
 3. 2020年4月24日，公司以傳真方式召開了2020年第二次臨時審核委員會，本次會議審議通過了關於審核公司2020年第一季度報告的議案，並決議將上述議案提交公司董事會審議。
 4. 2020年7月31日，公司以傳真方式召開了2020年第三次臨時審核委員會，本次會議審議通過了關於核定公司2020年度審計服務機構酬金的議案，並決議將上述議案提交公司董事會審議。

5. On 24 August 2020, the fifth meeting of the Audit Committee of the fifth session of the Board was convened by way of concurrent phone conference and on-site meeting. The meeting considered and approved resolutions regarding the Company's 2020 interim financial report and review report issued by the accountant of the Company, and resolved to submit the same resolutions to the Board for consideration and approval.
6. On 27 October 2020, the fourth provisional meeting in 2020 of the Audit Committee was convened by way of facsimile. The meeting considered and approved the resolution regarding the review of the 2020 third quarterly report of the Company, and resolved to submit the same resolution to the Board for consideration and approval.

Further, those independent directors sitting on the Audit Committee have expressed their opinions on matters including non-public issuance of A Shares, connected transactions, election of directors, appointment of senior management and profit distribution that occurred during the reporting period.

In addition, in the course of audit of the financial report 2020 of the Company, the Audit Committee performed the following tasks on the principle of diligence in strict compliance with relevant requirements of the China Securities Regulatory Commission and Shenzhen Stock Exchange as well as the Terms of Reference of the Audit Committee under the Board of Directors and the Protocol of Work Procedures of the Audit Committee under the Board of Directors:

- (1) It carefully reviewed the Company's approval work plan for 2020 and relevant materials, and fixed the time arrangement for the audit work for year 2020 after discussion with CPA firm in charge of audit for the Company;

5. 2020年8月24日，公司以電話會議與現場會議相結合的方式召開了五屆五次董事會審核委員會，本次會議審議通過了公司2020年半年度財務報告及會計師審閱報告的議案，並決議將上述議案提交公司董事會審議。
6. 2020年10月27日，公司以傳真方式召開了2020年第四次臨時審核委員會，本次會議審議通過了關於審核公司2020年第三季度報告的議案，並決議將上述議案提交公司董事會審議。

另，審核委員會的獨立董事對報告期內非公開發行A股股票、關聯交易、董事選舉、高級管理人員聘任、利潤分配等事項均發表了獨立董事意見。

除此之外，公司審核委員會在公司2020年度財務報告審計工作中，嚴格按照中國證監會、深圳證券交易所有關規定及公司《董事會審核委員會工作細則》《董事會審核委員會年報工作規程》的規定，本著勤勉盡責的原則，履行了以下工作：

- (1) 認真審閱了公司2020年度審議工作計劃及相關材料，與負責公司年度審計工作的註冊會計師協商確定了公司2020年度審計工作的時間安排；

- (2) Before the CPA firm commenced its audit work, the Audit Committee had reviewed the first draft of the financial statements 2020 of the Company and considered that the Company's preparation of the financial statements essentially reflected the financial conditions and operating results of the Company, and agreed that the audit work for 2020 can be commenced based on such financial statements;
- (3) After the issue of preliminary audit opinion by the CPA firm, the Audit Committee reviewed the financial report after the issue of the preliminary audit opinion, and considered that the financial report 2020 of the Company gave a true, accurate and complete view of the overall operating conditions and financial position of the Company in 2020, and agreed that the annual report 2020 and summary thereof can be prepared based on such financial report;
- (4) After the supply of the preliminary audit outcome for year 2020 by the CPA firm, the Audit Committee convened a meeting on 25 March 2021, on which it concluded on the audit work for year 2020, and considered and approved resolutions regarding the financial report and auditors' report for the year 2020, internal control self-evaluation report and audit report as well as re-appointment of the auditors of the Company for the year 2021.

Throughout the period under review, the Audit Committee discharged its responsibilities, reviewed and discussed the financial results and the effectiveness of financial control, internal audit, internal control and risk management system of the Group.

In accordance with the requirements of Appendix 16 to the Listing Rules, the Audit Committee has reviewed the financial statements for the year ended 31 December 2020.

The auditors of the Company have audited the financial statements and have issued an unqualified auditors' report.

- (2) 在註冊會計師進場審計之前，審核委員會審閱了公司的2020年度財務報表初稿，認為公司編製的財務報表基本能夠反映公司的財務狀況和經營成果，同意以此財務報表為基礎開展2020年度審計工作；
- (3) 註冊會計師出具初步審計意見後，審核委員會審閱了出具初步審計意見後的財務報告，認為公司2020年度財務報告真實、準確、完整地反映了公司2020年的整體經營情況和財務狀況，同意以此財務報告為基礎編製公司2020年年度報告和年報摘要；
- (4) 在註冊會計師提供了2020年度初步審計結果後，審核委員會於2021年3月25日召開會議，對2020年度的審計工作進行了總結，並就公司2020年度財務報告及審計報告、內控評價報告及審計報告以及關於聘請2021年度審計服務機構等議案進行了審議並形成了決議。

於回顧期間內，審核委員會履行其職責，檢討及討論本集團財務業績、財務監控、內部審計、內部監控及風險管理制度的有效性。

審核委員會已根據上市規則附錄十六的規定，審閱截至二零二零年十二月三十一日止年度的財務報表。

本公司的核數師已審核財務報表，並發出無保留意見的核數師報告。

STRATEGIC DEVELOPMENT AND INVESTMENT COMMITTEE

The Strategic Development and Investment Committee (“SDIC”) has been established by the Board.

The SDIC is principally responsible for examining and reviewing the Company’s strategic plans, monitoring the implementation of strategic planning, and facilitating timely adjustments to the Company’s strategies and governance structure.

The SDIC currently comprises Mr. Tan Xuguang (Chairman of the Board and of the SDIC), Mr. Michael Martin Macht (Vice Chairman of the SDIC), Mr. Zhang Liangfu, Mr. Zhang Quan, Mr. Xu Xinyu, Mr. Sun Shaojun, Mr. Yuan Hongming, Mr. Yan Jianbo and Mr. Yu Zhuoping.

REMUNERATION COMMITTEE

A remuneration committee (the “Remuneration Committee”) has been established by the Board.

The Remuneration Committee is responsible for the recommendation to the Board of the remuneration packages and terms of employment of directors, supervisors and senior management of the Company and for the determination of the relevant remuneration policy and incentive schemes for directors, supervisors and senior management. For details of the remuneration policy of the Company, please refer to page 75 of this annual report.

During the reporting period, the Company held one meeting of the Remuneration Committee.

On 11 March 2020, the first meeting in 2020 of the Remuneration Committee of the Board was convened by way of facsimile. The meeting considered and approved the resolution regarding the implementation of incentive scheme in 2019 vis-a-vis senior management and core members of the Company, and resolved to submit the same resolution to the Board for consideration and approval.

The Remuneration Committee currently comprises one executive director and two independent non-executive directors, being Ms. Zhao Huifang (chairman of the Remuneration Committee), Mr. Tan Xuguang and Ms. Jiang Yan.

During the review period, in the course of performing its duties, the Remuneration Committee reviewed and discussed the remuneration policy of the Company, assessed the performance of executive directors and senior management members, and approved the service contracts of the relevant directors, supervisors and senior management members.

戰略發展及投資委員會

董事會已成立戰略發展及投資委員會。

戰略發展及投資委員會主要負責審查及檢討本公司的戰略計劃、監察戰略計劃的實施進度以及適時調整本公司的戰略及管治架構。

戰略發展及投資委員會成員目前包括譚旭光先生(董事會董事長兼戰略發展及投資委員會主席)、Michael Martin Macht先生(戰略發展及投資委員會副主席)、張良富先生、張泉先生、徐新玉先生、孫少軍先生、袁宏明先生、嚴鑒鉞先生及余卓平先生。

薪酬委員會

董事會已成立薪酬委員會。

薪酬委員會負責就董事、監事及本公司高級管理人員的薪酬福利及任期向董事會提供建議；同時也負責制定有關董事、監事及高級管理人員的相關薪酬政策及獎勵計劃。本公司薪酬政策詳情可參閱本年報第75頁。

報告期內，公司共召開一次薪酬委員會會議。

2020年3月11日，公司以傳真方式召開了2020年第一次董事會薪酬委員會，本次會議審議通過了關於對公司高管及核心人員實施2019年度經營獎勵的議案，並決議將上述議案提交公司董事會審議。

薪酬委員會成員目前包括一名執行董事及兩名獨立非執行董事，包括趙惠芳女士(薪酬委員會主席)、譚旭光先生及蔣彥女士。

於回顧期間內，薪酬委員會履行其職責、檢討及討論薪酬政策，評估執行董事及高級管理人員表現和批准有關董事、監事及高級管理人員服務合約。

NOMINATION COMMITTEE

A nomination committee (the "Nomination Committee") has been established by the Board.

The Nomination Committee currently comprises one executive director and two independent non-executive directors, namely Mr. Li Hongwu (chairman of the Nomination Committee), Mr. Xu Xinyu and Ms. Zhao Huifang.

During the reporting period, the Company held four meetings of the Nomination Committee.

1. On 2 January 2020, the first meeting in 2020 of the Nomination Committee was convened by way of facsimile. The meeting considered and approved the resolution regarding the nomination of Mr. Cheng Guangxu as a vice president of the Company, and resolved to submit the same resolution to the Board for consideration and approval.
2. On 12 February 2020, the second meeting in 2020 of the Nomination Committee was convened by way of facsimile. The meeting considered and approved the resolutions regarding the nomination of Mr. Chen Wenmiao, Mr. Wang Zhijian, Mr. Sun Jian and Mr. Hu Haihua, each as a vice president of the Company, and resolved to submit the same resolutions to the Board for consideration and approval.
3. On 11 March 2020, the third meeting in 2020 of the Nomination Committee was convened by way of facsimile. The meeting considered and approved the resolution regarding the nomination of Mr. Zhang Liangfu as a candidate for the director of the Company, and resolved to submit the same resolution to the Board for consideration and approval.
4. On 11 May 2020, the fourth meeting in 2020 of the Nomination Committee was convened by way of facsimile. The meeting considered and approved the resolutions regarding the nomination of Ms. Jiang Yan and Mr. Yu Zhuoping, each as an independent director of the Company, and resolved to submit the same resolutions to the Board for consideration and approval.

提名委員會

董事會已成立提名委員會。

提名委員會成員目前包括一名執行董事及兩名獨立非執行董事，即李洪武先生(提名委員會主席)、徐新玉先生及趙惠芳女士。

報告期內，公司共召開四次提名委員會會議。

1. 2020年1月2日，公司以傳真方式召開了2020年第一次董事會提名委員會，本次會議審議通過了關於提名程廣旭先生為公司副總裁的議案，並決議將上述議案提交公司董事會審議。
2. 2020年2月12日，公司以傳真方式召開了2020年第二次董事會提名委員會，本次會議審議通過了關於提名陳文淼先生為公司副總裁、提名王志堅先生為公司副總裁、提名孫健先生為公司副總裁、提名胡海華先生為公司副總裁的議案，並決議將上述議案提交公司董事會審議。
3. 2020年3月11日，公司以傳真方式召開了2020年第三次董事會提名委員會，本次會議審議通過了關於提名張良富先生為公司董事候選人的議案，並決議將上述議案提交公司董事會審議。
4. 2020年5月11日，公司以傳真方式召開了2020年第四次董事會提名委員會，本次會議審議通過了關於提名蔣彥女士為公司獨立董事、提名余卓平先生為公司獨立董事的議案，並決議將上述議案提交公司董事會審議。

SUPERVISORY COMMITTEE

The Supervisory Committee consists of three members, with one Supervisor being elected from the staff as a representative of employees and the other two elected by the shareholders of the Company. The Supervisory Committee is responsible for supervision of the Board and its members and the senior management of the Company, so as to prevent them from abusing their authorities and infringing the interests of the Company, its shareholders and staff. The size and composition of the Supervisory Committee are in compliance with the requirements of the relevant laws and regulations of the PRC. The Supervisory Committee held five meetings during the Year to carry out its supervision on behalf of the shareholders in respect of the Company's financial matters and the lawfulness and compliance in respect of the discharge of duties by the directors and senior management of the Company. The members of the Supervisory Committee attended the Board meetings and general meetings of the Company and diligently performed their supervisory duties.

Attendances at meetings of the Shareholders, Board, Supervisory Committee and special committees (attendance in person/number of meetings) during the Year are as follows:

監事會

監事會由三名成員組成，其中一名監事由員工選出作為僱員代表，另外兩名則由本公司股東選出。監事會負責監督董事會及其成員以及本公司高級管理層，防止其濫用職權，侵犯本公司、其股東及員工的權益。監事會的人數及組合符合有關中國法律及法規的規定。監事會於年內曾舉行五次會議，以代表股東對本公司財務事宜及董事和本公司高級管理層執行職務是否合法及遵從法律進行監督。監事會的成員已列席董事會會議以及出席本公司股東大會，並盡職履行其監督職責。

年內，股東大會、董事會、監事會及特別委員會會議的出席資料(出席次數/會議次數)如下：

Name	姓名	General Meeting 股東大會	Board 董事會	Supervisory Committee 監事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Executive Directors	執行董事						
Tan Xuguang	譚旭光		11/12 ⁽¹⁾			1/1	
Zhang Quan	張泉	3/3	12/12				
Xu Xinyu	徐新玉	2/3	12/12				4/4
Sun Shaojun	孫少軍	2/3	12/12				
Yuan Hongming	袁宏明	1/3	12/12				
Yan Jianbo	嚴鑒鉞		12/12				
Non-executive Directors	非執行董事						
Zhang Liangfu (appointed on 29 June 2020)	張良富(二零二零年六月二十九日上任)			6/7 ⁽¹⁾			
Jiang Kui	江奎	1/3	12/12				
Gordon Riske	Gordon Riske	2/3	12/12				
Michael Martin Macht	Michael Martin Macht	2/3	11/12 ⁽¹⁾				
Wang Yuepu (resigned on 26 March 2020)	王曰普(於二零二零年三月二十六日辭任)			2/3 ⁽¹⁾			

Name	姓名	General Meeting 股東大會	Board 董事會	Supervisory Committee 監事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Independent Non-executive Directors							
Li Hongwu	李洪武	3/3	12/12		6/6		4/4
Wen Daocai	聞道才		12/12		6/6		
Jiang Yan (appointed on 29 June 2020)	蔣彥(二零二零年六月二十九日上任)	2/2	7/7		3/3		
Yu Zhuoping (appointed on 29 June 2020)	余卓平(二零二零年六月二十九日上任)	2/2	7/7		3/3		
Zhao Huifang (appointed on 29 June 2020)	趙惠芳(二零二零年六月二十九日上任)	2/2	7/7		3/3		
Zhang Zhong (retired on 29 June 2020)	張忠(二零二零年六月二十九日退任)	1/1	5/5		3/3	1/1	4/4
Wang Gongyong (retired on 29 June 2020)	王貢勇(二零二零年六月二十九日退任)	1/1	5/5		3/3	1/1	4/4
Ning Xiangdong (retired on 29 June 2020)	寧向東(二零二零年六月二十九日退任)	1/1	5/5		3/3		
Supervisors							
Lu Wenwu	魯文武	3/3		5/5			
Wu Hongwei	吳洪偉	3/3		4/5			
Ma Changhai	馬常海	3/3		5/5			

According to the requirements under Code I(d) of the Corporate Governance Code, the attendance of alternate directors shall not be included in the attendance of the relevant directors.

按照《企業管治守則》第I(d)條規定，替代董事的出席不得計入有關董事的出席次數。

Note:

附註：

(1) In addition, the director also appointed another director as his representative to attend and vote at one meeting of the board on his behalf.

(1) 此外，該董事亦委任另一名董事為其代表，代其出席一次董事會會議並於會上投票。

GENERAL MEETING AND INVESTOR RELATIONS

The shareholders' general meeting is the highest authority of the Company, providing an opportunity for direct communications and building a sound relationship between the Board and the shareholders of the Company. Therefore, the Company places great attention to such meetings. In 2020, the Company convened three general meetings. Matters reviewed and approved at the said meetings include the following:

(1) 2019 ANNUAL GENERAL MEETING HELD ON 29 JUNE 2020

1. To consider and approve the full text and summary of the Annual Report of the Company for year 2019
2. To consider and approve the Report of the Board of Directors of the Company for year 2019
3. To consider and approve the Report of the Supervisory Committee of the Company for year 2019
4. To consider and approve the financial report of the Company and the Auditors' Report for year 2019
5. To consider and approve the 財務決算報告 (final financial report) of the Company for year 2019
6. To consider and approve the 財務預算報告 (financial budget report) of the Company for year 2020
7. To consider and approve the distribution of profit of the Company for year 2019
8. To consider and approve the granting of a mandate to the Board of Directors for payment of interim dividend to the shareholders of the Company for year 2020
9. To consider and approve the resolution in relation to the re-appointment of Deloitte Touche Tohmatsu Certified Public Accountants LLP as the auditors of the Company for year 2020 and to authorise the Directors to determine their remuneration

股東大會與投資者關係

股東大會乃本公司最高權力機構，為董事會與本公司股東直接溝通及建立良好關係的機會。因此，本公司高度重視該等會議。二零二零年，本公司共召開三次股東大會，會上審閱及通過的主要事項包括：

(1) 2020年6月29日召開2019年股東周年大會

1. 審議及批准公司2019年年度報告全文及摘要的議案
2. 審議及批准公司2019年度董事會工作報告的議案
3. 審議及批准公司2019年度監事會工作報告的議案
4. 審議及批准公司2019年度財務報告及審計報告的議案
5. 審議及批准公司2019年度財務決算報告的議案
6. 審議及批准公司2020年度財務預算報告的議案
7. 審議及批准關於公司2019年度利潤分配的議案
8. 審議及批准關於授權董事會向公司股東派發2020年度中期股息的議案
9. 審議及批准關於續聘德勤華永會計師事務所(特殊普通合伙)為公司2020年度審計服務機構並授權董事會決定其酬金的議案

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| 10. To consider and approve the re-appointment of 和信會計師事務所(特殊普通合夥)(Hexin Accountants LLP) as the internal control auditors of the Company for year 2020 | 10. 審議及批准關於續聘和信會計師事務所(特殊普通合夥)為公司2020年度內部控制審計服務機構的議案 |
| 11. To consider and approve the amendments to the Articles of Association of Weichai Power Co., Ltd. | 11. 審議及批准關於修訂《濰柴動力股份有限公司章程》的議案 |
| 12. To consider and approve the amendments to the Rules of Procedure for General Meetings of Weichai Power Co., Ltd. | 12. 審議及批准關於修訂《濰柴動力股份有限公司股東大會議事規則》的議案 |
| 13. To consider and approve the amendments to the Rules of Procedure for Board Meetings of Weichai Power Co., Ltd. | 13. 審議及批准關於修訂《濰柴動力股份有限公司董事會議事規則》的議案 |
| 14. To consider and approve the election of Mr. Zhang Liangfu as a director of the Company | 14. 審議及批准關於選舉張良富先生為公司董事的議案 |
| 15. To consider and approve the election of independent directors of the Company | 15. 審議及批准關於選舉公司獨立董事的議案 |
| 15.01 To consider and approve the election of Ms. Jiang Yan as an independent director of the Company | 15.01 審議及批准關於選舉蔣彥女士為公司獨立董事的議案 |
| 15.02 To consider and approve the election of Mr. Yu Zhuoping as an independent director of the Company | 15.02 審議及批准關於選舉余卓平先生為公司獨立董事的議案 |
| 15.03 To consider and approve the election of Ms. Zhao Huifang as an independent director of the Company | 15.03 審議及批准關於選舉趙惠芳女士為公司獨立董事的議案 |

(2) FIRST EXTRAORDINARY GENERAL MEETING IN 2020 HELD ON 31 JULY 2020

1. To consider and approve the grant of the guarantees by the Company for the financing of an overseas wholly-owned subsidiary

(3) SECOND EXTRAORDINARY GENERAL MEETING IN 2020 HELD ON 13 NOVEMBER 2020

1. To consider and approve the connected transactions in respect of sale of diesel engines, diesel engines parts and components, materials, semi-finished products, hydraulic products and related products and provision of processing services by the Company and its subsidiaries to Weichai Holdings Group Co., Ltd and its subsidiaries (and/or associates)
2. To consider and approve the connected transactions in respect of provision of utilities by Weichai Holdings Group Co., Ltd and its subsidiaries (and/or associates) to the Company and its subsidiaries
3. To consider and approve the connected transactions in respect of purchase of diesel engine parts and components, materials, steel and scrap metal etc., diesel engines and related products and labour and processing services by the Company and its subsidiaries from Weichai Heavy-duty Machinery Co., Ltd. and its subsidiaries
4. To consider and approve the connected transactions in respect of sale of engines, new energy powertrain and related products by the Company and its subsidiaries to Yangzhou Yaxing Motor Coach Co., Ltd. and its subsidiaries
5. To consider and approve the connected transactions in respect of sale of transmissions by Shaanxi Fast Gear Co., Ltd., a controlled subsidiary of the Company, to Yangzhou Yaxing Motor Coach Co., Ltd. and its subsidiaries

(2) 2020年7月31日召開2020年第一次臨時股東大會

1. 審議及批准關於公司為境外全資子公司融資提供擔保的議案

(3) 2020年11月13日召開2020年第二次臨時股東大會

1. 審議及批准關於公司及其附屬公司向濰柴控股集團有限公司及其附屬(關聯)公司銷售柴油機、柴油機零部件、原材料、半成品、液壓產品及相關產品和提供加工服務關聯交易的議案
2. 審議及批准關於濰柴控股集團有限公司及其附屬(關聯)公司向公司及其附屬公司提供動能服務關聯交易的議案
3. 審議及批准關於公司及其附屬公司向濰柴重機股份有限公司及其附屬公司採購柴油機零部件、原材料、鋼材及廢金屬等、柴油機及相關產品、勞務和加工服務關聯交易的議案
4. 審議及批准關於公司及其附屬公司向揚州亞星客車股份有限公司及其附屬公司銷售發動機、新能源動力總成及相關產品關聯交易的議案
5. 審議及批准關於公司控股子公司陝西法士特齒輪有限責任公司向揚州亞星客車股份有限公司及其附屬公司銷售變速器關聯交易的議案

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| 6. | To consider and approve the connected transactions in respect of sale of axles by Shaanxi Hande Axle Co., Ltd., a controlled subsidiary of the Company, to Yangzhou Yaxing Motor Coach Co., Ltd. and its subsidiaries | 6. | 審議及批准關於公司控股子公司陝西漢德車橋有限公司向揚州亞星客車股份有限公司及其附屬公司銷售車橋關聯交易的議案 |
| 7. | To consider and approve the connected transactions in respect of sale of base engines, gas engine parts, utility and labour services, technology development services and related products and services by the Company and its subsidiaries (and/or associates) to Weichai Power Westport New Energy Engine Co., Ltd | 7. | 審議及批准關於公司及其附屬(關聯)公司向濰柴西港新能源動力有限公司銷售本體機、氣體機配件、提供動能與勞務、技術開發服務及相關產品及服務關聯交易的議案 |
| 8. | To consider and approve the connected transactions in respect of purchase of gas engines, gas engine parts, labour services and related products and services by the Company and its subsidiaries (and/or associates) from Weichai Westport New Energy Engine Co., Ltd | 8. | 審議及批准關於公司及其附屬(關聯)公司向濰柴西港新能源動力有限公司採購氣體機、氣體機配件、接受勞務及相關產品及服務關聯交易的議案 |
| 9. | To consider and approve the connected transactions in respect of provision of logistics and storage services by Weichai Power (Weifang) Intensive Logistics Co., Ltd. (a wholly-owned subsidiary of the Company) (and/or its associates) to Weichai Westport New Energy Engine Co., Ltd | 9. | 審議及批准關於公司全資子公司濰柴動力(濰坊)集約配送有限公司及/或關聯公司向濰柴西港新能源動力有限公司提供運輸、倉儲等服務關聯交易的議案 |
| 10. | To consider and approve the connected transactions in respect of the leasing of factory buildings by the Company to Weichai Westport New Energy Engine Co., Ltd | 10. | 審議及批准關於公司向濰柴西港新能源動力有限公司出租廠房關聯交易的議案 |
| 11. | To consider and approve the grant of guarantee by the Company for the financing of an overseas wholly-owned subsidiary of the Company | 11. | 審議及批准關於公司為境外全資子公司融資提供擔保的議案 |
| 12. | To consider and approve the amendments to the Company's scope of business and to the Articles of Association | 12. | 審議及批准關於變更公司經營範圍暨修訂《公司章程》的議案 |

SHAREHOLDERS' RIGHTS

Shareholders of the Company holding more than 10% of the shares of the Company either individually or collectively requesting the convening of an extraordinary general meeting or a class meeting shall proceed in accordance with the procedures set forth in Article 103 of the Articles of Association.

Pursuant to Article 74 of the Articles of Association, shareholders of the Company who hold, individually or collectively, more than 3% of the Company's shares shall have the right to propose a motion to the Company for consideration at the general meeting of the Company. Shareholders who hold, individually or collectively, more than 3% of the Company's shares may propose a provisional motion in writing to the Board of Directors 10 business days prior to the general meeting. Within two days upon the receipt of the proposed motion, the Board of Directors shall issue a supplementary notice of the general meeting to announce the content of the provisional motion.

Shareholders of the Company are welcome to send their enquiries to the Board via our Capital Operation Department, details of which are set out in the section headed "Corporate Information" in this annual report.

PROCEDURES FOR SHAREHOLDERS TO PROPOSE CANDIDATES FOR ELECTION AS A DIRECTOR

Pursuant to the requirement of the Articles of Association, any shareholder who, by itself or jointly, holding shares representing more than 3% of the voting rights of the Company shall have the right to nominate candidates for directorship. The number of shares directly or indirectly held by each shareholder cannot be further subdivided in order to propose a motion by himself or jointly with other persons.

The period for service of notices in writing by shareholders to the Company of the intention to propose a candidate for election as a director in accordance with the Articles of Association and of such candidate's consent to be elected shall be at least 7 days, which shall commence from the day following the dispatch of the notice convening the general meeting for the election of directors and shall end on the date which is no later than 7 days prior to the date of such general meeting.

股東權利

單獨或合併持有本公司10%以上股份的本公司股東要求召集股東特別大會或類別股東會議，應當按照公司章程第103條所載程序辦理。

根據本公司的公司章程第74條，單獨或合併持有本公司3%以上股份的本公司股東，有權於本公司股東大會上向本公司提出提案以作考慮。單獨或合併持有本公司3%以上股份的本公司股東，可以在股東大會召開10個工作日前提出臨時提案並書面提交董事會。董事會應當在收到提案後2日內發出股東大會補充通告，公告臨時提案的內容。

歡迎本公司股東透過資本運營部向董事會提出查詢，有關詳情載於本年度報告「公司資料」一節。

股東提名人選參選董事的程序

依據公司章程規定，單獨或合併持有公司有表決權股份3%以上的股東可以提名董事候選人。每名股東直接和間接持有的股份均不得分拆自行或者與他人共同提出議案。

任何股東依據公司章程的規定向公司發出的有關提名董事候選人的意圖的書面通知以及候選人表明願意接受提名的書面通知的最短期限均為7天，向公司提出發出前述所指的通知的期限自發出載有就選舉董事而召開的股東大會的會議通知後一天起至不遲於有關股東大會召開七天前止。

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the recent amendments to the Securities Law of the People's Republic of China (《中華人民共和國證券法》)(2019 Revision), the Reply of the State Council on Adjusting the Notice Period for the General Meeting of Shareholders and Other Matters Applicable to Companies Listed Abroad(《國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》) and the Guidelines of the Shenzhen Stock Exchange for Standardized Operation (2020 Revision) (《深圳證券交易所上市公司規範運作指引(2020年修訂)》) and taking into consideration the actual circumstances and operation development needs of the Company, as approved at the 2019 Annual General Meeting held on 29 June 2020, the Company made corresponding amendments to the Articles of Association, including to the articles on illegal trading of shares and the procedures for convening a general meeting.

Pursuant to the Notice regarding the Implementation of Standardised Registration of Business Scope of Market Participants (《關於全面實行市場主體經營範圍規範化登記的通知》) promulgated the Shandong Provincial Bureau for Market Regulation (山東省市場監督管理局), the Company conducted standardised registration of business scope and expanded the scope of business of the Company to include the sales of vehicle accessories and lubricants. Pursuant to the relevant requirements under the Company Law of the People's Republic of China and the Guidelines for the Articles of Association of Listed Companies, in view of the change of business scope, the Company has made amendments to certain clauses of Articles of Association as approved by shareholders at the 2020 second extraordinary general meeting held on 13 November 2020, including the amendments to the Company's business scope.

INTERNAL CONTROL AND MANAGEMENT

The Board recognises its responsibility for maintaining an adequate system of internal control to safeguard the Group's assets and shareholders' interests.

Internal control, including a defined management structure with limits of authority, is designed to help achieve business objectives, safeguard assets against unauthorised use, maintain proper accounting records for the provision of reliable financial information for internal use or for publication. The purpose of such system is to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage, rather than eliminate, risks of failure in operational systems and achievement of the Group's objectives.

The Company has an internal audit function. The management maintains and monitors the system of controls on an ongoing basis. The Audit Committee, which was delegated by the Board, reviews the Group's risk management and internal control policies and system at least once a year.

修訂公司章程

根據《中華人民共和國證券法(2019年修訂)》《國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》《深圳證券交易所上市公司規範運作指引(2020年修訂)》等相關規定，並結合本公司實際情況和經營發展需要，經公司在二零二零年六月二十九日在二零一九年股東周年大會上批准，對公司章程部分條款進行相應修訂，其中包括修訂股票違規買賣和股東大會召開程序等條款。

根據山東省市場監督管理局下發的《關於全面實行市場主體經營範圍規範化登記的通知》規定，公司對經營範圍進行規範化登記；同時根據本公司業務規劃，增加汽車配件、潤滑油等銷售業務。根據《中華人民共和國公司法》《上市公司章程指引》等相關規定，因經營範圍的變更，經公司在二零二零年十一月十三日在二零二零年第二次臨時股東大會上批准，對公司章程部分條款進行了修訂，其中包括修訂公司經營範圍等條款。

內部監控及管理

董事會了解其有責任維持一個適當的內部監控系統以保衛本集團資產及股東利益。

內部監控，包括組織一個明確界定權限的管理架構來幫助達成各商業目標，保障資產不會遭到不當使用，維持妥善賬目以提供可靠的財務訊息供內部使用或對外公佈。此制度旨在合理(但非絕對)保證無重大失實陳述或損失；及管理(而非消除)營運系統失誤及本集團未能達標的風險。

本公司設有內部監控職能。管理層按持續基準維持及監察有關控制系統。審核委員會獲董事會授權，最少每年一次檢討本集團的風險管理和內部監控政策和系統。

During the Year, based on the evaluations made by the management, the Audit Committee reviewed and was satisfied that nothing had come to its attention to cause the Audit Committee to believe that the system of risk management and internal control covering financial, operational, compliance and all other material controls of the Group was inadequate, and there is an ongoing process to identify, evaluate and manage significant risks faced by the Group. The Audit Committee considered that the risk management and internal control system of the Group is effective and adequate.

COMPLIANCE WITH THE MODEL CODE

During the Year, the Company adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all directors, the directors have confirmed that they have complied with the required standard set out in the Model Code for the Year.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors aim to present the financial statements of the Group in accordance with the statutory requirements and applicable accounting standards. The directors ensure that financial statements of the Group are issued in a timely manner so that the final and interim results of the Group are announced within the periods of three months and two months, respectively, after the end of the relevant periods prescribed under the Listing Rules.

The financial statements of the Group for the year ended 31 December 2020 have been reviewed by the Audit Committee and audited by the external auditors, Deloitte Touche Tohmatsu Certified Public Accountants LLP. The directors acknowledge their responsibilities for preparing the financial statements of the Group and presenting a balanced, clear and comprehensive assessment of the Group's performance and prospects. They are not aware of any material uncertainties relating to events or conditions that may cast doubt upon the ability of the Company to continue as a going concern. The statement of the Auditors about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report.

AUDITORS' REMUNERATION

The Company has engaged Deloitte Touche Tohmatsu Certified Public Accountants LLP as the auditors of the Company. For the year ended 31 December 2020, an amount of RMB8.8 million was paid/payable to Deloitte Touche Tohmatsu Certified Public Accountants LLP for their audit service.

於本年度，根據管理層之評估，審核委員會檢討並確信並無任何事件導致審核委員會相信本集團的風險管理和內部監控系統(涵蓋財務、營運、合規和所有其他重大監控)有所不足，並相信會持續鑑定、評估及管理本集團面對之重大風險。審核委員會認為本集團的風險管理和內部監控系統有效、充足。

遵守標準守則

於本年度，本公司已就董事進行證券交易採納操守準則，有關條款不比上市規則附錄十所載上市公司董事進行證券交易的標準守則(「標準守則」)規定的標準寬鬆，且向全體董事作出明確查詢後確認，彼等於年內已遵守標準守則所載規定的標準。

董事就財務報表承擔之責任

董事旨在根據法定要求及適用會計準則呈列本集團之財務報表。董事確保按時刊發本集團之財務報表，致使本集團之末期業績及中期業績會分別於上市規則所訂明之有關期間結束後三個月及兩個月時限內公佈。

本集團截至二零二零年十二月三十一日止年度之財務報表已由審核委員會審閱及由外聘核數師德勤華永會計師事務所(特殊普通合伙)審核。董事確認編製本集團之財務報表及呈列本集團表現及前景之平衡、清晰及完備之評估之責任。彼等並不知悉任何有關事件或狀況之重大不明朗因素，而該等事件或狀況可能對本公司不斷持續經營之能力構成疑問。核數師就其於財務報表之申報責任作出之聲明乃載於獨立核數師報告。

核數師酬金

本公司的核數師為德勤華永會計師事務所(特殊普通合伙)。於截至二零二零年十二月三十一日止年度，本集團共付予／應付德勤華永會計師事務所(特殊普通合伙)人民幣8.8百萬元作為審核服務費。




Deloitte Shi Bao (Shen) Zi (21) No. P02021

德師報(審)字(21)第P02021號

To the shareholders of Weichai Power Co., Ltd.

濰柴動力股份有限公司全體股東：

I. OPINION

We have audited the accompanying financial statements of Weichai Power Co., Ltd. ("Weichai Power"), which comprise the consolidated and the Company's balance sheets as at 31 December 2020, and the consolidated and the Company's income statements, the consolidated and Company's cash flow statement and the consolidated and the Company's statements of changes in shareholders' equity for the year then ended, and notes to the financial statements.

In our opinion, the abovementioned financial statements present fairly, in all material respects, the consolidated and the Company's financial position as at 31 December 2020, and the consolidated and the Company's financial performance and the consolidated and the Company's operating results and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises ("ASBEs").

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing ("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 Weichai Power in accordance with 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.

III. 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 period. 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. We determine that the following matters as key audit matters are required to be communicated in the audit report.

一、審計意見

我們審計了後附的濰柴動力股份有限公司（以下簡稱「濰柴動力」）的財務報表，包括2020年12月31日的合併及公司資產負債表，2020年度的合併及公司利潤表、合併及公司現金流量表、合併及公司股東權益變動表以及相關財務報表附註。

我們認為，上述財務報表在所有重大方面按照企業會計準則的規定編製，公允反映了濰柴動力2020年12月31日的合併及公司財務狀況以及2020年度的合併及公司經營成果和合併及公司現金流量。

二、形成審計意見的基礎

我們按照中國註冊會計師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，我們獨立於濰柴動力，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。

三、關鍵審計事項

關鍵審計事項是我們根據職業判斷，認為對本期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。我們確定下列事項是需要在審計報告中溝通的關鍵審計事項。

Deloitte Shi Bao (Shen) Zi (21) No. P02021

德師報(審)字(21)第P02021號

(I). Assessment for impairment of goodwill and trademark rights with an indefinite useful life

1. Description

As stated in Notes V.22 and 20 to the financial statements, as at 31 December 2020, included in the consolidated financial statements were goodwill of gross carrying amount of RMB22,159,467,117.12, which were calculated by consolidating KION GROUP AG ("KION") and Dematic Group, and trademark rights with an indefinite useful life of gross carrying amount of RMB7,536,590,475.00, which were owned by KION in intangible assets, which is qualitative significant to consolidated financial statements. As stated in Notes III.20 and 21 to the financial statements, goodwill and trademark rights with an indefinite useful life shall be tested for impairment every year, irrespective of whether there is any indication that the asset may be impaired. The test for impairment of goodwill and trademark rights with an indefinite useful life involves significant accounting estimates and judgments of the management. We therefore identified impairment of goodwill and trademark rights with an indefinite useful life as a key audit matter.

(一)、商譽及使用壽命不確定的商標使用權減值測試

1、事項描述

如財務報表附註五、22及20所示，於2020年12月31日，合併財務報表商譽中合併KION GROUP AG（以下簡稱「KION」）及Dematic Group形成的商譽賬面價值合計為人民幣22,159,467,117.12元，無形資產中KION擁有的使用壽命不確定的商標使用權賬面價值為人民幣7,536,590,475.00元，對財務報表具有重要性。如財務報表附註三、20及21所示，商譽和使用壽命不確定的商標使用權，無論是否存在減值跡象，每年都應當進行減值測試。在商譽和使用壽命不確定的商標使用權減值測試過程中均涉及管理層運用重大會計估計和判斷，因此我們將上述商譽及使用壽命不確定的商標使用權減值作為關鍵審計事項。

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2. Audit Response

Our main audit procedures for this key audit matter include:

- (1) Testing and evaluating the design and operating effectiveness of the key internal controls relevant to the audit of assessment for impairment of goodwill and trademark rights with an indefinite useful life;
- (2) Evaluating the appropriateness of the methodology adopted by management in determining the recoverable amounts of asset groups or groups of asset groups of the relevant asset. This evaluation is based on the availability of the recoverable amounts of asset groups or groups of asset groups of goodwill and trademark rights with an indefinite useful life;
- (3) Reviewing and evaluating the appropriateness of the key assumptions and judgments adopted by management in the process of performing impairment tests using the model of the present value of expected future cash flows based on the Company's relevant historical records and our understanding of the Company's business and the industry in which the Company operates; reviewing the basis of expected cash flows and its reasonableness by combining actual operation of asset groups or groups of asset groups and market analysis;
- (4) Checking the basis of determining fair values of recoverable amounts of groups of asset groups and expected disposal fees, performing recalculation and verifying the accuracy of the results from the assessment for impairment of goodwill;
- (5) Reviewing the appropriateness of model of discounted future cash flows used by the management and the reasonableness of the discounted rate used by making use of the work performed by our internal valuation experts;
- (6) Checking the disclosures on information related to the assessment for impairment of goodwill and trademark rights with an indefinite useful life in the financial statements.

2、審計應對

我們針對這一關鍵審計事項執行的審計程序主要包括：

- (1) 測試和評價與商譽及使用壽命不確定的商標使用權減值測試相關的關鍵內部控制設計和執行的有效性；
- (2) 根據商譽和使用壽命不確定的商標使用權所屬資產組或資產組組合可收回金額的可獲得性評價管理層用於確定相關資產所屬資產組或資產組組合可收回金額方法的適當性；
- (3) 基於公司相關歷史記錄和我們對公司業務及所在行業的瞭解，覆核、評價管理層在運用預計未來現金流量現值模型進行減值測試時使用的關鍵假設及判斷的合理性；結合資產組或資產組組合的實際經營情況以及對於市場的分析覆核現金流量預測的依據及其合理性；
- (4) 檢查用於確定資產組組合可收回金額的公允價值及預計處置費用確定的依據，並執行重新計算程序，驗證商譽減值測試結果的準確性；
- (5) 利用我們內部估值專家的工作，覆核管理層運用未來現金流量折現模型的恰當性及使用折現率的合理性；
- (6) 覆核財務報表中對於商譽及使用壽命不確定的商標使用權減值測試相關信息的披露。

Deloitte Shi Bao (Shen) Zi (21) No. P02021

德師報(審)字(21)第P02021號

(II). Accounting treatment for business of leasing of forklift trucks

(二)、叉車租賃業務的會計處理

1. Description

1、事項描述

As stated in Notes III.16, 29 and 35 to the financial statements, leasing of forklift trucks is a principal business segment of KION, a subsidiary of Weichai Power, which includes 3 categories of business: direct leasing, sale and leaseback subleases and indirect leasing. Weichai Power is required to recognize classification, measurement and disclosures on various leasing business contracts in accordance with the requirements of ASBEs. Various types of leasing business involves different accounting treatments and requires the use of significant accounting judgments with higher degree of complication. We therefore identified accounting treatment for business of leasing of forklift trucks as a key audit matter.

如財務報表附註三、16、29及35所示，叉車租賃業務為濰柴動力之子公司KION的主要業務，分為直接租賃、售後租回再轉租、間接租賃三種業務類型。濰柴動力需要按照企業會計準則的規定對各類租賃業務合同進行分類確認、計量和披露。不同租賃業務類型，涉及不同的會計處理，需要運用重大會計判斷，具有較高的複雜性，因此，我們將叉車租賃業務的會計處理作為關鍵審計事項。

2. Audit Response

2、審計應對

Our main audit procedures for this key audit matter include:

我們針對這一關鍵審計事項執行的審計程序主要包括：

- (1) Testing and evaluating the design and operating effectiveness of the key internal controls relevant to the audit of accounting treatment for business of leasing of forklift trucks, including the engagement of information technology specialists for testing the internal control of the system of forklift trucks leasing business;
- (2) Reviewing various leasing business contracts, checking and evaluating relevant financial accounting handbook, automatic accounting treatment categorization, and whether the rules and findings of classification for leasing contracts is consistent with the requirements of ASBEs;
- (3) Checking the supportive evidence of inputs from the system of forklift trucks leasing business on a sampling basis to evaluate the accuracy and the completeness of inputs;
- (4) Performing confirmation procedures to third parties to evaluate the completeness of contracts recorded in the system of forklift trucks leasing business.

- (1) 測試和評價與叉車租賃業務會計處理相關關鍵內部控制設計和執行的有效性，包括利用信息技術專家對叉車租賃業務系統的內部控制進行測試；
- (2) 審閱各類租賃業務合同，檢查和評價相關財務核算手冊、自動化會計處理分錄，以及租賃合同的分類規則和結果等是否符合企業會計準則的規定；
- (3) 抽樣檢查叉車租賃業務系統中輸入數據的支持性證據，以評價輸入數據的準確性、完整性；
- (4) 執行向第三方的函證程序，評價叉車租賃業務系統中錄入合同的完整性。

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(III). Recognition of revenue from supply chain solutions services

(三) 供應鏈解決方案服務收入確認

1. Description

1、事項描述

As stated in Note V.51 to the financial statements, revenue from supply chain solutions services for the year of 2020 of Weichai Power amounted to RMB20,698,340,762.89, which was material to the overall financial statements. As stated in Notes III.26 and 35 to the financial statements, the performance costs actually incurred on a cumulative basis as a percentage of estimated total costs is used by Weichai Power to ascertain progress of performance of supply chain solution services contracts. The management is required to make reasonable judgments for expected total cost and corresponding progress of performance obligations in relation to supply chain solutions services contracts, and to perform continuous assessment and revisions in the process of performance of the contracts. These assessments and revisions involve significant accounting estimates and judgments of the management. We therefore identified recognition of revenue from supply chain solutions services as a key audit matter.

如財務報表附註五、51所示，濰柴動力2020年度供應鏈解決方案服務收入人民幣20,698,340,762.89元，對財務報表整體具有重要性。如財務報表附註三、26及35所示，濰柴動力按照累計實際發生的履約成本佔預計總成本的比例確定供應鏈解決方案服務合同的履約進度，管理層需要對供應鏈解決方案服務合同的預計總成本以及相應的履約進度作出合理判斷，並於合同執行過程中持續評估和修訂，該等評估和修訂涉及管理層運用重大會計估計和判斷，因此我們將供應鏈解決方案服務收入確認認定為關鍵審計事項。

2. Audit Response

2、審計應對

Our main audit procedures for this key audit matter include:

我們針對這一關鍵審計事項執行的審計程序主要包括：

- (1) Testing and evaluating the design and operating effectiveness of the key internal controls relevant to revenue from supply chain solutions services;
- (2) Obtaining supply chain solutions services contracts on a sampling basis based on their risk characteristics, and evaluating whether these business types fulfilled the requirements of revenue recognition based on progress of performance obligations within a certain period in accordance with agreed actual situation of the contracts; reviewing the appropriateness of progress of performance obligations on a sampling basis in accordance with cost budget information, report of cost actually incurred and calculation tables of progress of performance obligations;

- (1) 測試和評價與供應鏈解決方案服務收入相關的關鍵內部控制設計和執行的有效性；
- (2) 基於風險特徵抽取供應鏈解決方案服務合同，根據合同的約定具體情況，評估該等業務類型是否滿足在某一時段內按照履約進度確認收入的要求；基於成本預算資料、實際發生成本的報告以及履約進度計算表等資料，抽樣覆核履約進度的適當性；

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- (3) Selecting projects to interview those who were responsible for relevant businesses on a sampling basis, to understand the performance obligations and progress of projects, the adjustments between the initial estimation and budgeted cost and reasons of adjustment, and whether there existed any other events which is out of expectation and checking further supportive evidence when necessary;
- (4) Selecting projects as to its reasonableness and accuracy of budgeted cost to perform retrospective reviewing procedure;
- (5) Selecting projects to check the progress of performance obligations of projects on site when necessary.

- (3) 抽樣選取項目訪談相關業務負責人，瞭解項目履約情況及進度、與初始估計相比預算成本的調整情況及調整原因，以及是否存在其他非預期事項，必要時核查進一步的支持性證據；
- (4) 選取項目對預算成本的合理性及準確性執行追溯覆核程序；
- (5) 必要時，選取項目，實地查看項目履約進度。

IV. OTHER INFORMATION

The Management of Weichai Power is responsible for the other information. The other information comprises the information included in the 2020 annual report of Weichai Power, 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.

四、其他信息

濰柴動力管理層對其他信息負責。其他信息包括濰柴動力2020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。

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V. RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Management of Weichai Power is responsible for the preparation and fair presentation of the financial statements in accordance with ASBEs, and for designing, implementing and maintaining such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing Weichai Power's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Management either intends to liquidate Weichai Power or to cease operations or has no realistic alternative but to do so.

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

VI. 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.

五、管理層和治理層對財務報表的責任

濰柴動力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，管理層負責評估濰柴動力的持續經營能力，披露與持續經營相關的事項(如適用)，並運用持續經營假設，除非管理層計劃清算濰柴動力、終止運營或別無其他現實的選擇。

治理層負責監督濰柴動力的財務報告過程。

六、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。

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

- (1) 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.
- (2) 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 internal control.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- (4) Conclude on the appropriateness of the 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 Weichai Power'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 Weichai Power to cease to continue as a going concern.

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。
- (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，就可能導致對濰柴動力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濰柴動力不能持續經營。

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- (5) Evaluate the overall presentation, including the disclosures, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Weichai Power 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.

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

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

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 period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits of public interest for such communication.

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

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。

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)。

從與治理層溝通過的事項中,我們確定哪些事項對本期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。

Deloitte Touche Tohmatsu Certified Public Accountants LLP
Shanghai, PRC

Chinese Certified Public Accountant:
Wang Lixin (engagement partner)

Chinese Certified Public Accountant:
Sui Chuanxu

30 March 2021

德勤華永會計師事務所(特殊普通合夥)
中國·上海

中國註冊會計師:
王立新(項目合夥人)

中國註冊會計師:
隋傳旭

2021年3月30日

CONSOLIDATED BALANCE SHEET

31 December 2020

合併資產負債表

2020年12月31日

RMB
人民幣元

Item	項目	Note 附註	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Current assets	流動資產			
Cash and cash equivalents	貨幣資金	V五1	62,216,111,509.25	48,817,622,206.26
Financial assets held for trading	交易性金融資產	V五2	5,852,397,849.29	4,451,059,463.07
Notes receivable	應收票據	V五3	19,296,491,612.98	15,920,141,988.31
Accounts receivable	應收賬款	V五4	15,421,878,611.33	14,285,262,297.09
Receivable financing	應收款項融資	V五5	9,483,678,101.82	10,537,909,983.71
Prepayments	預付款項	V五6	1,095,016,121.17	996,710,182.20
Other receivables	其他應收款	V五7	1,409,858,869.61	681,601,186.05
Inventories	存貨	V五8	31,226,156,809.77	24,717,700,810.03
Contract assets	合同資產	V五9	1,385,150,902.30	1,174,036,594.50
Assets held for sale	持有待售資產		24,237,289.50	24,237,289.50
Non-current assets due within one year	一年內到期的非流動資產	V五10	3,179,721,675.00	2,658,043,734.50
Other current assets	其他流動資產	V五11	1,924,109,398.31	1,920,759,332.58
Total current assets	流動資產合計		152,514,808,750.33	126,185,085,067.80
Non-current assets	非流動資產			
Long-term receivables	長期應收款	V五12	9,622,504,650.00	8,447,617,640.00
Long-term equity investments	長期股權投資	V五13	4,944,359,514.39	4,711,144,533.01
Investment in other equity instruments	其他權益工具投資	V五14	2,411,112,072.96	2,103,129,675.18
Other non-current financial assets	其他非流動金融資產	V五15	243,013,050.00	636,502,629.08
Investment property	投資性房地產	V五16	682,163,758.85	537,298,133.13
Fixed assets	固定資產	V五17	31,722,827,681.55	26,318,667,724.94
Construction in progress	在建工程	V五18	5,046,193,396.84	5,408,666,017.06
Right-of-use assets	使用權資產	V五19	7,714,233,013.45	9,109,528,185.30
Intangible assets	無形資產	V五20	23,825,708,656.91	23,435,580,132.59
Development expenditure	開發支出	V五21	287,116,831.24	139,500,519.38
Goodwill	商譽	V五22	24,665,842,392.79	23,822,520,317.99
Long-term prepaid expenses	長期待攤費用	V五23	252,157,738.41	254,367,462.55
Deferred tax assets	遞延所得稅資產	V五24	6,251,213,473.80	5,034,346,014.96
Other non-current assets	其他非流動資產	V五25	566,913,969.77	687,720,493.20
Total non-current assets	非流動資產合計		118,235,360,200.96	110,646,589,478.37
Total assets	資產總計		270,750,168,951.29	236,831,674,546.17

CONSOLIDATED BALANCE SHEET (CONTINUED)

31 December 2020

合併資產負債表(續)

2020年12月31日

Item	項目	Note 附註	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Current liabilities	流動負債			
Short-term loans	短期借款	V五26	5,731,086,536.96	2,014,692,401.39
Financial liabilities held for trading	交易性金融負債	V五27	57,504,235.74	131,920,754.38
Notes payable	應付票據	V五28	22,970,493,736.20	22,446,404,536.58
Accounts payable	應付賬款	V五29	45,449,924,996.39	36,748,503,682.85
Contract liabilities	合同負債	V五30	15,547,391,077.33	10,654,453,360.19
Payroll payable	應付職工薪酬	V五31	5,490,721,420.68	5,588,996,060.47
Taxes payable	應交稅費	V五32	2,180,739,782.32	2,064,584,764.70
Other payables	其他應付款	V五33	8,408,305,895.50	6,511,002,642.85
Non-current liabilities due within one year	一年內到期的非流動負債	V五34	11,274,647,277.08	12,998,360,887.57
Other current liabilities	其他流動負債	V五35	6,601,767,024.57	6,717,853,612.80
Total current liabilities	流動負債合計		123,712,581,982.77	105,876,772,703.78
Non-current liabilities	非流動負債			
Long-term borrowings	長期借款	V五36	12,026,638,367.24	11,373,657,990.58
Bonds payable	應付債券	V五37	8,702,767,425.04	10,295,279,995.18
Lease liabilities	租賃負債	V五38	7,235,898,107.78	8,943,580,095.61
Long-term payables	長期應付款	V五39	7,004,697,931.12	4,658,205,937.06
Long-term payroll payable	長期應付職工薪酬	V五40	14,200,680,302.61	11,667,005,084.73
Accruals and provisions	預計負債	V五41	509,080,971.37	315,667,957.84
Deferred income	遞延收益	V五42	4,996,880,280.64	4,608,566,796.01
Deferred tax liabilities	遞延所得稅負債	V五24	5,049,832,969.04	5,406,314,269.55
Other non-current liabilities	其他非流動負債	V五43	6,877,782,237.66	3,911,898,285.35
Total non-current liabilities	非流動負債合計		66,604,258,592.50	61,180,176,411.91
Total liabilities	負債總計		190,316,840,575.27	167,056,949,115.69

CONSOLIDATED BALANCE SHEET (CONTINUED)

31 December 2020

合併資產負債表(續)

2020年12月31日

Item	項目	Note 附註	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Shareholders' equity	股東權益			
Share capital	股本	V五44	7,933,873,895.00	7,933,873,895.00
Capital reserve	資本公積	V五45	180,552,538.58	118,896,726.65
Other comprehensive income	其他綜合收益	V五46	(2,250,826,767.79)	(1,278,030,636.58)
Special reserve	專項儲備	V五47	223,430,167.81	193,099,471.45
Surplus reserve	盈餘公積	V五48	1,630,243,076.46	973,728,220.76
Retained earnings	未分配利潤	V五49	43,485,047,330.89	37,282,373,385.43
Total equity attributable to the shareholders of the parent	歸屬於母公司股東權益合計		51,202,320,240.95	45,223,941,062.71
Minority interests	少數股東權益	V五50	29,231,008,135.07	24,550,784,367.77
Total shareholders' equity	股東權益合計		80,433,328,376.02	69,774,725,430.48
Total liabilities and shareholders' equity	負債和股東權益總計		270,750,168,951.29	236,831,674,546.17

The notes are an integral part of these financial statements.

附註為財務報表的組成部分

The financial statements on pages 113 to 413 have been signed by:

第113頁至第413頁的財務報表由下列負責人簽署：

Legal Representative
法定代表人

Principal in charge of accounting
主管會計工作負責人

Head of accounting department
會計機構負責人

Tan Xuguang
譚旭光

Kwong Kwan Tong
鄭焜堂

Li Xia
李霞

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2020

合併利潤表

2020年12月31日止年度

RMB
人民幣元

Item	項目	Note 附註	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
I. Revenue	一、營業收入	V五51	197,491,092,926.42	174,360,892,512.86
Less: Cost of sales	減：營業成本	V五51	159,352,649,107.93	136,353,235,434.32
Taxes and surcharges	稅金及附加	V五52	830,671,205.10	663,961,091.30
Distribution and selling expenses	銷售費用	V五53	10,862,457,506.71	11,254,073,577.96
General and administrative expenses	管理費用	V五54	7,709,931,813.46	6,900,199,388.90
Research & development expenses	研發費用	V五55	6,013,083,402.83	5,227,973,550.12
Finance expenses	財務費用	V五56	279,015,865.47	220,333,776.74
Incl: Interest expenses	其中：利息費用	V五56	1,139,022,760.28	1,233,361,936.01
Interest income	利息收入	V五56	1,277,863,594.80	1,067,326,294.25
Add: Other income	加：其他收益	V五57	327,215,155.30	318,138,370.04
Investment income	投資收益	V五58	1,294,912,961.65	694,686,304.10
Incl: investment income from associates and joint ventures	其中：對聯營企業和 合營企業的 投資收益		253,063,274.50	244,231,790.47
Profit or loss on change of fair value	公允價值變動損益	V五59	(409,598,297.43)	71,259,465.16
Impairment loss of credit	信用減值損失	V五60	(563,605,119.01)	(266,894,905.54)
Impairment loss of assets	資產減值損失	V五61	(663,235,953.02)	(469,192,133.29)
Gain on disposal of assets	資產處置收益		31,753,643.63	66,779,887.80
II. Operating profit	二、營業利潤		12,460,726,416.04	14,155,892,681.79
Add: Non-operating income	加：營業外收入	V五62	362,882,514.57	289,768,143.18
Less: Non-operating expenses	減：營業外支出	V五63	141,930,059.29	94,010,683.92
III. Total profit	三、利潤總額		12,681,678,871.32	14,351,650,141.05
Less: Income tax expenses	減：所得稅費用	V五64	1,406,839,084.36	2,444,643,048.56
IV. Net profit	四、淨利潤		11,274,839,786.96	11,907,007,092.49
(I) Breakdown by continuity of operations	(一)按經營持續性分類			
1. Net profit from continuing operations	1. 持續經營淨利潤		11,274,839,786.96	11,907,007,092.49
(II) Breakdown by attributable interests	(二)按所有權歸屬分類			
1. Net profit attributable to shareholders of the parent	1. 歸屬於母公司股東 的淨利潤		9,207,129,173.77	9,104,955,354.35
2. Minority interests	2. 少數股東損益		2,067,710,613.19	2,802,051,738.14

CONSOLIDATED INCOME STATEMENT (CONTINUED)

For the year ended 31 December 2020

合併利潤表(續)

2020年12月31日止年度

Item	項目	Note 附註	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
V. Net other comprehensive income after tax	五、其他綜合收益的稅後淨額		(1,995,162,932.35)	88,221,996.27
Net other comprehensive income attributable to shareholders of the parent after tax	歸屬於母公司股東的其他綜合收益的稅後淨額	V五46	(972,796,131.21)	305,975,740.86
(I) Those other comprehensive income not to be reclassified into profit or loss	(一)不能重分類進損益的其他綜合收益			
1. Changes arising from re-measuring of defined benefit plan	1. 重新計量設定受益計劃變動額		(435,444,292.90)	(594,361,674.17)
2. Other comprehensive income not to be reclassified into profit or loss using the equity method	2. 權益法下不能轉損益的其他綜合收益		11,854,432.02	(132,262.02)
3. Change in fair value of investment in other equity instruments	3. 其他權益工具投資公允價值變動		116,444,579.15	619,944,039.01
(II) Those other comprehensive income to be reclassified into profit or loss	(二)將重分類進損益的其他綜合收益			
1. Other comprehensive income to be reclassified into profit or loss using the equity method	1. 權益法下可轉損益的其他綜合收益		2,243,452.59	(996,322.81)
2. Cashflow hedging reserve	2. 現金流量套期儲備		43,953,036.86	51,461,808.71
3. Exchange differences on foreign currency translation	3. 外幣財務報表折算差額		(711,847,338.93)	230,060,152.14
Net other comprehensive income attributable to minority interests after tax	歸屬於少數股東的其他綜合收益的稅後淨額		(1,022,366,801.14)	(217,753,744.59)
VI. Total comprehensive income	六、綜合收益總額		9,279,676,854.61	11,995,229,088.76
Total comprehensive income attributable to the shareholders of the parent	歸屬於母公司股東的綜合收益總額		8,234,333,042.56	9,410,931,095.21
Total comprehensive income attributable to minority interests	歸屬於少數股東的綜合收益總額		1,045,343,812.05	2,584,297,993.55
VII. Earnings per share	七、每股收益	V五65		
(I) Basic earnings per share	(一)基本每股收益		1.16元	1.15元
(II) Diluted earnings per share	(二)稀釋每股收益		1.16元	1.15元

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併股東權益變動表

For the year ended 31 December 2020

2020年12月31日止年度

RMB
人民幣元

Item	項目	Note 附註	Incurred during the year 本年發生額									Minority interests 少數股東權益	Total equity 股東權益合計
			Equity attributable to shareholders of the parent 歸屬於母公司股東權益										
			Share capital 股本	Capital reserve 資本公積	Less: Treasury shares 減：庫存股	Other comprehensive income 其他綜合收益	Special reserve 專項儲備	Surplus reserve 盈餘公積	Retained earnings 未分配利潤	Subtotal 小計			
I. At end of previous year	一、上年年末餘額		7,933,873,895.00	118,896,726.65	-	(1,278,030,636.58)	193,099,471.45	973,728,220.76	37,282,373,385.43	45,223,941,062.71	24,550,784,367.77	69,774,725,430.48	
II. Movements in current year	二、本年增減變動金額												
(i) Total comprehensive income	(一) 綜合收益總額		-	-	-	(972,796,131.21)	-	-	9,207,129,173.77	8,234,333,042.56	1,045,343,812.05	9,279,676,854.61	
(ii) Injection and reduction	(二) 股東投入和減少資本												
1. Capital injection from shareholders	1. 股東投入資本	V545	-	29,726,142.07	-	-	-	-	-	29,726,142.07	3,794,132,853.88	3,823,858,995.95	
2. Acquisition of subsidiaries	2. 收購子公司	VI六1	-	-	-	-	-	-	-	-	641,179,036.82	641,179,036.82	
3. Amount of share-based payment taken to owners' equity	3. 股份支付計入股東權益的金額	XI十一	-	31,978,389.84	-	-	-	-	-	31,978,389.84	31,722,050.16	63,700,440.00	
4. Acquisition of minority interests in subsidiaries	4. 購買子公司少數股東股權		-	(3,573,970.99)	-	-	-	-	(78,852,438.64)	(82,426,409.63)	(26,378,527.25)	(108,804,936.88)	
5. Repurchase and transfer of its shares by subsidiaries	5. 子公司回購及轉讓其股份		-	1,167,123.11	-	-	-	-	-	1,167,123.11	1,413,294.99	2,580,418.10	
6. Others	6. 其他		-	2,358,127.90	-	-	-	-	-	2,358,127.90	1,357,165.83	3,715,293.73	
(iii) Profit appropriation	(三) 利潤分配												
1. Appropriation to surplus reserve	1. 提取盈餘公積	V548	-	-	-	-	-	656,514,855.70	(656,514,855.70)	-	-	-	
2. Distribution to shareholders	2. 對股東的分配	V549	-	-	-	-	-	-	(2,269,087,933.97)	(2,269,087,933.97)	(625,526,668.77)	(2,894,614,602.74)	
3. Distribution to holders of other equity instruments of subsidiaries	3. 對子公司其他權益工具持有者的分配		-	-	-	-	-	-	-	-	(198,514,344.34)	(198,514,344.34)	
(iv) Special reserve	(四) 專項儲備												
1. Appropriation during the year	1. 本年提取	V547	-	-	-	-	102,744,621.55	-	-	102,744,621.55	54,247,746.23	156,992,367.78	
2. Used during the year	2. 本年使用	V547	-	-	-	-	(72,413,925.19)	-	-	(72,413,925.19)	(38,752,652.30)	(111,166,577.49)	
III. At end of year	三、本年年末餘額		7,933,873,895.00	180,552,538.58	-	(2,250,826,767.79)	223,430,167.81	1,630,243,076.46	43,485,047,330.89	51,202,320,240.95	29,231,008,135.07	80,433,328,376.02	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

合併股東權益變動表(續)

For the year ended 31 December 2020

2020年12月31日止年度

RMB
人民幣元

Item	項目	Note 附註	Incurred in previous year 上年發生額							Subtotal 小計	Minority interests 少數股東權益	Total equity 股東權益合計
			Share capital 股本	Capital reserve 資本公積	Less: Treasury shares 減：庫存股	Other comprehensive income 其他綜合收益	Special reserve 專項儲備	Surplus reserve 盈餘公積	Retained earnings 未分配利潤			
I. At beginning of year	一、本年年初餘額		7,997,238,556.00	113,699,432.76	499,911,217.21	(1,584,006,377.44)	155,056,854.10	674,283,390.61	32,324,975,192.29	39,181,335,831.11	22,783,820,738.31	61,965,156,569.42
II. Movements in current year	二、本年增減變動金額											
(i) Total comprehensive income	(一) 綜合收益總額		-	-	-	305,975,740.86	-	-	9,104,955,354.35	9,410,931,095.21	2,584,297,993.55	11,995,229,088.76
(ii) Injection and reduction	(二) 股東投入和減少資本											
1. Capital injection from shareholders	1. 股東投入資本		-	-	-	-	-	-	-	-	222,333,932.39	222,333,932.39
2. Acquisition of subsidiaries	2. 收購子公司		-	-	-	-	-	-	-	-	272,266,589.11	272,266,589.11
3. Amount of share-based payment taken to owners' equity	3. 股份支付計入股東權益的金額	XI十一	-	3,171,416.36	-	-	-	-	-	3,171,416.36	3,876,175.56	7,047,591.92
4. Disposal of subsidiaries	4. 購買子公司少數股東股權		-	(380,970.35)	-	-	-	-	-	(380,970.35)	111,634.50	(269,335.85)
5. Repurchase and transfer of its shares by subsidiaries	5. 子公司回購及轉讓其股份		-	2,406,847.88	-	-	-	-	-	2,406,847.88	2,941,702.97	5,348,550.85
6. Cancellation of treasury shares repurchased	6. 註銷回購的庫存股		(63,364,661.00)	-	(499,911,217.21)	-	-	(436,546,556.21)	-	-	-	-
(iii) Profit appropriation	(三) 利潤分配											
1. Appropriation to surplus reserve	1. 提取盈餘公積		-	-	-	-	-	735,991,386.36	(735,991,386.36)	-	-	-
2. Distribution to shareholders	2. 對股東的分配	V五.49	-	-	-	-	-	-	(3,411,565,774.85)	(3,411,565,774.85)	(1,129,490,549.00)	(4,541,056,323.85)
3. Distribution to holders of other equity instruments of subsidiaries	3. 對子公司其他權益工具持有者的分配		-	-	-	-	-	-	-	-	(201,750,631.51)	(201,750,631.51)
(iv) Special reserve	(四) 專項儲備											
1. Appropriation during the year	1. 本年提取		-	-	-	-	89,931,037.01	-	-	89,931,037.01	47,311,498.09	137,242,535.10
2. Used during the year	2. 本年使用		-	-	-	-	(51,888,419.66)	-	-	(51,888,419.66)	(34,934,716.20)	(86,823,135.86)
III. At end of year	三、本年年末餘額		7,933,873,895.00	118,896,726.65	-	(1,278,030,636.58)	193,099,471.45	973,728,220.76	37,282,373,385.43	45,223,941,062.71	24,550,784,367.77	69,774,725,430.48

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2020

合併現金流量表

2020年12月31日止年度

		RMB		
		人民幣元		
Item	項目	Note 附註	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
I.	CASH FLOWS FROM OPERATING ACTIVITIES	一、	經營活動產生的現金流量	
	Cash received from sales of goods or rendering of services		銷售商品、提供勞務收到的現金	
	Refunds of taxes		收到的稅費返還	
	Other cash received relating to operating activities		收到其他與經營活動有關的現金	
	Subtotal of cash inflows from operating activities		經營活動現金流入小計	
	Cash paid for goods and services		購買商品、接受勞務支付的現金	
	Cash paid to and on behalf of employees		支付給職工以及為職工支付的現金	
	Cash paid for all types of taxes		支付的各項稅費	
	Other cash paid relating to operating activities		支付其他與經營活動有關的現金	
	Subtotal of cash outflows from operating activities		經營活動現金流出小計	
	Net cash flows from operating activities		經營活動產生的現金流量淨額	
II.	CASH FLOWS FROM INVESTING ACTIVITIES	二、	投資活動產生的現金流量	
	Cash received from sale of investments		收回投資收到的現金	
	Cash received from return on investments		取得投資收益收到的現金	
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		處置固定資產、無形資產和其他長期資產收回的現金淨額	
	Net cash received from disposal of subsidiaries and other business units		處置子公司及其他營業單位收到的現金淨額	
	Net cash received from acquisition of subsidiaries and other business units		取得子公司及其他營業單位收到的現金淨額	
	Other cash received relating to investing activities		收到其他與投資活動有關的現金	
	Subtotal of cash inflows from investing activities		投資活動現金流入小計	
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		購建固定資產、無形資產和其他長期資產支付的現金	
	Cash paid for acquisition of investments		投資支付的現金	
	Net cash paid for acquisition of subsidiaries and other business units		取得子公司及其他營業單位支付的現金淨額	
	Other cash paid relating to investing activities		支付其他與投資活動有關的現金	
	Subtotal of cash outflows from investing activities		投資活動現金流出小計	
	Net cash flows from investing activities		投資活動產生的現金流量淨額	

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 December 2020

合併現金流量表(續)

2020年12月31日止年度

Item	項目	Note 附註	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
III. CASH FLOWS FROM FINANCING ACTIVITIES	三、 籌資活動產生的現金流量			
Cash received from capital contributions	吸收投資收到的現金		3,709,156,606.07	194,348,219.39
<i>Incl: Cash received by subsidiaries from capital contributions of minority shareholders</i>	<i>其中：子公司吸收少數股東投資收到的現金</i>		3,709,156,606.07	194,348,219.39
Cash received from borrowings	取得借款收到的現金		37,235,845,790.32	33,534,744,764.88
Cash received from bond issue	發行債券所收到的現金		4,403,404,086.00	–
Other cash received relating to financing activities	收到其他與籌資活動有關的現金		218,833,863.07	1,430,726.00
Subtotal of cash inflows from financing activities	籌資活動現金流入小計		45,567,240,345.46	33,730,523,710.27
Cash repayments of borrowings	償還債務支付的現金		43,093,891,320.13	34,858,450,737.61
Cash paid for distribution of dividends or profits and for interest expenses	分配股利、利潤或償付利息支付的現金		3,731,921,253.37	5,407,836,779.10
<i>Incl: Cash paid to minority shareholders for distribution of dividends or profits by subsidiaries</i>	<i>其中：子公司支付給少數股東的股利、利潤</i>		745,690,697.26	1,338,505,931.18
Other cash paid relating to financing activities	支付其他與籌資活動有關的現金	V五67	1,727,288,061.04	1,031,466,536.03
Subtotal of cash outflows from financing activities	籌資活動現金流出小計		48,553,100,634.54	41,297,754,052.74
Net cash flows from financing activities	籌資活動產生的現金流量淨額		(2,985,860,289.08)	(7,567,230,342.47)
IV. EFFECT OF CHANGES IN EXCHANGE RATE ON CASH AND CASH EQUIVALENTS	四、 匯率變動對現金及現金等價物的影響		(76,956,853.34)	29,038,216.40
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	五、 現金及現金等價物淨增加額		10,448,467,766.08	7,905,646,649.75
Add: Cash and cash equivalents at beginning of year	加：年初現金及現金等價物餘額		42,285,584,925.16	34,379,938,275.41
VI. CASH AND CASH EQUIVALENTS AT END OF YEAR	六、 年末現金及現金等價物餘額	V五68	52,734,052,691.24	42,285,584,925.16

COMPANY BALANCE SHEET

31 December 2020

公司資產負債表

2020年12月31日

Item	項目	Note 附註	RMB 人民幣元	
			31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Current assets	流動資產			
Cash and cash equivalents	貨幣資金		32,482,779,665.43	27,276,378,348.59
Financial assets held for trading	交易性金融資產		112,904,277.02	–
Notes receivable	應收票據	XV十五1	22,933,423,164.99	19,031,065,273.37
Accounts receivable	應收賬款	XV十五2	741,273,166.54	961,224,481.20
Prepayments	預付款項		162,769,708.16	252,912,459.06
Other receivables	其他應收款	XV十五3	575,869,058.22	495,183,938.26
Inventories	存貨		4,640,893,547.51	3,442,624,138.43
Other current assets	其他流動資產		31,193,507.32	320,293,618.85
Total current assets	流動資產合計		61,681,106,095.19	51,779,682,257.76
Non-current assets	非流動資產			
Long-term equity investments	長期股權投資	XV十五4	13,846,095,781.88	15,588,308,928.23
Investment in other equity instruments	其他權益工具投資		289,420,200.00	191,620,200.00
Other non-current financial assets	其他非流動金融資產		–	48,744,000.00
Investment property	投資性房地產		1,313,231,046.42	1,098,873,377.18
Fixed assets	固定資產		3,845,082,810.18	3,006,064,048.78
Construction in progress	在建工程		2,709,380,692.43	2,277,083,525.08
Intangible assets	無形資產		765,289,848.81	512,203,369.80
Goodwill	商譽		341,073,643.76	341,073,643.76
Deferred tax assets	遞延所得稅資產		1,433,691,827.97	910,637,045.17
Other non-current assets	其他非流動資產		3,319,760,362.50	2,484,556,774.12
Total non-current assets	非流動資產合計		27,863,026,213.95	26,459,164,912.12
Total assets	資產總計		89,544,132,309.14	78,238,847,169.88

COMPANY BALANCE SHEET (CONTINUED)

31 December 2020

公司資產負債表(續)

2020年12月31日

Item	項目	Note 附註	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Current liabilities	流動負債			
Financial assets held for trading	交易性金融負債		1,946,619.00	–
Notes payable	應付票據		10,792,728,129.90	13,815,739,112.99
Accounts payable	應付賬款		16,618,894,133.35	12,497,803,183.14
Contract liabilities	合同負債		7,534,474,203.01	2,571,680,421.94
Payroll payable	應付職工薪酬		849,289,374.57	985,532,575.51
Taxes payable	應交稅費		305,435,720.64	155,032,778.30
Other payables	其他應付款		2,401,621,771.41	2,147,054,763.30
Other current liabilities	其他流動負債		1,886,059,206.68	1,674,274,867.54
Total current liabilities	流動負債合計		40,390,449,158.56	33,847,117,702.72
Non-current liabilities	非流動負債			
Long-term payables	長期應付款		3,812,880.19	5,513,797.98
Long term payroll payable	長期應付職工薪酬		47,448,706.50	24,734,049.15
Deferred income	遞延收益		1,159,091,139.04	906,196,708.93
Deferred tax liabilities	遞延所得稅負債		6,653,805.68	–
Total non-current liabilities	非流動負債合計		1,217,006,531.41	936,444,556.06
Total liabilities	負債總計		41,607,455,689.97	34,783,562,258.78
Shareholders' equity	股東權益			
Share capital	股本		7,933,873,895.00	7,933,873,895.00
Capital reserve	資本公積		695,679,231.81	695,679,231.81
Other comprehensive income	其他綜合收益		43,129,170.00	(119,983,030.10)
Special reserve	專項儲備		117,118,730.74	94,899,845.80
Surplus reserve	盈餘公積		4,263,872,010.04	3,607,357,154.34
Retained earnings	未分配利潤		34,883,003,581.58	31,243,457,814.25
Total shareholders' equity	股東權益合計		47,936,676,619.17	43,455,284,911.10
Total liabilities and shareholders' equity	負債和股東權益總計		89,544,132,309.14	78,238,847,169.88

COMPANY INCOME STATEMENT

For the year ended 31 December 2020

公司利潤表

2020年12月31日止年度

Item	項目	Note 附註	RMB 人民幣元	
			Incurring during the year 本年發生額	Incurring in previous year 上年發生額
I. Revenue	一、營業收入	XV十五5	53,492,984,987.14	45,757,042,584.64
Less: Cost of sales	減：營業成本	XV十五5	40,883,749,295.26	34,079,232,491.87
Taxes and surcharges	稅金及附加		273,487,496.39	234,748,928.63
Distribution and selling expenses	銷售費用		1,361,760,231.74	1,375,838,410.81
General and administrative expenses	管理費用		1,076,465,182.57	1,025,771,136.68
Research & development expenses	研發費用		2,186,983,481.58	2,142,705,356.67
Finance expenses	財務費用		(358,669,613.61)	(261,833,737.83)
Incl: Interest expenses	其中：利息費用		-	18,735,546.18
Interest income	利息收入		369,367,588.01	283,571,744.85
Add: Other income	加：其他收益		172,467,422.66	158,237,927.72
Investment income/(loss)	投資收益/(損失)	XV十五6	(1,130,077,406.49)	1,264,600,396.91
Incl: Investment income from associates and joint ventures	其中：對聯營企業和 合營企業的 投資收益		112,997,281.78	109,875,033.76
Profit or loss on change of fair value	公允價值變動損益		64,160,277.02	-
Impairment gain of credit	信用減值利得		1,404,072.48	34,059,926.00
Impairment loss of assets	資產減值損失		(1,961,966.02)	(351,958,827.88)
Gain/(loss) on disposal of assets	資產處置收益/(損失)		22,071,376.41	(3,447,181.83)
II. Operating profit	二、營業利潤		7,197,272,689.27	8,262,072,238.73
Add: Non-operating income	加：營業外收入		54,642,428.18	23,462,632.83
Less: Non-operating expenses	減：營業外支出		11,997,432.77	24,087,846.95
III. Total profit	三、利潤總額		7,239,917,684.68	8,261,447,024.61
Less: Income tax expenses	減：所得稅費用		674,769,127.68	901,533,161.01
IV. Net profit	四、淨利潤		6,565,148,557.00	7,359,913,863.60
(I) Breakdown by continuity of operations	(一)按經營持續性分類			
1. Net profit from continuing operations	1. 持續經營淨利潤		6,565,148,557.00	7,359,913,863.60
V. Net other comprehensive income after tax	五、其他綜合收益的稅後淨額		163,112,200.10	(72,724,900.10)
(I) Those other comprehensive income not to be reclassified into profit or loss	(一)不能重分類進損益的 其他綜合收益			
1. Change in fair value of investment in other equity instruments	1. 其他權益工具投資 公允價值變動		163,112,200.10	(72,724,900.10)
VI. Total comprehensive income	六、綜合收益總額		6,728,260,757.10	7,287,188,963.50

COMPANY STATEMENT OF CHANGES IN EQUITY

公司股東權益變動表

For the year ended 31 December 2020

2020年12月31日止年度

RMB
人民幣元

Item	項目	Note 附註	Incurred during the year 本年發生額						Retained earnings 未分配利潤	Total equity 股東權益合計
			Share capital 股本	Capital reserve 資本公積	Treasury shares 減：庫存股	Less: comprehensive income 其他綜合收益	Special reserve 專項儲備	Surplus reserve 盈餘公積		
I. At beginning of year	一、本年年初餘額		7,933,873,895.00	695,679,231.81	-	(119,983,030.10)	94,899,845.80	3,607,357,154.34	31,243,457,814.25	43,455,284,911.10
II. Movements in current year	二、本年增減變動金額									
(I) Total comprehensive income	(一)綜合收益總額		-	-	-	163,112,200.10	-	-	6,565,148,557.00	6,728,260,757.10
(II) Injection and reduction	(二)股東投入和減少資本									
1. Acquisition of subsidiaries by way of absorption	1.吸收合併子公司		-	-	-	-	-	-	-	-
2. Cancellation of treasury shares repurchased	2.註銷回購庫存股		-	-	-	-	-	-	-	-
(III) Profit appropriation	(三)利潤分配									
1. Appropriation to surplus reserve	1.提取盈餘公積		-	-	-	-	-	656,514,855.70	(656,514,855.70)	-
2. Distribution to shareholders	2.對股東的分配	V五49	-	-	-	-	-	-	(2,269,087,933.97)	(2,269,087,933.97)
(IV) Special reserve	(四)專項儲備									
1. Appropriation during the year	1.本年提取		-	-	-	-	30,462,536.59	-	-	30,462,536.59
2. Used during the year	2.本年使用		-	-	-	-	(8,243,651.65)	-	-	(8,243,651.65)
III. At end of year	三、本年年末餘額		7,933,873,895.00	695,679,231.81	-	43,129,170.00	117,118,730.74	4,263,872,010.04	34,883,003,581.58	47,936,676,619.17

COMPANY STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December 2020

公司股東權益變動表(續)

2020年12月31日止年度

RMB
人民幣元

Item	項目	Note 附註	Share capital 股本	Capital reserve 資本公積	Less: Treasury shares 減：庫存股	Incurred in previous year 上年發生額			Retained earnings 未分配利潤	Total equity 股東權益合計
						Other comprehensive income 其他綜合收益	Special reserve 專項儲備	Surplus reserve 盈餘公積		
I. At beginning of year	一、本年年初餘額		7,997,238,556.00	1,084,612,950.62	499,911,217.21	(47,258,130.00)	74,867,864.57	2,811,115,722.19	27,897,980,483.61	39,318,646,229.78
II. Movements in current year	二、本年增減變動金額									
(I) Total comprehensive income	(一) 綜合收益總額		-	-	-	(72,724,900.10)	-	-	7,359,913,863.60	7,287,188,963.50
(II) Injection and reduction	(二) 股東投入和減少資本									
1. Acquisition of subsidiaries by way of absorption	1. 吸收合併子公司		-	47,612,837.40	-	-	-	60,250,045.79	133,120,628.25	240,983,511.44
2. Cancellation of treasury shares repurchased	2. 註銷回購庫存股		(63,364,661.00)	(436,546,556.21)	(499,911,217.21)	-	-	-	-	-
(III) Profit appropriation	(三) 利潤分配									
1. Appropriation to surplus reserve	1. 提取盈餘公積		-	-	-	-	-	735,991,386.36	(735,991,386.36)	-
2. Distribution to shareholders	2. 對股東的分配	V549	-	-	-	-	-	-	(3,411,565,774.85)	(3,411,565,774.85)
(IV) Special reserve	(四) 專項儲備									
1. Appropriation during the year	1. 本年提取		-	-	-	-	27,744,064.10	-	-	27,744,064.10
2. Used during the year	2. 本年使用		-	-	-	-	(7,712,082.87)	-	-	(7,712,082.87)
III. At end of year	三、本年年末餘額		7,933,873,895.00	695,679,231.81	-	(119,983,030.10)	94,899,845.80	3,607,357,154.34	31,243,457,814.25	43,455,284,911.10

COMPANY CASH FLOW STATEMENT

For the year ended 31 December 2020

公司現金流量表

2020年12月31日止年度

		RMB 人民幣元		
Item	項目	Note 附註	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
I.	CASH FLOWS FROM OPERATING ACTIVITIES	一、	經營活動產生的現金流量	
	Cash received from sales of goods or rendering of services		銷售商品、提供勞務收到的現金	52,067,007,166.52
	Refunds of taxes		收到的稅費返還	1,825,190.82
	Other cash received relating to operating activities		收到其他與經營活動有關的現金	942,149,815.48
	Subtotal of cash inflows from operating activities		經營活動現金流入小計	53,010,982,172.82
	Cash paid for goods and services		購買商品、接受勞務支付的現金	33,796,626,079.22
	Cash paid to and on behalf of employees		支付給職工以及為職工支付的現金	1,962,354,573.92
	Cash paid for all types of taxes		支付的各項稅費	3,000,858,592.88
	Other cash paid relating to operating activities		支付其他與經營活動有關的現金	1,363,417,506.19
	Subtotal of cash outflows from operating activities		經營活動現金流出小計	40,123,256,752.21
	Net cash flows from operating activities		經營活動產生的現金流量淨額	12,887,725,420.61
		XV十五7	11,217,722,833.52	

COMPANY CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 December 2020

公司現金流量表(續)

2020年12月31日止年度

Item	項目	Note 附註	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
II. CASH FLOWS FROM INVESTING ACTIVITIES	二、投資活動產生的現金流量			
Cash received from sale of investments	收回投資收到的現金		790,982,112.59	876,585.00
Cash received from return on investments	取得投資收益收到的現金		750,077,689.20	1,145,594,951.25
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	處置固定資產、 無形資產和 其他長期資產 收回的現金淨額		4,430,900.00	8,655,114.00
Other cash received relating to investing activities	收到其他與投資活動 有關的現金		-	241,783,376.18
Subtotal of cash inflows from investing activities	投資活動現金流入小計		1,545,490,701.79	1,396,910,026.43
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	購建固定資產、 無形資產和其他 長期資產支付的現金		2,203,694,169.70	2,056,360,496.82
Cash paid for acquisition of investments	投資支付的現金		1,521,116,756.00	1,304,838,470.66
Other cash paid relating to investing activities	支付其他與投資活動 有關的現金		835,203,588.38	218,372,000.00
Subtotal of cash outflows from investing activities	投資活動現金流出小計		4,560,014,514.08	3,579,570,967.48
Net cash flows from investing activities	投資活動產生的 現金流量淨額		(3,014,523,812.29)	(2,182,660,941.05)

COMPANY CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 December 2020

公司現金流量表(續)

2020年12月31日止年度

Item	項目	Note 附註	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
III. CASH FLOWS FROM FINANCING ACTIVITIES	三、籌資活動產生的現金流量			
Cash paid for distribution of dividends or profits and for interest expenses	分配股利、利潤或償付利息支付的現金		2,252,358,713.49	3,374,917,166.39
Subtotal of cash outflows from financing activities	籌資活動現金流出小計		2,252,358,713.49	3,374,917,166.39
Net cash flows from financing activities	籌資活動產生的現金流量淨額		(2,252,358,713.49)	(3,374,917,166.39)
IV. EFFECT OF CHANGES IN EXCHANGE RATE ON CASH AND CASH EQUIVALENTS	四、匯率變動對現金及現金等價物的影響		62,430.95	(13,811.63)
V. NET INCREASE IN CASH AND CASH EQUIVALENTS	五、現金及現金等價物淨增加		5,950,902,738.69	7,330,133,501.54
Add: Cash and cash equivalents at beginning of year	加：年初現金及現金等價物餘額		26,404,688,200.32	19,074,554,698.78
VI. CASH AND CASH EQUIVALENTS AT END OF YEAR	六、年末現金及現金等價物餘額		32,355,590,939.01	26,404,688,200.32

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2020

財務報表附註

2020年12月31日止年度

I. CORPORATE BACKGROUND

Weichai Power Co., Ltd. (the "Company") is a joint stock company limited by shares incorporated in Weifang, Shandong on 23 December 2002.

The RMB ordinary A shares and overseas listed foreign H shares issued by the Company were listed on the Shenzhen Stock Exchange and The Stock Exchange of Hong Kong Limited, respectively. The registered address of the Company's headquarters is 197, Section A, Fu Shou East Street, High Technology Industrial Development Zone, Weifang, Shandong Province. The Company operates in the transportation equipment manufacturing industry. The major scope of operations of the Company and its subsidiaries (the "Group") covers: design, development, production, sale, repair, import and export of engines and auxiliary products, automobile, automobile axle and components, gear boxes and components and other automobile components, hydraulic pumps, hydraulic motors, hydraulic valves, gears and gear transmission devices, ancillary casting and casting products of hydraulic components, internal combustion engines, new energy powertrain systems and ancillary products; technical consultation and technical services; leasing of self-owned houses; sale of steel; business management service; forklift trucks production, warehousing technology and supply chain solution services. For the aforesaid scope of operation, operating permit(s) should be held for those operations requiring administrative permission.

Weichai Group Holdings Limited and Shandong Heavy Industry Group Co., Ltd., established in the PRC, are the parent company and ultimate holding company of the Group respectively.

These company and consolidated financial statements of the Company were approved by the board of directors of the Company on 30 March 2021.

The consolidation scope of consolidated financial statements is determined on the basis of control. Please refer to Note VI for changes this period.

一、公司基本情況

濰柴動力股份有限公司(以下簡稱「本公司」)是一家於2002年12月23日在山東省濰坊市註冊成立的股份有限公司。

本公司所發行人民幣普通股A股及境外上市外資股H股已分別在深圳證券交易所和香港聯合交易所有限公司上市。本公司註冊地址位於山東省濰坊市高新技術產業開發區福壽東街197號甲。本公司所屬行業為交通運輸設備製造業。本公司及子公司(以下統稱「本集團」)主要經營範圍為：發動機及配套產品，汽車，汽車車橋及零部件，汽車變速器及零部件以及其他汽車零部件，液壓泵、液壓馬達、液壓閥門、齒輪和齒輪傳動裝置、液壓元件附屬鑄件和鑄造品、內燃機、新能源動力總成系統及配套產品的設計、開發、生產、銷售、維修、進出口；技術諮詢和技術服務；自有房屋租賃、鋼材銷售、企業管理服務；叉車生產、倉庫技術及供應鏈解決方案服務。以上經營範圍涉及行政許可的憑許可證經營。

本公司的母公司和最終控股公司分別為於中國成立的濰柴控股集團有限公司和山東重工集團有限公司。

本公司的公司及合併財務報表於2021年3月30日已經本公司董事會批准。

合併財務報表的合併範圍以控制為基礎確定，本年變化情況參見附註六。

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Preparation basis

The Group has adopted the Accounting Standards for Business Enterprises and relevant provisions promulgated by the MOF. In addition, the Group also disclosed relevant financial information in accordance with Compilation Rules No. 15 for Information Disclosure by Companies Offering Securities to the Public – General Requirements for Financial Reporting (2014 Revision), the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

Continuing operations

The Group carried out assessment on the going concern for the 12 months' period commencing from 31 December 2020, and did not recognize any matters and situation leading to material doubt on the continuity of operation. Therefore, these financial statements have been prepared based on the going-concern assumption.

Basis of book-keeping and principle of measurement

The Group adopts the accrual basis as the basis of book-keeping in accounting. Other than certain financial instruments, these financial statements have been prepared at historical costs. Disposal group held-for-sale is carried at the lower of carrying amount or the net value of fair value less selling expenses. If the assets are impaired, corresponding provisions for impairment shall be made according to relevant provisions.

Under historical cost method, the amount of assets was measured at the fair value of cash or cash equivalents or consideration paid at the time of purchase. Liabilities were measured at the amount of money or assets due to the current obligations actually received, or a present obligation of the contract amount, or the measurement of cash or cash equivalents in accordance with daily activities to repay the liabilities of the amount expected to be paid.

二、財務報表的編製基礎

編製基礎

本集團執行財政部頒佈的企業會計準則及相關規定。此外，本集團還按照《公開發行證券的公司信息披露編報規則第15號—財務報告的一般規定(2014年修訂)》、《香港公司條例》和《香港聯合交易所有限公司證券上市規則》披露有關財務信息。

持續經營

本集團對自2020年12月31日起12個月的持續經營能力進行了評價，未發現對持續經營能力產生重大懷疑的事項和情況。因此，本財務報表系在持續經營假設的基礎上編製。

記帳基礎和計價原則

本集團會計核算以權責發生制為記帳基礎。除某些金融工具外，本財務報表以歷史成本作為計量基礎。持有待售的處置組，按照賬面價值與公允價值減去出售費用後的淨額孰低列報。資產如果發生減值，則按照相關規定計提相應的減值準備。

在歷史成本計量下，資產按照購置時支付的現金或者現金等價物的金額或者所付出的對價的公允價值計量。負債按照因承擔現時義務而實際收到的款項或者資產的金額，或者承擔現時義務的合同金額，或者按照日常活動中為償還負債預期需要支付的現金或者現金等價物的金額計量。

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

Basis of book-keeping and principle of measurement (Continued)

The fair value refers to the amount, at which both willing parties engaged to an orderly transaction who are familiar with the condition sell their assets or transfer their liabilities. Whether the fair value is observable or measured by valuation techniques, the measurement and disclosure of the fair value in these financial statements were all based on it.

For financial assets with transaction prices as the fair value upon initial recognition and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the results of the valuation technique equals to the transaction price.

Fair value measurements are categorized into three levels based on the degree to which the inputs of the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

二、財務報表的編製基礎(續)

記帳基礎和計價原則(續)

公允價值是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。無論公允價值是可觀察到的還是採用估值技術估計的，在本財務報表中計量和披露的公允價值均在此基礎上予以確定。

對於以交易價格作為初始確認時的公允價值，且在公允價值後續計量中使用了涉及不可觀察輸入值的估值技術的金融資產，在估值過程中校正該估值技術，以使估值技術確定的初始確認結果與交易價格相等。

公允價值計量基於公允價值的輸入值的可觀察程度以及該等輸入值對公允價值計量整體的重要性，被劃分為三個層次：

- 第一層次輸入值是在計量日能夠取得的相同資產或負債在活躍市場上未經調整的報價。
- 第二層次輸入值是除第一層次輸入值外相關資產或負債直接或間接可觀察的輸入值。
- 第三層次輸入值是相關資產或負債的不可觀察輸入值。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Accounting policies and accounting estimates are formulated based on the actual characteristics of production and operation. These are reflected in the identification of leases, provision for credit losses in respect of receivables, classification of fixed assets and depreciation estimation, classification of intangible assets and long-term pre-paid expenses and estimation of amortization.

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements present, fairly and fully, the company and consolidated financial position as at 31 December 2020 and the company and consolidated results of operations and the cash flows for year 2020 of the Company in accordance with Accounting Standards for Business Enterprises.

2. Accounting year

The accounting year of the Group is from 1 January to 31 December of each calendar year.

3. Business cycle

Business cycle refers to the period from the purchase of assets used for processing to the realization of cash and cash equivalents. The business cycle of the Company is twelve months.

4. Functional currency

Renminbi (RMB) was the currency used in the major economic environment in which the Company and its domestic subsidiaries operate the business. The Company and its domestic subsidiaries used RMB as their functional currencies. The Company's overseas subsidiaries may determine their own functional currencies based on the currency used in the major economic environment in which they operate the business. In preparation of these financial statements, the Company adopted RMB as the functional currency.

三、重要會計政策及會計估計

本集團根據實際生產經營特點制定了具體會計政策和會計估計，主要體現在租賃的識別、應收款項信用損失準備的計提、固定資產分類及折舊估計、無形資產和長期待攤費用的分類和攤銷估計。

1. 遵循企業會計準則的聲明

本財務報表符合企業會計準則的要求，真實、完整地反映了本公司於2020年12月31日的公司及合併財務狀況以及2020年度的公司及合併經營成果和公司及合併現金流量。

2. 會計期間

本集團會計年度為公曆年度，即每年自1月1日起至12月31日止。

3. 營業周期

營業周期是指企業從購買用於加工的資產起至實現現金或現金等價物的期間。本公司的營業周期為12個月。

4. 記帳本位幣

人民幣為本公司及境內子公司經營所處的主要經濟環境中的貨幣，本公司及境內子公司以人民幣為記帳本位幣。本公司之境外子公司根據其經營所處的主要經濟環境中的貨幣確定其記帳本位幣。本公司編製本財務報表時所採用的貨幣為人民幣。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. The accounting treatment of business combinations involving enterprises under common control and business combinations involving enterprises not under common control

Business combinations include business combinations involving enterprises under common control and business combinations involving enterprises not under common control.

Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

Assets and liabilities that are obtained in a business combination shall be measured at the carrying amounts on the financial statements of the acquiree as at the combination date. The difference between the carrying amount of the net assets obtained by the acquirer and the carrying amount of the consideration paid for the combination (or the aggregate face value of shares issued as consideration) shall be adjusted to share premium under capital reserve. If the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss when incurred.

Business combinations involving enterprises not under common control and goodwill

A business combination involving enterprises not under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination.

Combination cost refers to the fair value of assets paid, liabilities incurred or assumed and equity instruments issued by the acquirer for acquiring control of the acquiree. For business combinations of enterprises not under common control achieved in stages through multiple transactions, the combination cost shall be the sum of the consideration paid on the date of acquisition and the fair value, as at the date of acquisition, of the equity interests in the acquiree held prior to the date of acquisition.

三、重要會計政策及會計估計(續)

5. 同一控制下和非同一控制下企業合併的會計處理方法

企業合併分為同一控制下企業合併和非同一控制下企業合併。

同一控制下企業合併

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。

在企業合併中取得的資產和負債，按合併日其在被合併方的賬面價值計量。合併方取得的淨資產賬面價值與支付的合併對價的賬面價值(或發行股份面值總額)的差額，調整資本公積中的股本溢價，股本溢價不足沖減的則調整留存收益。

為進行企業合併發生的各項直接費用，於發生時計入當期損益。

非同一控制下的企業合併及商譽

參與合併的企業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。

合併成本指購買方為取得被購買方的控制權而付出的資產、發生或承擔的負債和發行的權益性工具的公允價值。通過多次交易分步實現非同一控制下的企業合併的，合併成本為購買日支付的對價與購買日之前已經持有的被購買方的股權在購買日的公允價值之和。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. The accounting treatment of business combinations involving enterprises under common control and business combinations involving enterprises not under common control (Continued)

Business combinations involving enterprises not under common control and goodwill (Continued)

The fees paid to intermediaries including audit, legal services, appraisal and so forth and other related administrative expenses incurred by the acquirer for the business combination are charged to profit or loss for the current period when incurred.

The identifiable assets, liabilities and contingent liabilities of acquiree qualifying for the conditions of recognition acquired by the acquirer in the business combination are measured at fair value on the date of acquisition. When the business combination contract provides that, upon the occurrence of multiple future contingencies, the acquirer shall require the return of consideration paid for the business combination, such contingent consideration as set out in the contract shall be recognised as an asset by the Group as a part of the aggregate consideration transferred in the business combination, and be included in the cost of combination at the fair value at the date of acquisition. Within twelve months after the acquisition, if the contingent consideration needs to be adjusted as new or further evidences are obtained in respect of circumstances existed as of the date of acquisition, the amount previously included in the goodwill shall be adjusted. A change in or adjustment to the contingent consideration under other circumstances shall be measured in accordance with Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments and Accounting Standards for Business Enterprises No. 13 – Contingencies. Any change or adjustment is included in profit or loss for the current period.

三、重要會計政策及會計估計(續)

5. 同一控制下和非同一控制下企業合併的會計處理方法(續)

非同一控制下的企業合併及商譽(續)

購買方為企業合併發生的審計、法律服務、評估諮詢等中介費用以及其他相關管理費用，於發生時計入當期損益。

購買方在合併中所取得的被購買方符合確認條件的可辨認資產、負債及或有負債在購買日以公允價值計量。當合併協議中約定根據未來多項或有事項的發生，購買方有權要求返還之前已經支付的合併對價時，本集團將合併協議約定的或有對價確認為一項資產，作為企業合併轉移對價的一部分，按照其在購買日的公允價值計入企業合併成本。購買日後12個月內，若出現對購買日已存在情況的新的或者進一步證據而需要調整或有對價的，予以確認並對原計入商譽的金額進行調整。其他情況下發生的或有對價變化或調整，按照《企業會計準則第22號—金融工具確認和計量》和《企業會計準則第13號—或有事項》計量，發生的變化或調整計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. The accounting treatment of business combinations involving enterprises under common control and business combinations involving enterprises not under common control (Continued)

Business combinations involving enterprises not under common control and goodwill (Continued)

Where the combination cost is larger than the portion of fair value of net identifiable assets of acquiree acquired in the business combination, the difference is recognized as goodwill as an asset, and initially measured at cost. For those with combination cost lower than the portion of fair value of net identifiable assets of acquiree acquired in the business combination, re-verification is first carried out on the measurement of the fair value of all identifiable assets, liabilities and contingent liabilities as well as the combination cost. For those with combination cost lower than the portion of fair value of net identifiable assets of acquiree acquired in the business combination after re-verification, they are charged to profit or loss for the current period.

If either the fair values of identifiable assets, liabilities and contingent liabilities acquired in a combination or the cost of business combination can be determined only provisionally by the end of the period in which the business combination was effected, the acquirer recognizes and measures the combination using those provisional values. Any adjustments to those provisional values within 12 months after the acquisition date are treated as if they had been recognized and measured on the acquisition date.

Goodwill arising from the business combination shall be recognized separately in the consolidated financial statements and measured at cost less accumulated impairment losses.

6. Basis for preparation of consolidated financial statements

The consolidation scope of consolidated financial statements is determined on the basis of control. Control refers to the power of an investor over an investee, and exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of its returns. Once the relevant facts and situation which alters the elements that define control change, the Group shall perform re-evaluation.

三、重要會計政策及會計估計(續)

5. 同一控制下和非同一控制下企業合併的會計處理方法(續)

非同一控制下的企業合併及商譽(續)

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，作為一項資產確認為商譽並按成本進行初始計量。合併成本小於合併中取得的被購買方可辨認淨資產公允價值份額的，首先對取得的被購買方各項可辨認資產、負債及或有負債的公允價值以及合併成本的計量進行覆核，覆核後合併成本仍小於合併中取得的被購買方可辨認淨資產公允價值份額的，計入當期損益。

合併當期期末，如合併中取得的各項可辨認資產、負債及或有負債的公允價值或企業合併成本只能暫時確定的，則以所確定的暫時價值為基礎對企業合併進行確認和計量。購買日後12個月內對確認的暫時價值進行調整的，視為在購買日確認和計量。

因企業合併形成的商譽在合併財務報表中單獨列報，並按照成本扣除累計減值準備後的金額計量。

6. 合併財務報表的編製方法

合併財務報表的合併範圍以控制為基礎予以確定。控制是指投資方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。一旦相關事實和情況的變化導致上述控制定義涉及的相關要素發生了變化，本集團將進行重新評估。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Basis for preparation of consolidated financial statements (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the date of acquisition (the date when the control is obtained) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period or from the date when they first came under the common control of the ultimate controlling party are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company.

The effect of all intra-group transactions between the Company and its subsidiaries and among subsidiaries on the consolidated financial statements is eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the Company is treated as minority interests and presented as "minority interests" in the consolidated balance sheet within shareholders' equity. The portion of net profits or losses of subsidiaries attributable to minority interests is presented as "minority interests" in the consolidated income statement below the "net profit" line item.

三、重要會計政策及會計估計(續)

6. 合併財務報表的編製方法(續)

子公司的合併起始於本集團獲得對該子公司的控制權時，終止於本集團喪失對該子公司的控制權時。

對於通過非同一控制下的企業合併取得的子公司，其自購買日(取得控制權的日期)起的經營成果及現金流量已經適當地包括在合併利潤表和合併現金流量表中。

對於通過同一控制下的企業合併取得的子公司(或吸收合併下的被合併方)，無論該項企業合併發生在報告期的任一時點，視同該子公司(或被合併方)同受最終控制方控制之日起納入本集團的合併範圍，其自報告期最早期間期初或同受最終控制方控制之日起的經營成果和現金流量已適當地包括在合併利潤表和合併現金流量表中。

子公司採用的主要會計政策和會計期間按照本公司統一規定的會計政策和會計期間釐定。

本公司與子公司及子公司相互之間發生的內部交易對合併財務報表的影響於合併時抵銷。

子公司所有者權益中不屬於本公司的份額作為少數股東權益，在合併資產負債表中股東權益項目下以「少數股東權益」項目列示。子公司當期淨損益中屬於少數股東權益的份額，在合併利潤表中淨利潤項目下以「少數股東損益」項目列示。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Basis for preparation of consolidated financial statements (Continued)

Where the amount of losses of a subsidiary attributable to the minority shareholders exceeds their share of the opening balance of owner's equity of the subsidiary, the excess shall be allocated against minority interests.

Acquisition of minority interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as an equity transaction. The carrying amounts of the interests attributable to the parent and minority interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the minority interests are adjusted and the fair value of the consideration paid or received is adjusted to capital reserve. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

7. Classification of joint arrangements and accounting treatments for joint operations

Joint arrangements include joint operations and joint ventures. The classification is determined by considering the structure, legal form and contract terms of the arrangement according to the rights and obligations of the joint parties in the joint arrangements. A joint operation refers to the arrangement whereby the parties have rights to the assets and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement whereby the parties only have rights to the net assets of the joint arrangement.

The Group adopts equity method for computing the investments in joint ventures. For details, see Note III. 14.3.2 Long-term equity investment calculated by equity method

三、重要會計政策及會計估計(續)

6. 合併財務報表的編製方法(續)

少數股東分擔的子公司的虧損超過了少數股東在該子公司期初所有者權益中所享有的份額，其餘額仍沖減少數股東權益。

對於購買子公司少數股權或因處置部分股權投資但沒有喪失對該子公司控制權的交易，作為權益性交易核算，調整歸屬於母公司所有者權益和少數股東權益的賬面價值以反映其在子公司中相關權益的變化。少數股東權益的調整額與支付／收到對價的公允價值之間的差額調整資本公積，資本公積不足沖減的，調整留存收益。

7. 合營安排分類及共同經營會計處理方法

合營安排分為共同經營和合營企業，該分類通過考慮該安排的結構、法律形式以及合同條款等因素根據合營方在合營安排中享有的權利和承擔的義務確定。共同經營，是指合營方享有該安排相關資產且承擔該安排相關負債的合營安排。合營企業是指合營方僅對該安排的淨資產享有權利的合營安排。

本集團對合營企業的投資採用權益法核算，具體參見附註三、14.3.2按權益法核算的長期股權投資。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Classification of joint arrangements and accounting treatments for joint operations (Continued)

The following items should be recognized by the Group in relation to its sole and shared ownerships in the joint operation: solely held assets, as well as jointly held assets according to its share; solely assumed liabilities, as well as jointly assumed liabilities according to its share; income derived from its entitled share of production of the joint operation; income derived from the sales of production of the joint operation according to its share; solely incurred expenses, as well as expenses incurred by the joint operation according to its share. Assets, liabilities, income and expenses related to the joint operation are computed according to requirements applicable to specific assets, liabilities, income and expenses.

If the Company invests or sells assets, etc. to the joint operation (except when the assets constitute business), the part pertaining to other participants in the joint operation among the profit or loss due to the transaction will be recognized only before the assets are sold to a third party by the joint operation. Where asset impairment losses are incurred in respect of assets invested or sold, the Group recognizes the losses in full amount.

If the Group purchases assets, etc. from the joint operation (except when the assets constitute business), the part pertaining to other participants in the joint operation among the profit or loss due to the transaction will be recognized only before the assets are sold to a third party. Where asset impairment losses are incurred in respect of assets purchased, the Group recognizes the losses to the extent of its share.

8. Recognition criteria for cash and cash equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term (usually mature within 3 months from the date of acquisition), highly liquid investments held by the Group, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

三、重要會計政策及會計估計(續)

7. 合營安排分類及共同經營會計處理方法(續)

本集團根據共同經營的安排確認本集團單獨所持有的資產以及按本集團份額確認共同持有的資產；確認本集團單獨所承擔的負債以及按本集團份額確認共同承擔的負債；確認出售本集團享有的共同經營產出份額所產生的收入；按本集團份額確認共同經營因出售產出所產生的收入；確認本集團單獨所發生的費用，以及按本集團份額確認共同經營發生的費用。本集團按照適用於特定資產、負債、收入和費用的規定核算與共同經營相關的資產、負債、收入和費用。

本集團向共同經營投出或出售資產等(該資產構成業務的除外)，在該等資產由共同經營出售給第三方之前，僅確認因該交易產生的損益中歸屬於共同經營其他參與方的部分。投出或出售的資產發生資產減值損失的，本集團全額確認該損失。

本集團自共同經營購買資產等(該資產構成業務的除外)，在將該資產出售給第三方之前，僅確認因該交易產生的損益中歸屬於共同經營其他參與方的部分。購入的資產發生資產減值損失的，本集團按其承擔的份額確認該部分損失。

8. 現金及現金等價物的確定標準

現金是指庫存現金以及可以隨時用於支付的存款。現金等價物是指本集團持有的期限短(一般指從購買日起三個月內到期)、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 (CONTINUED)

9. Foreign currency operations and foreign currency translation

9.1 Foreign currency operations

Foreign currency transactions are recorded, on initial recognition, in the functional currency, by applying to the foreign currency amount the spot exchange rate prevailing on the transaction dates. On the balance sheet date, foreign currency monetary items are translated into Renminbi using the spot exchange rate prevailing on the balance sheet date. Exchange differences arising from the difference between the spot exchange rate on that day and on the date of initial recognition or the previous balance sheet date are taken to profit or loss in the current period except for the following: (1) The exchange difference in respect of special borrowings denominated in foreign currencies that meet the criteria for capitalization are capitalized during the capitalization period as a cost under the relevant assets; (2) The exchange difference in respect of hedging instruments used for hedging for avoiding foreign exchange rate risks is accounted for using hedge accounting; (3) For monetary items classified as at fair value through other comprehensive income ("FVTOCI"), exchange difference arising from the change in other gross carrying amounts other than amortized costs is taken to other comprehensive income.

Non-monetary foreign currency items measured at historical cost shall still be measured at the amount in the functional currency translated at the spot exchange rate prevailing on the transaction date. Non-monetary foreign currency items measured at fair value are translated at the spot exchange rate prevailing at the date on which the fair values are determined. The difference between the amount in the functional currency after translation and the amount in the original functional currency is accounted for as fair value change (inclusive of exchange rate change) and is taken to profit or loss for the current period or recognized as other comprehensive income.

三、重要會計政策及會計估計(續)

9. 外幣業務和外幣報表折算

9.1 外幣業務

外幣交易在初始確認時，採用交易發生日的即期匯率將外幣金額折算為記帳本位幣金額。於資產負債表日，對於外幣貨幣性項目採用資產負債表日即期匯率折算為人民幣，因該日的即期匯率與初始確認時或者前一資產負債表日即期匯率不同而產生的匯兌差額，除：(1)符合資本化條件的外幣專門借款的匯兌差額在資本化期間予以資本化計入相關資產的成本；(2)為了規避外匯風險進行套期的套期工具的匯兌差額按套期會計方法處理；(3)分類為以公允價值計量且其變動計入其他綜合收益的貨幣性項目除攤餘成本之外的其他賬面餘額變動產生的匯兌差額計入其他綜合收益外，均計入當期損益。

以歷史成本計量的外幣非貨幣性項目仍以交易發生日的即期匯率折算的記帳本位幣金額計量。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，折算後的記帳本位幣金額與原記帳本位幣金額的差額，作為公允價值變動(含匯率變動)處理，計入當期損益或確認為其他綜合收益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Foreign currency operations and foreign currency translation (Continued)

9.2 Translation of foreign currency financial statements

To prepare the consolidated financial statement, the financial statements denominated in foreign currency of a foreign operation are translated to RMB in compliance with the following requirements: all assets and liabilities on the balance sheet are translated at the spot exchange rate prevailing at the balance sheet date; all equity items are translated at the spot exchange rates at the dates on which such items arose; income and expenses and profit appropriation items in the income statement are translated at the spot exchange rate at the date of transaction; all exchange differences of assets, liabilities and shareholders' equity resulting from the translation are recognized as other comprehensive income and taken to shareholders' equity.

Foreign currency cash flows and the cash flows of foreign subsidiaries are translated using the spot exchange rate as of the date on which the cash flows occur. The effect of exchange rate changes on cash and cash equivalents is presented separately as an adjustment item under "effect of changes in exchange rate on cash and cash equivalents" in the cash flow statement.

The opening balances of the year and prior year's figures are presented according to the translated amounts of the financial statements of the prior year.

When control over the Group's foreign operation is lost due to the disposal of ownership interests of foreign operation or partial disposal of equity investment or other reasons, exchange differences of foreign currency statements attributable to the shareholders of the parent company related to such foreign operation and presented under shareholder's equity item in the balance sheet are all transferred to profit or loss for the current period.

三、重要會計政策及會計估計(續)

9. 外幣業務和外幣報表折算(續)

9.2 外幣財務報表折算

為編製合併財務報表，境外經營的外幣財務報表按以下方法折算為人民幣報表：資產負債表中的所有資產、負債類項目按資產負債表日的即期匯率折算；股東權益項目按發生時的即期匯率折算；利潤表中的所有項目及反映利潤分配發生額的項目按交易發生日的即期匯率折算；折算後資產類項目與負債類項目和股東權益類項目合計數的差額確認為其他綜合收益並計入股東權益。

外幣現金流量以及境外子公司的現金流量，採用現金流量發生日的即期匯率折算，匯率變動對現金及現金等價物的影響額，作為調節項目，在現金流量表中以「匯率變動對現金及現金等價物的影響」單獨列示。

上年年末數和上年實際數按照上年財務報表折算後的數額列示。

在處置本集團在境外經營的全部所有者權益或因處置部分股權投資或其他原因喪失了對境外經營控制權時，將資產負債表中股東權益項下列示的、與該境外經營相關的歸屬於母公司所有者權益的外幣報表折算差額，全部轉入處置當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Foreign currency operations and foreign currency translation (Continued)

9.2 Translation of foreign currency financial statements (Continued)

In partial disposal of the equity investment or other reasons that lead to the reduction of the proportion of interests in foreign operation but there is no loss of control over such foreign operations, the difference of foreign currency translation related to the part of foreign operation disposal will be attributed to minority interests and will not be taken to profit or loss for the current period. In partial disposal of equity interest in an overseas associate or joint venture, the foreign currency translation difference related to the foreign operation shall be taken to profit or loss for the current period according to the proportion of the disposal of the foreign operation.

10. Financial instruments

The Group recognizes a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument.

Where financial assets are purchased or sold in a regular way, assets to be received and liabilities to be borne for it are recognized on the date of transaction, or sold assets are derecognized on the date of transaction.

The financial assets and financial liabilities were initially recognized at fair value. For the financial assets and financial liabilities measured at fair value through profit or loss (FVTPL) for the current period, related transaction expenses are directly taken to the profit or loss for the current period; for other types of financial assets and financial liabilities, related transaction expenses are included in the initial recognized amount. For accounts receivable excluding significant financing components or regardless of financing components of contracts less than one year initially recognised based on Accounting Standards for Business Enterprises No.14-Revenue ("Standard on Revenue"), they are initially measured at transaction price defined based on the Standard on Revenue.

三、重要會計政策及會計估計(續)

9. 外幣業務和外幣報表折算(續)

9.2 外幣財務報表折算(續)

在處置部分股權投資或其他原因導致持有境外經營權益比例降低但不喪失對境外經營控制權時，與該境外經營處置部分相關的外幣報表折算差額將歸屬於少數股東權益，不轉入當期損益。在處置境外經營為聯營企業或合營企業的部分股權時，與該境外經營相關的外幣報表折算差額，按處置該境外經營的比例轉入處置當期損益。

10. 金融工具

本集團在成為金融工具合同的一方時確認一項金融資產或金融負債。

對於以常規方式購買或出售金融資產的，在交易日確認將收到的資產和為此將承擔的負債，或者在交易日終止確認已出售的資產。

金融資產和金融負債在初始確認時以公允價值計量。對於以公允價值計量且其變動計入當期損益的金融資產和金融負債，相關的交易費用直接計入當期損益；對於其他類別的金融資產和金融負債，相關交易費用計入初始確認金額。當本集團按照《企業會計準則第14號—收入》(「收入準則」)初始確認未包含重大融資成分或不考慮不超過一年的合同中的融資成分的應收賬款時，按照收入準則定義的交易價格進行初始計量。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

Effective interest method is the method that is used in the calculation of the amortized cost of a financial asset or a financial liability and in the allocation and recognition of the interest income or interest expense over the accounting periods.

Effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group shall estimate the expected cash flows by considering all the contractual terms of the financial assets or liabilities (for example, early repayment, extension, call and similar options) but shall not consider the expected credit losses.

Amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

10.1 Classification and measurement of financial assets

After initial recognition, the Group shall measure different types of financial assets at amortized cost, FVTOCI or FVTPL.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows, the Group shall classify the financial asset into a financial asset measured at amortized cost. Such financial assets mainly include: cash and cash equivalents, notes receivable, accounts receivable and other receivables, etc.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

實際利率法是指計算金融資產或金融負債的攤餘成本以及將利息收入或利息費用分攤計入各會計期間的方法。

實際利率，是指將金融資產或金融負債在預計存續期的估計未來現金流量，折現為該金融資產賬面餘額或該金融負債攤餘成本所使用的利率。在確定實際利率時，在考慮金融資產或金融負債所有合同條款(如提前還款、展期、看漲期權或其他類以期權等)的基礎上估計預期現金流量，但不考慮預期信用損失。

金融資產或金融負債的攤餘成本是以該金融資產或金融負債的初始確認金額扣除已償還的本金，加上或減去採用實際利率法將該初始確認金額與到期日金額之間的差額進行攤銷形成的累計攤銷額，再扣除累計計提的損失準備(僅適用於金融資產)。

10.1 金融資產的分類與計量

初始確認後，本集團對不同類別的金融資產，分別以攤餘成本、以公允價值計量且其變動計入其他綜合收益或以公允價值計量且其變動計入當期損益進行後續計量。

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，且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，則本集團將該金融資產分類為以攤餘成本計量的金融資產。此類金融資產主要包括貨幣資金、應收票據、應收賬款和其他應收款等。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.1 Classification and measurement of financial assets (Continued)

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held within a business model whose objective is to collect contractual cash flows and sell such financial assets, the Group shall classify the financial asset into a financial asset FVTOCI. Notes receivable classified as at FVTOCI upon acquisition by the Company are presented as receivable financing.

Financial assets at FVTPL include financial assets classified as at FVTPL and those designated as at FVTPL which are presented in held-for-trading financial assets. Those due over one year and expected to be held for over one year since the balance sheet date are presented in other non-current financial assets.

- A financial asset which does not satisfy the criteria for a financial asset classified as being measured at amortized cost or a financial asset at FVTOCI shall be classified as a FVTOCI.
- At initial recognition, the Group may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces accounting mismatch.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.1 金融資產的分類與計量(續)

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，且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的，則該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。本集團取得時分類為以公允價值計量且其變動計入其他綜合收益的應收票據，列示於應收款項融資。

以公允價值計量且其變動計入當期損益的金融資產包括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和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，列示於交易性金融資產。自資產負債表日起超過一年到期且預期持有超過一年的，列示於其他非流動金融資產。

- 不符合分類為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條件的金融資產均分類為以公允價值計量且其變動計入當期損益金融資產。
- 在初始確認時，為消除或顯著減少會計錯配，本集團可以將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。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.1 Classification and measurement of financial assets (Continued)

On initial recognition, the Group may, based on a individual financial asset, irrevocably designate a non-trading equity instrument investment which is non-contingent consideration and recognized in business combination not involving enterprises under common control as financial asset measured at FVTOCI. Such financial assets are presented as investment in other equity instruments.

The Group's purpose of holding the financial assets is for trading if one of the following conditions is satisfied:

- The Group's purpose of holding the relevant financial assets is primarily for recent sale.
- The relevant financial assets are, on initial recognition, a part of the centrally-managed identifiable financial instrument portfolio, and objective evidence indicates that short-term profit model exists in the near future.
- The relevant financial assets are derivative instruments. However, derivatives that meet the definition of financial guarantee contracts and those designated as effective hedging instruments are excluded.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.1 金融資產的分類與計量(續)

初始確認時，本集團可以單項金融資產為基礎，不可撤銷地將非同一控制下的企業合併中確認的或有對價以外的非交易性權益工具投資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。此類金融資產作為其他權益工具投資列示。

金融資產滿足下列條件之一的，表明本集團持有該金融資產的目的是交易性的：

- 取得相關金融資產的目的，主要是為了近期出售。
- 相關金融資產在初始確認時屬於集中管理的可辨認金融工具組合的一部分，且有客觀證據表明近期實際存在短期獲利模式。
- 相關金融資產屬於衍生工具。但符合財務擔保合同定義的衍生工具以及被指定為有效套期工具的衍生工具除外。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.1 Classification and measurement of financial assets (Continued)

10.1.1 Financial assets at amortised cost

The financial asset at amortized cost is subsequently measured at amortized cost using the effective interest method. Gain or loss arising from derecognition, impairment or amortization is recognized in profit or loss.

The Group recognizes interest income on financial assets measured at amortized cost using the effective interest method. The Group calculates interest income based on the gross carrying amount of financial assets multiplied by the actual interest rate, unless the financial assets become credit-impaired financial assets in subsequent reporting period. For those financial assets, the Group shall apply the credit-adjusted effective interest rate to the amortized cost of the financial asset in subsequent reporting period. If the financial assets no longer has credit impairment during the follow-up period as a result of an improvement in its credit risk, and this improvement may be linked to an event that occurred after the application of the above regulations, the Group calculates interest income based on the gross carrying amount of financial assets multiplied by the actual interest rate.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.1 金融資產的分類與計量(續)

10.1.1 以攤餘成本計量的金融資產

以攤餘成本計量的金融資產採用實際利率法，按攤餘成本進行後續計量，發生減值時或終止確認產生的利得或損失，計入當期損益。

本集團對以攤餘成本計量的金融資產按照實際利率法確認利息收入。本集團根據金融資產賬面餘額乘以實際利率計算確定利息收入，除非該金融資產在後續期間成為已發生信用減值的金融資產，本集團在後續期間，按照該金融資產的攤餘成本和實際利率計算確定其利息收入。若該金融工具在後續期間因其信用風險有所改善而不再存在信用減值，並且這一改善可與應用上述規定之後發生的某一事件相聯繫，本集團轉按實際利率乘以該金融資產賬面餘額來計算確定利息收入。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.1 Classification and measurement of financial assets (Continued)

10.1.2 Financial assets classified as at FVTOCI

Impairment gains or losses on a financial asset classified as at FVTOCI and the interest income calculated using the effective interest method and exchange gains and losses shall be recognized in profit or loss. Except for them, changes in fair value of such financial assets shall be recognized in other comprehensive income. The amount of such financial asset recognized in profit or loss of each period is equal to the amount deemed as measured at amortized cost all the time and recognized in profit or loss of each period. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is transferred from other comprehensive income to profit or loss.

After designating a non-trading equity instrument investment as a financial asset at FVTOCI, the changes in fair value of such financial assets are recognized in other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income are transferred from other comprehensive income to retained earnings. During the period that the Group holds these non-trading equity instrument investments, the Group has established the right of collecting dividends, whose economic benefit will probably flow into the Group, and the amount of the dividends can be reliably measured, then the Group will recognize dividend income in profit or loss.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.1 金融資產的分類與計量(續)

10.1.2 以公允價值計量且其變動計入其他綜合收益的金融資產

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相關的減值損失或利得、採用實際利率法計算的利息收入及匯兌損益計入當期損益，除此以外該金融資產的公允價值變動均計入其他綜合收益。該金融資產計入各期損益的金額與視同其一直按攤餘成本計量而計入各期損益的金額相等。該金融資產終止確認時，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。

將非交易性權益工具投資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後，該金融資產的公允價值變動在其他綜合收益中進行確認，該金融資產終止確認時，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。本集團持有該等非交易性權益工具投資期間，在本集團收取股利的權利已經確立，與股利相關的經濟利益很可能流入本集團，且股利的金額能夠可靠計量時，確認股利收入並計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.1 Classification and measurement of financial assets (Continued)

10.1.3 Financial assets at FVTPL

Financial assets at FVTPL shall be subsequently measured at fair value. Gains or losses from change in fair value and dividends and interest income related to such financial assets shall be recognized in profit or loss.

10.2 Impairment of financial instruments and other items

The Group shall recognise a loss allowance for expected credit losses on financial assets at amortized cost, financial assets classified as FVTOCI, a lease receivable, contract assets and financial guarantee contracts that are not designated as financial liabilities at FVTPL.

The Group makes a loss allowance against amount of expected credit losses during the whole life of the receivables and contract assets arising from transactions adopting Standard on Revenue and the lease receivables arising from transactions adopting Accounting Standards for Business Enterprises No. 21 – Leases.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.1 金融資產的分類與計量(續)

10.1.3 以公允價值計量且其變動計入當期損益的金融資產

以公允價值計量且其變動計入當期損益的金融資產以公允價值進行後續計量，公允價值變動形成的利得或損失以及與該金融資產相關的股利和利息收入計入當期損益。

10.2 金融工具及其他項目減值

本集團對以攤餘成本計量的金融資產、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、租賃應收款、合同資產以及以公允價值計量且其變動計入當期損益的金融負債外的財務擔保合同以預期信用損失為基礎進行減值會計處理並確認損失準備。

對於由收入準則規範的交易形成的應收款項、合同資產及由《企業會計準則第21號—租賃》規範的交易形成的租賃應收款，本集團按照相當於整個存續期內的預期信用損失金額計量損失準備。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial instruments and other items (Continued)

For other financial instruments, at the balance sheet date, the Group assesses changes in credit risk of relevant financial instruments since initial recognition. If the credit risk of the above financial instruments has increased significantly since initial recognition, the Group measures loss allowance based on the amount of expected credit losses during the whole lifetime; if credit risk of the financial instrument has not increased significantly since initial recognition, the Group recognises loss allowance based on 12-month ECL of the financial instrument. Increase in or reversal of credit loss allowance is included in profit or loss as loss/gain on impairment. Except financial assets classified as at FVTOCI, allowance for credit losses decreases the carrying amount of the financial assets. For financial assets at FVTOCI, the Group recognises credit loss allowance in other comprehensive income and does not decrease the carrying amount of such financial assets in the balance sheet.

The Group measures loss allowance at the full lifetime ECL of the financial instruments in the previous accounting period. However, at the balance sheet date, for the above financial instruments, if significant increase in credit risk since initial recognition no longer applies, the Group measures loss allowance for the financial instrument at 12-month ECL at the balance sheet date for the current period. Relevant reversal of loss allowance is included in profit or loss for the current period as gain on impairment.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.2 金融工具及其他項目減值(續)

對於其他金融工具，本集團在每個資產負債表日評估相關金融工具的信用風險自初始確認後的變動情況。若該金融工具的信用風險自初始確認後已顯著增加，本集團按照相當於該金融工具整個存續期內預期信用損失的金額計量其損失準備；若該金融工具的信用風險自初始確認後並未顯著增加，本集團按照相當於該金融工具未來12個月內預期信用損失的金額計量其損失準備。信用損失準備的增加或轉回金額，作為減值損失或利得計入當期損益。除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外，信用損失準備抵減金融資產的賬面價值。對於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，本集團在其他綜合收益中確認其信用損失準備，且不減少該金融資產在資產負債表中列示的賬面價值。

本集團在前一會計期間已經按照相當於金融工具整個存續期內預期信用損失的金額計量了損失準備，但在當期資產負債表日，該金融工具已不再屬於自初始確認後信用風險顯著增加的情形的，本集團在當期資產負債表日按照相當於未來12個月內預期信用損失的金額計量該金融工具的損失準備，由此形成的損失準備的轉回金額作為減值利得計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial instruments and other items (Continued)

10.2.1 Significant increases in credit risk

The Group assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each balance sheet date. While determining whether the credit risk has significantly increased since initial recognition, the Group takes into account the reasonable and substantiated information that is accessible without exerting unnecessary cost or effort, including qualitative and quantitative analysis based on the historical data of the Group, external credit risk rating, and forward-looking information. Based on the single financial instrument or the combination of financial instruments with similar characteristics of credit risk, the Group compares the risk of default of financial instruments on the balance sheet date with that on the initial recognition date in order to figure out the changes of default risk in the expected lifetime of financial instruments. For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition in the application of criteria related to the financial instrument for impairment.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.2 金融工具及其他項目減值(續)

10.2.1 信用風險顯著增加

本集團在每個資產負債表日評估相關金融工具的信用風險自初始確認後是否已顯著增加。在確定信用風險自初始確認後是否顯著增加時，本集團考慮在無須付出不必要的額外成本或努力即可獲得合理且有依據的信息，包括基於本集團歷史數據的定性和定量分析、外部信用風險評級以及前瞻性信息。本集團以單項金融工具或者具有相似信用風險特徵的金融工具組合為基礎，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變化情況。對於財務擔保合同，本集團在應用金融工具減值規定時，將本集團成為做出不可撤銷承諾的一方之日作為初始確認日。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial instruments and other items (Continued)

10.2.1 Significant increases in credit risk (Continued)

Criteria for judging significant increases in credit risk

When triggering one or more of the following quantitative and qualitative criteria, the Group believes that the credit risk of financial instruments has increased significantly:

- Quantitative criteria are primarily that the probability of default of the remaining duration of the reporting date rises by more than a certain proportion compared with the initial recognition
- Qualitative criteria primarily include major adverse changes in the debtor's business or financial position, the debtor's internal credit rating is actually lowered or is expected to be lowered, etc.

At the balance date, the Group assumes that credit risk of the financial instrument has not increased significantly since initial recognition if the Group determines that the financial instrument is only exposed to lower credit risk. If the risk of default of a financial instrument is low, the borrower is highly capable of meeting its contract cash flow obligations in the short term, and the financial instrument is considered to have a lower credit risk even if there is an adverse change in the economic situation and operating environment over a longer period of time, but it may not necessarily reduce the borrower's performance of its contract cash obligations.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.2 金融工具及其他項目減值(續)

10.2.1 信用風險顯著增加(續)

信用風險顯著增加判斷標準

當觸發以下一個或多個定量、定性標準時，本集團認為金融工具的信用風險已發生顯著增加：

- 定量標準主要為報告日剩餘存續期違約概率較初始確認時上升超過一定比例
- 定性標準主要為債務人經營或財務情況出現重大不利變化、對債務人實際或預期的內部信用評級下調等

於資產負債表日，若本集團判斷金融工具只具有較低的信用風險，則本集團假定該金融工具的信用風險自初始確認後並未顯著增加。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，並且即使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義務，則該金融工具被視為具有較低的信用風險。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial instruments and other items (Continued)

10.2.2 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- (1) Significant financial difficulty of the issuer or the borrower;
- (2) A breach of contract by the debtor, such as a default or delinquency in interest or principal payments;
- (3) The creditor, for economic or contracted reasons relating to the debtor's financial difficulty, granting to the debtor a concession which will not otherwise be granted in any other circumstances;
- (4) It becoming probable that the debtor will enter bankruptcy or other financial reorganizations;
- (5) The disappearance of an active market for that financial asset because of financial difficulties of the issuer or the debtor.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.2 金融工具及其他項目減值(續)

10.2.2 已發生信用減值的金融資產

當本集團預期對金融資產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：

- (1) 發行方或債務人發生重大財務困難；
- (2) 債務人違反合同，如償付利息或本金違約或逾期等；
- (3) 債權人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；
- (4) 債務人很可能破產或進行其他財務重組；
- (5) 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。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial instruments and other items (Continued)

10.2.3 Recognition of expected credit losses

The Group assesses the expected credit losses of financial instruments based on individual and group basis. The Group recognises the credit loss on receivables, lease receivables, contract assets, etc., of significant amount and insignificant amount but with special credit risk on an individual asset basis, and otherwise recognises credit loss of relevant financial instruments on a group basis. The Group considers the credit risk characteristics of different customers and evaluates the expected credit losses of accounts receivable on the basis of groupings by age, by quality of credit history and by overdue age. The Group considers various credit risk characteristics including instrument type, credit risk ratings, collateral type, date of initial recognition, remaining term to maturity, industry, geographical location of the debtor and the value of collateral relative to the financial asset, etc.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.2 金融工具及其他項目減值(續)

10.2.3 預期信用損失的確定

本集團基於單項和組合評估金融工具的預期信用損失。本集團對金額重大的以及金額不重大但是具有特別信用風險的應收款項、租賃應收款、合同資產等在單項資產的基礎上確定其信用損失，除此以外在組合基礎上確定相關金融工具的信用損失。本集團考慮了不同客戶的信用風險特徵，以賬齡組合、信用記錄優質組合和逾期賬齡組合為基礎評估應收款項的預期信用損失。本集團考慮的不同信用風險特徵包括：金融工具類型、信用風險評級、擔保物類型、初始確認日期、剩餘合同期限、債務人所處行業、債務人所處地理位置、擔保品相對於金融資產的價值等。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial instruments and other items (Continued)

10.2.3 Recognition of expected credit losses (Continued)

The Group determines expected credit losses of relevant financial instruments using the following methods:

- For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to the Group under the contract and the cash flows that the Group expects to receive.
- For lease receivables, a credit loss is the present value of the difference between the contractual cash flows that are due to the Group under the contract and the cash flows that the Group expects to receive.
- For a financial guarantee contract, credit loss is the present value of difference between the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.
- For credit-impaired financial assets at the balance sheet date, credit loss is the difference between the gross carrying amount of financial assets and the present value of expected future cash flows discounted at original effective interest rate.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.2 金融工具及其他項目減值(續)

10.2.3 預期信用損失的確定(續)

本集團按照下列方法確定相關金融工具的預期信用損失：

- 對於金融資產，信用損失為本集團收取的合同現金流量與預期收取的現金流量之間差額的現值。
- 對於租賃應收款，信用損失為本集團收取的合同現金流量與預期收取的現金流量之間差額的現值。
- 對於財務擔保合同，信用損失為本集團就該合同持有人發生的信用損失向其做出賠付的預計付款額，減去本集團預期向該合同持有人、債務人或任何其他方收取的金額之間差額的現值。
- 對於資產負債表日已發生信用減值的金融資產，信用損失為該金融資產賬面餘額與按原實際利率折現的估計未來現金流量的現值之間的差額。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial instruments and other items (Continued)

10.2.3 Recognition of expected credit losses (Continued)

The Group's measurement of ECL of financial instruments reflects factors including unbiased probability weighted average amount recognised by assessing a series of possible results, time value of money, reasonable and supportable information related to historical events, current condition and forecast of future economic position that is available without undue cost or effort at the balance sheet date.

10.2.4 Write-off of financial assets

The Group shall directly reduce the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition of the relevant financial asset.

10.3 Transfer of financial assets

The Group shall derecognise a financial asset when one of the following conditions are satisfied: (1) the contractual rights to the cash flows from the financial asset expire, (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset is transferred to the transferee; or (3) although the financial asset has been transferred, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but has not retained control of the financial asset.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.2 金融工具及其他項目減值(續)

10.2.3 預期信用損失的確定(續)

本集團計量金融工具預期信用損失的方法反映的因素包括：通過評價一系列可能的結果而確定的無偏概率加權平均金額；貨幣時間價值；在資產負債表日無須付出不必要的額外成本或努力即可獲得的有關過去事項、當前狀況以及未來經濟狀況預測的合理且有依據的信息。

10.2.4 減記金融資產

當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的，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。

10.3 金融資產的轉移

滿足下列條件之一的金融資產，予以終止確認：(1)收取該金融資產現金流量的合同權利終止；(2)該金融資產已轉移，且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；(3)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 (CONTINUED)

10. Financial instruments (Continued)

10.3 Transfer of financial assets (Continued)

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, and it retains control of the financial asset, the Group will recognize the financial asset to the extent of its continuing involvement in the transferred financial asset and recognize an associated liability. Relevant liabilities are measured using the following methods:

- If the transferred financial asset is measured at amortized cost, the carrying amount of relevant liabilities is the carrying amount of continuing involvement in the transferred financial asset less the amortized cost of the rights retained by the Group (if the Group retains rights for the transfer of the financial asset) plus the amortized cost of the obligations undertaken by the Group (if the Group undertakes relevant obligations for the transfer of the financial asset), and the relevant liabilities are not designated as financial liabilities at FVTPL.
- If the transferred financial asset is measured at fair value, the carrying amount of relevant liabilities is the carrying amount of continuing involvement in the transferred financial asset less the fair value of the rights retained by the Group (if the Group retains rights for the transfer of the financial asset) plus the fair value of the obligations undertaken by the Group (if the Group undertakes relevant obligations for the transfer of the financial asset), and the fair value of the rights and liabilities is measured on a stand-alone basis.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.3 金融資產的轉移(續)

若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風險和報酬，且保留了對該金融資產控制的，則按照其繼續涉入被轉移金融資產的程度繼續確認該被轉移金融資產，並相應確認相關負債。本集團按照下列方式對相關負債進行計量：

- 被轉移金融資產以攤餘成本計量的，相關負債的賬面價值等於繼續涉入被轉移金融資產的賬面價值減去本集團保留的權利(如果本集團因金融資產轉移保留了相關權利)的攤餘成本並加上本集團承擔的義務(如果本集團因金融資產轉移承擔了相關義務)的攤餘成本，相關負債不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。
- 被轉移金融資產以公允價值計量的，相關負債的賬面價值等於繼續涉入被轉移金融資產的賬面價值減去本集團保留的權利(如果本集團因金融資產轉移保留了相關權利)的公允價值並加上本集團承擔的義務(如果本集團因金融資產轉移承擔了相關義務)的公允價值，該權利和義務的公允價值為按獨立基礎計量時的公允價值。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.3 Transfer of financial assets (Continued)

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, for financial assets classified as at amortized cost and financial assets at FVTOCI, the difference between the carrying amount of the financial asset transferred and the sum of the consideration received from the transfer and accumulated amount of the fair value changes originally taken to other comprehensive income corresponding to the derecognized part shall be taken to profit or loss for the current period. Where the financial asset to be transferred by the Group is a non-trading equity instrument investment designated as at FVTOCI, accumulated gains or losses previously taken to other comprehensive income are transferred out from other comprehensive income and taken to retained earnings.

For a part of transfer of a financial asset that satisfies the derecognition criteria, the carrying amount of the transferred financial asset is allocated between the part that is derecognized and the part that is continuously involved, based on the respective fair values of those parts on transfer date. The difference between the sum of the consideration received for the part of the derecognition and the accumulated amount of the fair value changes originally taken to other comprehensive income corresponding to the derecognized part and the carrying amount on the date of derecognition for the derecognized part shall be taken to profit and loss for the current period. Where the financial asset to be transferred by the Group is a non-trading equity instrument investment designated as at FVTOCI, accumulated gains or losses previously taken to other comprehensive income are transferred out from other comprehensive income and taken to retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group will continuously recognize the transferred financial asset in its entirety. Considerations received should be recognized as a financial liability.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.3 金融資產的轉移(續)

金融資產整體轉移滿足終止確認條件的，將所轉移金融資產在終止確認日的賬面價值及因轉移金融資產而收到的對價與原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之和的差額計入當期損益。若本集團轉移的金融資產是指定為以公允價值計量且其變動計入其他綜合收益的非交易性權益工具投資，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。

金融資產部分轉移滿足終止確認條件的，將轉移前金融資產整體的賬面價值在終止確認部分和繼續確認部分之間按照轉移日各自的相對公允價值進行分攤，並將終止確認部分收到的對價和原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之和與終止確認部分在終止確認日的賬面價值之差額計入當期損益。若本集團轉移的金融資產是指定為以公允價值計量且其變動計入其他綜合收益的非交易性權益工具投資，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。

金融資產整體轉移未滿足終止確認條件的，本集團繼續確認所轉移的金融資產整體，並將收到的對價確認為金融負債。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.4 Classification of financial liabilities and equity instruments

Financial instruments or their constituent parts issued by the Group are classified into financial liabilities or equity instruments on initial recognition on the basis of the substance of the contractual arrangements and the economic nature but not only its legal form, together with the definition of financial liability and equity instruments.

10.4.1 Classification and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

10.4.1.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL consist of financial liabilities held for trading (including derivative instruments of financial liabilities) and those designated as at FVTPL. Financial liabilities at FVTPL are presented as held-for-trading financial liabilities or other non-current liabilities according to their liquidity.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.4 金融負債和權益工具的分類

本集團根據所發行金融工具的合同條款及其所反映的經濟實質而非僅以法律形式，結合金融負債和權益工具的定義，在初始確認時將該金融工具或其組成部分分類為金融負債或權益工具。

10.4.1 金融負債的分類及計量

金融負債在初始確認時劃分為以公允價值計量且其變動計入當期損益的金融負債和其他金融負債。

10.4.1.1 以公允價值計量且其變動計入當期損益的金融負債

以公允價值計量且其變動計入當期損益的金融負債，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。以公允價值計量且其變動計入當期損益的金融負債根據其流動性列示為交易性金融負債或其他非流動負債。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.4 Classification of financial liabilities and equity instruments (Continued)

10.4.1 Classification and measurement of financial liabilities (Continued)

10.4.1.1 Financial liabilities at FVTPL (Continued)

If one of the following conditions is met for a financial liability, it suggests that the Group recognises financial liability held-for-trading:

- The purpose of undertaking the relevant financial liability is mainly for the purpose of repurchasing in the near future.
- The relevant financial liability is, upon initial recognition, a combination of identifiable financial instruments that are centrally managed and there is objective evidence that the Company has recently adopted short-term profit-making methods.
- The relevant financial liability is a derivative instrument, except for derivatives that qualify for financial guarantee contracts and derivatives that are designated as effective hedging instruments.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.4 金融負債和權益工具的分類(續)

10.4.1 金融負債的分類及計量(續)

10.4.1.1 以公允價值計量且其變動計入當期損益的金融負債(續)
金融負債滿足下列條件之一，表明本集團承擔該金融負債的目的是交易性的：

- 承擔相關金融負債的目的，主要是為了近期回購。
- 相關金融負債在初始確認時屬於集中管理的可辨認金融工具組合的一部分，且有客觀證據表明近期實際存在短期獲利模式。
- 相關金融負債屬於衍生工具。但符合財務擔保合同定義的衍生工具以及被指定為有效套期工具的衍生工具除外。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.4 Classification of financial liabilities and equity instruments (Continued)

10.4.1 Classification and measurement of financial liabilities (Continued)

10.4.1.1 Financial liabilities at FVTPL (Continued)

The Group designates a financial liability as FVTPL on initial recognition when the financial liability satisfies one of the following criteria: (1) such designation eliminates or significantly reduces accounting mismatch; (2) The financial liability forms part of a group of financial liabilities or a group of financial assets and financial liabilities, which is managed and its performance is evaluated on a fair value basis, in accordance with the documented risk management or investment strategy of the Group, and information about the grouping is reported to key management personnel on that basis; (3) The qualified hybrid financial instrument combines financial liability with embedded derivatives.

Held-for-trading financial liabilities are subsequently measured at fair value, and any gains or losses arising from changes in fair value and any dividend or interest income earned on the financial liabilities are recognised in profit or loss.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.4 金融負債和權益工具的分類(續)

10.4.1 金融負債的分類及計量(續)

10.4.1.1 以公允價值計量且其變動計入當期損益的金融負債(續)
本集團將符合下列條件之一的金融負債，在初始確認時可以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：(1)該指定能夠消除或顯著減少會計錯配；(2)根據本集團正式書面文件載明的風險管理或投資策略，以公允價值為基礎對金融負債組合或金融資產和金融負債組合進行管理和業績評價，並在本集團內部以此為基礎向關鍵管理人員報告；(3)符合條件的包含嵌入衍生工具的混合合同。

交易性金融負債採用公允價值進行後續計量，公允價值變動形成的利得或損失以及與該等金融負債相關的股利或利息支出計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.4 Classification of financial liabilities and equity instruments (Continued)

10.4.1 Classification and measurement of financial liabilities (Continued)

10.4.1.1 Financial liabilities at FVTPL (Continued)

For the financial liabilities designated as FVTPL, changes in fair value arising from changes in the Group's own credit risk are included in other comprehensive incomes and other changes in fair value recognised in profit and loss. Upon derecognition of the financial asset, cumulative changes in fair value arising from changes in the own credit risk previously recognised in other comprehensive income are transferred and included in retained earnings. Dividends or interest incomes earned on the financial liabilities are recognised in profit or loss. If the impact of the change in credit risk of such financial liability dealt with in the above way would create or enlarge an accounting mismatch in profit or loss, the Group shall present all gains or losses on that liability (including the effects of changes in the credit risk of that liability) in profit or loss.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.4 金融負債和權益工具的分類(續)

10.4.1 金融負債的分類及計量(續)

10.4.1.1 以公允價值計量且其變動計入當期損益的金融負債(續)
對於被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，該金融負債由本集團自身信用風險變動引起的公允價值變動計入其他綜合收益，其他公允價值變動計入當期損益。該金融負債終止確認時，之前計入其他綜合收益的自身信用風險變動引起的其公允價值累計變動額轉入留存收益。與該等金融負債相關的股利或利息支出計入當期損益。若按上述方式對該等金融負債的自身信用風險變動的影響進行處理會造成或擴大損益中的會計錯配的，本集團將該金融負債的全部利得或損失(包括自身信用風險變動的影響金額)計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.4 Classification of financial liabilities and equity instruments (Continued)

10.4.1 Classification and measurement of financial liabilities (Continued)

10.4.1.2 Other financial liabilities

The Group shall classify all financial liabilities as subsequently measured at amortised cost, except for financial liabilities, financial guarantee contracts that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and gains or losses arising from derecognition or amortisation are recognised in profit or loss for the period.

When the contractual cash flows are changed due to the renegotiation or modification of the contract made between the Group and the counterparty and the renegotiation or modification does not result in the derecognition of the financial liability that is subsequently measured at amortised cost, the Group shall recalculate the carrying amount of the financial liability and shall recognised related gains or losses in profit or loss. The carrying amount of the financial liability shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial liability's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial liability and are amortised over the remaining term of the modified financial liability.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.4 金融負債和權益工具的分類(續)

10.4.1 金融負債的分類及計量(續)

10.4.1.2 其他金融負債

除金融資產轉移不符合終止確認條件或繼續涉入被轉移金融資產所形成的金融負債、財務擔保合同外的其他金融負債分類為以攤餘成本計量的金融負債，按攤餘成本進行後續計量，終止確認或攤銷產生的利得或損失計入當期損益。

本集團與交易對手方修改或重新議定合同，未導致按攤餘成本進行後續計量的金融負債終止確認，但導致合同現金流量發生變化的，本集團重新計算該金融負債的賬面價值，並將相關利得或損失計入當期損益。重新計算的該金融負債的賬面價值，本集團根據將重新議定或修改的合同現金流量按金融負債的原實際利率折現的現值確定。對於修改或重新議定合同所產生的所有成本或費用，本集團調整修改後的金融負債的賬面價值，並在修改後金融負債的剩餘期限內進行攤銷。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.4 Classification of financial liabilities and equity instruments (Continued)

10.4.1 Classification and measurement of financial liabilities (Continued)

10.4.1.2 Other financial liabilities (Continued)

10.4.1.2.1 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Subsequent to initial recognition, financial guarantee contracts that are not designated as financial liabilities at FVTPL, or arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach, are measured at the higher of amount of loss provision and the amount initially recognised less cumulative amortisation amount determined based on the relevant requirements under the Standard on Revenue upon initial recognition.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.4 金融負債和權益工具的分類(續)

10.4.1 金融負債的分類及計量(續)

10.4.1.2 其他金融負債(續)

10.4.1.2.1 財務擔保合同

財務擔保合同是指當特定債務人到期不能按照最初或修改後的債務工具條款償付債務時，要求發行方向蒙受損失的合同持有人賠付特定金額的合同。對於不屬於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或者因金融資產轉移不符合終止確認條件或繼續涉入被轉移金融資產所形成的金融負債的財務擔保合同，在初始確認後按照損失準備金額以及初始確認金額扣除依據收入準則相關規定所確定的累計攤銷額後的餘額孰高進行計量。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.4 Classification of financial liabilities and equity instruments (Continued)

10.4.2 Derecognition of financial liabilities

The Group derecognises a financial liability (or part of it) when the underlying present obligation (or part of it) is discharged. An agreement between the Group (the debtor) and the creditor to replace the original financial liability with a new financial liability with substantially different terms is accounted for as a derecognition of the original financial liability and the recognition of a new financial liability.

When the Group derecognises a financial liability or a part of it, it recognises the difference between the carrying amount of the financial liability (or part of the financial liability) derecognised and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss.

10.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold or cancelled by the Group are recognised as changes of equity. Changes of fair value of equity instruments is not recognised by the Group. Transaction costs related to equity transactions are deducted from equity.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.4 金融負債和權益工具的分類(續)

10.4.2 金融負債的終止確認

金融負債的現時義務全部或部分已經解除的，終止確認該金融負債或其一部分。本集團(借入方)與借出方之間簽訂協議，以承擔新金融負債方式替換原金融負債，且新金融負債與原金融負債的合同條款實質上不同的，本集團終止確認原金融負債，並同時確認新金融負債。

金融負債全部或部分終止確認的，將終止確認部分的賬面價值與支付的對價(包括轉出的非現金資產或承擔的新金融負債)之間的差額，計入當期損益。

10.4.3 權益工具

權益工具是指能證明擁有本集團在扣除所有負債後的資產中的剩餘權益的合同。本集團發行(含再融資)、回購、出售或註銷權益工具作為權益的變動處理。本集團不確認權益工具的公允價值變動。與權益性交易相關的交易費用從權益中扣減。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.4 Classification of financial liabilities and equity instruments (Continued)

10.4.3 Equity instruments (Continued)

The Group recognises the distribution to holders of the equity instruments as distribution of profits. Dividends paid do not affect total amount of shareholders' equity.

The Group is entitled to extend the term of the perpetual bonds issued by the subsidiaries of the Company for an indefinite number of times. The Group is also entitled to defer payment of coupon interest on its perpetual bonds. The Group is not contractually obliged to pay cash or other financial assets. The perpetual bonds are classified as equity instruments and presented as minority interests in the consolidated financial statements.

10.5 Derivatives and embedded derivatives

Derivatives include forward foreign exchange contracts, cross currency swap and interest rate swap instruments, etc. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently re-measured at fair value.

For hybrid contract constituted by embedded derivatives and host contract, if the host contract is a financial asset, the embedded derivative is not separated from the hybrid contract, and the hybrid contract shall be taken as a whole to which the accounting standards on the classification of financial assets apply.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.4 金融負債和權益工具的分類(續)

10.4.3 權益工具(續)

本集團對權益工具持有方的分配作為利潤分配處理，發放的股票股利不影響股東權益總額。

對於本公司子公司發行的永續債，本集團有權不限次數展期，對於永續債票面利息，本集團有權遞延支付，本集團並無合同義務支付現金或其他金融資產，該永續債分類為權益工具，並在合併報表中列報為少數股東權益。

10.5 衍生工具與嵌入衍生工具

衍生工具，包括遠期外匯合約和交叉貨幣互換及利率互換工具等。衍生工具於相關合同簽署日以公允價值進行初始計量，並以公允價值進行後續計量。

對於嵌入衍生工具與主合同構成的混合合同，若主合同屬於金融資產的，本集團不從該混合合同中分拆嵌入衍生工具，而將該混合合同作為一個整體適用關於金融資產分類的會計準則規定。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.6 Offsetting financial assets and financial liabilities

Where the Group has a legal right that is currently enforceable to set off the recognised financial assets and financial liabilities, and intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset and the net amount is presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset.

11. Receivable financing

For notes payables classified at FVTOCI with a maturity of less than one year (inclusive) are included in receivable financing. Please refer to Note III.10 for the related accounting policies.

12. Inventories

12.1 Classification of inventories

The Group's inventories mainly include raw materials, finished goods, materials under entrusted processing, self-made semi-finished goods and work-in-progress and second-hand forklift trucks etc. Inventories are initially carried at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other costs.

12.2 Calculation of cost of inventories transferred out

The actual cost of inventories transferred out is assigned by using weighted average method, first-in-first-out method or specific identification method.

三、重要會計政策及會計估計(續)

10. 金融工具(續)

10.6 金融資產和金融負債的抵銷

當本集團具有抵銷已確認金融資產和金融負債金額的法定權利，且該種法定權利是當前可執行的，同時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時，金融資產和金融負債以相互抵銷後的金額在資產負債表內列示。除此以外，金融資產和金融負債在資產負債表內分別列示，不予相互抵銷。

11. 應收款項融資

本集團分類為以公允價值計量且其變動計入其他綜合收益的應收票據，自取得起期限在一年內(含一年)，列示為應收款項融資。其相關會計政策參見附註三、10。

12. 存貨

12.1 存貨的分類

本集團的存貨主要包括原材料、產成品、委托加工材料、自製半成品及在產品和二手車等。存貨按照成本進行初始計量。存貨成本包括採購成本、加工成本和其他成本。

12.2 發出存貨的計價方法

發出存貨，採用加權平均法、先進先出法或個別計價法確定其實際成本。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Inventories (Continued)

12.3 Basis for determining net realisable value

At the balance sheet date, inventories are measured at the lower of cost or net realizable value; provisions for inventory write-down are made on the excess of its cost over the net realizable 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. Recognition of the net realizable value is based on the verified evidences and considers the purpose of holding inventories and the effect of post balance sheet events.

Provision for decline in value of other inventories is made based on the excess of cost of inventory over its net realisable value on an item-by-item basis.

Following a provision for impairment of inventories is made, if factors that previously resulted in the provision for decline in value of inventories no longer exist, so that the net realizable value is higher than the carrying amount, the amount of the write-down is reversed. The amount of the reversal is recognized in profit or loss for the current period.

12.4 Inventory system

The Groups adopts perpetual inventory system.

12.5 Amortisation method of low-value consumables

Low-value consumables are amortised in full when received for use.

三、重要會計政策及會計估計(續)

12. 存貨(續)

12.3 存貨可變現淨值的確定依據

資產負債表日，存貨按照成本與可變現淨值孰低計量。當其可變現淨值低於成本時，提取存貨跌價準備。

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。在確定存貨的可變現淨值時，以取得的確鑿證據為基礎，同時考慮持有存貨的目的以及資產負債表日後事項的影響。

存貨按單個存貨項目的成本高於其可變現淨值的差額提取存貨跌價準備。

計提存貨跌價準備後，如果以前減記存貨價值的影響因素已經消失，導致存貨的可變現淨值高於其賬面價值的，在原已計提的存貨跌價準備金額內予以轉回，轉回的金額計入當期損益。

12.4 存貨的盤存制度

存貨的盤存制度採用永續盤存制。

12.5 低值易耗品的攤銷方法

低值易耗品採用一次轉銷法進行攤銷。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Assets held-for-sale

A non-current asset or disposal group shall be classified as held for sale if its carrying amount will be recovered principally through a sale transaction (inclusive of non-monetary asset swap with commercial substance) rather than continuous use.

A non-current asset or disposal group classified as held for sale must also satisfy the following conditions: (1) according to the practice of disposing of this type of assets or disposal groups in a similar transaction, a non-current asset or disposal group is available for immediate sale in its present condition; (2) the sale will likely occur as the Group has made a resolution in respect of a disposal plan and obtained a firm purchase commitment from a buyer, and the sale is expected to be completed within one year.

The Group measures the non-current assets or disposal groups classified as held for sale at the lower of their carrying amount and fair value less costs to sell. Where the carrying amount is higher than the net amount of fair value less costs to sell, carrying amount should be reduced to the net amount of fair value less costs to sell, and such reduction is recognised in impairment loss of assets and included in profit or loss for the period. Meanwhile, provision for impairment of held-for-sale assets are made. When there is increase in the net amount of fair value of non-current assets held for sale less costs to sell at the balance sheet date, the original deduction should be reversed in impairment loss of assets recognised after the classification of held-for-sale category, and the reverse amount is include in profit or loss for the period, except for the impairment loss of assets recognised before classified as held for sale.

Non-current assets or disposal groups classified as held-for-sale are not depreciated or amortized. Interest and other costs of liabilities in disposal groups classified as held for sale continue to be recognised.

三、重要會計政策及會計估計(續)

13. 持有待售資產

當本集團主要通過出售(包括具有商業實質的非貨幣性資產交換)而非持續使用一項非流動資產或處置組收回其賬面價值時，將其劃分為持有待售類別。

分類為持有待售類別的非流動資產或處置組需同時滿足以下條件：(1)根據類似交易中出售此類資產或處置組的慣例，在當前狀況下即可立即出售；(2)出售極可能發生，即本集團已經就一項出售計劃作出決議且獲得確定的購買承諾，預計出售將在一年內完成。

本集團以賬面價值與公允價值減去出售費用後的淨額孰低計量持有待售的非流動資產或處置組。賬面價值高於公允價值減去出售費用後的淨額的，減記帳面價值至公允價值減去出售費用後的淨額，減記的金額確認為資產減值損失，計入當期損益，同時計提持有待售資產減值準備。後續資產負債表日持有待售的非流動資產公允價值減去出售費用後的淨額增加的，恢復以前減記的金額，並在劃分為持有待售類別後確認的資產減值損失金額內轉回，轉回金額計入當期損益。劃分為持有待售類別前確認的資產減值損失不予轉回。

持有待售的非流動資產或處置組中的非流動資產不計提折舊或攤銷，持有待售的處置組中負債的利息和其他費用繼續予以確認。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term equity investments

14.1 Basis for determining joint control and significant influence

Control exists when the investor has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power over the investee to affect its returns. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when decisions relating to the activity require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. When determining whether an investor is able to exercise control or significant influence over an investee, the effect of potential voting rights of the investee (for example, warrants and convertible debts) held by the investors or other parties that are currently exercisable or convertible shall be considered.

14.2 Determination of initial investment cost

For a long-term equity investment acquired through a business combination involving enterprises under common control, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the shareholders' equity of the acquiree on the date of combination in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost and the carrying amount of cash paid, non-cash assets transferred and liabilities assumed adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings. For issuing equity securities as consideration, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the shareholders' equity of the combining party on the date of combination in the consolidated financial statements of the ultimate controlling party. The aggregate face values of the shares are accounted for share capital. The difference between the initial investment cost and the aggregate face values of the shares issued is adjusted to capital reserve. If the capital reserve is insufficient to be written down, the retained earnings shall be adjusted.

三、重要會計政策及會計估計(續)

14. 長期股權投資

14.1 共同控制、重大影響的判斷標準

控制是指投資方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。共同控制是指按照相關約定對某項安排所共有的控制，並且該安排的相關活動必須經過分享控制權的參與方一致同意後才能決策。重大影響是指對被投資方的財務和經營政策有參與決策的權力，但並不能夠控制或者與其他方一起共同控制這些政策的制定。在確定能否對被投資單位實施控制或施加重大影響時，已考慮投資方和其他方持有的被投資單位當期可轉換公司債券、當期可執行認股權證等潛在表決權因素。

14.2 初始投資成本的確定

對於同一控制下的企業合併取得的長期股權投資，在合併日按照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的現金、轉讓的非現金資產以及所承擔債務賬面價值之間的差額，調整資本公積；資本公積不足沖減的，調整留存收益。以發行權益性證券作為合併對價的，在合併日按照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，按照發行股份的面值總額作為股本，長期股權投資初始投資成本與所發行股份面值總額之間的差額，調整資本公積；資本公積不足沖減的，調整留存收益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term equity investments (Continued)

14.2 Determination of initial investment cost (Continued)

As for the long-term equity investment acquired through business combinations not involving enterprises under common control, the initial investment cost of the long-term equity investment shall be taken as the merger cost on the acquisition date.

The intermediary fees such as auditing, legal services, appraisal and consultation and other related administrative expenses incurred by the combining party or the acquirer for business combination shall be taken to profit or loss of the current period when incurred.

The initial measurement of the long-term equity investment obtained by means other than the long-term equity investment formed by business combination shall be accounted for at cost. Where additional investment results in significant influence or joint control (but not control) over the investee, the cost of long-term equity investment is the sum of the fair value of the original equity investment plus the additional investment cost determined in accordance with the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments.

14.3 Recognition method for subsequent measurement and profit or loss

14.3.1 Long-term equity investment calculated by cost method

The Company's financial statements adopt the cost method to calculate long-term equity investment in subsidiaries. Subsidiaries refer to investees which can be controlled by the Group.

The long-term equity investment calculated by cost method is measured at the initial investment cost. Adding or recovering investment adjusts the cost of long-term equity investment. The current investment income is recognised according to the cash dividend or profit declared to be distributed by the investee.

三、重要會計政策及會計估計(續)

14. 長期股權投資(續)

14.2 初始投資成本的確定(續)

對於非同一控制下的企業合併取得的長期股權投資，在購買日按照合併成本作為長期股權投資的初始投資成本。

合併方或購買方為企業合併發生的審計、法律服務、評估諮詢等中介費用以及其他相關管理費用，於發生時計入當期損益。

除企業合併形成的長期股權投資外其他方式取得的長期股權投資，按成本進行初始計量。對於因追加投資能夠對被投資單位實施重大影響或實施共同控制但不構成控制的，長期股權投資成本為按照《企業會計準則第22號—金融工具確認和計量》確定的原持有股權投資的公允價值加上新增投資成本之和。

14.3 後續計量及損益確認方法

14.3.1 按成本法核算的長期股權投資

公司財務報表採用成本法核算對子公司的長期股權投資。子公司是指本集團能夠對其實施控制的被投資主體。

採用成本法核算的長期股權投資按初始投資成本計量。追加或收回投資調整長期股權投資的成本。當期投資收益按照享有被投資單位宣告發放的現金股利或利潤確認。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term equity investments (Continued)

14.3 Recognition method for subsequent measurement and profit or loss (Continued)

14.3.2 Long-term equity investment calculated by equity method

The Group's investment in associates and joint ventures is calculated by equity method. Associates refer to invested entities to which the Group can exert a significant influence, and joint ventures are joint arrangements in which the Group has only the right to the net assets of the arrangements.

When equity method is adopted, if the initial investment cost of long-term equity investment is greater than the fair value share of identifiable net assets of the invested entity, the initial investment cost of long-term equity investment shall not be adjusted; If the initial investment cost is less than the fair value share of the identifiable net assets of the invested entity, the difference shall be recorded into the current profits and losses, and the long-term equity investment cost shall be adjusted at the same time.

三、重要會計政策及會計估計(續)

14. 長期股權投資(續)

14.3 後續計量及損益確認方法(續)

14.3.2 按權益法核算的長期股權投資

本集團對聯營企業和合營企業的投資採用權益法核算。聯營企業是指本集團能夠對其施加重大影響的被投資單位，合營企業是指本集團僅對該安排的淨資產享有權利的合營安排。

採用權益法核算時，長期股權投資的初始投資成本大於投資時應享有被投資單位可辨認淨資產公允價值份額的，不調整長期股權投資的初始投資成本；初始投資成本小於投資時應享有被投資單位可辨認淨資產公允價值份額的，其差額計入當期損益，同時調整長期股權投資的成本。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term equity investments (Continued)

14.3 Recognition method for subsequent measurement and profit or loss (Continued)

14.3.2 Long-term equity investment calculated by equity method (Continued)

When equity method is adopted, the investment income and other comprehensive income shall be recognised respectively according to the share of net profit and loss and other comprehensive income realised by the invested entity, and the carrying amount of long-term equity investment shall be adjusted at the same time; the carrying amount of long-term equity investment shall be reduced accordingly by calculating the portion to be enjoyed according to the profit or cash dividend declared by the invested entity; the carrying amount of long-term equity investment shall be adjusted and included in the capital reserve for other changes in the owner's rights and interests of the invested entity except net profit or loss, other comprehensive income and profit distribution. When recognising the share of the net profit or loss of the invested entity, the net profit of the invested entity shall be adjusted and recognised on the basis of the fair value of the identifiable assets of the invested entity at the acquisition date. If the accounting policies and periods adopted by the invested entity are inconsistent with those of the Company, the financial statements of the invested entity shall be adjusted in accordance with the accounting policies and period of the Company. The investment income and other comprehensive income shall be recognised accordingly. For transactions between the Group and associates or joint ventures, the assets invested or sold do not constitute business, and the gains and losses of internal transactions are offset by the shareholding attributable to the Group. On this basis, the investment gains and losses are recognised. However, the unrealised internal transaction losses between the Group and the invested entity shall not be offset if they belong to the impairment losses of the transferred assets.

三、重要會計政策及會計估計(續)

14. 長期股權投資(續)

14.3 後續計量及損益確認方法(續)

14.3.2 按權益法核算的長期股權投資(續)

採用權益法核算時，按照應享有或應分擔的被投資單位實現的淨損益和其他綜合收益的份額，分別確認投資收益和其他綜合收益，同時調整長期股權投資的賬面價值；按照被投資單位宣告分派的利潤或現金股利計算應享有的部分，相應減少長期股權投資的賬面價值；對於被投資單位除淨損益、其他綜合收益和利潤分配以外所有者權益的其他變動，調整長期股權投資的賬面價值並計入資本公積。在確認應享有被投資單位淨損益的份額時，以取得投資時被投資單位各項可辨認資產等的公允價值為基礎，對被投資單位的淨利潤進行調整後確認。被投資單位採用的會計政策及會計期間與本公司不一致的，按照本公司的會計政策及會計期間對被投資單位的財務報表進行調整，並據以確認投資收益和其他綜合收益。對於本集團與聯營企業及合營企業之間發生的交易，投出或出售的資產不構成業務的，未實現內部交易損益按照享有的比例計算歸屬於本集團的部分予以抵銷，在此基礎上確認投資損益。但本集團與被投資單位發生的未實現內部交易損失，屬於所轉讓資產減值損失的，不予以抵銷。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term equity investments (Continued)

14.3 Recognition method for subsequent measurement and profit or loss (Continued)

14.3.2 Long-term equity investment calculated by equity method (Continued)

The Group discontinues recognising its share of net losses of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the invested entity is reduced to zero. If the Group has incurred obligations to assume additional losses of the investee, estimated liability is recognised according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the invested entity, the Group resumes recognising its share of those profits only after its share of the profits exceeds the share of losses previously not recognised.

14.4 Disposal of long-term equity investment

At the time of the disposal of long-term equity investment, the difference between its carrying amount and the actual consideration obtained shall be taken to profit or loss for the current period. For long-term equity investment calculated by equity method, the same basis as that adopted in the direct disposal of assets or liabilities by the invested entity shall be adopted and the part that would otherwise be taken to other comprehensive income is accounted for proportionally.

三、重要會計政策及會計估計(續)

14. 長期股權投資(續)

14.3 後續計量及損益確認方法(續)

14.3.2 按權益法核算的長期股權投資(續)

在確認應分擔被投資單位發生的淨虧損時，以長期股權投資的賬面價值和其他實質上構成對被投資單位淨投資的長期權益減記至零為限。此外，如本集團對被投資單位負有承擔額外損失的義務，則按預計承擔的義務確認預計負債，計入當期投資損失。被投資單位以後期間實現淨利潤的，本集團在收益分享額彌補未確認的虧損分擔額後，恢復確認收益分享額。

14.4 長期股權投資處置

處置長期股權投資時，其賬面價值與實際取得價款的差額，計入當期損益。採用權益法核算的長期股權投資，在處置時採用與被投資單位直接處置相關資產或負債相同的基礎，按相應的比例對原計入其他綜合收益的部分進行會計處理。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Investment property

Investment property is property held to earn rentals or for capital appreciation or both. Investment property includes a land use right that is leased out and a building that is leased out.

An investment property is measured initially at its cost. If the economic benefits relating to an investment property will probably flow in and the cost can be reliably measured, subsequent costs incurred for the property is included in the cost of the investment property. Subsequent costs other than that are recognized in profit or loss for the period in which they are incurred.

The Group uses the cost model for subsequent measurement of its investment property. Depreciation or amortization is calculated on the straight-line basis over its useful life, as follows:

Item	項目	Estimated useful lives (years) 預計使用壽命 (年)	Estimated net residual value rate (%) 預計淨殘值率 (%)	Annual depreciation rate (%) 年折舊率 (%)
Land use rights	土地使用權	48.5–50.0	0	2.00–2.06
Houses and buildings	房屋建築物	14.5–30.0	0–5	3.17–6.90

16. Fixed assets

Fixed assets represent the tangible assets held for production or supply of goods or services, rental or for administrative purposes with useful lives over one accounting year. A fixed asset is recognized only when the economic benefits associated with the asset will probably flow to the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost.

If the economic benefits relating to a fixed asset will probably flow in and the cost can be reliably measured, subsequent expenditure incurred for a fixed asset shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognized. Subsequent expenditure other than that shall be recognized in profit or loss for the period in which they are incurred.

三、重要會計政策及會計估計(續)

15. 投資性房地產

投資性房地產，是指為賺取租金或資本增值，或兩者兼有而持有的房地產，包括已出租的土地使用權、已出租的建築物。

投資性房地產按照成本進行初始計量。與投資性房地產有關的後續支出，如果與該資產有關的經濟利益很可能流入且其成本能夠可靠地計量，則計入投資性房地產成本。除此以外的其他後續支出，在發生時計入當期損益。

本集團採用成本模式對投資性房地產進行後續計量，在其使用壽命內採用直線法計提折舊或攤銷。列示如下：

16. 固定資產

固定資產是指為生產商品、提供勞務、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。固定資產僅在與其有關的經濟利益很可能流入本集團，且其成本能夠可靠地計量時才予以確認。固定資產按照成本進行初始計量。

與固定資產有關的後續支出，如果與該固定資產有關的經濟利益很可能流入且其成本能夠可靠地計量，則計入固定資產成本，並終止確認被替換部分的賬面價值。除此以外的其他後續支出，在發生時計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Fixed assets (Continued)

Other than fixed assets arising from the use and appropriation of safety funds, special reserve offset against the cost of fixed assets, and equivalent amounts of accumulated depreciation recognized; the straight line method or double-declining balance method is adopted for the depreciation of fixed assets of the Group.

The expected useful lives, net residual value rates and annual depreciation rates of fixed assets are presented as follows:

Item	項目	Estimated useful lives (years) 預計使用壽命 (年)	Estimated net residual value rate (%) 預計淨殘值率 (%)	Annual depreciation rate (%) 年折舊率 (%)
Land ownership	土地所有權	Indefinite 無期限	0	0
Houses and buildings	房屋建築物	10–50	0–5	1.90–10.00
Machinery and equipment	機器設備	3–15	0–5	6.33–33.33
Electronic equipment	電子設備	2–15	0–5	6.33–50.00
Vehicles	運輸設備	4–10	0–5	9.50–25.00
Forklift trucks and equipment leased out (long-term) (Note)	租出的叉車及設備 (長期)(註)	2–15	0	6.67–50.00
Forklift trucks and equipment leased out (short-term) (Note)	租出的叉車及設備 (短期)(註)	2–15	0	6.67–50.00
Others	其他	2–15	0–5	6.33–50.00

Note: For self-owned fixed assets leased out by the Group as lessor under operating lease, those leased for a period of not more than 12 months are presented under forklift trucks and equipment leased out (short-term) and those leased for a period of more than 1 year are presented under forklift trucks and equipment leased out (long-term).

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least at each year-end, and makes adjustments if necessary.

三、重要會計政策及會計估計(續)

16. 固定資產(續)

除使用提取的安全生產費形成的固定資產，按照形成固定資產的成本沖減專項儲備，並確認相同金額的累計折舊之外，本集團固定資產的折舊採用直線法或雙倍餘額遞減法計提。

各類固定資產的預計使用壽命、淨殘值率及年折舊率列示如下：

註：本集團作為出租人經營租出的自有固定資產，租賃期限不超過12個月的列報在租出的叉車及設備(短期)項下，租賃期限大於1年的列報在租出的叉車及設備(長期)項下。

本集團至少於每年年度終了，對固定資產的使用壽命、預計淨殘值和折舊方法進行覆核，必要時進行調整。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Construction in progress

The cost of construction in progress is determined according to the actual expenditure incurred for the construction, including all necessary construction expenditure incurred during the construction period, borrowing costs that shall be capitalized before the construction gets ready for its intended use and other relevant expenses. No provision is made for construction in progress. A construction in progress is transferred to fixed asset when the asset is ready for its intended use.

18. Contract asset and liability

Contracts with customers will be presented in the Group's balance sheet as a contract liability or a contract asset, depending on the relationship between the Group's performance and the customer's payment.

18.1 Contract asset

Contract assets refer to the Group's right to receive consideration for the transfer of goods to its customers, which depends on factors other than the passage of time. The Group's unconditional (i.e., depending only on the passage of time) right to collect consideration from customers is shown separately as receivables.

The Group's method for determining and accounting for expected credit losses which are related to contract assets are detailed in Note III.10.

18.2 Contract liability

A contract liability is presented in the balance sheet where an amount of consideration has been received or is receivable by the Group prior to the Group performing by transferring the related good or service to the customer.

The Group offsets the contract assets and contract liabilities under the same contract and presents them on the balance sheet as a net amount.

三、重要會計政策及會計估計(續)

17. 在建工程

在建工程成本按實際工程支出確定，包括在建期間發生的各項必要工程支出、工程達到預定可使用狀態前的應予資本化的借款費用以及其他相關費用等。在建工程不計提折舊。在建工程在達到預定可使用狀態時轉入固定資產。

18. 合同資產與合同負債

本集團根據履行履約義務與客戶付款之間的關係在資產負債表中列示合同資產或合同負債。

18.1 合同資產

合同資產指本集團已向客戶轉讓商品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。集團將擁有的、無條件(即，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。

本集團對合同資產的預期信用損失的確定方法及會計處理方法詳見附註三、10。

18.2 合同負債

本集團將已收或應收客戶對價而應向客戶轉讓商品的義務作為合同負債列示，如企業在轉讓承諾的商品之前已收取的款項。

本集團將同一合同下的合同資產和合同負債相互抵銷後以淨額列示。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Borrowing costs

Borrowing costs are interest and other costs incurred by the Group in connection with the borrowing of the funds. Borrowing costs include interest, amortization of discounts or premiums related to borrowings, ancillary costs incurred in connection with the arrangement of borrowings, and exchange differences arising from foreign currency borrowings.

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized. The amounts of other borrowing costs incurred are recognized as an expense in the period in which they are incurred. Qualifying assets are assets (fixed assets, investment property and inventories, etc.) that necessarily take a substantial period of time for acquisition, construction or production to get ready for their intended use or sale.

The capitalization of borrowing costs commences only when all of the following conditions are satisfied:

- (1) expenditures for the asset are being incurred;
- (2) borrowing costs are being incurred;
- (3) activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced.

Capitalization of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Any borrowing costs subsequently incurred are recognized as an expense in the period in which they are incurred.

三、重要會計政策及會計估計(續)

19. 借款費用

借款費用，是指本集團因借款而發生的利息及其他相關成本，包括借款利息、折價或者溢價的攤銷、輔助費用以及因外幣借款而發生的匯兌差額等。

可直接歸屬於符合資本化條件的資產的購建或者生產的借款費用，予以資本化，其他借款費用計入當期損益。符合資本化條件的資產，是指需要經過相當長時間的購建或者生產活動才能達到預定可使用或者可銷售狀態的固定資產、投資性房地產和存貨等資產。

借款費用同時滿足下列條件的，才能開始資本化：

- (1) 資產支出已經發生；
- (2) 借款費用已經發生；
- (3) 為使資產達到預定可使用或者可銷售狀態所必要的購建或者生產活動已經開始。

購建或者生產符合資本化條件的資產達到預定可使用或者可銷售狀態時，借款費用停止資本化。之後發生的借款費用計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Borrowing costs (Continued)

During the capitalization period, the amount of interest to be capitalized for each accounting period shall be determined as follows:

- (1) where funds are borrowed for a specific purpose, the amount of interest to be capitalized is the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds or any investment income on the temporary investment of those funds.
- (2) where funds are borrowed for a general purpose, the amount of interest to be capitalized on such borrowings is determined by applying a weighted average interest rate to the weighted average of the excess amounts of accumulated expenditure on the asset over and above the amounts of specific-purpose borrowings.

Capitalization of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is interrupted by activities other than those necessary to prepare the asset for its intended use or sale, when the interruption is for a continuous period of more than 3 months. Borrowing costs incurred during these periods are recognized as an expense for the current period until the acquisition, construction or production is resumed.

三、重要會計政策及會計估計(續)

19. 借款費用(續)

在資本化期間內，每一會計期間的利息資本化金額，按照下列方法確定：

- (1) 專門借款以當期實際發生的利息費用，減去暫時性的存款利息收入或投資收益後的金額確定。
- (2) 佔用的一般借款，根據累計資產支出超過專門借款部分的資產支出加權平均數乘以所佔用一般借款的加權平均利率計算確定。

符合資本化條件的資產在購建或者生產過程中，發生除達到預定可使用或者可銷售狀態必要的程序之外的非正常中斷、且中斷時間連續超過3個月的，暫停借款費用的資本化。在中斷期間發生的借款費用確認為費用，計入當期損益，直至資產的購建或者生產活動重新開始。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Intangible assets

20.1 Valuation method, useful life, impairment test for intangible assets

An intangible asset shall be recognized only when it is probable that the economic benefit associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. However, intangible assets acquired in a business combination with a fair value that can be measured reliably are recognized separately as intangible assets and initially measured at the fair value.

The useful life of an intangible asset is determined according to the period over which it is expected to generate economic benefits for the Group. An intangible asset is regarded as having an indefinite useful life when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group.

The expected useful lives of the intangible assets are as follows:

Item	項目	Expected useful lives (years) 預計使用壽命(年)
Patents	專有技術	3-20
Trademark rights	商標使用權	10/Indefinite 不確定
License	特許權	3-15
Land use rights	土地使用權	30-50
Orders on hand	在手訂單	1-25
Customer relationship	客戶關係	2-17
Software	軟件	2-10
Others	其他	3-10

三、重要會計政策及會計估計(續)

20. 無形資產

20.1 無形資產計價方法、使用壽命、減值測試

無形資產僅在與其有關的經濟利益很可能流入本集團，且其成本能夠可靠地計量時才予以確認，並以成本進行初始計量。但企業合併中取得的無形資產，其公允價值能夠可靠地計量的，即單獨確認為無形資產並按照公允價值初始計量。

無形資產按照其能為本集團帶來經濟利益的期限確定使用壽命，無法預見其為本集團帶來經濟利益期限的作為使用壽命不確定的無形資產。

各項無形資產的預計使用壽命如下：

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Intangible assets (Continued)

20.1 Valuation method, useful life, impairment test for intangible assets (Continued)

Land use rights that are acquired by the Group are generally accounted for as intangible assets. Buildings, such as plants that are developed and constructed by the Group, and relevant land use rights and buildings, are accounted for as intangible assets and fixed assets, respectively. Payments for the land and buildings acquired are allocated between the land use rights and the buildings; if they cannot be reasonably allocated, all of the land use rights and buildings are accounted for as fixed assets.

An intangible asset with a finite useful life is amortized using the straight-line method over its useful life. For an intangible asset with a finite useful life, the Group reviews the useful life and amortization method at least at each year-end and makes adjustment if necessary.

An intangible asset with an indefinite useful life is tested for impairment at least once every year, irrespective of whether there is any indication that the asset may be impaired. This category of intangible assets will not be amortized and will be reviewed every accounting period based on its useful life. If evidence indicates that its useful life is limited, the asset will be accounted for in accordance to the policy for intangible asset with definite useful life stated above.

三、重要會計政策及會計估計(續)

20. 無形資產(續)

20.1 無形資產計價方法、使用壽命、減值測試(續)

本集團取得的土地使用權，通常作為無形資產核算。自行開發建造廠房等建築物，相關的土地使用權和建築物分別作為無形資產和固定資產核算。外購土地及建築物支付的價款在土地使用權和建築物之間進行分配，難以合理分配的，全部作為固定資產處理。

使用壽命有限的無形資產，在其使用壽命內採用直線法攤銷。本集團至少於每年年度終了，對使用壽命有限的無形資產的使用壽命及攤銷方法進行覆核，必要時進行調整。

對使用壽命不確定的無形資產，無論是否存在減值跡象，每年均進行減值測試。此類無形資產不予攤銷，在每個會計期間對其使用壽命進行覆核。如果有證據表明使用壽命是有限的，則按上述使用壽命有限的無形資產的政策進行會計處理。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Intangible assets (Continued)

20.2 Expenditure on an internal research and development

Expenditure on the research phase is recognized in profit or loss for the period in which it is incurred.

Expenditure in the development phase is recognised as intangible asset when the following criteria are met. Expenditure on the development phase which cannot met all of the following conditions are recognized in current profit or loss:

- (1) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (2) the intention to complete the intangible asset and use or sell it;
- (3) how the intangible asset will generate probable future economic benefits. Among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- (4) the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and
- (5) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

三、重要會計政策及會計估計(續)

20. 無形資產(續)

20.2 內部研究開發支出

研究階段的支出，於發生時計入當期損益。

開發階段的支出同時滿足下列條件的，確認為無形資產，不能滿足下述條件的開發階段的支出計入當期損益：

- (1) 完成該無形資產以使其能夠使用或出售在技術上具有可行性；
- (2) 具有完成該無形資產並使用或出售的意圖；
- (3) 無形資產產生經濟利益的方式，包括能夠證明運用該無形資產生產的產品存在市場或無形資產自身存在市場，無形資產將在內部使用的，能夠證明其有用性；
- (4) 有足夠的技術、財務資源和其他資源支持，以完成該無形資產的開發，並有能力使用或出售該無形資產；
- (5) 歸屬於該無形資產開發階段的支出能夠可靠地計量。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Intangible assets (Continued)

20.2 Expenditure on an internal research and development (Continued)

If the expenditures cannot be distinguished between research phase and development phase, the Company recognizes all expenditures into current profit or loss. The cost of the internally developed intangible assets only include the total expenditures incurred from the point of time at which the conditions for capitalisation are met until the intangible assets are ready for intended use. No adjustment is made to the costs already expensed in the profit or loss incurred by the identical intangible asset before it satisfies the conditions for capitalisation in the development phase.

21. Impairment of assets

The Group determines the impairment of assets, other than the impairment of inventories, deferred income taxes, financial assets, contract assets and assets classified as held-for-sale, using the following methods:

The Group assesses at the balance sheet date whether there is any indication that an asset may be impaired. If any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset and performs test for impairment. Goodwill arising from a business combination and an intangible asset with an indefinite useful life are tested for impairment at least at each year-end, irrespective of whether there is any indication that the asset may be impaired. Intangible assets that have not been ready for intended use are tested for impairment each year.

The recoverable amount of an asset is the higher of its fair value less costs to sell and the present value of the future cash flow expected to be derived from the asset. The Group estimates the recoverable amount on an individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the asset group to which the asset belongs. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

三、重要會計政策及會計估計(續)

20. 無形資產(續)

20.2 內部研究開發支出(續)

無法區分研究階段支出和開發階段支出的，將發生的研發支出全部計入當期損益。內部開發活動形成的無形資產的成本僅包括滿足資本化條件的時點至無形資產達到預定用途前發生的支出總額，對於同一項無形資產在開發過程中達到資本化條件之前已經費用化計入損益的支出不再進行調整。

21. 資產減值

本集團對除存貨、遞延所得稅、金融資產、合同資產及劃分為持有待售的資產外的資產減值，按以下方法確定：

本集團於資產負債表日判斷資產是否存在可能發生減值的跡象，存在減值跡象的，本集團將估計其可收回金額，進行減值測試。對因企業合併所形成的商譽和使用壽命不確定的無形資產，無論是否存在減值跡象，至少於每年末進行減值測試。對於尚未達到可使用狀態的無形資產，也每年進行減值測試。

可收回金額根據資產的公允價值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確定。本集團以單項資產為基礎估計其可收回金額；難以對單項資產的可收回金額進行估計的，以該資產所屬的資產組為基礎確定資產組的可收回金額。資產組的認定，以資產組產生的主要現金流入是否獨立於其他資產或者資產組的現金流入為依據。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Impairment of assets (Continued)

When the recoverable amount of an asset or asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount. The reduction in carrying amount is recognized in profit or loss for the current period. A provision for impairment of the asset is recognized accordingly.

For the purpose of impairment testing, the carrying amount of goodwill acquired in a business combination is allocated from the acquisition date on a reasonable basis, to each of the related asset groups; if it is impossible to allocate to the related asset groups, it is allocated to each of the related sets of asset groups. Each of the related asset groups or sets of asset groups is an asset group or set of asset group that is able to benefit from the synergies of the business combination and shall not be larger than a reportable segment determined by the Group.

In testing an asset group or a set of asset groups to which goodwill has been allocated for impairment, if there is any indication of impairment, the Group firstly tests the asset group or set of asset groups excluding the amount of goodwill allocated for impairment, determines the recoverable amount and recognizes any impairment loss. After that, the Group tests the asset group or set of asset groups including goodwill for impairment, whereby the carrying amount of the related asset group or set of asset groups is compared to its recoverable amount. If the carrying amount of the asset group or set of asset groups is higher than its recoverable amount, the amount of the impairment loss firstly reduces the carrying amount of the goodwill allocated to the asset group or set of asset groups, and then reduce the carrying amount of other assets (other than the goodwill) within the asset group or set of asset groups, pro rata on the basis of the carrying amount of each asset.

Once the above impairment loss of assets is recognized, it cannot be reversed in subsequent accounting periods.

三、重要會計政策及會計估計(續)

21. 資產減值(續)

當資產或者資產組的可收回金額低於其賬面價值時，本集團將其賬面價值減記至可收回金額，減記的金額計入當期損益，同時計提相應的資產減值準備。

就商譽的減值測試而言，對於因企業合併形成的商譽的賬面價值，自購買日起按照合理的方法分攤至相關的資產組；難以分攤至相關的資產組的，將其分攤至相關的資產組組合。相關的資產組或者資產組組合，是能夠從企業合併的協同效應中受益的資產組或者資產組組合，且不大於本集團確定的報告分部。

對包含商譽的相關資產組或者資產組組合進行減值測試時，如與商譽相關的資產組或者資產組組合存在減值跡象的，首先對不包含商譽的資產組或者資產組組合進行減值測試，計算可收回金額，確認相應的減值損失。然後對包含商譽的資產組或者資產組組合進行減值測試，比較其賬面價值與可收回金額，如可收回金額低於賬面價值的，減值損失金額首先抵減分攤至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。

上述資產減值損失一經確認，在以後會計期間不再轉回。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Long-term prepaid expenses

Long-term prepaid expenses are expenses which have incurred but shall be amortized over the current period and subsequent period of more than one year. Long-term prepaid expenses are amortized using straight-line method with amortization period as follows:

Item	項目	Amortization period (years)	攤銷期(年)
Industrial mould fee	工裝模具費	1-5	1-5
Industrial equipment fee	工位器具費	5	5
Expenditure on improvement of fixed assets leased in	租入固定資產改良支出	The shorter of useful life and lease term	使用壽命與租賃期孰短

23. Payroll

23.1 Accounting treatment for short-term remuneration

Short-term remuneration actually incurred during the accounting period in which the staff members provide services are recognized as liability and taken to the profit and loss for the current period or the costs of the relevant asset. The Group recognises the amount of employee benefits that actually occurred and charged to profit or loss for the current period or cost of relevant assets. Employee benefits are non-monetary benefits measured at fair value.

During the accounting period in which employees render service, medical insurance, work-related injury insurance, maternity insurance and other social security contributions and housing provident fund paid by the Group, as well as labour union funds and employees' education expenses extracted by requirement are taken into account in determining the amount of staff remuneration based on the required accrual basis and proportions and in turn the corresponding liabilities, which are charged to profit or loss for the current period or cost of relevant assets.

三、重要會計政策及會計估計(續)

22. 長期待攤費用

長期待攤費用為已經發生但應由本期和以後各期負擔的分攤期限在一年以上的各項費用。長期待攤費用採用直線法攤銷，攤銷期如下：

Item	項目	Amortization period (years)	攤銷期(年)
Industrial mould fee	工裝模具費	1-5	1-5
Industrial equipment fee	工位器具費	5	5
Expenditure on improvement of fixed assets leased in	租入固定資產改良支出	The shorter of useful life and lease term	使用壽命與租賃期孰短

23. 職工薪酬

23.1 短期薪酬的會計處理方法

本集團在職工為其提供服務的會計期間，將實際發生的短期薪酬確認為負債，並計入當期損益或相關資產成本。本集團發生的職工福利費，在實際發生時根據實際發生額計入當期損益或相關資產成本。職工福利費為非貨幣性福利的，按照公允價值計量。

本集團為職工繳納的醫療保險費、工傷保險費、生育保險費等社會保險費和住房公積金，以及本集團按規定提取的工會經費和職工教育經費，在職工為本集團提供服務的會計期間，根據規定的計提基礎和計提比例計算確定相應的職工薪酬金額，確認相應負債，並計入當期損益或相關資產成本。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Payroll (Continued)

23.2 Accounting treatment for post-employment benefits

Post-employment benefits are classified into defined contribution plans and defined benefit plans.

23.2.1 Defined contribution plan

In the accounting period in which employees render services, the amount payable under the defined contribution plan is recognised as liability and charged to profit or loss for the current period or cost of relevant assets.

The employees of the Group participate in pension insurance and unemployment insurance administered by local governments, as well as annuity plan. The relevant expenditure is recognized, when incurred, in the costs of relevant assets or the profit or loss for the current period.

23.2.2 Defined benefit plan

The benefit obligation under defined benefit plan based on the formula determined by projected unit credit method would be vested to the service period of the staff and charged to current profit or loss or cost of relevant assets. Some overseas subsidiaries of the Group operate defined benefit pension plans, under which contributions shall be made to a separately-administered fund.

三、重要會計政策及會計估計(續)

23. 職工薪酬(續)

23.2 離職後福利的會計處理方法

離職後福利分類為設定提存計劃和設定受益計劃。

23.2.1 設定提存計劃

本集團在職工為其提供服務的會計期間，將根據設定提存計劃計算的應繳存金額確認為負債，並計入當期損益或相關資產成本。

本集團的職工參加由當地政府管理的養老保險和失業保險，還參加了企業年金，相應支出在發生時計入相關資產成本或當期損益。

23.2.2 設定受益計劃

對於設定受益計劃，本集團根據預期累計福利單位法確定的公式將設定受益計劃產生的福利義務歸屬於職工提供服務的期間，並計入當期損益或相關資產成本。本集團的部分海外子公司設立設定受益退休金計劃，該等計劃要求向獨立管理的基金繳存費用。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Payroll (Continued)

23.2 Accounting treatment for post-employment benefits (Continued)

23.2.2 Defined benefit plan (Continued)

The service costs and the net interest on the net liabilities or net assets under the defined benefit plan would be taken to the current profit or loss or cost of relevant assets. The changes generated from the re-measurement of the net liabilities or net assets under the defined benefit plan (including actuarial gains or losses, return on assets under the plan, less the amount included in the net interest on net liabilities or net assets under defined benefit plan, changes under the effect of maximum assets, less the amount included in the net interest on net liabilities or net assets under defined benefit plans) would be taken to other comprehensive income.

Net interest is calculated by multiplying the net liabilities or net assets under the defined benefit plan with the discount rate. Changes in the net obligations under the defined benefit plan are recognized under cost of sales, selling expenses, general and administrative expenses, research & development expenses and finance expenses in the income statement. Costs of services include costs of services for the current period, costs of services for previous periods, and gains or losses on settlement. Net interest includes interest income accrued upon assets under the plan, interest expenses incurred due to obligations under the plan, and interest under the effect of maximum assets.

三、重要會計政策及會計估計(續)

23. 職工薪酬(續)

23.2 離職後福利的會計處理方法(續)

23.2.2 設定受益計劃(續)

服務成本及設定受益計劃淨負債或淨資產的利息淨額計入當期損益或相關資產成本。重新計量設定受益計劃淨負債或淨資產所產生的變動(包括精算利得或損失、計劃資產回報扣除包括在設定受益計劃淨負債或淨資產的利息淨額中的金額、資產上限影響的變動扣除包括在設定受益計劃淨負債或淨資產的利息淨額中的金額)計入其他綜合收益。

利息淨額由設定受益計劃淨負債或淨資產乘以折現率計算而得。本集團在利潤表的營業成本、銷售費用、管理費用、研發費用、財務費用中確認設定受益計劃淨義務的變動：服務成本，包括當期服務成本、過去服務成本和結算利得或損失；利息淨額，包括計劃資產的利息收入、計劃義務的利息費用以及資產上限影響的利息。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Payroll (Continued)

23.3 Accounting treatment for severance benefits

Where the Group provides severance benefits to its employees, payroll payable arising from such severance benefits are recognized on the earlier of the following dates and included in profit or loss for the current period: when the Group is unable to unilaterally withdraw the severance benefits provided under its plan to terminate working relationship with employees or redundancy plan; or when the Group recognizes costs or expenses relating to reorganization involving the payment of severance benefits.

23.4 Other long-term staff benefits

For other long-term staff benefits, the items conforming to the conditions of defined contribution plan are treated according to the requirements in the defined contribution plans, whereas the rest are recognised and measured as net liabilities or net assets under other long-term staff benefits according to the defined benefit plan. At the end of reporting period, staff costs under other long-term staff benefits are recognised as three components, namely service cost, net interest on net liabilities or net assets under other long-term staff benefits and changes upon re-measurement of net liabilities or assets under other long-term staff benefits. The total net amount of these items is included in profit or loss for the current period or the cost of relevant assets.

三、重要會計政策及會計估計(續)

23. 職工薪酬(續)

23.3 辭退福利的會計處理方法

本集團向職工提供辭退福利的，在下列兩者孰早日確認辭退福利產生的職工薪酬負債，並計入當期損益：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；本集團確認與涉及支付辭退福利的重組相關的成本或費用時。

23.4 其他長期職工福利

對於其他長期職工福利，符合設定提存計劃條件的，按照上述設定提存計劃的有關規定進行處理，除此之外按照設定受益計劃的有關規定，確認和計量其他長期職工福利淨負債或淨資產。在報告期末，其他長期職工福利產生的職工薪酬成本確認為服務成本、其他長期職工福利淨負債或淨資產的利息淨額以及重新計量其他長期職工福利淨負債或淨資產所產生的變動三個組成部分。這些項目的總淨額計入當期損益或相關資產成本。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Accruals and provisions

Except for contingent consideration transferred and contingent liability assumed in business combinations involving entities not under common control, the Group recognizes an obligation related to a contingency as a provision when all of the following conditions are satisfied:

- (1) the obligation is a present obligation of the Group;
- (2) it is probable that an outflow of economic benefits from the Group will be required to settle the obligation;
- (3) the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, with comprehensive consideration of factors such as the risks, uncertainty and time value of money relating to a contingency. The carrying amount of a provision is reviewed at the balance sheet date. If there is clear evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted to the best estimate.

A contingent liability recognized in a business combination from the acquiree is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognized for provisions above; and the amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with the principle of revenue recognition.

三、重要會計政策及會計估計(續)

24. 預計負債

除了非同一控制下企業合併中的或有對價及承擔的或有負債之外，當與或有事項相關的義務同時符合以下條件，本集團將其確認為預計負債：

- (1) 該義務是本集團承擔的現時義務；
- (2) 該義務的履行很可能導致經濟利益流出本集團；
- (3) 該義務的金額能夠可靠地計量。

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，並綜合考慮與或有事項有關的風險、不確定性和貨幣時間價值等因素。每個資產負債表日對預計負債的賬面價值進行覆核。有確鑿證據表明該賬面價值不能反映當前最佳估計數的，按照當前最佳估計數對該賬面價值進行調整。

企業合併中取得的被購買方或有負債在初始確認時按照公允價值計量，在初始確認後，按照預計負債確認的金額，和初始確認金額扣除收入確認原則確定的累計攤銷額後的餘額，以兩者之中的較高者進行後續計量。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Share-based payments

Share-based payments can be distinguished into equity-settled share-based payments and cash-settled share-based payments. Equity-settled share-based payments are transactions of the Group settled through the payment of shares or other equity instruments in consideration for receiving services.

Equity-settled share-based payments made in exchange for services rendered by employees are measured at the fair value of equity instruments granted to employees. Instruments which are vested immediately upon the grant are charged to relevant costs or expenses at the fair value on the date of grant and the capital reserve is credited accordingly. Instruments of which vesting is conditional upon completion of services or fulfillment of performance conditions are measured by recognizing services rendered during the period in relevant costs or expenses and crediting the capital reserve accordingly at the fair value on the date of grant according to the best estimates conducted by the Group at each balance sheet date during the pending period based on subsequent information such as latest updates on the change in the number of entitled employees and whether performance conditions have been fulfilled, and etc.

No expense is recognized for awards that do not ultimately vest, except where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all non-market conditions are satisfied.

三、重要會計政策及會計估計(續)

25. 股份支付

股份支付，分為以權益結算的股份支付和以現金結算的股份支付。以權益結算的股份支付，是指本集團為獲取服務以股份或其他權益工具作為對價進行結算的交易。

以權益結算的股份支付換取職工提供服務的，以授予職工權益工具的公允價值計量。授予後立即可行權的，在授予日按照公允價值計入相關成本或費用，相應增加資本公積；完成等待期內的服務或達到規定業績條件才可行權的，在等待期內每個資產負債表日，本集團根據最新取得的可行權職工人數變動、是否達到規定業績條件等後續信息對可行權權益工具數量作出最佳估計，以此為基礎，按照授予日的公允價值，將當期取得的服務計入相關成本或費用，相應增加資本公積。

對於最終未滿足行權條件的股份支付，不確認成本或費用，除非行權條件是市場條件或非可行權條件，此時無論是否滿足市場條件或非可行權條件，只要滿足所有可行權條件中的非市場條件，即視為可行權。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Share-based payments (Continued)

Where the terms of an equity-settled share-based payment are modified, as a minimum, services obtained are recognized as if the terms had not been modified. In addition, an expense is recognized for any modification which increases the total fair value of the instrument granted, or is otherwise beneficial to the employee.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. Where employees or other parties are permitted to choose to fulfill non-vesting conditions but have not fulfilled during the pending period, equity-settled share-based payments are deemed cancelled. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the new awards are treated as if they were a modification of the original award.

A cash-settled share-based payment shall be measured in accordance with the fair value of liability calculated and confirmed based on the shares or other equity instruments undertaken by the Group. If the right may be exercised immediately after the grant, the fair value of the liability undertaken by the enterprise shall, on the date of the grant, be included in the relevant costs or expenses, and the liabilities shall be increased accordingly. If the right may not be exercised until services are completed or until the specified performance conditions are met during the vesting period, the services obtained in the current period shall, based on the best estimate of the information about the exercisable right, be included in the relevant costs or expenses at the fair value of the liability undertaken by the enterprise, and the liabilities shall be increased accordingly. On each balance sheet date prior to settlement of the relevant liabilities and on the settlement date, the fair value of the liability is re-measured and any change of fair value is taken to profit or loss for the current period.

三、重要會計政策及會計估計(續)

25. 股份支付(續)

如果修改了以權益結算的股份支付的條款，至少按照未修改條款的情況確認取得的服務。此外，如果修改增加了所授予權益工具公允價值，或做出其他對職工有利的變更，均確認取得服務的增加。

如果取消了以權益結算的股份支付，則於取消日作為加速行權處理，立即確認尚未確認的金額。職工或其他方能夠選擇滿足非可行權條件但在等待期內未滿足的，作為取消以權益結算的股份支付處理。但是，如果授予新的權益工具，並在新權益工具授予日認定所授予的新權益工具是用於替代被取消的權益工具的，則作為原權益結算的股份支付條款和條件的修改進行處理。

以現金結算的股份支付，按照本集團承擔的以股份或其他權益工具為基礎計算確定的負債的公允價值計量。授予後立即可行權的，在授予日以承擔負債的公允價值計入成本或費用，相應增加負債；完成等待期內的服務或達到規定業績條件才可行權的，在等待期內以對可行權情況的最佳估計為基礎，按照承擔負債的公允價值，將當期取得的服務計入相關成本或費用，增加相應負債。在相關負債結算前的每個資產負債表日以及結算日，對負債的公允價值重新計量，其變動計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Revenue

The Group recognises revenue based on the transaction price allocated to such performance obligation when a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. A performance obligation represents the commitment that a good or service that is distinct shall be transferred by the Group to the customer. Transaction price refers to the amount of consideration to which the Group expects to be entitled in exchange of transferring goods or services to a customer, excluding the amount received on behalf of third parties and the amount that the Group expects to return to a customer.

It is a performance obligation satisfied during a period of time if one of the following conditions is met: (1) the customer obtains and consumes economic benefits provided by the Group’s performance as the Group performs; (2) the customer is able to control goods in progress during the Group’s performance; (3) goods generated during the Group’s performance have no alternative use, and the Group is entitled to payments for performance completed to date. Otherwise, the Group will recognise revenue at the point in time when the customer obtains control of the relevant goods or services.

The Group adopts the input method to determine performance schedules, namely according to the Group’s input into the performance of contractual obligations. When the performance progress cannot be determined, the Group is expected to be reimbursed for the costs already incurred and recognize the revenue based on the costs already incurred until the performance progress can be reasonably determined.

三、重要會計政策及會計估計(續)

26. 收入

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控制權時，按照分攤至該項履約義務的交易價格確認收入。履約義務，是指合同中本集團向客戶轉讓可明確區分商品或服務的承諾。交易價格，是指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，但不包含代第三方收取的款項以及本集團預期將退還給客戶的款項。

滿足下列條件之一的，屬於在某一時間段內履行的履約義務，本集團按照履約進度，在一段時間內確認收入：(1)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；(2)客戶能夠控制本集團履約過程中在建的商品；(3)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。否則，本集團在客戶取得相關商品或服務控制權的時點確認收入。

本集團採用投入法確定履約進度，即根據本集團為履行履約義務的投入確定履約進度。當履約進度不能合理確定時，已經發生的成本預計能夠得到補償的，本集團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 (CONTINUED)

26. Revenue (Continued)

If there are two or more of performance obligations included in the contract, at the contract inception, the Group allocates the transaction price to each single performance obligation based on the relative proportion of stand-alone selling prices of goods or services promised in single performance obligation. However, if there is conclusive evidence indicating that the contract discount or variable consideration is only relative with one or more (not the whole) performance obligations in the contract, the Group will allocate the contract discount or variable consideration to relative one or more performance obligations. Stand-alone selling price is a price at which the Group would sell goods or services separately to a customer. The stand-alone selling price cannot be observed directly, the Group estimates the stand-alone selling price through comprehensive consideration of all reasonably acquired relative information and maximum use of observable inputs.

Variable consideration

Where variable consideration exists in the Group's contracts, the best estimate of variable consideration is arrived at using either an expected value or most likely outcome method. Transaction price comprising the variable consideration does not exceed the amount that it is highly probable that there will not be a significant reversal in the amount of cumulative revenue recognized when the uncertainty is resolved. On each balance sheet date, the Group re-estimates the amount of variable consideration that should be included in the transaction price.

Consideration payable to customers

Where consideration payable to customers exists in a contract, it is set off against transaction price and is applied against revenue for the current period at the later of the point at which the relevant revenue is recognized and the point of payment of (or commitment to pay) consideration to customers, unless the consideration payable is for obtaining other distinct goods or services from the customers.

三、重要會計政策及會計估計(續)

26. 收入(續)

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。但在有確鑿證據表明合同折扣或可變對價僅與合同中一項或多項(而非全部)履約義務相關的，本集團將該合同折扣或可變對價分攤至相關一項或多項履約義務。單獨售價，是指本集團向客戶單獨銷售商品或服務的價格。單獨售價無法直接觀察的，本集團綜合考慮能夠合理取得的全部相關信息，並最大限度地採用可觀察的輸入值估計單獨售價。

可變對價

合同中存在可變對價的，本集團按照期望值或最可能發生金額確定可變對價的最佳估計數。包含可變對價的交易價格，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。每一資產負債表日，本集團重新估計應計入交易價格的可變對價金額。

應付客戶對價

合同中存在應付客戶對價的，除非該對價是為了向客戶取得其他可明確區分商品或服務的，本集團將該應付對價沖減交易價格，並在確認相關收入與支付(或承諾支付)客戶對價二者孰晚的時點沖減當期收入。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Revenue (Continued)

Sales with quality assurance terms attached

For sales with quality assurance terms, if the quality assurance provides a separate service to the customer other than ensuring that the goods or services sold meet the pre-determined standards, the quality assurance constitutes a single performance obligation. Otherwise, the Group will account for the quality assurance obligation in accordance with the "Accounting Standards for Business Enterprises No. 13 – Contingencies".

A principal/agent

The Group determines whether it is a principal or an agent at the time of the transaction based on whether it owns the control of the goods or services before the transfer of such goods or services to the customer. Where the Group is in control of that good or service prior to transferring the same to a customer, the Group is a principal, and revenue shall be recognized based on the total consideration received or receivable. Otherwise, the Group is an agent, and revenue shall be recognized at the amount of commissions or service charges expected to be entitled to collect, and such amount shall be determined based on net amount of total consideration received or receivable less amounts payable to other related parties, or based on the pre-determined commissions or proportions.

Except for the income arising from contracts with customers, income of the Group includes income from lease transactions in daily operating activities. For details of relevant accounting policies, please refer to Note III. 29.

三、重要會計政策及會計估計(續)

26. 收入(續)

附有質量保證條款的銷售

對於附有質量保證條款的銷售，如果該質量保證在向客戶保證所銷售商品或服務符合既定標準之外提供了一項單獨的服務，該質量保證構成單項履約義務。否則，本集團按照《企業會計準則第13號—或有事項》規定對質量保證責任進行會計處理。

主要責任人/代理人

本集團根據在向客戶轉讓商品或服務前是否擁有對該商品或服務的控制權，來判斷從事交易時本集團的身份是主要責任人還是代理人。本集團在向客戶轉讓商品或服務前能夠控制該商品或服務的，本集團為主要責任人，按照已收或應收對價總額確認收入；否則，本集團為代理人，按照預期有權收取的佣金或手續費的金額確認收入，該金額按照已收或應收對價總額扣除應支付給其他相關方的價款後的淨額或者按照既定的佣金金額或比例等確定。

除與客戶之間的合同產生的收入外，本集團收入中包括作為日常經營活動而從事租賃交易產生的收入，相應會計政策詳見附註三、29。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Government grants

Government grant is recognized when the Group can comply with the conditions attached to it and it can be received. Government grant is classified as asset-related government grant and income-related government grant. Government grant for purchasing, building or otherwise forming long-term assets is recognized as one related to assets. Otherwise it is recognized as one related to income.

If a government grant is in the form of a transfer of monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of non-monetary asset, it is measured at fair value; if fair value is not reliably determinable, it is measured at a nominal amount.

An asset-related government grant is recognized as deferred income and recognized in profit or loss by stages over the useful life of the related assets in a reasonable and systematic way. However, a government grant measured at a nominal amount is recognized directly in profit or loss for the current period. A government grant related to income is accounted for as follows: if the grant is a compensation for related costs expenses or losses to be incurred in subsequent periods, the grant is recognized as deferred income, and recognized in profit or loss over the periods in which the related costs are recognized; if the grant is a compensation for related costs expenses or losses already incurred, it is recognized immediately in profit or loss for the current period.

Government grant related to daily operations is recognized in other income. Government grant not related to daily operations is recognized in non-operating income.

三、重要會計政策及會計估計(續)

27. 政府補助

政府補助在能夠滿足其所附的條件並且能夠收到時，予以確認。政府補助分為與資產相關的政府補助和與收益相關的政府補助。用於購建或以其他方式形成長期資產的，作為與資產相關的政府補助；除此之外的作為與收益相關的政府補助。

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；公允價值不能夠可靠取得的，按照名義金額計量。

與資產相關的政府補助，確認為遞延收益，並在相關資產使用壽命內按照合理、系統的方法分期計入損益。但按照名義金額計量的政府補助，直接計入當期損益。與收益相關的政府補助，用於補償企業以後期間的相關成本費用或損失的，確認為遞延收益，並在確認相關成本費用或損失的期間，計入當期損益；用於補償企業已發生的相關成本費用或損失的，直接計入當期損益。

與日常活動相關的政府補助，計入其他收益。與日常活動無關的政府補助，計入營業外收入。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Income tax

Income tax comprises current and deferred tax. Income tax is recognized as income or an expense in profit or loss for the current period, except that it is a goodwill adjustment arising from business combination, or transactions or events recognized directly in shareholders' equity or other comprehensive income, in which case they are recognized in shareholders' equity or other comprehensive income.

The Group measures a current tax asset or liability arising from the current and prior period based on the amount of income tax expected to be paid by the Group or returned by tax authority calculated by related tax laws.

For temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, and temporary differences between the carrying amounts and the tax bases of items, the tax bases of which can be determined for tax purposes, but which have not been recognized as assets and liabilities according to the tax laws, deferred taxes are provided using the liability method.

A deferred tax liability is recognized for all taxable temporary differences, except:

- (1) where the taxable temporary differences arise from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction which contains both of the following characteristics: the transaction is not a business combination; and at the time of the transaction, it affects neither accounting profit nor taxable profit or deductible loss.
- (2) in respect of taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

三、重要會計政策及會計估計(續)

28. 所得稅

所得稅包括當期所得稅和遞延所得稅。除由於企業合併產生的調整商譽，或與直接計入股東權益或其他綜合收益的交易或者事項相關的計入股東權益或其他綜合收益外，均作為所得稅費用或收益計入當期損益。

本集團對於當期和以前期間形成的當期所得稅負債或資產，按照稅法規定計算的預期應交納或返還的所得稅金額計量。

本集團根據資產與負債於資產負債表日的賬面價值與計稅基礎之間的暫時性差異，以及未作為資產和負債確認但按照稅法規定可以確定其計稅基礎的項目的賬面價值與計稅基礎之間的差額產生的暫時性差異，採用資產負債表債務法計提遞延所得稅。

各種應納稅暫時性差異均據以確認遞延所得稅負債，除非：

- (1) 應納稅暫時性差異是在以下交易中產生的：商譽的初始確認，或者具有以下特徵的交易中產生的資產或負債的初始確認：該交易不是企業合併，並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。
- (2) 對於與子公司、合營企業及聯營企業投資相關的應納稅暫時性差異，該暫時性差異轉回的時間能夠控制並且該暫時性差異在可預見的未來很可能不會轉回。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Income tax (Continued)

A deferred tax asset is recognized for deductible temporary differences, carryforward of deductible tax losses from prior years and tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and deductible tax losses and tax credits can be utilized, except:

- (1) where the deductible temporary differences arises from a transaction that is not a business combination and, at the time of the transaction, neither the accounting profit nor taxable profit or deductible loss is affected.
- (2) in respect of the deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, a deferred tax asset is only recognized to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the deductible temporary differences can be utilized in the future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, according to the requirements of tax laws. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects at the balance sheet date, to recover the assets or settle the liabilities.

三、重要會計政策及會計估計(續)

28. 所得稅(續)

對於可抵扣暫時性差異、能夠結轉以後年度的可抵扣虧損和稅款抵減，本集團以很可能取得用來抵扣可抵扣暫時性差異、可抵扣虧損和稅款抵減的未來應納稅所得額為限，確認由此產生的遞延所得稅資產，除非：

- (1) 可抵扣暫時性差異是在以下交易中產生的：該交易不是企業合併，並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。
- (2) 對於與子公司、合營企業及聯營企業投資相關的可抵扣暫時性差異，同時滿足下列條件的，確認相應的遞延所得稅資產：暫時性差異在可預見的未來很可能轉回，且未來很可能獲得用來抵扣可抵扣暫時性差異的應納稅所得額。

本集團於資產負債表日，對於遞延所得稅資產和遞延所得稅負債，依據稅法規定，按照預期收回該資產或清償該負債期間的適用稅率計量，並反映資產負債表日預期收回資產或清償負債方式的所得稅影響。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Income tax (Continued)

The carrying amount of deferred tax assets is reviewed at the balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future periods to allow the deferred tax assets to be utilized. Deferred tax assets previously written down are reversed to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities presented on a net basis are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities on a net basis and the deferred taxes relate to the same taxable entity and the same taxation authority.

29. Leases

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.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease at inception/modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

三、重要會計政策及會計估計(續)

28. 所得稅(續)

於資產負債表日，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，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可供所有或部分遞延所得稅資產轉回的限度內，轉回原減記的遞延所得稅資產。

如果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，且遞延所得稅與同一應納稅主體和同一稅收征管部門相關，則將遞延所得稅資產和遞延所得稅負債以抵銷後的淨額列示。

29. 租賃

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。

首次執行日後簽訂或變更合同，在合同開始或變更日，本集團評估該合同是否為租賃或者包含租賃。除非合同條款和條件發生變化，本集團不重新評估合同是否為租賃或者包含租賃。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.1 The Group as lessee

29.1.1 Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date on which the leased asset is made available by the lessor for the Group's use. The right-of-use asset is initially measured at cost. This cost includes:

- the initial measurement amount of the lease liabilities;
- any lease payments made at or before the commencement date, less the relevant amount of any lease incentives received (where lease incentives are available);
- any initial direct costs incurred by the Group;
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, 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.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.1 本集團作為承租人

29.1.1 使用權資產

除短期租賃和低價值資產租賃外，本集團在租賃期開始日對租賃確認使用權資產。租賃期開始日，是指出租人提供租賃資產使其可供本集團使用的起始日期。使用權資產按照成本進行初始計量。該成本包括：

- 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，存在租賃激勵的，扣除已享受的租賃激勵相關金額；
- 本集團發生的初始直接費用；
- 本集團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。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.1 The Group as lessee (Continued)

29.1.1 Right-of-use assets (Continued)

The Group made provisions for depreciation of right-of-use assets in accordance with the depreciation requirements under the Accounting Standards for Business Enterprises No. 4 – Fixed Assets. Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated over the remaining useful life. Otherwise, right-of-use assets are depreciated over the shorter of its remaining useful life and the lease term.

The Group determines whether impairment has occurred in the right-of-use asset and accounts for the recognised impairment losses according to “Accounting Standards for Business Enterprises No. 8 – Assets Impairment”.

29.1.2 Lease liabilities

Except for share-term leases and leases of low value assets, at the commencement date of a lease, the Group initially measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as discount rate. If the interest rate implicit in the lease is not readily determinable, the incremental borrowing rate will be adopted as discount rate.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.1 本集團作為承租人(續)

29.1.1 使用權資產(續)

本集團參照《企業會計準則第4號－固定資產》有關折舊規定，對使用權資產計提折舊。本集團能夠合理確定租賃期屆滿時取得租賃資產所有權的，使用權資產在租賃資產剩餘使用壽命內計提折舊。無法合理確定租賃期屆滿時能夠取得租賃資產所有權的，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。

本集團按照《企業會計準則第8號－資產減值》的規定來確定使用權資產是否已發生減值，並對已識別的減值損失進行會計處理。

29.1.2 租賃負債

除短期租賃和低價值資產租賃外，本集團在租賃期開始日按照該日尚未支付的租賃付款額的現值對租賃負債進行初始計量。在計算租賃付款額的現值時，本集團採用租賃內含利率作為折現率，無法確定租賃內含利率的，採用增量借款利率作為折現率。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.1 The Group as lessee (Continued)

29.1.2 Lease liabilities (Continued)

Lease payment refers to the amount paid by the Group to the lessor relating to the right to use an underlying asset during the lease term, including:

- fixed payments and in-substance fixed payments less the relevant amount of any lease incentives (where lease incentives are available);
- variable lease payments that depend on an index or a rate;
- the exercise price of a purchase option reasonably certain to be exercised by the Group;
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate;
- amounts expected to be paid by the Group under residual value guarantees.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.1 本集團作為承租人(續)

29.1.2 租賃負債(續)

租賃付款額是指本集團向出租人支付的與在租賃期內使用租賃資產的權利相關的款項，包括：

- 固定付款額及實質固定付款額，存在租賃激勵的，扣除租賃激勵相關金額；
- 取決於指數或比率的可變租賃付款額；
- 本集團合理確定將行使購買選擇權時，該選擇權的行權價格；
- 租賃期反映出本集團將行使終止租賃選擇權的，行使終止租賃選擇權需支付的款項；
- 根據本集團提供的擔保餘值預計應支付的款項。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.1 The Group as lessee (Continued)

29.1.2 Lease liabilities (Continued)

Variable lease payments that depend on an index or a ratio, are initially measured using the index or rate at the commencement date of a lease. Variable lease payments that are not included in the measurement of the lease liability are recognised in profit or loss or related asset costs when incurred.

Upon commencement of the lease term, the Group calculates the interest expense of the lease liabilities for each period of the lease term based on a fixed periodic interest rate, and recognized in profit or loss for the current period or the costs of the relevant asset.

After the commencement date of the lease, the Group re-measures the lease liabilities and adjusts the corresponding right-of-use asset in the following circumstances:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the Group re-measures the lease liabilities by discounting the present value of revised lease payments using a revised discount rate;
- the expected lease payments under a guaranteed residual value or the index or rate determining the lease payments change, in which cases the Group re-measures the lease liabilities by discounting the present value of revised lease payments using the original discount rate.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.1 本集團作為承租人(續)

29.1.2 租賃負債(續)

取決於指數或比率的可變租賃付款額在初始計量時根據租賃期開始日的指數或比率確定。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，本集團按照固定的周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。

在租賃期開始日後，發生下列情形的，本集團重新計量租賃負債，並調整相應的使用權資產：

- 因租賃期變化或購買選擇權的評估結果發生變化的，本集團按變動後租賃付款額和修訂後的折現率計算的現值重新計量租賃負債；
- 根據擔保餘值預計的應付金額或者用於確定租賃付款額的指數或者比率發生變動，本集團按照變動後的租賃付款額和原折現率計算的現值重新計量租賃負債。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.1 The Group as lessee (Continued)

29.1.3 Short-term leases and leases of low-value assets

The Group elects not to recognize the right-of-use assets and lease liabilities for short-term leases and low-value asset leases of vehicles, machinery and equipment and office buildings. Short-term leases are leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option. A lease of low value asset refers to a single lease asset which, when new, is of low value. Lease payments on short-term leases and leases of low-value assets are recognised in profit or loss or the cost of underlying assets on a straight-line basis over the lease term.

29.1.4 Lease modifications

If the lease changes and meets the following conditions, the Group will account for the lease modification as a separate lease:

- the lease modification increases the scope of the lease by adding the right to use one or more leased assets;
- the consideration increases by an amount commensurate with the stand-alone price for the increase in scope and any adjustments to that stand-alone price to reflect the circumstances of the particular contract.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.1 本集團作為承租人(續)

29.1.3 短期租賃和低價值資產租賃

本集團對運輸設備、機器設備及辦公用房的短期租賃以及低價值資產租賃，選擇不確認使用權資產和租賃負債。短期租賃，是指在租賃期開始日，租賃期不超過12個月且不包含購買選擇權的租賃。低價值資產租賃，是指單項租賃資產為全新資產時價值較低的租賃。本集團將短期租賃和低價值資產租賃的租賃付款額，在租賃期內各個期間按照直線法計入當期損益或相關資產成本。

29.1.4 租賃變更

租賃發生變更且同時符合下列條件的，本集團將該租賃變更作為一項單獨租賃進行會計處理：

- 該租賃變更通過增加一項或多項租賃資產的使用權而擴大了租賃範圍；
- 增加的對價與租賃範圍擴大部分的單獨價格按該合同情況調整後的金額相當。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.1 The Group as lessee (Continued)

29.1.4 Lease modifications (Continued)

For a lease modification that is not accounted for as a separate lease, the Group re-allocates the consideration in the revised contract, re-determines the lease term and re-measures the lease liability by discounting the present value of the revised lease payments using a revised discount rate at the effective date of the lease modification.

If the lease change results in a reduction in the scope of lease or the term of lease, the Group reduces the carrying amount of the right-of-use assets and recognises the related gains or losses on the partly or fully terminated lease in the current profit or loss. If other lease changes result in the re-measurement of the lease liability, the Group adjusts the carrying amount of the right-of-use assets accordingly.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.1 本集團作為承租人(續)

29.1.4 租賃變更(續)

租賃變更未作為一項單獨租賃進行會計處理的，在租賃變更生效日，本集團重新分攤變更後合同的對價，重新確定租賃期，並按照變更後租賃付款額和修訂後的折現率計算的現值重新計量租賃負債。

租賃變更導致租賃範圍縮小或租賃期縮短的，本集團相應調減使用權資產的賬面價值，並將部分終止或完全終止租賃的相關利得或損失計入當期損益。其他租賃變更導致租賃負債重新計量的，本集團相應調整使用權資產的賬面價值。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.2 The Group as lessor

29.2.1 Separating components of a lease

For a contract that contains lease and non-lease components, the Group shall allocate the consideration of the contract by applying Accounting Standards for Business Enterprises No.14 – Revenue in respect of allocation of transaction price, on the basis of their respective stand-alone selling prices.

29.2.2 Classification of leases

Leases that substantially transfer all the risks and rewards incidental to ownership of assets are accounted for as finance leases; otherwise, it is an operating lease.

29.2.2.1 The Group records operating leasing business as a lessor

The Group recognises lease payments from operating leases as lease income on a straight-line basis in different periods over the lease term. The Group capitalises initial direct costs incurred in relation to an operating lease and apportions such amount over the lease term on the same basis as that used for lease income. Such amount will be taken to profit or loss for the current period by stages.

The Group recognises any variable lease payments relating to operating lease not included in the lease payments as income, in profit or loss for the current period as incurred.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.2 本集團作為出租人

29.2.1 租賃的分拆

合同中同時包含租賃和非租賃部分的，本集團根據《企業會計準則第14號—收入》關於交易價格分攤的規定分攤合同對價，分攤的基礎為租賃部分和非租賃部分各自的單獨價格。

29.2.2 租賃的分類

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為融資租賃。融資租賃以外的其他租賃為經營租賃。

29.2.2.1 本集團作為出租人記錄經營租賃業務

在租賃期內各個期間，本集團採用直線法，將經營租賃的租賃收款額確認為租金收入。本集團發生的與經營租賃有關的初始直接費用於發生時予以資本化，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。

本集團取得的與經營租賃有關的未計入租賃收款額的可變租賃收款額，在實際發生時計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.2 The Group as lessor (Continued)

29.2.2 Classification of leases (Continued)

29.2.2.2 The Group records finance leasing business as a lessor

On the commencement date of the lease, the Group adopts the net lease investment as the recorded value of the financial lease receivables and derecognises the finance lease assets. The net lease investment is the sum of the unguaranteed residual value and the present value of outstanding lease payments at the commencement date of the lease which are discounted using the interest rate implicit in the lease.

Lease payments refer to the amount that the Group should collect from the lessee for the purpose of transferring the leased assets during the lease term, including:

- fixed payments and in-substance fixed payments required to be paid by lessee, less any lease incentives (where lease incentives are available);
- variable lease payments that depend on an index or a rate;

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.2 本集團作為出租人(續)

29.2.2 租賃的分類(續)

29.2.2.2 本集團作為出租人記錄融資租賃業務

於租賃期開始日，本集團以租賃投資淨額作為應收融資租賃款的入帳價值，並終止確認融資租賃資產。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。

租賃收款額，是指本集團因讓渡在租賃期內使用租賃資產的權利而應向承租人收取的款項，包括：

- 承租人需支付的固定付款額及實質固定付款額，存在租賃激勵的，扣除租賃激勵相關金額；
- 取決於指數或比率的可變租賃付款額；

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.2 The Group as lessor (Continued)

29.2.2 Classification of leases (Continued)

29.2.2.2 The Group records finance leasing business as a lessor (Continued)

- the exercise price of a purchase option reasonably certain to be exercised by the lessee;
- payments for exercising the option to terminate the lease, if the lease term reflects that the lessee will exercise an option to terminate the lease;
- any residual value guarantees provided to the Group by the lessee, a party related to the lessee and an independent third party that is financially capable of discharging the obligations under the guarantee.

Variable lease payments that are not included in the measurement of net lease investments are recognized in profit or loss for the current period as incurred.

Interest income in each period during the lease term are calculated and recognized by the Group using the fixed periodic rate of interest.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.2 本集團作為出租人(續)

29.2.2 租賃的分類(續)

29.2.2.2 本集團作為出租人記錄融資租賃業務(續)

- 購買選擇權的行權價格，前提是合理確定承租人將行使該選擇權；
- 承租人行使終止租賃選擇權需支付的款項，前提是租賃期反映出承租人將行使終止租賃選擇權；
- 由承租人、與承租人有關的一方以及有經濟能力履行擔保義務的獨立第三方向本集團提供的擔保餘值。

未納入租賃投資淨額計量的可變租賃收款額在實際發生時計入當期損益。

本集團按照固定的周期性利率計算並確認租賃期內各個期間的利息收入。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.2 The Group as lessor (Continued)

29.2.3 Lease modifications

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

If the finance lease changes and meets the following conditions, the Group accounts for a lease modification as a separate lease:

- the modification expands the scope of the lease by increasing the right to use one or more leased assets;
- the consideration increases by an amount commensurate with the stand-alone price for the increase in scope and any adjustments to that stand-alone price to reflect the circumstances of the particular contract.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.2 本集團作為出租人(續)

29.2.3 租賃變更

經營租賃發生變更的，本集團自變更生效日起將其作為一項新租賃進行會計處理，與變更前租賃有關的預收或應收租賃收款額視為新租賃的收款額。

融資租賃發生變更且同時符合下列條件的，本集團將該變更作為一項單獨租賃進行會計處理：

- 該變更通過增加一項或多項租賃資產的使用權而擴大了租賃範圍；
- 增加的對價與租賃範圍擴大部分的單獨價格按該合同情況調整後的金額相當。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.2 The Group as lessor (Continued)

29.2.3 Lease modifications (Continued)

If the modification of the finance lease is not accounted for as a separate lease, the Group will account for the lease modification in the following cases:

- If the lease is classified as an operating lease when the modification becomes effective at the commencement date, the Group begins accounting for the lease modification as a new lease from the effective date of the modification and uses the net lease investment before the effective date of the lease modification as the carrying value of the leased asset;
- If the modification is effective at the commencement date and the lease is classified as a finance lease, the Group accounts for such modification in accordance with the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments in respect of the modification or re-negotiation of contracts.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.2 本集團作為出租人(續)

29.2.3 租賃變更(續)

融資租賃的變更未作為一項單獨租賃進行會計處理的，本集團分別下列情形對變更後的租賃進行處理：

- 假如變更在租賃開始日生效，該租賃會被分類為經營租賃的，本集團自租賃變更生效日開始將其作為一項新租賃進行會計處理，並以租賃變更生效日前的租賃投資淨額作為租賃資產的賬面價值；
- 假如變更在租賃開始日生效，該租賃會被分類為融資租賃的，本集團按照《企業會計準則第22號—金融工具確認和計量》關於修改或重新議定合同的規定進行會計處理。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leases (Continued)

29.3 Sale and leaseback transaction

The Group as a seller (lessee)

The Group determines whether the asset transfer in the sale and leaseback transaction constitutes a sale in accordance with Accounting Standards for Business Enterprises No.14 – Revenue. If the transfer of assets is not a sale, the Group continues to recognize the transferred assets and recognizes a financial liability in equal amount to the transfer income, and accounts for the financial liabilities in accordance with Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments. Where the transfer of assets is a sale, the Group measures the right-of-use assets formed by the sale and leaseback based on the portion of the original asset's book value that is related to the use rights obtained from the leaseback, and only recognizes the relevant gains or loss that relates to the rights transferred to the lessor.

三、重要會計政策及會計估計(續)

29. 租賃(續)

29.3 售後租回交易

本集團作為賣方及承租人

本集團按照《企業會計準則第14號－收入》的規定，評估確定售後租回交易中的資產轉讓是否屬於銷售。該資產轉讓不屬於銷售的，本集團繼續確認被轉讓資產，同時確認一項與轉讓收入等額的金融負債，並按照《企業會計準則第22號－金融工具確認和計量》對該金融負債進行會計處理。該資產轉讓屬於銷售的，本集團按原資產賬面價值中與租回獲得的使用權有關的部分，計量售後租回所形成的使用權資產，並僅就轉讓至出租人的權利確認相關利得或損失。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Hedge accounting

30.1 Basis of hedge accounting and accounting treatment

To manage the risk exposure caused by specific risks such as foreign exchange risk and interest rate risk, the Group has designated certain financial instruments as hedging instruments for hedging. The Group applies hedging accounting for a hedge that satisfies the prescribed conditions. Hedging activities of the Group include fair value hedges and cash flow hedges. For the hedges for foreign exchange risk with firm commitment, the Group treated them as cash flow hedges.

For the purpose of hedge accounting, the Group's hedging is classified as follows:

- (1) Fair value hedges refer to the hedging against the risk of fair value change in respect of definite commitments which are not yet recognized (other than exchange rate risks) of assets and liabilities already recognized.
- (2) Cash flow hedges refer to the hedging against the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognized firm commitment.

三、重要會計政策及會計估計(續)

30. 套期會計

30.1 採用套期會計的依據與會計處理方法

為管理外匯風險、利率風險等特定風險引起的風險敞口，本集團指定某些金融工具作為套期工具進行套期。滿足規定條件的套期，本集團採用套期會計方法進行處理。本集團的套期包括公允價值套期、現金流量套期。對確定承諾的外匯風險進行的套期，本集團作為現金流量套期處理。

就套期會計方法而言，本集團的套期保值分類為：

- (1) 公允價值套期，是指對已確認資產或負債，尚未確認的確定承諾（除匯率風險外）的公允價值變動風險進行的套期。
- (2) 現金流量套期，是指對現金流量變動風險進行的套期，此現金流量變動源於與已確認資產或負債、很可能發生的預期交易有關的某類特定風險，或一項未確認的確定承諾包含的匯率風險。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Hedge accounting (Continued)

30.1 Basis of hedge accounting and accounting treatment (Continued)

Hedges which meet the strict criteria for hedge accounting are accounted for as follows:

Fair value hedges

The Group's fair value hedge is a hedge against interest rate risk (risk of fair value change) of the fixed rate debt instruments.

Gains or losses arising from a hedging instrument are recognized in profit or loss for the current period. Gains or losses in respect of the hedged item attributable to hedged risk are recognized in profit or loss and the carrying amount of the hedged item that is not measured at fair value is adjusted.

For fair value hedge relating to debt instruments carried at amortized cost, the carrying amount of the hedged items is adjusted and amortized to profit or loss over the remaining term of the hedge using the effective interest rate method. Amortization begins on the date of adjustment but no later than the point when the hedged item ceases to be adjusted for hedging gains and losses.

Where the hedged items are firm commitments not yet recognized, upon designation of the hedging relationship, the accumulated change in fair value arising from the hedging risk of the firm commitments are recognized as an asset or a liability, and related gains and losses are taken to profit or loss for the current period. When the Group obtains assets or undertakes liabilities by performing firm commitments, the initial recognised amount of the assets or liabilities is adjusted to include the accumulated change in fair value of the recognised hedged items.

三、重要會計政策及會計估計(續)

30. 套期會計(續)

30.1 採用套期會計的依據與會計處理方法(續)

滿足套期會計方法的嚴格條件的，按如下方法進行處理：

公允價值套期

本集團公允價值套期系對固定利率債務工具的利率風險(公允價值變動風險)進行的套期。

套期工具產生的利得或損失計入當期損益。被套期項目因套期風險敞口形成的利得或損失，計入當期損益，同時調整未以公允價值計量的被套期項目的賬面價值。

就與按攤餘成本計量的債務工具有關的公允價值套期而言，對被套期項目賬面價值所作的調整，在套期剩餘期間內採用實際利率法進行攤銷，計入當期損益。該攤銷自調整日開始，但不晚於被套期項目終止進行套期利得和損失調整的時點。

被套期項目為尚未確認的確定承諾的，套期關係指定後該確定承諾的公允價值因被套期風險引起的累計公允價值變動確認為一項資產或負債，相關的利得或損失計入當期損益。當本集團履行確定承諾而取得資產或承擔負債時，調整該資產或負債的初始確認金額，以包括已確認的被套期項目的公允價值累計變動額。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Hedge accounting (Continued)

30.1 Basis of hedge accounting and accounting treatment (Continued)

Cash flow hedges

The Group's cash flow hedge include hedges of the expected sales/procurements, foreign currency financial instruments, foreign exchange risk on firm commitments and interest rate risk of variable rate debt instruments (exposure to variability in cash flows).

The effective portion of the gain or loss on the hedging instrument is recognized in other comprehensive income, while the ineffective portion is recognized in profit or loss.

If the expected transaction being hedged is subsequently recognized as non-financial assets or non-financial liabilities, or when the expected transaction of non-financial assets or non-financial liabilities becomes the firm commitment under applicable fair value hedges, the amount of cashflow hedging reserve originally recognized in other comprehensive income is transferred out and taken to the initial recognized amount of that asset or liability item. For other cashflow hedges, during the same period in which the expected cashflow being hedged affects profit or loss, for example when the expected sale occurs, the cashflow hedging reserve recognized in other comprehensive income is transferred out and taken to profit or loss for the current period.

When the Group no longer applies hedging accounting to cashflow hedges, if the future cashflow being hedged is still expected to occur, the amount previously taken to other comprehensive income is not transferred out until the expected transaction actually occurs or the firm commitment is performed; if the future cashflow being hedged is no longer expected to occur, the accumulated amount of cashflow hedging reserve shall be transferred out from other comprehensive income and taken to profit or loss for the current period.

三、重要會計政策及會計估計(續)

30. 套期會計(續)

30.1 採用套期會計的依據與會計處理方法(續)

現金流量套期

本集團現金流量套期包括對預期銷售/採購、外幣金融工具、確定承諾的外匯風險以及浮動利率債務工具的利率風險(現金流量變動風險)進行的套期。

套期工具利得或損失中屬於套期有效的部分，確認為其他綜合收益，屬於套期無效的部分，計入當期損益。

如果被套期的預期交易隨後確認為非金融資產或非金融負債，或非金融資產或非金融負債的預期交易形成適用公允價值套期的確定承諾時，則原在其他綜合收益中確認的現金流量套期儲備金額轉出，計入該資產或負債的初始確認金額。其餘現金流量套期在被套期的預期現金流量影響損益的相同期間，如預期銷售發生時，將其他綜合收益中確認的現金流量套期儲備轉出，計入當期損益。

本集團對現金流量套期終止運用套期會計時，如果被套期的未來現金流量預期仍然會發生，則以前計入其他綜合收益的金額不轉出，直至預期交易實際發生或確定承諾履行；如果被套期的未來現金流量預期不再發生的，則累計現金流量套期儲備的金額從其他綜合收益中轉出，計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Hedge accounting (Continued)

30.2 Effective evaluation of hedging

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and the risk management strategy. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Besides, the Group assesses on an ongoing basis whether such hedging relationships are complying with the hedge effectiveness requirements as at the commencement date and in subsequent periods. The Group recognises that the hedging relationships meet hedge effectiveness requirements when they meet all of the following requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

三、重要會計政策及會計估計(續)

30. 套期會計(續)

30.2 套期有效性評估方法

在套期關係開始時，本集團對套期關係進行正式指定，並準備了關於套期關係、風險管理目標和風險管理策略的正式書面文件。該文件載明瞭套期工具、被套期項目，被套期風險的性質，以及本集團對套期有效性評估方法。套期有效性，是指套期工具的公允價值或現金流量變動能夠抵銷被套期風險引起的被套期項目公允價值或現金流量變動的幅度。此外，本集團在套期開始日及以後期間持續地對套期關係是否符合套期有效性要求進行評估。套期同時滿足下列條件的，本集團認定套期關係符合套期有效性要求：

- 被套期項目和套期工具之間存在經濟關係。
- 被套期項目和套期工具經濟關係產生的價值變動中，信用風險的影響不佔主導地位。
- 套期關係的套期比率，等於本集團實際套期的被套期項目數量與對其進行套期的套期工具實際數量之比。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Hedge accounting (Continued)

30.2 Effective evaluation of hedging (Continued)

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group rebalances the hedging relationship and adjusts the quantity of the hedged items or hedging instruments having existed in the hedging relationship to make the hedge ratio conform to the hedge effectiveness requirement again.

If the hedging instrument expires or is sold, terminated or exercised (with the exception of rollover of the hedging strategic component or unfulfilled replacement), if its objective of risk management changes, so that the hedge relationship no longer satisfies the objective of risk management, or if the hedge no longer fulfills the other conditions under the accounting requirement of a hedge, the Group will cease the adoption of such hedge accounting.

31. Non-monetary asset exchange

Non-monetary asset exchanges are measured at fair value if the non-monetary asset exchange has commercial substance and the fair value of the exchange-in asset or exchange-out asset can be measured reliably. For the exchange-in assets, the fair value of the exchange-out asset and the related tax payable are initially measured as the cost of the exchange-in asset; for the exchange-out assets, the difference between the fair value and the carrying amount of the exchange-out asset is recognised in current profit or loss upon derecognition. If there is sufficient evidence that the fair value of the exchange-in asset is more reliable, the fair value of the exchange-in asset and the relevant tax payable are used as the initial measurement amount of the exchanged asset; for the exchange-out asset, the difference between the fair value of the exchange-in asset and the carrying amount of the exchange-out asset is charged to the profit or loss for the current period upon derecognition.

三、重要會計政策及會計估計(續)

30. 套期會計(續)

30.2 套期有效性評估方法(續)

套期關係由於套期比率的原因而不再符合套期有效性要求，但指定該套期關係的風險管理目標沒有改變的，本集團將進行套期關係再平衡，對已經存在的套期關係中被套期項目或套期工具的數量進行調整，以使套期比率重新符合套期有效性要求。

如果套期工具已到期、被出售、合同終止或已行使(但作為套期策略組成部分的展期或替換除外)，或因風險管理目標發生變化，導致套期關係不再滿足風險管理目標，或者該套期不再滿足套期會計方法的其他條件時，本集團終止運用套期會計。

31. 非貨幣性資產交換

如果非貨幣性資產交換具有商業實質，並且換入資產或換出資產的公允價值能夠可靠地計量，非貨幣性資產交換以公允價值為基礎計量。對於換入資產，以換出資產的公允價值和應支付的相關稅費作為換入資產的成本進行初始計量；對於換出資產，在終止確認時，將換出資產公允價值與賬面價值之間的差額計入當期損益。有確鑿證據表明換入資產的公允價值更加可靠的，對於換入資產，以換入資產的公允價值和應支付的相關稅費作為換入資產的初始計量金額；對於換出資產，在終止確認時，將換入資產的公允價值與換出資產賬面價值之間的差額計入當期損益。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Non-monetary asset exchange (Continued)

Non-monetary asset exchanges that do not meet the condition of being measured at fair value are measured at carrying amount. For the exchange-in assets, the carrying amount of the exchange-out asset and the relevant tax payable are used as the initial measurement amount of the exchange-in asset; for the exchange-out assets, no gain or loss is recognised upon derecognition.

32. Profit appropriation

Interim and final cash dividends of the Company are recognized as liabilities upon approval by shareholders in general meeting.

33. Safety funds

Safety funds provided for as required were included in cost of product or the current profit and loss, and credited in special reserve. And the funds are treated separately depending on whether fixed assets are resulted when being used: funds related to expenditure is offset against special reserve directly while those forming fixed assets will consolidate expenditure incurred and recognized as fixed assets when such assets are ready for their intended use, at the same time offsetting equivalent amounts in the special reserve and recognizing equivalent amounts of accumulated depreciation.

34. Segment reporting

The Group identifies operating segments based on the internal organization structure, managerial requirements and internal reporting system, identifies reportable segments based on operating segments and discloses segment information by operating segment.

三、重要會計政策及會計估計(續)

31. 非貨幣性資產交換(續)

不滿足以公允價值為基礎計量的條件的非貨幣性資產交換，以賬面價值為基礎計量。對於換入資產，以換出資產的賬面價值和應支付的相關稅費作為換入資產的初始計量金額；對於換出資產，終止確認時不確認損益。

32. 利潤分配

本公司的中期及年度現金股利，於股東大會批准後確認為負債。

33. 安全生產費

按照規定提取的安全生產費，計入相關產品的成本或當期損益，同時計入專項儲備；使用時區分是否形成固定資產分別進行處理：屬於費用性支出的，直接沖減專項儲備；形成固定資產的，歸集所發生的支出，於達到預定可使用狀態時確認固定資產，同時沖減等值專項儲備並確認等值累計折舊。

34. 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，以經營分部為基礎確定報告分部並披露分部信息。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Segment reporting (Continued)

An operating segment is a component of the Group that meets all the following conditions:

- (1) it engages in business activities from which it may earn revenues and incur expenses;
- (2) its operating results are regularly reviewed by the Company's management to make decisions about resources to be allocated to the segment and assess its performance;
- (3) the Group is able to obtain relevant accounting information such as its financial position, operating results and cash flows of such segment.

If two or more segments have similar economic characteristics and meet certain conditions, then they can be aggregated into a single operating segment.

35. Significant accounting judgments and estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that will affect the reported amounts and disclosure of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the balance sheet date. However, uncertainty about these estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

三、重要會計政策及會計估計(續)

34. 分部報告(續)

經營分部是指本集團內同時滿足下列條件的組成部分：

- (1) 該組成部分能夠在日常活動中產生收入、發生費用；
- (2) 本公司管理層能夠定期評價該組成部分的經營成果，以決定向其配置資源、評價其業績；
- (3) 本集團能夠取得該組成部分的財務狀況、經營成果和現金流量等有關會計信息。

兩個或多個經營分部具有相似的經濟特徵，並且滿足一定條件的，則可合併為一個經營分部。

35. 重大會計判斷和估計

編製財務報表要求管理層作出判斷、估計和假設，這些判斷、估計和假設會影響收入、費用、資產和負債的列報金額及其披露，以及資產負債表日或有負債的披露。這些假設和估計的不確定性所導致的結果可能造成對未來受影響的資產或負債的賬面金額進行重大調整。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments which have significant effect on the amounts recognized in the financial statements.

Confirmation of functional currency

Since the Company owns a number of overseas subsidiaries, associates and branch organizations, when recognizing its functional currency, multiple factors are taken into consideration to recognize the major economic environment of their operating locations. Under circumstances with multiple factors and no obvious functional currency, the Group uses judgment to confirm its functional currency. Such judgment is the best to reflect economic influence of the underlying transactions, events and environment.

Sale and leaseback sub-leases

Leasing of forklift trucks is the principal business of KION GROUP AG (hereinafter "KION"), which includes 3 categories: direct leasing, sale and leaseback sub-leases and indirect leasing. To fund leases, industrial forklift trucks are generally sold by KION and its subsidiaries ("KION Group") to finance partners. The industrial forklift trucks are then leased back to companies under KION Group (head leases), which sub-lease them to external end customers (described below as "sale and leaseback sub-leases"). These head leases generally have a term of four to five years. Taking into account the fact that the finance partners can only lease the industrial forklift trucks to KION Group, at rental rate determined based on transfer income plus an agreed rate of return, and the leased assets are to be owned by KION Group upon expiry of the term of the head leases, the management of the Group considers that under the sale and leaseback sub-leases arrangements, the control over the respective leased assets incidental to the head leases are retained by KION Group, the asset transfer is not considered as a sale. As such, the Group continues to recognize the transferred assets and at the same time recognizes a financial liability that corresponds to the amount of the transfer income.

三、重要會計政策及會計估計(續)

35. 重大會計判斷和估計(續)

判斷

在應用本集團的會計政策的過程中，管理層作出了以下對財務報表所確認的金額具有重大影響的判斷。

記帳本位幣的確定

本公司在境外擁有多家子公司、聯營企業及分支機構，在確定其記帳本位幣時，考慮多個因素確定其經營所處的主要經濟環境。在多個因素混合在一起，記帳本位幣不明顯的情況下，本集團運用判斷以確定其記帳本位幣，該判斷最能反映基礎交易、事項和環境的經濟影響。

售後租回再轉租安排

叉車租賃業務為KION GROUP AG(以下簡稱「KION」)的主要業務，主要有三類：直接租賃、售後租回再轉租和間接租賃。為滿足融資需求，KION及其子公司(以下簡稱「KION集團」)將工業叉車銷售給金融合作夥伴，然後由KION集團內的公司租回(首次租賃)，再轉租給外部最終用戶(以下稱為「售後租回再轉租」)，首次租賃的租賃期通常為4到5年。考慮到金融合作夥伴僅能將工業叉車出租給KION集團，租金按轉讓收入加約定的回報率商定，且首次租賃期屆滿之時租賃資產歸KION集團所有，本集團管理層認為售後租回再轉租安排下首次租賃對應租賃資產的控制權仍然由KION集團保留，該資產轉讓不屬於銷售。因此，本集團繼續確認被轉讓資產，同時確認一項與轉讓收入等額的金融負債。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Judgments (Continued)

Indirect leasing arrangement

KION Group sells industrial forklift trucks to finance partners, who then lease them to external end customers (abbreviated below as “indirect leasing”). Taking into account the contract terms and historical commercial practice, KION Group repurchases from finance partners the transferred industrial forklift trucks at agreed prices or market prices when the term of indirect leasing expires, the management of the Group considers that KION Group still maintain control over the corresponding leased-out assets, and asset transfer under the indirect leasing arrangement is not considered a sale. As such, the Group continues to recognize the transferred assets, and the present value of the Group’s obligations to repurchase is recognized as a liability. The difference between the transfer income and such liability is accounted for in accordance with Accounting Standards for Business Enterprises No. 21 – Leases.

Method of ascertaining of performance progress for contracts (only applicable to situations where control is transferred within a period of time)

The input method is adopted by the Group to ascertain the progress of performance of contracts. In ascertaining performance progress, products for which control is not yet transferred to customers are deducted. Specifically, the performance costs actually incurred on a cumulative basis as a percentage of estimated total costs is used to ascertain progress of performance. Performance costs actually incurred on a cumulative basis include direct and indirect costs incurred by the Group in the course of fulfilling its performance obligations, but does not include costs that are not proportional to the performance progress of the Group, such as costs of products or materials not yet installed, used or consumed. The Group considers that contract prices are ascertained on the basis of performance costs, and the adjusted costs actually incurred as a percentage of expected total costs can essentially reflect truly the performance progress of the Group.

三、重要會計政策及會計估計(續)

35. 重大會計判斷和估計(續)

判斷(續)

間接租賃安排

KION集團將工業叉車銷售給金融合作夥伴，再由金融合作夥伴租賃給外部最終客戶(以下簡稱「間接租賃」)。考慮到合同條款及過往的商業慣例，KION集團在間接租賃的租賃期屆滿之時均會以約定價格或市場價格向金融合作夥伴回購被轉讓的工業叉車，本集團管理層認為KION集團仍保留相應租出資產的控制權，間接租賃安排下的資產轉讓不屬於銷售。因此，本集團繼續確認被轉讓資產，對於本集團承擔的回購義務的現值確認一項負債，轉讓收入與該負債之間的差額按照《企業會計準則第21號－租賃》進行會計處理。

合同履約進度的確定方法(僅適用於控制權在某一時段內轉移的情形)

本集團按照投入法確定合同的履約進度，在確定履約進度時，扣除那些控制權尚未轉移給客戶的商品。具體而言，本集團按照累計實際發生的履約成本佔預計總成本的比例確定履約進度，累計實際發生的履約成本包括本集團為履行履約義務所發生的直接和間接成本，但不包括與本集團履行履約進度不成比例的成本(如尚未安裝、使用或消耗的商品或材料成本等)。本集團認為，合同價款以履約成本為基礎確定，實際發生的經調整成本佔預計總成本的比例基本能夠如實反映本集團的履約進度。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Judgments (Continued)

Method of ascertaining of performance progress for contracts (only applicable to situations where control is transferred within a period of time) (Continued)

As the period of validity of such contracts is relatively long and may span over a number of accounting periods, the Group shall review and revise budget as the duration of the contracts continues, and adjust the amount of recognized revenue accordingly.

Business model

The classification of financial assets at initial recognition depends on the business model of the Group's management of financial assets. In judging the business model, the Group considers corporate appraisal, methods of reporting the results of financial assets to key management members, risks affecting the results of financial assets and its management, as well as the methods of remunerating relevant business managers and so forth. In assessing whether the objective is to collect contractual cash flows, the Group needs to analyze and judge the reasons for disposing of the financial assets before maturity, time, frequency and value of the financial assets and so forth.

Contractual cash flow characteristics

The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial assets. When it is necessary to judge whether the contractual cash flow is only the payment of the principal and the interest based on the outstanding principal, including the assessment of the correction of the time value of money, it is necessary to judge whether there is a significant difference compared with the benchmark cash flow. For financial assets with early repayment features, it is necessary to judge whether the fair value of the early repayment features is minimal.

三、重要會計政策及會計估計(續)

35. 重大會計判斷和估計(續)

判斷(續)

合同履約進度的確定方法(僅適用於控制權在某一時段內轉移的情形)(續)

鑒於該等合同存續期間較長，可能跨越幾個會計期間，本集團會隨著合同的推進覆核並修訂預算，相應調整收入確認金額。

業務模式

金融資產於初始確認時的分類取決於本集團管理金融資產的業務模式，在判斷業務模式時，本集團考慮包括本集團評價和向關鍵管理人員報告金融資產業績的方式、影響金融資產業績的風險及其管理方式以及相關業務管理人員獲得報酬的方式等。在評估是否以收取合同現金流量為目標時，本集團需要對金融資產到期日前的出售原因、時間、頻率和價值等進行分析判斷。

合同現金流量特徵

金融資產於初始確認時的分類取決於金融資產的合同現金流量特徵，需要判斷合同現金流量是否僅為對本金和以未償付本金為基礎的利息的支付時，包含對貨幣時間價值的修正進行評估時，需要判斷與基準現金流量相比是否具有顯著差異、對包含提前還款特徵的金融資產，需要判斷提前還款特徵的公允價值是否非常小等。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are discussed below.

Impairment of accounts receivable and contract assets

The Group uses the expected credit loss model to assess the impairment of accounts receivable and contract assets. The application of the expected credit loss model requires significant judgments and estimations, and all reasonable and evidenced information, including forward-looking information, should be considered. In making such judgments and estimations, the Group infers the expected changes in the debtor's credit risk based on the historical repayment data in combination with economic policies, macroeconomic indicators, and industry risks.

Provision for losses in respect of accounts receivable and contract assets is measured at the amount of the expected credit losses during the entire subsistence. Regarding the accounts receivable and contract assets for which impairment matrix is applied (on a group basis) to determine credit losses, the Group relies on common risk profiles to classify them into different groups. Such common risk profiles include ages, overdue ages, credit risk rating and so forth. Regarding receivables and contract assets which are individually significant or are individually insignificant but have special credit risks, impairment testing is conducted individually.

三、重要會計政策及會計估計(續)

35. 重大會計判斷和估計(續)

估計的不確定性

以下為於資產負債表日有關未來的關鍵假設以及估計不確定性的其他關鍵來源，可能會導致未來會計期間資產和負債賬面金額重大調整。

應收賬款及合同資產減值

本集團採用預期信用損失模型對應收賬款及合同資產的減值進行評估，應用預期信用損失模型需要做出重大判斷和估計，需考慮所有合理且有依據的信息，包括前瞻性信息。在做出該等判斷和估計時，本集團根據歷史還款數據結合經濟政策、宏觀經濟指標、行業風險等因素推斷債務人信用風險的預期變動。

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和合同資產的損失準備。對於在組合基礎上採用減值矩陣確定信用損失的應收賬款和合同資產，本集團以共同風險特徵為依據，將其分為不同組別，所採用的共同信用風險特徵包括：賬齡、逾期賬齡、信用風險評級等。對於單項金額重大以及單項金額不重大但具有特別信用風險的應收賬款和合同資產，本集團單獨進行減值測試。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Estimation uncertainty (Continued)

Impairment of accounts receivable and contract assets (Continued)

Where the result of re-estimation is different from the existing estimation, the difference will affect the profit of the period of changes in estimates and the carrying amount of the accounts receivable and contract assets.

Impairment of non-current assets other than financial assets (other than goodwill and trademarks with indefinite useful life)

At the balance sheet date, the Company makes its judgment as to whether there is any evidence indicating potential impairment of non-current assets other than financial assets. Intangible assets with indefinite useful life shall be tested for impairment when there is any indication of impairment in addition to the annual impairment testing. Other non-current assets other than financial assets shall be tested for impairment if there is any evidence indicating that their carrying amount cannot be recovered. When the carrying amount of an asset or asset groups is higher than the recoverable amount, which is the higher of the net amount of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset, it indicates impairment. The net amount of the fair value less costs of disposal is determined by making reference to the price in a sale agreement in an arm's length transaction or the observable market price less the incremental costs directly attributable to such assets disposal. In projecting the present value of future cashflow, the management is required to estimate the projected future cashflow of the asset or asset group and select an appropriate discount rate for determining the present value of future cashflow.

三、重要會計政策及會計估計(續)

35. 重大會計判斷和估計(續)

估計的不確定性(續)

應收賬款及合同資產減值(續)

如果重新估計結果與現有估計存在差異，該差異將會影響估計改變期間的利潤和應收賬款與合同資產的賬面價值。

除金融資產之外的非流動資產減值(除商譽和使用壽命不確定的商標使用權外)

本集團於資產負債表日對除金融資產之外的非流動資產判斷是否存在可能發生減值的跡象。對使用壽命不確定的無形資產，除每年進行的減值測試外，當其存在減值跡象時，也進行減值測試。其他除金融資產之外的非流動資產，當存在跡象表明其賬面金額不可收回時，進行減值測試。當資產或資產組的賬面價值高於可收回金額，即公允價值減去處置費用後的淨額和預計未來現金流量的現值中的較高者，表明發生了減值。公允價值減去處置費用後的淨額，參考公平交易中類似資產的銷售協議價格或可觀察到的市場價格，減去可直接歸屬於該資產處置的增量成本確定。預計未來現金流量現值時，管理層必須估計該項資產或資產組的預計未來現金流量，並選擇恰當的折現率確定未來現金流量的現值。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Estimation uncertainty (Continued)

Impairment of goodwill and trademarks with indefinite useful life

The Group determines whether goodwill and trademarks with indefinite useful life are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the asset group or group of asset groups including the goodwill and trademarks. Estimating the recoverable amount requires the Group to make an estimate of the expected future cash flows from the asset group or group of asset groups and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Defined benefit plans

The management of the Group recognizes net liabilities under defined benefit plans based on calculating model of the present value of the defined benefit obligations less fair value of the assets under the plan. The present value of defined benefit obligations comprises of various assumptions, including term of benefits and discount rate. Inconsistency between the future events and such assumptions may subject the net liabilities under defined benefit plans on the balance sheet date to material adjustment.

Fair value

Certain assets and liabilities of the Group are measured at fair value on the financial statements. The aforesaid measurement is on the basis of some assumptions. Fair value may differ significantly if future events deviate from such assumptions.

三、重要會計政策及會計估計(續)

35. 重大會計判斷和估計(續)

估計的不確定性(續)

商譽及使用壽命不確定商標使用權減值

本集團至少每年測試商譽和使用壽命不確定的商標使用權是否發生減值。進行測試時必須估算包含商譽及商標使用權的相關資產組或者資產組組合的可收回金額。可收回金額之估算需要本集團估算預期資產組或者資產組組合所產生之未來現金流量及選擇合適折現率以計算該等現金流量之現值。

設定受益計劃

本集團的管理層依據模型計算的設定受益義務的現值減計劃資產的公允價值確定設定受益計劃淨負債。設定受益義務的現值計算包含多項假設，包括受益期限及折現率。倘若未來事項與該等假設不符，可能導致對於資產負債表日設定受益計劃淨負債的重大調整。

公允價值

本集團某些資產和負債在財務報表中按公允價值計量，上述公允價值評估包含多項假設，倘未來事項與該假設不符，可能導致公允價值的重大調整。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Estimation uncertainty (Continued)

Deferred tax assets

Deferred tax assets are recognized for all unused deductible temporary differences and deductible losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and deductible losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profit together with future tax planning strategies.

Provision for decline in value of inventories

Provision for decline in value of inventories is recognized on the basis of the net realizable value of inventories. The management's judgments and estimates are required for determining the net realizable value of inventories on the basis of clear evidence, taking into consideration of purpose of holding the inventories, effect of subsequent events and other factors. The difference between the actual outcome and original estimate will affect the carrying amount of inventories and provision or reversal of decline in value of inventories during the estimated revision period.

Recognition of accruals and provisions related to quality warranty of products

The Group estimates the obligation related to quality warranty of guaranteed products based on contractual terms, current knowledge and historical experience. The Group reasonably estimates maintenance fee charge and makes relevant provision based on all relevant data including historical data on and current situation of maintenance, product upgrade and market changes.

三、重要會計政策及會計估計(續)

35. 重大會計判斷和估計(續)

估計的不確定性(續)

遞延所得稅資產

在很可能有足夠的應納稅所得額用以抵扣可抵扣暫時性差異和可抵扣虧損的限度內，應就所有尚未利用的可抵扣暫時性差異和可抵扣虧損確認遞延所得稅資產。這需要管理層運用大量的判斷來估計未來取得應納稅所得額的時間和金額，結合納稅籌劃策略，以決定應確認的遞延所得稅資產的金額。

存貨跌價準備

本集團以存貨的可變現淨值為判斷基礎確認跌價準備。確定存貨的可變現淨值要求管理層在取得確鑿證據，並且考慮持有存貨的目的、資產負債表日後事項的影響等因素的基礎上作出判斷和估計。實際的結果與原先估計的差異將在估計被改變的期間影響存貨的賬面價值及存貨跌價準備的計提或轉回。

與產品質量保證相關預計負債的確認

本集團根據合同條款、現有知識及歷史經驗，對保證類產品質量保證相關的義務進行估計。本集團在考慮歷史保修數據、當前保修情況、產品改進、市場變化等全部相關信息後，對保修費率進行合理估計，並計提相應準備。

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Estimation uncertainty (Continued)

Estimated useful lives of fixed assets and intangible assets

The Group reviews the estimated useful lives of fixed assets and intangible assets at least once at the end of the year. Estimated useful lives are determined by the management based on historical experience of similar assets and expected technological advancement. Corresponding adjustment to depreciation and amortization expenses for future periods will be made in case of substantial changes in previous estimates.

Limitations on the estimation of variable consideration

In estimating variable consideration, the Group considers all such information as shall be reasonably obtained, including historical data, current data and projected data, thereby estimating the amount of possible consideration and the probability to the extent of such quantities as shall be reasonable. If it is estimated that multiple outcomes are possible for the contracts, the Group estimates the amount of variable consideration based on the expected value approach. If it is estimated that only two outcomes are possible, the variable consideration is arrived at using the most likely outcome method. Variable consideration is included in the transaction price to the extent it is highly probable that there will not be a significant reversal in the amount of cumulative revenue recognized when the uncertainty is resolved. In assessing whether it is highly probable that there will not be a significant reversal in the amount of cumulative revenue recognized when the uncertainty relevant to the variable consideration is resolved, the Group also considers the possibility of reversal of income and the ratio of reversed amount. On each balance sheet date, the Group re-assesses the amount of variable consideration, including re-assessing whether the estimation of variable consideration is limited, to reflect the circumstance as at the end of the reporting period as well as changes during the reporting period.

三、重要會計政策及會計估計(續)

35. 重大會計判斷和估計(續)

估計的不確定性(續)

固定資產及無形資產的預計可使用年限

本集團至少於每年年度終了，對固定資產及無形資產的預計使用壽命進行覆核。預計使用壽命是管理層基於對同類資產歷史經驗並結合預期技術更新而確定的。當以往的估計發生重大變化時，則相應調整未來期間的折舊及攤銷費用。

評估可變對價的限制

本集團對可變對價進行估計時，考慮能夠合理獲得的所有信息，包括歷史信息、當前信息以及預測信息，在合理的數量範圍內估計各種可能發生的對價金額以及概率。估計合同可能產生多個結果時，本集團按照期望值法估計可變對價金額，當合同僅由兩個可能結果時，本集團按照最可能發生金額估計可變對價金額。包含可變對價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。本集團在評估與可變對價相關的不確定性消除時，累計已確認的收入金額是否極可能不會發生重大轉回時，同時考慮收入轉回的可能性及轉回金額的比重。本集團在每一資產負債表日，重新評估可變對價金額，包括重新評估對可變對價的估計是否受到限制，以反映報告期末存在的情況以及報告期內發生的情況變化。

IV. TAXATION

1. Major categories of taxes and respective tax rates

Value-added tax (VAT)
增值稅

- For the Group's PRC subsidiaries, output VAT is calculated by applying 13%, 9% and 6% to the taxable income for normal taxpayers, but the Group may pay it after deducting deductible input VAT for the current period.
- The basis of computation and applicable rate of VAT primarily applicable to major overseas subsidiaries of the Group are set out below:

本集團境內子公司一般納稅人按應稅收入的13%、9%、6%的稅率計算銷項稅，並按扣除當期允許抵扣的進項稅額後的差額計繳增值稅。

本集團境外子公司主要適用的增值稅計稅依據及適用稅率列示如下：

Basis of computation 計稅依據	Applicable country 適用國家	Tax rate 稅率
Amount of taxable added-value 應納稅增值額	Germany 德國	19%

Value-added tax rates applicable in other countries follow the tax laws and regulations in force in the respective countries.

其他國家增值稅稅率遵循當地稅務法律法規確定。

City maintenance and construction tax
城市維護建設稅

- It is levied at 7% or 5% on the actual turnover taxes paid.

按實際繳納的流轉稅的7%或5%計繳。

Education surcharge
教育費附加

- It is levied at 3% on the actual turnover taxes paid.

按實際繳納的流轉稅的3%計繳。

Local education surcharge
地方教育費附加

- It is levied at 2% on the actual turnover taxes paid.

按實際繳納的流轉稅的2%計繳。

Corporate income tax
企業所得稅

- It is levied at 15% or 25% on the taxable profit, except that for overseas subsidiaries, it is levied at the statutory tax rate of the countries or regions in which the subsidiaries operate.
- The basis of computation and applicable rate of corporate income tax primarily applicable to major overseas subsidiaries of the Group are set out below:

除海外子公司按其所在國家、地區的法定稅率計繳外，企業所得稅按應納稅所得額的15%或25%計繳。

本集團境外主要子公司主要適用的企業所得稅計稅依據及適用稅率列示如下：

Basis of computation 計稅依據	Applicable country 適用國家	Tax rate 稅率
Amount of taxable income 應納稅所得額	Germany 德國	30.70%
Amount of taxable income 應納稅所得額	United States of America 美國	21.00%

Income tax rates applicable in other countries follow the tax laws and regulations in force in the respective countries.

其他國家所得稅稅率遵循當地稅務法律法規確定。

Certain oversea subsidiaries enjoy tax benefits in pursuant to the local tax policies.

某些境外子公司按照當地稅收政策享受稅收優惠。

IV. TAXATION (CONTINUED)

2. Tax benefits

Preferential corporate income tax for the Company

The Company was recognized as a high-tech enterprise on 27 November 2008. The Company continued to be recognized as a high-tech enterprise in 2020 and is therefore entitled to enjoy a preferential income tax rate of 15% from 2020 to 2022.

Preferential corporate income tax for the domestic subsidiaries of the Company

Shaanxi Hande Axle Co., Ltd., Hande Axle (Zhuzhou) Gear Co., Ltd., Xi'an Fast Auto Drive Co., Ltd., Weichai Torch Technology Co., Ltd. (濰柴火炬科技股份有限公司, formerly known as "Zhuzhou Torch Sparkplugs Co., Ltd."), Weichai (Chongqing) Automotive Co., Ltd., and Tianjin Tsintel Technology Company Limited ("Tsintel Technology") were recognized as high-tech enterprises in 2018 and are therefore entitled to enjoy a preferential income tax rate of 15% from 2018 to 2020.

Weichai Power (Weifang) Reproduction Company Limited was recognized as high-tech enterprises in 2019 and are therefore entitled to enjoy a preferential income tax rate of 15% from 2019 to 2021.

Shaanxi Heavy-duty Motor Co., Ltd., Shaanxi Huainan Special Purpose Vehicle Co., Ltd., Zhuzhou Gear Co., Ltd., Shaanxi Fast Gear Co., Ltd., Baoji Fast Gear Co., Ltd., Zhuzhou Torch Machinery Manufacturing Co., Ltd., Weichai Power Yangzhou Diesel Engine Co., Ltd., Weichai Power Freshen Air Technology Co., Ltd., Baudouin (Weifang) Power Co., Ltd., Shengrui Transmission Corporation Limited ("Shengrui Transmission") and Linde Hydraulics (China) Co., Ltd. were recognized as high-tech enterprises in 2020 and are therefore entitled to enjoy a preferential income tax rate of 15% from 2020 to 2022.

四、稅項(續)

2. 稅收優惠

本公司企業所得稅優惠

本公司於2008年11月27日被認定為高新技術企業，2020年本公司繼續通過高新技術企業認定，自2020年至2022年享受15%的所得稅優惠稅率。

本公司境內子公司企業所得稅優惠

陝西漢德車橋有限公司、漢德車橋(株州)齒輪有限公司、西安法士特汽車傳動有限公司、濰柴火炬科技股份有限公司(原名「株州湘火炬火花塞有限責任公司」、濰柴(重慶)汽車有限公司和天津清智科技有限公司(以下簡稱「清智科技」)於2018年通過高新技術企業認定，自2018年至2020年享受15%所得稅優惠稅率。

濰柴動力(濰坊)再製造有限公司於2019年通過高新技術企業認定，自2019年至2021年享受15%所得稅優惠稅率。

陝西重型汽車有限公司、陝汽淮南專用汽車有限公司、株州齒輪有限責任公司、陝西法士特齒輪有限責任公司、寶雞法士特齒輪有限責任公司、株州湘火炬機械製造有限責任公司、濰柴動力揚州柴油機有限責任公司、濰柴動力空氣淨化科技有限公司、博杜安(濰坊)動力有限公司、盛瑞傳動股份有限公司(以下簡稱「盛瑞傳動」)和林德液壓(中國)有限公司於2020年通過高新技術企業認定，自2020年至2022年享受15%所得稅優惠稅率。

IV. TAXATION (CONTINUED)

2. Tax benefits (Continued)

Preferential corporate income tax for the domestic subsidiaries of the Company (Continued)

Pursuant to the requirement of Cai Shui [2019] No. 13, Shaanxi Fast Automotive Components Import and Export Company Limited, Weichai Digital Technology Co., Ltd., Weifang Weichai Intelligent Technology Co., Ltd. (濰坊濰柴智能科技有限公司), Weichai (Weifang) Venture Capital Co., Ltd. (濰柴(濰坊)創業投資有限公司), Weifang Internal Combustion Engine Quality Inspection Center Company Limited (濰坊內燃機質量檢驗中心有限公司) may apply the inclusive tax deduction and exemption policies for small enterprises and is subject to corporate income tax at the reduced rate of 20% based on its taxable income which is taken as 25% of its income.

Pursuant to the requirement of the Notice Concerning Issues on Taxation Policies Relating to the Thorough Implementation of China's Strategy of Western Development (Cai Shui Fa [2011] No. 58) (《關於深入實施西部大開發戰略有關稅收政策問題的通知》) promulgated by MOF, the State Administration of Taxation and the General Administration of Customs dated 27 July 2011, the following companies have implemented preferential tax policy of 15% for the Western Development:

Shaanxi Heavy-duty Motor Co., Ltd., Shaanxi Hande Axle Co., Ltd., Shaanxi Jinding Casting Co., Ltd., Shaanxi Automobile Xinjiang Motor Co., Ltd, Shaanxi Fast Gear Co., Ltd., Xi'an Fast Auto Drive Co., Ltd., Baoji Fast Gear Co., Ltd., Fast Eaton (Xi'an) Power Transmission System Co., Ltd. and Fast Eaton (Baoji) Light Transmission Co., Ltd.

Pursuant to the requirement of the Announcement concerning the Cancellation of 22 Matters of Approvals About Non-administrative Permissions to be Sought for Taxation Issues numbered 58 of 2015 issued by the State Administration of Taxation on 18 August 2015, for those companies entitled to the preferential tax treatment at 15% under the western development strategy of China, only filing is required instead of approval. All the aforesaid subsidiaries have satisfied the requirement under Cai Shui Fa [2011] No. 58 in 2020 and continued to be eligible for a preferential tax rate at 15% in 2020.

四、稅項(續)

2. 稅收優惠(續)

本公司境內子公司企業所得稅優惠(續)

根據財稅[2019]13號的規定，陝西法士特汽車零部件進出口有限公司、濰柴數字科技有限公司、濰坊濰柴智能科技有限公司、濰柴(濰坊)創業投資有限公司和濰坊內燃機質量檢驗中心有限公司符合適用小微企業普惠性稅收減免政策，其所得減按25%計入應納稅所得額，按20%的稅率繳納企業所得稅。

根據財政部、國家稅務總局、海關總署2011年7月27日財稅發[2011]58號文《關於深入實施西部大開發戰略有關稅收政策問題的通知》的規定，下列公司享受西部大開發15%的稅收優惠政策：

陝西重型汽車有限公司、陝西漢德車橋有限公司、陝西金鼎鑄造有限公司、陝西新疆汽車有限公司、陝西法士特齒輪有限責任公司、西安法士特汽車傳動有限責任公司、寶雞法士特齒輪有限責任公司、法士特伊頓(西安)動力傳動系統有限責任公司和法士特伊頓(寶雞)輕型變速器有限責任公司。

根據2015年8月18日國家稅務總局公告2015年第58號文《關於公佈已取消的22項稅務非行政許可審批事項的公告》的規定，享受西部大開發15%的稅收優惠政策的企業不需要審批只需備查，上述子公司2020年滿足財稅發[2011]58號文的規定，2020年繼續執行15%的優惠稅率。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS

五、合併財務報表主要項目註釋

1. Cash and cash equivalents

1. 貨幣資金

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Cash at bank	庫存現金	2,870,023.35	2,828,793.63
Bank deposits	銀行存款	52,640,456,229.62	42,237,896,644.63
Other cash and cash equivalents	其他貨幣資金	9,572,785,256.28	6,576,896,768.00
Total	合計	62,216,111,509.25	48,817,622,206.26

As at 31 December 2020, cash and cash equivalents of the Group with title restrictions amounted to RMB9,482,058,818.01 (31 December 2019: RMB6,532,037,281.10), please refer to Note V.69.

於2020年12月31日，本集團所有權受限制的貨幣資金為人民幣9,482,058,818.01元(2019年12月31日：人民幣6,532,037,281.10元)，詳見附註五、69。

As at 31 December 2020, the Group held cash and cash equivalents of RMB3,170,314,512.10 (31 December 2019: RMB1,596,661,092.24), which were deposited overseas.

於2020年12月31日，本集團存放於境外的貨幣資金折合人民幣為3,170,314,512.10元(2019年12月31日：折合人民幣為1,596,661,092.24元)。

Interest income earned on bank current deposits is calculated by using current deposit interest rate of the bank. The deposit periods for fixed deposits vary from 1 day to 5 years and may be withdrawn in advance depending on the cash requirements of the Group, and earn interest income at respective deposit interest rates of the bank.

銀行活期存款按照銀行活期存款利率取得利息收入。定期存款的存款期自1天至5年不等，可依本集團的現金需求而提前支取，並按照相應的銀行存款利率取得利息收入。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Financial assets held for trading

五、合併財務報表主要項目註釋(續)

2. 交易性金融資產

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Classified as financial assets at fair value through profit or loss	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		
Incl.: Other debt instrument	其中：其他債務工具	173,484,450.00	37,576,924.00
Forward foreign exchange contracts	遠期外匯合約	120,607,725.00	73,270,312.50
Structured deposits	結構性存款	5,445,401,397.27	4,339,954,315.07
Contingent consideration of business combination	企業合併或有對價	112,904,277.02	–
Other derivative financial assets	其他衍生金融資產	–	257,911.50
Total	合計	5,852,397,849.29	4,451,059,463.07

3. NOTES RECEIVABLE

Classification of notes receivable

3. 應收票據
應收票據分類RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Bank acceptance bills	銀行承兌匯票	19,187,372,264.36	15,920,141,988.31
Commercial acceptance bills	商業承兌票據	109,119,348.62	–
Total	合計	19,296,491,612.98	15,920,141,988.31

Notes receivable pledged by the Group as at year end

年末本集團已質押的應收票據

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Bank acceptance bills	銀行承兌匯票	10,674,221,892.99	12,147,538,825.61
Commercial acceptance bills	商業承兌票據	29,286,642.01	–
Total	合計	10,703,508,535.00	12,147,538,825.61

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. NOTES RECEIVABLE (Continued)

Notes receivable endorsed or discounted as at year end and not yet expired as at the balance sheet date

五、合併財務報表主要項目註釋(續)

3. 應收票據(續)

年末本集團已背書或貼現且在資產負債表日尚未到期的應收票據

RMB
人民幣元

		31 December 2020 2020年12月31日		31 December 2019 2019年12月31日	
		Derecognized 終止確認	Not derecognized 未終止確認	Derecognized 終止確認	Not derecognized 未終止確認
Bank acceptance bills	銀行承兌匯票	4,270,190,667.91	-	3,658,307,945.85	-

As at 31 December 2020, the Group had not transferred any notes into accounts receivable due to issuers' failure in performance (31 December 2019: Nil).

As the Group considered that the credit rating of the bank acceptance bills was relatively high and the credit quality of acceptors of all commercial acceptance bills held by it was good, there was no significant credit risk. Therefore, no provision for losses was made.

於2020年12月31日，本集團無因出票人無力履約而將票據轉為應收賬款的票據(2019年12月31日：無)。

本集團認為所持有的銀行承兌匯票的承兌銀行信用評級較高，所持有的商業承兌匯票的承兌人信用狀況良好，不存在重大的信用風險，因此未計提損失準備。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable

The Group trades with its customers primarily on credit terms, and generally requires prepayments or cash on delivery for new customers. Credit period for credit customers is generally one to twelve months. Accounts receivable is non-interest bearing.

An aging analysis of accounts receivable based on invoice dates is presented as follows:

Age	賬齡	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Within 3 months	3個月以內	12,410,163,927.35	10,974,722,374.58
3 to 6 months	3個月至6個月	1,669,136,963.78	1,550,787,816.88
6 months to 1 year	6個月至1年	760,529,880.29	1,834,948,278.99
1 to 2 years	1年至2年	1,444,600,946.65	504,740,712.30
2 to 3 years	2年至3年	205,578,596.71	115,039,514.56
Over 3 years	3年以上	1,075,242,691.44	965,456,525.01
Gross carrying amount	賬面餘額	17,565,253,006.22	15,945,695,222.32
Less: Provision for credit loss	減：信用損失準備	2,143,374,394.89	1,660,432,925.23
Carrying amount	賬面價值	15,421,878,611.33	14,285,262,297.09

Disclosure by category of provision for credit losses:

按信用損失計提方法分類披露：

Item	項目	31 December 2020 2020年12月31日				31 December 2019 2019年12月31日			
		Gross carrying amount 賬面餘額	Proportion (%) 比例(%)	Provision for credit losses 信用損失準備	Percentage (%) 計提比例(%)	Gross carrying amount 賬面餘額	Proportion (%) 比例(%)	Provision for credit losses 信用損失準備	Percentage (%) 計提比例(%)
Items assessed for expected credit losses individually	單項評估預期信用損失	3,050,636,605.02	17.37	1,497,880,782.50	49.10	2,728,834,722.55	17.11	1,215,508,645.54	44.54
Items assessed for expected credit losses by group with distinctive credit risk characteristics	按信用風險特徵組合評估預期信用損失	14,514,616,401.20	82.63	645,493,612.39	4.45	13,216,860,499.77	82.89	444,924,279.69	3.37
Total	合計	17,565,253,006.22	100.00	2,143,374,394.89	12.20	15,945,695,222.32	100.00	1,660,432,925.23	10.41

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

As at 31 December 2020, accounts receivable assessed for expected credit losses individually are presented as follows:

五、合併財務報表主要項目註釋(續)

4. 應收賬款(續)

於2020年12月31日，本集團單項評估預期信用損失的應收賬款情況如下：

RMB
人民幣元

Customer 客戶	Gross carrying amount 賬面餘額	Provision for credit loss 信用損失準備	Percentage 計提比例 (%)	Reasons 計提理由
Customer 1 客戶1	805,764,799.47	478,983,700.00	59.44	Bad repayment ability 償債能力差
Customer 2 客戶2	109,207,518.83	109,207,518.83	100.00	Long credit age 長賬齡
Customer 3 客戶3	75,871,191.17	75,871,191.17	100.00	Bad repayment ability 償債能力差
Customer 4 客戶4	61,493,300.24	61,493,300.24	100.00	Long credit age 長賬齡
Customer 5 客戶5	56,927,140.00	56,927,140.00	100.00	Long credit age 長賬齡
Customer 6 客戶6	49,159,575.31	49,159,575.31	100.00	Bad repayment ability 償債能力差
Customer 7 客戶7	41,871,886.14	41,871,886.14	100.00	Long credit age 長賬齡
Customer 8 客戶8	40,516,068.59	40,516,068.59	100.00	Bad repayment ability 償債能力差
Customer 9 客戶9	37,449,568.86	37,449,568.86	100.00	Liquidation 破產清算中
Customer 10 客戶10	32,989,886.43	32,989,886.43	100.00	Assets have been preserved 財產已查封
Others 其他	1,739,385,669.98	513,410,946.93	-	Long credit age, etc. 長賬齡等
Total 合計	3,050,636,605.02	1,497,880,782.50	-	-

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

As at 31 December 2020, the Group's accounts receivable for which credit losses are provided for using impairment matrix based on aging analysis are presented as follows:

Age	賬齡	31 December 2020 2020年12月31日		
		Carrying amount estimated to be in default 估計發生違約的 賬面餘額	Expected credit loss rate (%) 預期信用 損失率(%)	Lifetime expected credit loss 整個存續期 預期信用損失
Within 1 year	1年以內	3,995,687,190.75	3.37	134,806,963.76
1 to 2 years	1至2年	387,997,719.80	18.05	70,022,678.43
2 to 3 years	2至3年	113,220,525.56	28.62	32,407,500.03
3 to 4 years	3至4年	44,382,720.16	54.17	24,043,030.99
4 to 5 years	4至5年	26,154,451.85	99.14	25,929,542.81
Over 5 years	5年以上	303,950,571.84	100.00	303,950,571.84
Total	合計	4,871,393,179.96	12.14	591,160,287.86

As at 31 December 2020, the Group's accounts receivable for which credit losses are provided for using overdue ages as credit risk characteristics are presented as follows:

Overdue age	逾期賬齡	31 December 2020 2020年12月31日		
		Carrying amount estimated to be in default 估計發生違約 的賬面餘額	Expected credit loss rate (%) 預期信用 損失率(%)	Lifetime expected credit loss 整個存續期 預期信用損失
Not yet overdue or overdue for less than 90 days	未逾期或逾期小於90天	8,787,178,820.00	0.42	36,844,937.18
Overdue for more than 90 days but less than 180 days	逾期大於90天且 小於180天	227,052,895.56	2.01	4,558,865.28
Overdue for more than 180 days	逾期大於180天	293,924,638.78	3.10	9,117,730.57
Total	合計	9,308,156,354.34	0.54	50,521,533.03

4. 應收賬款(續)

於2020年12月31日，本集團基於賬齡採用減值矩陣計提信用損失準備的應收賬款情況如下：

RMB
人民幣元

於2020年12月31日，本集團採用逾期賬齡作為信用風險特徵計提信用損失準備的應收賬款情況如下：

RMB
人民幣元

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

As at 31 December 2020, provisions for credit losses for the Group's accounts receivable with good credit history are presented as follows:

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日		
		Carrying amount estimated to be in default 估計發生違約 的賬面餘額	Expected credit loss rate (%) 預期信用 損失率(%)	Lifetime expected credit loss 整個存續 期預期信用損失
Accounts receivable with good credit history	信用記錄優質的 應收款項組合	335,066,866.90	1.14	3,811,791.50

As at 31 December 2020, the top five balances in respect of accounts receivable had a sum of closing balance of RMB2,196,793,317.16 (31 December 2019: RMB2,435,489,389.61), accounting for 12.51% (31 December 2019: 15.27%) of the total of closing balance of accounts receivable. The closing balance in respect of credit losses provided for the top five amounted to RMB490,417,741.65 (31 December 2019: RMB258,392,423.15).

於2020年12月31日，餘額前五名的應收賬款的年末賬面餘額合計為人民幣2,196,793,317.16元(2019年12月31日：人民幣2,435,489,389.61元)，佔應收賬款年末賬面餘額合計數的比例為12.51%(2019年12月31日：15.27%)，前五名相應計提的信用損失準備年末餘額為人民幣490,417,741.65元(2019年12月31日：人民幣258,392,423.15元)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

4. Accounts receivable (Continued)

Movements in provision for credit losses:

4. 應收賬款(續)

信用損失準備變動情況：

		Lifetime expected credit loss (without impairment of credit) 整個存續期預期信用損失 (未發生信用減值)	Lifetime expected credit loss (with impairment of credit) 整個存續期預期信用損失 (已發生信用減值)	Total 合計
Provision for credit losses	信用損失準備			
Balance as at 31 December 2019	2019年12月31日餘額	1,005,615,663.38	654,817,261.85	1,660,432,925.23
Balance as at 31 December 2019 in the current year	2019年12月31日餘額在本年			
– Transferred to receivables with impairment of credit	– 轉入已發生信用減值	(18,109,959.33)	18,109,959.33	–
– Reversal of receivables without impairment of credit	– 轉回未發生信用減值	–	–	–
Provision for the year	本年計提	204,043,153.94	342,852,117.51	546,895,271.45
Reversal during the year	本年轉回	(38,445,946.58)	(306,173.02)	(38,752,119.60)
Written-off or transferred out during the year	本年核銷或轉銷	–	(20,887,441.32)	(20,887,441.32)
Decrease in disposal of subsidiaries	處置子公司減少	(368,739.62)	(651,548.43)	(1,020,288.05)
Adjustment for exchange differences	匯兌差額調整	(3,295,745.53)	1,792.71	(3,293,952.82)
Balance as at 31 December 2020	2020年12月31日餘額	1,149,438,426.26	993,935,968.63	2,143,374,394.89

RMB
人民幣元

As at 31 December 2020, the Group had no restricted accounts receivable (31 December 2019: RMB25,442,865.48).

於2020年12月31日，本集團無所有權受到限制的應收賬款(2019年12月31日：人民幣25,442,865.48元)。

5. Receivable financing
Classification of receivable financing5. 應收款項融資
應收款項融資分類

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Bank acceptance bills at fair value	以公允價值計量的銀行承兌匯票	9,483,678,101.82	10,388,865,839.45
Commercial acceptance bills at fair value	以公允價值計量的商業承兌匯票	–	149,044,144.26
Total	合計	9,483,678,101.82	10,537,909,983.71

RMB
人民幣元

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

5. Receivable financing (Continued)

5. 應收款項融資(續)

Receivable financing pledged by the Group as at year end

年末本集團已質押的應收款項融資

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Bank acceptance bills at fair value	以公允價值計量的銀行承兌匯票	4,243,638,346.92	4,084,326,054.81
Commercial acceptance bills at fair value	以公允價值計量的商業承兌匯票	-	107,205,123.12
Total	合計	4,243,638,346.92	4,191,531,177.93

Receivable financing endorsed or discounted as at year end and not yet expired as at the balance sheet date

年末本集團已背書或貼現且在資產負債表日尚未到期的應收款項融資

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日		31 December 2019 2019年12月31日	
		Derecognized 終止確認	Not derecognized 未終止確認	Derecognized 終止確認	Not derecognized 未終止確認
Bank acceptance bills at fair value	以公允價值計量的銀行承兌匯票	28,156,130,167.99	-	19,777,138,744.81	-
Commercial acceptance bills at fair value	以公允價值計量的商業承兌匯票	-	-	21,357,250.00	-
Total	合計	28,156,130,167.99	-	19,798,495,994.81	-

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepayments

An aging analysis of prepayments is presented as follows:

Age	賬齡	31 December 2020 2020年12月31日		31 December 2019 2019年12月31日	
		Amount 金額	Proportion% 比例%	Amount 金額	Proportion% 比例%
Within 1 year	1年以內	978,976,997.26	89.40	903,965,694.27	90.69
1 to 2 years	1至2年	55,217,911.20	5.05	80,508,116.62	8.08
2 to 3 years	2至3年	50,740,316.99	4.63	5,471,376.03	0.55
Over 3 years	3年以上	10,080,895.72	0.92	6,764,995.28	0.68
Total	合計	1,095,016,121.17	100.00	996,710,182.20	100.00

RMB
人民幣元

Description of the ages of prepayments: Prepayments with ages over 1 year represent primarily those outstanding amounts prepaid to suppliers for raw materials.

As at 31 December 2020, there was no significant prepayments with an age of more than one year (31 December 2019: Nil).

As at 31 December 2020, the closing balances of the top 5 prepayments amounted in aggregate to RMB249,843,932.90 (31 December 2019: RMB191,788,392.61), representing 22.82% (31 December 2019: 19.24%) of the total closing balances of all prepayments at end.

預付款項賬齡的說明：賬齡超過1年的預付款項主要是預付供應商未結算的材料款。

於2020年12月31日，無賬齡一年以上的重要預付款項(2019年12月31日：無)。

於2020年12月31日，餘額前五名的預付款項的年末餘額合計為人民幣249,843,932.90元(2019年12月31日：人民幣191,788,392.61元)，佔預付款項年末餘額合計數的比例為22.82%(2019年12月31日：19.24%)。

五、合併財務報表主要項目註釋(續)

6. 預付款項

預付款項的賬齡分析如下：

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables

Presented by categories

五、合併財務報表主要項目註釋(續)

7. 其他應收款

分類列示

RMB

人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Interest receivable	應收利息	18,120,356.78	37,912,073.30
Dividend receivable	應收股利	53,353,905.03	5,009,506.00
Other receivables	其他應收款	1,338,384,607.80	638,679,606.75
Total	合計	1,409,858,869.61	681,601,186.05

Interest receivable

應收利息

RMB

人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Fixed deposit	定期存款	18,120,356.78	37,912,073.30

Other receivables are disclosed by ages as follows:

其他應收款按賬齡披露：

RMB

人民幣元

Age	賬齡	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Within 1 year	1年以內	1,309,803,754.85	579,659,764.25
1 to 2 years	1至2年	9,199,134.26	44,823,004.37
2 to 3 years	2至3年	14,825,977.20	18,762,419.94
Over 3 years	3年以上	37,823,950.55	37,729,415.71
Gross carrying amount	賬面餘額	1,371,652,816.86	680,974,604.27
Less: Provision for credit loss	減：信用損失準備	33,268,209.06	42,294,997.52
Carrying amount	賬面價值	1,338,384,607.80	638,679,606.75

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

Classification of gross carrying amount of other receivables by nature

五、合併財務報表主要項目註釋(續)

7. 其他應收款(續)

其他應收款賬面餘額按款項性質分類情況：

RMB
人民幣元

Age	性質	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Reserve fund	備用金	32,092,917.10	22,258,336.50
Corporate lending and payment on behalf	企業暫借款及代墊款	453,664,621.42	139,797,158.66
Deposit	押金	151,492,718.00	134,138,181.85
Others	其他	734,402,560.34	384,780,927.26
Total	合計	1,371,652,816.86	680,974,604.27

Change in the provision for credit losses in respect of other receivables based on 12-month expected credit losses and lifetime expected credit losses is as follows:

其他應收款按照12個月預期信用損失及整個存續期預期信用損失計提的信用損失準備的變動如下：

RMB
人民幣元

Item	項目	Stage 1	Stage 2	Stage 2	Stage 3	Total
		Expected credit loss for the next 12 months	Lifetime expected credit loss (individually)	Lifetime expected credit loss (by group)	Financial assets with incurred credit loss (lifetime)	
		第一階段 未來12個月 預期信用損失	第二階段 整個存續期 預期信用損失 (單項評估)	第二階段 整個存續期 預期信用損失 (組合評估)	第三階段 已發生信用 減值金融資產 (整個存續期)	合計
Balance as at 31 December 2019	2019年12月31日餘額	2,401,638.77	-	-	39,893,358.75	42,294,997.52
Balance as at 31 December 2019 in the current year	2019年12月31日餘額在本年					
- Transferred to Stage 2	- 轉入第二階段	-	-	-	-	-
- Transferred to Stage 3	- 轉入第三階段	-	-	-	-	-
Provided for the year	本年計提	11,474,959.56	-	-	-	11,474,959.56
Reversed during the year	本年轉回	(2,042,755.90)	-	-	-	(2,042,755.90)
Written off or transferred out during the year	本年核銷或轉銷	-	-	-	(8,580,110.78)	(8,580,110.78)
Decrease in disposal of subsidiaries	處置子公司減少	(1,236,090.84)	-	-	(7,755,524.50)	(8,991,615.34)
Adjustment for exchange difference	匯兌差額調整	(944,250.00)	-	-	56,984.00	(887,266.00)
Balance as at 31 December 2020	2020年12月31日餘額	9,653,501.59	-	-	23,614,707.47	33,268,209.06

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

Classification of gross carrying amount of other receivables by nature (Continued)

As at 31 December 2020, the top 5 other receivables are presented as follows:

五、合併財務報表主要項目註釋(續)

7. 其他應收款(續)

其他應收款賬面餘額按款項性質分類情況：(續)

於2020年12月31日，其他應收款金額前五名如下：

RMB
人民幣元

Customers 客戶	Closing balance 年末餘額	Percentage of total other receivables (%) 佔其他 應收款餘額 合計數的 比例(%)	Nature 性質	Age 賬齡	Closing balance of provision for credit losses 信用損失準備 年末餘額
First 第一名	212,238,638.73	15.47	Payables on behalf 代墊款	Within one year 1年以內	-
Second 第二名	145,602,676.95	10.62	After-sale claims payment paid on behalf 代墊三包索賠款	Within one year 1年以內	-
Third 第三名	103,683,000.00	7.56	Deposit 押金	Within one year 1年以內	-
Fourth 第四名	23,721,900.00	1.73	Lending 暫借款	Within one year 1年以內	-
Fifth 第五名	19,853,850.00	1.45	Deposit 押金	Within one year 1年以內	-
Total 合計	505,100,065.68	36.83			-

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

Classification of inventories

五、合併財務報表主要項目註釋(續)

8. 存貨

存貨分類

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日			31 December 2019 2019年12月31日		
		Gross carrying amount 賬面餘額	Provision for decline in value 跌價準備	Carrying amount 賬面價值	Gross carrying amount 賬面餘額	Provision for decline in value 跌價準備	Carrying amount 賬面價值
Raw materials	原材料	7,605,055,014.81	(577,777,974.49)	7,027,277,040.32	7,375,523,757.17	(424,519,817.26)	6,951,003,939.91
Finished goods	產成品	20,724,154,663.53	(624,972,616.34)	20,099,182,047.19	15,126,444,367.64	(593,161,870.78)	14,533,282,496.86
OEM materials	委托加工材料	837,401,447.19	(2,820,743.80)	834,580,703.39	302,830,517.00	(3,272,506.74)	299,558,010.26
Self made semi-finished goods and work in progress	自製半成品及在產品	2,543,104,047.43	(77,790,628.56)	2,465,313,418.87	2,201,616,542.88	(86,019,583.37)	2,115,596,959.51
Second-hand vehicles	二手車	979,136,769.47	(179,333,169.47)	799,803,600.00	942,361,803.32	(124,102,399.83)	818,259,403.49
Total	合計	32,688,851,942.43	(1,462,695,132.66)	31,226,156,809.77	25,948,776,988.01	(1,231,076,177.98)	24,717,700,810.03

Provision for decline in value of inventories

存貨跌價準備

RMB
人民幣元

Item	項目	Decrease during the year 本年減少					Adjustment of exchange differences 匯兌差額調整	31 December 2020 2020年12月31日
		31 December 2019 2019年12月31日	Charge during the year 本年計提	Reversal 轉回	Write-off 轉銷	Disposal of subsidiaries 處置子公司		
Raw materials	原材料	424,519,817.26	215,708,368.14	(54,833,726.23)	(16,016,021.46)	(3,096,119.41)	11,495,656.19	577,777,974.49
Finished goods	產成品	593,161,870.78	459,233,681.97	(257,737,016.42)	(159,013,697.77)	(12,627,206.23)	1,954,984.01	624,972,616.34
OEM materials	委托加工材料	3,272,506.74	35,630.37	(68,955.91)	(488,175.29)	-	69,737.89	2,820,743.80
Self made semi-finished goods and work in progress	自製半成品及在產品	86,019,583.37	28,534,449.52	(31,319,516.16)	(2,784,965.46)	(4,130,316.80)	1,471,394.09	77,790,628.56
Second-hand vehicles	二手車	124,102,399.83	69,463,504.38	(18,158,494.56)	-	-	3,925,759.82	179,333,169.47
Total	合計	1,231,076,177.98	772,975,634.38	(362,117,709.28)	(178,302,859.98)	(19,853,642.44)	18,917,532.00	1,462,695,132.66

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

9. Contract assets

9. 合同資產

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Supply chain solution services (Note)	供應鏈解決方案服務(註)	1,301,943,900.00	1,122,000,995.50
Others	其他	83,207,002.30	52,035,599.00
Total	合計	1,385,150,902.30	1,174,036,594.50

Note: the amount in respect of supply chain solution services was the net amount of receivable from customers after offsetting contract assets and contract liabilities under the same contract under the supply chain solution services of the Group. The Group recognized the work performed as a contract asset, and reclassified the contract asset recognized at the point of time when it settled the amount with the customer into receivables.

註：與供應鏈解決方案服務相關的金額為本集團供應鏈解決方案服務在同一合同下合同資產與合同負債抵銷後的應收客戶的淨額。本集團先將已執行的工作確認為一項合同資產，在其向客戶辦理結算的時點將確認的合同資產重分類至應收賬款。

10. Non-current assets due within one year

10. 一年內到期的非流動資產

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日			31 December 2019 2019年12月31日		
		Gross Carrying amount 賬面餘額	Provision for credit losses 信用損失準備	Carrying amount 賬面價值	Gross Carrying amount 賬面餘額	Provision for credit losses 信用損失準備	Carrying amount 賬面價值
Finance lease receivables (Note V.12)	融資租賃應收款(附註五·12)	3,194,022,225.00	(14,300,550.00)	3,179,721,675.00	2,658,043,734.50	-	2,658,043,734.50

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Other current assets

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Input tax credit to be deducted	留抵稅額	925,131,871.56	1,221,958,350.16
Prepaid expenses	待攤費用	381,261,616.83	430,654,872.66
Prepaid corporate income tax	預繳企業所得稅	587,996,308.31	237,539,267.85
Others	其他	29,719,601.61	30,606,841.91
Total	合計	1,924,109,398.31	1,920,759,332.58

RMB
人民幣元

12. Long-term receivables

Item	項目	31 December 2020 2020年12月31日			31 December 2019 2019年12月31日		
		Gross Carrying amount 賬面餘額	Provision for credit losses 信用損失準備	Carrying amount 賬面價值	Gross Carrying amount 賬面餘額	Provision for credit losses 信用損失準備	Carrying amount 賬面價值
Finance lease receivables	融資租賃應收款	13,982,085,900.00	(55,252,125.00)	13,926,833,775.00	12,175,228,180.50	-	12,175,228,180.50
Incl.: Finance income not yet realized	其中未實現融資收益	(1,124,607,450.00)	-	(1,124,607,450.00)	(1,069,566,806.00)	-	(1,069,566,806.00)
Sub-total	小計	12,857,478,450.00	(55,252,125.00)	12,802,226,325.00	11,105,661,374.50	-	11,105,661,374.50
Less: Finance lease receivables classified as due within one year (Note V.10)	減：分類為一年內到期的融資租賃應收款 (附註五·10)	3,194,022,225.00	(14,300,550.00)	3,179,721,675.00	2,658,043,734.50	-	2,658,043,734.50
Total	合計	9,663,456,225.00	(40,951,575.00)	9,622,504,650.00	8,447,617,640.00	-	8,447,617,640.00

RMB
人民幣元

五、合併財務報表主要項目註釋(續)

11. 其他流動資產

12. 長期應收款

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

12. Long-term receivables (Continued)

Provisions made for credit losses of long-term receivables (inclusive of the portion due within one year) are as follows:

12. 長期應收款(續)

長期應收款(含一年內到期)信用損失準備變動情況：

		Lifetime expected credit loss (without impairment of credit)	Lifetime expected credit loss (with impairment of credit)	Total
		整個存續期預期信用損失(未發生信用減值)	整個存續期預期信用損失(已發生信用減值)	合計
Provision for credit losses	信用損失準備			
Balance as at 31 December 2019	2019年12月31日餘額	-	-	-
Provision for the year	本年計提	46,029,763.50	-	46,029,763.50
Reversal during the year	本年轉回	-	-	-
Written-off or transferred out during the year	本年核銷或轉銷	-	-	-
Decrease in disposal of subsidiaries	處置子公司減少	-	-	-
Adjustment for exchange differences	匯兌差額調整	9,222,361.50	-	9,222,361.50
Balance as at 31 December 2020	2020年12月31日餘額	55,252,125.00	-	55,252,125.00

RMB
人民幣元

As at 31 December 2020, the long-term receivables amounting to RMB5,422,620,900.00 was from lease receivables from the sale and leaseback subleases business. For details of finance liabilities recognised for sale and leaseback, please refer to Note V.39. Lease receivables amounting to RMB5,598,400,500.00 was disposed of and used for financing. For details of corresponding liabilities, please refer to Note V.43.

於2020年12月31日，長期應收款中人民幣5,422,620,900.00元來自於售後租回再轉租業務所形成的租賃應收款，售後租回確認的金融負債詳見附註五、39；人民幣5,598,400,500.00元的租賃應收款被出售用於融資，對應的負債詳見附註五、43。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments

五、合併財務報表主要項目註釋(續)

13. 長期股權投資

RMB
人民幣元

Investee entity	被投資單位	Change during the year							31 December 2020	Among which, closing provision for impairment	
		31 December 2019	Increase in investment	Decrease in investment	Gains and losses on investment under equity method	Other comprehensive income	Provision for impairment transferred-out	Declaration of cash dividend			Exchange differences
Joint ventures	合營企業										
Xi'an FC Intelligence Transmission Co., Ltd. (Note 1)	西安雙特智能傳動有限公司(註1)	99,769,145.79	-	-	26,518,496.40	-	-	-	-	126,287,642.19	-
KAMAZ Weichai LLC (Note 2)	卡瑪斯濰柴有限公司(註2)	33,043,289.37	8,560,858.22	-	(648,377.19)	-	-	-	-	40,955,770.40	-
Associates	聯營企業										
Shanzhong Finance Leasing Co., Ltd.	山重融資租賃有限公司	501,140,526.12	-	-	28,722,245.20	-	-	-	-	529,862,771.32	-
Shandong Heavy Industry Group Finance Co., Ltd.	山東重工集團財務有限公司	1,073,667,234.79	-	-	119,255,765.49	-	-	(53,130,000.00)	-	1,139,793,000.28	-
Deewin Tianxia Co., Ltd. (Note 3)	德銀天下股份有限公司(註3)	-	300,821,488.00	-	-	-	-	-	-	300,821,488.00	-
Other associates	其他聯營企業	3,003,524,336.94	227,526,577.99	(421,461,917.10)	79,215,144.60	(15,526,594.40)	46,000,000.00	(91,892,731.92)	(20,745,973.91)	2,806,638,842.20	4,844,091.33
Total	合計	4,711,144,533.01	536,908,924.21	(421,461,917.10)	253,063,274.50	(15,526,594.40)	46,000,000.00	(145,022,731.92)	(20,745,973.91)	4,944,359,514.39	4,844,091.33

Note 1: Xi'an FC Intelligence Transmission Co., Ltd. ("Xi'an FC") is held as to 51% by the Group, and as to 4% and 45% by Shaanxi Fast Gear Automotive Transmission Co., Ltd. ("Fast Gear Transmission") and Caterpillar (China) Investment Co., Ltd ("Caterpillar") respectively. The board of directors of Xi'an FC comprises seven directors, three of whom being nominated by the Group, one being nominated by Fast Gear Transmission and three being nominated by Caterpillar. According to the articles of association of Xi'an FC, important board resolutions require unanimous approval, and thus Xi'an FC is a joint venture of the Group.

Note 2: In September 2019, the Company entered into a joint agreement with KAMAZ Publicly Traded Company ("KAMAZ") to jointly invest and establish KAMAZ Weichai LLC ("KAMAZ Weichai"), each of the parties held 50% of equity interest in KAMAZ Weichai. The board of directors of KAMAZ Weichai comprises four directors, two of whom being appointed by the Company and the other two being appointed by KAMAZ. According to the articles of association of KAMAZ Weichai, important board resolutions require unanimous approval, and thus KAMAZ Weichai is a joint venture of the Group.

Note 3: In December 2020, Shaanxi Heavy-duty Motor Co., Ltd., a subsidiary of the Company acquired 7% equity interest in Deewin Tianxia Co., Ltd ("Deewin Tianxia") through non-monetary asset exchange (see Note XIV.2 for details), and shall have the right to appoint a director who is able to exert significant influence over Deewin Tianxia, and therefore Deewin Tianxia is an associate of the Group.

註1: 本集團持有西安雙特智能傳動有限公司(以下簡稱「西安雙特」)51%股權, 另外兩位股東為陝西法士特汽車傳動集團有限責任公司(以下簡稱「法士特傳動」)和卡特彼勒(中國)投資有限公司(以下簡稱「卡特彼勒」), 股權分別為4%和45%。西安雙特董事會由七名董事組成, 其中三名由本集團委任, 一名由法士特傳動委任, 另外三名由卡特彼勒委任, 根據西安雙特公司章程約定, 重要董事會決議需要董事會全體同意通過, 因此西安雙特屬於本集團合營企業。

註2: 於2019年9月, 本公司與KAMAZ Publicly Traded Company(以下簡稱「KAMAZ」)簽訂合資協議, 共同投資設立卡瑪斯濰柴有限公司(以下簡稱「卡瑪斯濰柴」), 雙方各持股卡瑪斯濰柴50%的股權。卡瑪斯濰柴董事會由四名董事組成, 本公司及KAMAZ各委任兩名, 根據卡瑪斯濰柴公司章程的約定, 重要的董事會決議需要董事會全體同意通過, 因此卡瑪斯濰柴屬於本集團合營企業。

註3: 2020年12月, 本公司之子公司陝西重型汽車有限公司通過非貨幣性資產交換(詳見附註十四、2)取得德銀天下股份有限公司(以下簡稱「德銀天下」)7%的股權, 同時有權委派一名董事, 能夠對德銀天下施加重大影響, 因此德銀天下屬於本集團聯營企業。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

14. Investment in other equity instruments

14. 其他權益工具投資

RMB
人民幣元

Investee entity	被投資單位	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
XCMG Construction Machinery Co., Ltd.	徐工集團工程機械股份有限公司	1,780,324,204.98	1,745,234,324.70
Beiqi Foton Motor Co., Ltd.	北汽福田汽車股份有限公司	252,000,000.00	167,200,000.00
Others	其他	378,787,867.98	190,695,350.48
Total	合計	2,411,112,072.96	2,103,129,675.18

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Investment in other equity instruments (Continued)

Investment in other equity instruments

五、合併財務報表主要項目註釋(續)

14. 其他權益工具投資(續)

其他權益工具投資的情況

						RMB 人民幣元
Investee entity	被投資單位	Dividend income recognized during the year	Fair value changes accrued to other comprehensive income	Amounts transferred from other comprehensive income to retained earnings	Reason for designation at FVTOCI 指定為以公允 價值計量且其 變動計入其他 綜合收益的原因	Reason for transfer from other comprehensive income to retained earnings during the year 本年從其他 綜合收益轉入 留存收益的原因
XCMG Construction Machinery Co., Ltd.	徐工集團工程機械股份有限公司	44,154,856.68	580,783,931.84	-	Investment in equity investments as strategic investment 權益工具投資為戰略投資	
Beiqi Foton Motor Co., Ltd.	北汽福田汽車股份有限公司	-	58,000,000.00	-	Investment in equity investments as strategic investment 權益工具投資為戰略投資	
Others	其他	5,504,212.10	5,863,976.07	-	Investment in equity investments as strategic investment 權益工具投資為戰略投資	
Total	合計	49,659,068.78	644,647,907.91	-		

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

15. Other non-current financial assets

15. 其他非流動金融資產

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Financial assets at FVTPL for the current period	以公允價值計量且其變動計入當期損益的金融資產		
Investments related to the pension plan of subsidiaries	與子公司退休金計劃相關的投資	222,910,425.00	216,168,914.50
Cross currency swap and interest rate swap contracts	交叉貨幣互換及利率互換合約	20,102,625.00	371,589,714.58
Contingent consideration from business combination	企業合併或有對價	–	48,744,000.00
Total	合計	243,013,050.00	636,502,629.08

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

16. Investment property

16. 投資性房地產

(1) Subsequent measurement under the cost model:

(1) 採用成本模式進行後續計量：

RMB
人民幣元

Item	項目	Houses and buildings 房屋建築物	Land use rights 土地使用權	Total 合計
I. Gross carrying amount	一、賬面原值			
31 December 2019	2019年12月31日	775,056,156.61	66,359,171.84	841,415,328.45
Increase during the year	本年增加	187,811,439.09	49,871,754.19	237,683,193.28
Decrease during the year	本年減少	(65,841,463.88)	–	(65,841,463.88)
31 December 2020	2020年12月31日	897,026,131.82	116,230,926.03	1,013,257,057.85
II. Accumulated depreciation and amortization	二、累計折舊和攤銷			
31 December 2019	2019年12月31日	278,291,400.67	12,377,969.98	290,669,370.65
Provision for the year	本年計提	40,583,037.27	2,432,287.14	43,015,324.41
Transferred from other assets	從其他資產轉入	3,762,305.59	6,425,249.37	10,187,554.96
Decrease during the year	本年減少	(26,226,775.69)	–	(26,226,775.69)
31 December 2020	2020年12月31日	296,409,967.84	21,235,506.49	317,645,474.33
III. Accumulated impairment provision	三、累計減值準備			
31 December 2019	2019年12月31日	13,447,824.67	–	13,447,824.67
Provision for the year	本年計提	–	–	–
31 December 2020	2020年12月31日	13,447,824.67	–	13,447,824.67
IV. Carrying amount	四、賬面價值			
31 December 2020	2020年12月31日	587,168,339.31	94,995,419.54	682,163,758.85
31 December 2019	2019年12月31日	483,316,931.27	53,981,201.86	537,298,133.13

(2) Investment properties not obtained title certificates:

(2) 未辦妥產權證書的投資性房地產情況：

As at 31 December 2020, the Group did not have any investment properties not obtained title certificates (31 December 2019: Nil).

於2020年12月31日，本集團無未獲得房地產證的投資性房地產(2019年12月31日：無)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Fixed Assets

Presented by categories

五、合併財務報表主要項目註釋(續)

17. 固定資產

分類列示

RMB

人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Fixed Assets	固定資產	31,720,416,229.10	26,315,978,220.47
Disposal of fixed assets	固定資產清理	2,411,452.45	2,689,504.47
Total	合計	31,722,827,681.55	26,318,667,724.94

Fixed assets

固定資產情況

RMB

人民幣元

Item	項目	Houses, buildings and land use rights 房屋建築物及 土地所有權	Machinery and equipment 機器設備	Electronic equipment 電子設備	Vehicles 運輸設備	Forklift trucks and equipment leased out (long-term) 租出的叉車及 設備(長期)	Forklift trucks and equipment leased out (short-term) 租出的叉車及 設備(短期)	Others 其他	Total 合計
I. Gross carrying amount	一、賬面原值								
31 December 2019	2019年12月31日	13,852,851,195.42	19,183,701,402.61	1,971,158,081.75	451,296,966.50	5,319,670,320.38	4,238,453,466.87	2,157,687,519.90	47,174,818,953.43
Increase during the year	本年增加金額								
Addition	購置	120,436,946.03	633,418,309.40	74,925,638.12	36,799,869.75	4,115,523,754.97	1,766,238,558.05	366,533,856.67	7,113,876,932.99
Transfer from construction-in progress	在建工程轉入	1,249,813,750.37	2,448,493,728.16	401,132,448.47	36,641,898.80	-	-	272,163,967.28	4,408,245,793.08
Increase in business combination	企業合併增加	297,783,911.88	553,657,619.25	12,615,319.11	8,470,245.60	-	-	65,722,896.53	938,249,992.37
Internal reclassification	內部重分類	-	(3,910,085.81)	(12,337,171.85)	3,893,598.38	-	-	12,353,659.28	-
Other transfer in	其他轉入	63,086,656.88	38,198,579.30	-	-	-	-	-	101,285,236.18
Decrease during the year	本年減少金額								
Disposals or retirements	處置或報廢	(58,570,985.47)	(725,019,977.04)	(71,352,972.04)	(39,196,249.18)	(1,051,723,563.77)	(1,204,025,764.25)	(66,346,318.64)	(3,216,235,830.39)
Decrease in disposal of subsidiaries	處置子公司減少	(404,889,775.91)	(416,457,905.84)	(20,334,930.40)	(4,428,246.96)	-	-	(10,455,298.75)	(856,566,157.86)
Other transfer out	其他轉出	(146,250,737.13)	(1,420,745.89)	-	-	-	-	-	(147,671,483.02)
Adjustment for exchange differences	匯兌差額調整	17,624,852.90	(6,874,446.61)	(1,712,346.14)	(1,125,227.73)	(102,097,559.92)	(69,611,964.43)	(12,152,072.33)	(175,948,764.26)
31 December 2020	2020年12月31日	14,991,885,814.97	21,703,786,477.53	2,354,094,067.02	492,352,855.16	8,281,372,951.66	4,731,054,296.24	2,785,508,209.94	55,340,054,672.52

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Fixed Assets (Continued)

Fixed assets (Continued)

五、合併財務報表主要項目註釋(續)

17. 固定資產(續)

固定資產情況(續)

Item	項目	Houses, buildings and land use rights 房屋建築物及 土地所有權	Machinery and equipment 機器設備	Electronic equipment 電子設備	Vehicles 運輸設備	Forklift trucks and equipment leased out (long-term) 租出的叉車及 設備(長期)	Forklift trucks and equipment leased out (short-term) 租出的叉車及 設備(短期)	Others 其他	Total 合計
II. Accumulated depreciation	二、累計折舊								
31 December 2019	2019年12月31日	3,959,350,997.75	12,588,119,059.05	1,536,141,521.11	337,501,092.54	59,538,987.60	1,024,605,306.21	859,985,238.87	20,365,242,203.13
Increase during the year	本年增加金額								
Provision	計提	694,903,283.80	1,702,689,255.34	241,844,356.53	46,628,115.75	345,215,922.59	607,536,152.63	476,142,580.24	4,114,959,666.88
Other transfer in	其他轉入	25,860,116.11	15,846,397.00	-	-	-	-	-	41,706,513.11
Internal reclassification	內部重分類	2,165,653.02	(3,070,937.45)	(144,714.98)	2,533,593.25	-	-	(1,483,593.84)	-
Decrease during the year	本年減少金額								
Disposals or retirements	處置或報廢	(27,456,094.09)	(592,465,232.20)	(69,350,518.02)	(37,167,091.34)	(60,849,781.27)	(166,845,112.75)	(64,500,163.16)	(1,018,633,992.83)
Decrease in disposal of subsidiaries	處置子公司減少	(83,950,533.30)	(166,210,193.11)	(12,613,123.92)	(2,793,671.82)	-	-	(9,577,322.40)	(275,144,844.55)
Other transfer out	其他轉出	(3,762,305.59)	-	-	-	-	-	-	(3,762,305.59)
Adjustment for exchange differences	匯兌差額調整	7,578,489.18	(19,969,412.30)	(889,782.61)	(466,484.07)	(80,219,217.31)	(64,364,521.32)	(20,791,872.53)	(179,122,800.96)
31 December 2020	2020年12月31日	4,574,689,606.88	13,524,938,936.33	1,694,987,738.11	346,235,554.31	263,685,911.61	1,400,931,824.77	1,239,774,867.18	23,045,244,439.19
III. Provision for impairment	三、減值準備								
31 December 2019	2019年12月31日	276,352,941.50	173,117,675.35	7,022,424.16	728,801.75	2,930,812.50	22,750,920.50	10,694,954.07	493,598,529.83
Provision	計提	83,052,592.68	23,916,932.99	-	-	15,827,483.00	5,098,466.68	1,167,405.91	129,062,881.26
Decrease during the year	本年減少金額								
Disposals or retirements	處置或報廢	(199,140.85)	(34,403,958.91)	(18,305.90)	(44,522.86)	-	-	(995,337.00)	(35,661,265.52)
Decrease in disposal of subsidiaries	處置子公司減少	-	(5,253,066.14)	(10,061.23)	-	-	-	-	(5,263,127.37)
Adjustment for exchange differences	匯兌差額調整	(4,886,907.68)	(2,356,924.70)	-	-	(252,645.50)	663,437.82	(509,973.91)	(7,343,013.97)
31 December 2020	2020年12月31日	354,319,485.65	155,020,658.59	6,994,057.03	684,278.89	18,505,650.00	28,512,825.00	10,357,049.07	574,394,004.23
IV. Carrying amount	四、賬面價值								
31 December 2019	2019年12月31日	9,617,147,256.17	6,422,464,668.21	427,994,136.48	113,067,072.21	5,257,200,520.28	3,191,097,240.16	1,287,007,326.96	26,315,978,220.47
31 December 2020	2020年12月31日	10,062,876,722.44	8,023,826,882.61	652,112,271.88	145,433,021.96	7,999,181,390.05	3,301,609,646.47	1,535,376,293.69	31,720,416,229.10

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

17. Fixed assets (Continued)

Fixed assets which are temporarily idle are presented as follows:

17. 固定資產(續)

暫時閑置的固定資產如下：

		RMB 人民幣元			
Item	項目	Gross carrying amount 原價	Accumulated depreciation 累計折舊	Provision for impairment 減值準備	Carrying amount 賬面價值
Houses and buildings and land use rights	房屋建築物及土地所有權	386,118,015.33	87,979,537.96	263,323,717.69	34,814,759.68
Machinery and equipment	機器設備	189,765,905.23	93,312,310.35	56,049,902.64	40,403,692.24
Electronic equipment	電子設備	37,803,374.67	29,671,519.05	6,996,295.86	1,135,559.76
Transportation equipment	運輸設備	818,489.43	814,024.08	-	4,465.35
Total	合計	614,505,784.66	211,777,391.44	326,369,916.19	76,358,477.03

Carrying amount of fixed assets leased out under operating lease is presented as follows:

經營性租出固定資產賬面價值如下：

		RMB 人民幣元	
Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Electronic equipment	電子設備	180,199.99	259,749.12
Machinery and equipment	機器設備	20,025,532.08	36,944,311.17
Vehicles	運輸設備	874,739.91	2,449.49
Forklift trucks and equipment leased out (long-term)	租出的叉車及設備(長期)	7,999,181,390.05	5,257,200,520.28
Forklift trucks and equipment leased out (short-term)	租出的叉車及設備(短期)	3,301,609,646.47	3,191,097,240.16
Total	合計	11,321,871,508.50	8,485,504,270.22

As at 31 December 2020, fixed assets for which the Group obtained financings through the way of the sale and leaseback subleases had a carrying amount of RMB3,134,160,700.50.

於2020年12月31日，本集團通過售後租回再轉租的方式進行融資的固定資產賬面價值為人民幣3,134,160,700.50元。

As at 31 December 2020, fixed assets for which the Group obtained financings through the way of indirect leasing had a carrying amount of RMB3,632,115,000.00.

於2020年12月31日，本集團通過間接租賃的方式進行融資的固定資產賬面價值為人民幣3,632,115,000.00元。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Fixed assets (Continued)

As at 31 December 2020, fixed assets for which the Group had not obtained real estate certificates had a carrying amount of RMB1,701,995,320.31 (31 December 2019: RMB1,568,776,275.11).

As at 31 December 2020, net fixed assets of the Group with title restrictions amounted to RMB301,806,904.98 (31 December 2019: RMB628,507,841.20), please refer to Note V.69. Among which, the pledge over fixed assets with carrying amount of RMB94,710,044.10 had yet to be registered.

As at 31 December 2020, in view of the existence of idle fixed assets and the fact that the recoverable amounts of some fixed assets were lower than their carrying amount, according to the result of impairment, provision for impairment in the amount of RMB129,062,881.26 was made.

18. Construction in progress

五、合併財務報表主要項目註釋(續)

17. 固定資產(續)

於2020年12月31日，本集團尚未獲得房地產證的固定資產賬面價值為人民幣1,701,995,320.31元(2019年12月31日：人民幣1,568,776,275.11元)。

於2020年12月31日，本集團所有權受到限制的固定資產淨值為人民幣301,806,904.98元(2019年12月31日：人民幣628,507,841.20元)，詳見附註五、69。其中，賬面價值為人民幣94,710,044.10元的固定資產，尚未辦理抵押登記。

於2020年12月31日，由於部分固定資產的可收回金額低於賬面價值，根據減值測試結果，計提減值準備人民幣129,062,881.26元。

18. 在建工程

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日			31 December 2019 2019年12月31日		
		Gross carrying amount 賬面餘額	Provision for decline in value 減值準備	Carrying amount 賬面價值	Gross carrying amount 賬面餘額	Provision for decline in value 減值準備	Carrying amount 賬面價值
Trial room construction project A	試驗室建設項目A	642,853,996.92	-	642,853,996.92	272,504,325.35	-	272,504,325.35
Transmission project	傳動項目	488,732,727.30	-	488,732,727.30	892,307,327.63	-	892,307,327.63
Factory area construction project C	廠區建設項目C	461,216,293.13	-	461,216,293.13	317,657,204.95	-	317,657,204.95
Production line construction and renovation project	生產線建設改造項目	383,093,690.38	-	383,093,690.38	448,260,762.78	-	448,260,762.78
Trial room construction project B	試驗室建設項目B	167,392,613.55	-	167,392,613.55	205,439,387.19	-	205,439,387.19
Factory area construction project A - R&D building	廠區建設項目A-研發大樓	141,386,168.17	-	141,386,168.17	74,607,775.00	-	74,607,775.00
Factory area construction project B	廠區建設項目B	104,280,082.23	-	104,280,082.23	368,730,784.47	-	368,730,784.47
Production line construction and renovation project - Trial production centre	生產線建設改造項目-試製中心	91,293,059.20	-	91,293,059.20	33,952,306.64	-	33,952,306.64
Factory area construction project D	廠區建設項目D	40,953,140.83	-	40,953,140.83	236,453,336.98	-	236,453,336.98
Factory area construction project A	廠區建設項目A	104,070,633.38	(70,611,873.18)	33,458,760.20	433,310,716.72	(70,611,873.18)	362,698,843.54
Materials used in construction	工程物資	495,953.53	-	495,953.53	138,063.63	-	138,063.63
Others	其他	2,491,607,756.84	(570,845.44)	2,491,036,911.40	2,200,643,571.73	(4,727,672.83)	2,195,915,898.90
Total	合計	5,117,376,115.46	(71,182,718.62)	5,046,193,396.84	5,484,005,563.07	(75,339,546.01)	5,408,666,017.06

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Construction in progress (Continued)

Movement in key construction-in-progress is presented as follows:

五、合併財務報表主要項目註釋(續)

18. 在建工程(續)

重要在建工程變動如下：

		RMB 人民幣元										
Item	項目	Budget 預算	Opening balance 年初餘額	Increase during the year 本年增加	Fixed asset transferred in during the year 本年轉入固定資產	Intangible assets transferred in during the year 本年轉入無形資產	Closing balance 年末餘額	Actual costs as a percentage of budget (%) 工程投入佔預算比例(%)	Accumulated amount of capitalized interest 利息資本化累計金額	Of which: capitalized amount of interest during the year 其中：本年利息資本化金額		Source of funding 資金來源
Trial room construction project A	試驗室建設項目A	996,000,000.00	272,504,325.35	445,351,822.57	-	75,002,151.00	642,853,996.92	72	-	-	-	Internal fund 自有資金
Factory area construction project C	廠區建設項目C	780,000,000.00	317,657,204.95	325,056,414.04	181,497,325.86	-	461,216,293.13	86	-	-	-	Internal fund 自有資金
Factory area construction project A – R&D building	廠區建設項目A—研發大樓	1,305,090,000.00	74,607,775.00	144,369,907.17	-	77,591,514.00	141,386,168.17	18	-	-	-	Internal fund 自有資金
Production line construction and renovation project – Trial production centre	生產線建設改造項目—試製中心	221,560,000.00	33,952,306.64	59,521,283.99	2,180,531.43	-	91,293,059.20	42	-	-	-	Internal fund 自有資金
Factory area construction project B – Phase III	廠區建設項目B—三期	723,876,400.00	251,185,433.18	157,532,003.25	336,887,051.95	-	71,830,384.48	93	2,091,246.29	185,765.59	-	Loans from financial institution/ internal fund 金融機構貸款及自有資金
Transmission project – Light-duty and medium-duty truck	傳動項目—中輕卡	270,000,000.00	205,978,937.23	59,096,692.61	210,505,436.59	-	54,570,193.25	98	-	-	-	Internal fund 自有資金
Transmission project – Infrastructure	傳動項目—基建	232,899,000.00	126,870,012.43	42,700,904.18	121,742,357.38	-	47,828,559.23	91	-	-	-	Internal fund 自有資金
Factory area construction project D	廠區建設項目D	391,370,000.00	236,453,336.98	10,104,297.05	205,604,493.20	-	40,953,140.83	69	-	-	-	Internal fund 自有資金
Factory area construction project A-relocation	廠區建設項目A—搬遷	349,990,000.00	135,889,985.95	151,923,736.56	259,060,559.81	28,456,133.00	297,029.70	82	-	-	-	Internal fund 自有資金
Total	合計	5,270,785,400.00	1,655,099,317.71	1,395,657,061.42	1,317,477,756.22	181,049,798.00	1,552,228,824.91	-	2,091,246.29	185,765.59	-	-

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Right-of-use assets

五、合併財務報表主要項目註釋(續)

19. 使用權資產

RMB
人民幣元

Item	Houses and buildings	Machinery and equipment	Vehicles	Forklift trucks and equipment after sale and leaseback subleases (long-term)	Forklift trucks and equipment after sale and leaseback subleases (short-term)	Others	Total
項目	房屋及建築物	機器設備	運輸設備	叉車及設備(長期)	設備(短期)	其他	合計
I. Gross carrying amount	一、賬面原值						
31 December 2019	2019年12月31日	4,563,127,279.60	66,244,178.00	8,916,065.91	2,859,022,171.70	4,625,208,784.58	13,958,080,400.64
Increase during the year	本年增加	1,246,305,943.29	6,441,503.31	49,503.30	-	440,428,723.00	1,693,225,672.90
Decrease during the year	本年減少	(255,491,193.05)	(1,034,834.50)	(166,466.59)	(889,016,375.97)	(1,524,669,605.84)	(3,084,264,878.95)
Adjustment for exchange differences	匯兌差額調整	3,629,209.04	1,458,588.42	80,804.65	35,486,033.94	22,237,939.45	85,287,972.30
31 December 2020	2020年12月31日	5,557,571,238.88	73,109,435.23	8,879,907.27	2,005,491,829.67	3,122,777,118.19	12,652,329,166.89
II. Accumulated depreciation	二、累計折舊						
31 December 2019	2019年12月31日	2,038,299,453.88	36,936,053.00	3,319,346.99	485,994,237.34	1,404,459,298.69	4,840,830,501.34
Provision	計提	540,016,453.38	10,829,037.17	4,044,328.51	650,142,484.03	881,193,996.81	455,035,023.77
Decrease during the year	本年減少	(128,009,062.05)	(884,744.00)	(166,466.59)	(730,028,726.29)	(1,223,550,877.88)	(374,230,913.00)
Adjustment for exchange differences	匯兌差額調整	13,777,360.83	1,029,752.63	35,833.83	(2,702,790.30)	(16,599,577.75)	9,405,839.00
31 December 2020	2020年12月31日	2,464,084,206.04	47,910,098.80	7,233,042.74	403,405,204.78	1,045,502,839.87	962,032,061.21
III. Provision for impairment	三、減值準備						
31 December 2019	2019年12月31日	5,799,101.01	-	-	-	1,922,612.99	7,721,714.00
Provision	計提	-	-	-	-	-	-
Decrease during the year	本年減少	-	-	-	-	-	-
Adjustment for exchange differences	匯兌差額調整	155,449.00	-	-	-	51,537.00	206,986.00
31 December 2020	2020年12月31日	5,954,550.01	-	-	-	1,974,149.99	7,928,700.00
IV. Carrying amount	四、賬面價值						
31 December 2020	2020年12月31日	3,087,532,482.83	25,199,336.43	1,646,864.53	1,602,086,624.89	2,077,274,278.32	920,493,426.45
31 December 2019	2019年12月31日	2,519,028,724.71	29,308,125.00	5,596,718.92	2,373,027,934.36	3,220,749,485.89	9,109,528,185.30

During the year, short-term leasing fees through profit or loss under the simplified approach amounted to RMB231,237,276.90 while low value asset leasing fee amounted to RMB73,316,400.00.

本年度計入當期損益的簡化處理的短期租賃費用為人民幣231,237,276.90元，低價值資產租賃費用為人民幣73,316,400.00元。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

20. Intangible assets

20. 無形資產

RMB
人民幣元

Item	Land use rights	Patents	Technology know-how	License	Software	Orders on hand	Customer relationship	Others	Total
項目	土地使用權	專有技術	商標使用權	特許權	軟件	在手訂單	客戶關係	其他	合計
I. Gross carrying amount	一、資產原值								
31 December 2019	1,952,236,505.25	1,822,168,082.11	7,665,296,573.01	1,043,875,447.19	487,031,964.49	325,189,013.24	10,578,992,060.42	7,701,832,828.48	31,576,622,474.19
Addition	479,315,394.47	20,842,216.74	970,797.07	56,939,596.00	173,062,586.78	595,962.31	15,272,739.28	666,749,398.00	1,413,748,690.65
Transfer from construction-in progress	193,154,603.11	-	-	-	-	-	-	-	193,154,603.11
Transfer to internal R&D	-	139,305,156.27	-	-	949,168.00	-	-	28,414,501.50	168,668,825.77
Increase in business combination	72,659,900.00	580,829,926.09	85,679,700.92	70,018.93	1,980,391.52	4,182,865.84	391,748,040.44	37,639,999.30	1,174,790,843.04
Reclassification	-	-	-	131,013,207.50	(116,051,554.50)	-	-	(14,961,653.00)	-
Disposals and retirements	(364,749.65)	(246,567.12)	-	(64,151,839.50)	-	-	-	(254,213,809.50)	(318,976,965.77)
Decrease in disposal of Subsidiaries	(270,718,475.80)	(196,099,699.31)	-	-	(20,507,892.14)	-	-	-	(487,326,067.25)
Other decreases	(49,871,754.19)	-	-	-	-	-	-	-	(49,871,754.19)
Adjustment for exchange differences	-	15,063,862.27	191,507,006.13	(43,615,785.18)	1,549,062.53	8,234,842.77	(133,932,156.78)	(157,496,416.15)	(118,689,584.41)
31 December 2020	2,376,411,423.19	2,381,862,977.05	7,943,454,077.13	1,124,130,644.94	528,013,726.68	338,202,684.16	10,852,080,683.36	8,007,964,848.63	33,552,121,065.14
II. Accumulated amortization	二、累計攤銷								
31 December 2019	333,574,354.72	794,253,473.01	26,987,034.78	674,843,102.97	170,840,825.15	144,024,034.00	3,512,570,477.45	1,792,189,709.09	7,449,283,011.17
Provision	48,450,516.37	137,004,795.66	7,522,859.30	206,586,700.90	33,567,728.12	32,662,702.29	842,904,107.38	778,745,610.43	2,087,445,020.45
Disposals or retirements	-	-	-	(64,112,342.00)	-	-	-	(247,609,827.50)	(311,722,169.50)
Decrease in disposal of Subsidiaries	(33,951,153.54)	(78,423,037.96)	-	-	(19,706,144.35)	-	-	-	(132,080,335.85)
Other decreases	(6,425,249.37)	-	-	-	-	-	-	-	(6,425,249.37)
Adjustments for exchange differences	-	1,011,614.35	(1,813,770.35)	(33,486,674.45)	228,002.31	4,253,559.05	(58,537,482.16)	(25,749,695.51)	(114,094,446.76)
31 December 2020	341,648,468.18	853,846,845.06	32,696,123.73	783,830,787.42	184,930,411.23	180,940,295.34	4,296,937,102.67	2,297,575,796.51	8,972,405,830.14
III. Provision for impairment	三、減值準備								
31 December 2019	-	-	32,825,100.00	7,252,784.00	6,228,953.50	19,444,964.00	547,188,211.43	78,819,317.50	691,759,330.43
Provision	-	80,000,000.00	-	-	-	-	-	43,287,531.00	123,287,531.00
Disposals	-	-	-	-	-	-	-	-	-
Decrease in disposal of Subsidiaries	-	(80,000,000.00)	-	-	-	-	-	-	(80,000,000.00)
Adjustments for exchange differences	-	-	879,900.00	194,416.00	166,971.50	521,236.00	14,667,766.66	2,529,426.50	18,959,716.66
31 December 2020	-	-	33,705,000.00	7,447,200.00	6,395,925.00	19,966,200.00	561,855,978.09	124,636,275.00	754,006,578.09
IV. Net carrying amount	四、賬面淨值								
31 December 2020	2,034,762,955.01	1,528,016,131.99	7,877,052,953.40	332,852,657.52	336,687,390.45	137,296,188.82	5,993,287,602.60	5,585,752,777.12	23,825,708,656.91
31 December 2019	1,618,662,150.53	1,027,914,609.10	7,605,484,438.23	361,779,560.22	309,962,185.84	161,720,015.24	6,519,233,371.54	5,830,823,801.89	23,435,580,132.59

During the end of the year, the proportion of intangible assets from internal R&D to the remaining amount of intangible assets was 24.80%.

本年末通過內部研發形成的無形資產佔無形資產餘額的比例為24.80%。

As at 31 December 2020, the intangible assets for which the Group had title restrictions had a carrying amount of RMB22,245,313.81 (31 December 2019: RMB242,181,694.04), please refer to Note V.69.

於2020年12月31日，本集團所有權受限制的無形資產賬面價值為人民幣22,245,313.81元(2019年12月31日：人民幣242,181,694.04元)，詳見附註五、69。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Intangible assets (Continued)

As at 31 December 2020, the intangible assets for which the Group had not obtained title certificates had a carrying amount of RMB12,210,869.72 (31 December 2019: RMB54,320,648.72), for which the Group was in the process of applying.

Other than the finite useful life of some of the trademarks held by the subsidiaries of the Company, trademarks of the Group are renewable every 10 years at minimal cost. The management of the Group are of the opinion that the Group has both the intention and ability to renew the trademarks continuously. As a result, the useful life of the trademarks is considered by the management of the Group as indefinite because the trademarks are expected to contribute to the Group's net cash inflows indefinitely. The trademarks will not be amortized unless their useful life is determined to be finite. Instead the trademarks will be tested for impairment annually and whenever there is an indication that they may be impaired.

As at 31 December 2020, KION owned trademark rights with an indefinite useful life of carrying amount of RMB7,536,590,475.00 (31 December 2019: RMB7,345,014,715.50), the recoverable amount of such trademark rights was determined based on the present value of expected future cash flows of the asset groups unit it belonged to, which was determined based on the cash flow projection in accordance with the 5-year financial budget approved by the management. The discount rate used for the cash flow projection was the pre-tax rate of (9.10%-10.60%) (2019: 10.20%-11.00%). The estimated growth rate of cash flows beyond the 5-year period of 1.00%-1.30% (2019: 1.00%-1.30%) was the long-term average growth rate of the industry or region where the enterprise operated.

Based on the result of the test for impairment, as at 31 December 2020, the provision for trademark rights with an indefinite useful life is no longer required to be made by the Group (2019: RMB32,457,600.00).

五、合併財務報表主要項目註釋(續)

20. 無形資產(續)

於2020年12月31日，本集團尚未辦妥產權證書的無形資產賬面價值為人民幣12,210,869.72元(2019年12月31日：人民幣54,320,648.72元)，該等無形資產的產權證尚在辦理中。

除本公司之子公司持有的部分商標使用壽命有限外，本集團其他商標每十年須按最低成本重續一次。本集團管理層認為，本集團有意且有能不斷重續該等商標。預計該等商標將可永久為本集團產生現金流入淨額，故此，本集團管理層認為該等商標使用壽命不確定。除非該等商標的可使用年限被認為有限，否則不會進行攤銷。相反，商標將會每年及每當有跡象顯示存在減值時進行減值測試。

於2020年12月31日，KION擁有的使用壽命不確定的商標使用權賬面價值為人民幣7,536,590,475.00元(2019年12月31日：人民幣7,345,014,715.50元)，該部分商標使用權的可收回金額按照其所屬資產組組合的預計未來現金流量的現值確定，其預計未來現金流量根據管理層批准的5年期的財務預算為基礎的現金流量預測來確定。現金流量預測所採用的稅前折現率是(9.10%-10.60%)(2019年：10.20%-11.00%)，5年以後的現金流量的估計長期平均增長率1.00%-1.30%(2019年：1.00%-1.30%)為企業所處行業或地區的長期平均增長率。

基於減值測試的結果，截至2020年12月31日止，本集團對使用壽命不確定的商標使用權無需進一步計提減值準備(2019年：人民幣32,457,600.00元)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

21. Expenditure on development

Capitalized expenditure on development of the Group is presented as follows:

21. 開發支出

本集團資本化的開發支出如下：

							RMB 人民幣元	
Item	31 December 2019	Increase in Internal R&D	Increase in business combination	Recognition of intangible assets	Decrease in disposal of subsidiaries	Other changes	31 December 2020	
項目	2019年12月31日	內部研發新增	企業合併增加	確認無形資產	處置子公司減少	其他變動	2020年12月31日	
Hybrid project	-	261,542.62	223,636,274.64	-	-	-	223,897,817.26	
Hydraulics project	-	44,905,876.50	-	(28,414,501.50)	-	-	16,491,375.00	
Project on driver's cabin	49,051,325.26	3,134,357.25	-	(52,185,682.51)	-	-	-	
Others	90,449,194.12	65,705,009.07	28,310,875.88	(88,068,641.76)	(34,661,067.84)	(15,007,730.49)	46,727,638.98	
Total	139,500,519.38	114,006,785.44	251,947,150.52	(168,668,825.77)	(34,661,067.84)	(15,007,730.49)	287,116,831.24	

22. Goodwill

(1) Gross carrying amount of goodwill

22. 商譽

(1) 商譽賬面原值

							RMB 人民幣元	
Item	31 December 2019	Increase during the year due to business combination involving entities not under common control	Decrease during the year	Provision for impairment	Adjustment for exchange differences	31 December 2020	Asset group	
項目	2019年12月31日	本年非同一控制下企業合併增加	本年減少	計提減值	匯兌差額調整	2020年12月31日	資產組組合	
Merger with TAGC	531,226,252.68	-	-	-	-	531,226,252.68	A	
Merger with Linde Hydraulics GmbH & Co. KG	828,942,374.97	-	-	-	22,220,386.10	851,162,761.07	B	
Merger with KION	6,636,463,936.94	-	-	-	177,895,105.18	6,814,359,042.12	C	
Merger with Dematic Group	15,419,317,182.50	554,103,106.80	-	-	(628,312,214.30)	15,345,108,075.00	D	
Merger with Tsintel Technology	303,417,137.96	-	-	-	-	303,417,137.96	E	
Merger with Shengrui Transmission	-	405,423,901.83	-	-	-	405,423,901.83	F	
Others	341,224,832.94	323,009,882.41	-	-	(11,018,093.22)	653,216,622.13		
Total	24,060,591,717.99	1,282,536,891.04	-	-	(439,214,816.24)	24,903,913,792.79		

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Goodwill (Continued)

(2) Provision for impairment of goodwill

五、合併財務報表主要項目註釋(續)

22. 商譽(續)

(2) 商譽減值準備

RMB
人民幣元

	Item	31 December 2019	Increase during the year	Decrease during the year	31 December 2020
	項目	2019年12月31日	本年增加	本年減少	2020年12月31日
	Merger with TAGC	238,071,400.00	-	-	238,071,400.00

Balance as at 31 December 2020 mainly represented goodwill arising from merger with TAGC, Linde Hydraulics GmbH & Co. KG, KION, Dematic Group, Tsintel Technology and Shengrui Transmission. Goodwill arising from merger would be allocated to asset group units to test for impairment on an annual basis.

Carrying amount of material goodwill and trademarks is allocated to the following asset group units as follows:

- asset group unit A: major automobile components other than automotive and engines
- asset group unit B: manufacture of hydraulic pumps, hydraulic motors, hydraulic valves, gears and other components
- asset group unit C: forklift trucks production, warehousing technology and supply chain solutions services
- asset group unit D: intelligent supply chains and automation solutions
- asset group unit E: driving assistance system and automatic driving solutions
- asset group unit F: 8AT gear boxes

2020年12月31日商譽餘額主要為合併湘火炬、林德液壓合夥企業、KION、Dematic Group、清智科技和盛瑞傳動而產生的商譽。本集團每年度對與該等企業合併相關的資產組組合進行商譽減值測試。

重要商譽的賬面金額分配至資產組組合的情況如下：

- 資產組組合A：汽車及發動機外的主要汽車零部件
- 資產組組合B：生產液壓泵、液壓馬達、液壓閥門、齒輪及其它零部件
- 資產組組合C：叉車生產、倉庫技術及供應鏈解決方案服務
- 資產組組合D：智能供應鏈和自動化解決方案
- 資產組組合E：駕駛輔助系統及自動駕駛解決方案
- 資產組組合F：8AT變速箱

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Goodwill (Continued)

(2) Provision for impairment of goodwill (Continued)

The carrying amount of material goodwill is allocated to the asset group units as follows:

五、合併財務報表主要項目註釋(續)

22. 商譽(續)

(2) 商譽減值準備(續)

重要商譽的賬面金額分配至資產組組合的情況如下：

RMB
人民幣元

		Carrying amount of goodwill		
		商譽的賬面金額		
	Asset group units	31 December 2020	31 December 2019	Notes
	資產組組合	2020年12月31日	2019年12月31日	註
Asset group unit A	資產組組合A	293,154,852.68	293,154,852.68	Note 1 註1
Asset group unit B	資產組組合B	851,162,761.07	828,942,374.97	Note 2 註2
Asset group unit C	資產組組合C	6,814,359,042.12	6,636,463,936.94	Note 3 註3
Asset group unit D	資產組組合D	15,345,108,075.00	15,419,317,182.50	Note 4 註4
Asset group unit E	資產組組合E	303,417,137.96	303,417,137.96	Note 5 註5
Asset group unit F	資產組組合F	405,423,901.83	-	Note 6 註6
Total	合計	24,012,625,770.66	23,481,295,485.05	

The key assumptions in calculating the recoverable amount of the above asset group units and its basis are as follows:

計算上述資產組組合的可收回金額的關鍵假設及其依據如下：

Note 1: The goodwill acquired through the mergers with TAGC is allocated to asset group unit A: major automobile components other than automotive and engines and is tested for impairment.

註1：本集團合併湘火炬產生的商譽分配至資產組組合A：汽車及發動機外的主要汽車零部件，進行減值測試。

The recoverable amount of asset group unit A has been determined based on the present value of the expected future cash flows of the asset group, which was determined based on cash flow projection in accordance to the 5-year financial budget approved by the management. The discount rate used for the cash flow projection of asset group units A was the pre-tax rate of 16.13% (2019: 13.73%). The estimated growth rate of cash flows beyond the 5-year period of 2.50% (2019: 2.50%) was the long-term average growth rate in the industries or regions in which the enterprises operate.

資產組組合A的可收回金額按照資產組組合的預計未來現金流量的現值確定，其預計未來現金流量根據管理層批准的5年期的財務預算為基礎的現金流量預測來確定。資產組組合A現金流量預測所採用的稅前折現率是16.13%（2019年：13.73%），5年以後的現金流量的估計長期平均增長率2.50%（2019年：2.50%）為企業所處行業或地區的長期平均增長率。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Goodwill (Continued)

(2) Provision for impairment of goodwill (Continued)

Note 2: The goodwill acquired through the mergers with Linde Hydraulics GmbH & Co. KG is allocated to asset group unit B: manufacture of hydraulic pumps, hydraulic motors, hydraulic valves, gears and other components and is tested for impairment.

The recoverable amount of asset group unit B has been determined based on the present value of the expected future cash flows of the asset group, which was determined based on cash flow projection in accordance to the 5-year financial budget approved by the management. The discount rate used for the cash flow projection of asset group unit B was the pre-tax rate of 6.30% (2019: 7.35%). The estimated growth rate of cash flows beyond the 5-year period of 2.00% (2019: 2.00%) was the long-term average growth rate.

Note 3: The goodwill arising from the mergers with KION is allocated to asset group unit C: forklift trucks production, warehousing technology and supply chain solutions services and is tested for impairment.

The recoverable amount of that asset group unit is determined as the fair value of shares held in KION, i.e. market value as at 31 December 2020, minus the cost of disposal.

Note 4: Due to the adjustment of the Group's strategy, the goodwill arising from the merger of Dematic Group, including the acquisition of Digital Applications International Limited, are combined and allocated to asset group unit D: intelligent supply chains and automation solutions and are tested for impairment.

The recoverable amount has been determined based on the present value of the expected future cash flows of the asset group unit, which was determined based on cash flow projection in accordance to the 5-year financial budget approved by the management. The discount rate used for the cash flow projection of the asset group unit D was the pre-tax rate of 10.10% (2019: 10.60%). The estimated growth rate of cash flows beyond the 5-year period of 1.30% (2019: 1.30%) was the long-term average growth rate.

五、合併財務報表主要項目註釋(續)

22. 商譽(續)

(2) 商譽減值準備(續)

註2：本集團合併林德液壓合夥企業產生的商譽分配至資產組B：生產液壓泵、液壓馬達、液壓閥門、齒輪及其它零部件，進行減值測試。

資產組B的可收回金額按照資產組的預計未來現金流量的現值確定，其預計未來現金流量根據管理層批准的5年期的財務預算為基礎的現金流量預測來確定。資產組B現金流量預測所採用的稅前折現率是6.30%（2019年：7.35%），5年以後現金流量估計長期平均增長率2.00%（2019年：2.00%）。

註3：本集團合併KION產生的商譽分配至資產組C：叉車生產、倉庫技術及供應鏈解決方案服務。

該資產組的可收回金額基於所持KION股份的公允價值即2020年12月31日的市值減去處置費用確定。

註4：本集團合併Dematic Group（包括本年收購Digital Applications International Limited）產生的商譽分配至資產組D：智能供應鏈和自動化解決方案，進行減值測試。

其可收回金額按照資產組的預計未來現金流量的現值確定，其預計未來現金流量根據管理層批准的5年期的財務預算為基礎的現金流量預測來確定。資產組D現金流量預測所採用的稅前折現率是10.10%（2019年：10.60%），5年以後現金流量估計長期平均增長率1.30%（2019年：1.30%）。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Goodwill (Continued)

(2) Provision for impairment of goodwill (Continued)

Note 5: The goodwill acquired through the mergers with Tsintel Technology is allocated to asset group unit E: driving assistance system and automatic driving solutions and is tested for impairment.

Its recoverable amount has been determined based on the present value of the expected future cash flows of the asset group, which was determined based on cash flow projection in accordance to the 5-year financial budget approved by the management. The discount rate used for the cash flow projection of asset group unit E was the pre-tax rate of 17.53% (2019: 10.49%). The estimated growth rate of cash flows beyond the 5-year period of 2.50% (2019: 0.00%) was the long-term average growth rate.

Note 6: The goodwill acquired through the mergers with Shengrui Transmission is allocated to asset group unit F: 8AT gear boxes and is tested for impairment.

Its recoverable amount has been determined based on the present value of the expected future cash flows of the asset group, which was determined based on cash flow projection in accordance to the 5-year financial budget approved by the management. The discount rate used for the cash flow projection of asset group unit F was the pre-tax rate of 15.63% (2019: Not applicable). The estimated growth rate of cash flows beyond the 5-year period of 2.00% (2019: Not applicable) was the long-term average growth rate.

五、合併財務報表主要項目註釋(續)

22. 商譽(續)

(2) 商譽減值準備(續)

註5：本集團合併清智科技產生的商譽分配至資產組組合E：駕駛輔助系統及自動駕駛解決方案，進行減值測試。

其可收回金額按照資產組組合的預計未來現金流量的現值確定，其預計未來現金流量根據管理層批准的5年期的財務預算為基礎的現金流量預測來確定。資產組組合E現金流量預測所採用的稅前折現率是17.53% (2019年：10.49%)，5年以後現金流量估計長期平均增長率2.50% (2019年：0.00%)。

註6：本集團合併盛瑞傳動產生的商譽分配至資產組組合F：8AT變速箱，進行減值測試。

其可收回金額按照資產組組合的預計未來現金流量的現值確定，其預計未來現金流量根據管理層批准的5年期的財務預算為基礎的現金流量預測來確定。資產組組合F現金流量預測所採用的稅前折現率是15.63% (2019年：不適用)，5年以後現金流量估計長期平均增長率2.00% (2019年：不適用)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Long-term prepaid expenses

五、合併財務報表主要項目註釋(續)

23. 長期待攤費用

RMB
人民幣元

Item	項目	31 December 2019 2019年12月31日	Increase in business combination 企業合併增加	Increase during the year 本年增加	Amortization during the year 本年攤銷	Disposal of subsidiaries 處置子公司	Other decrease 其他減少	31 December 2020 2020年12月31日
Industrial mould fee	工裝模具費	174,828,296.76	-	96,155,295.47	(35,363,640.37)	(84,275,792.72)	-	151,344,159.14
Industrial equipment fee	工位器具費	35,688,479.65	-	39,546,016.97	(9,552,073.13)	(12,526,929.05)	(62,146.74)	53,093,347.70
Expenditure on improvement of fixed assets leased in	租入固定資產改良支出	43,850,686.14	3,801,708.43	28,327,647.27	(26,342,088.84)	(1,917,721.43)	-	47,720,231.57
Total	合計	254,367,462.55	3,801,708.43	164,028,959.71	(71,257,802.34)	(98,720,443.20)	(62,146.74)	252,157,738.41

24. Deferred tax assets/ liabilities

Deferred tax assets and deferred tax liabilities without offset are as follows:

24. 遞延所得稅資產/負債

未經抵銷的遞延所得稅資產和遞延所得稅負債：

RMB
人民幣元

項目	31 December 2020 2020年12月31日		31 December 2019 2019年12月31日	
	Deductible temporary difference 可抵扣暫時性差異	Deferred tax assets 遞延所得稅資產	Deductible temporary difference 可抵扣暫時性差異	Deferred tax assets 遞延所得稅資產
Deferred tax assets				
Accruals				
Lease liabilities and financial liabilities related to lease arrangements				
Provision for impairment of assets				
Right-of-use assets/ fixed assets leased out				
Unrealized profit for internal transactions				
Deferred income				
Tax and accounting differences for supply chain solutions services				
Finance lease receivables				
Deductible losses				
Deductible goodwill arising from business combination (before tax)				
Others				
Total				

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred tax assets/ liabilities (Continued)

Deferred tax assets and deferred tax liabilities without offset are as follows: (Continued)

五、合併財務報表主要項目註釋(續)

24. 遞延所得稅資產/負債(續)

未經抵銷的遞延所得稅資產和遞延所得稅負債：(續)

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日		31 December 2019 2019年12月31日	
		Taxable temporary difference 應納稅暫時性差異	Deferred tax liabilities 遞延所得稅負債	Taxable temporary difference 應納稅暫時性差異	Deferred tax liabilities 遞延所得稅負債
Deferred tax liabilities	遞延所得稅負債				
Fair value adjustment upon business combination	企業合併的公允價值調整	17,810,004,122.66	5,215,276,305.58	17,775,558,152.82	5,337,610,032.56
Finance lease receivables	融資租賃應收款	11,331,434,959.90	2,807,856,894.31	10,407,059,541.25	2,638,210,681.51
Right-of-use assets/leased out fixed assets	使用權資產/租出固定資產	10,666,203,815.09	2,751,549,897.05	10,669,630,865.99	2,810,198,692.17
Intangible assets generated from internal R&D	內部研發形成無形資產	5,349,354,232.13	1,508,026,376.55	5,440,408,979.88	1,549,909,260.81
Payroll and benefits	職工薪酬福利	426,833,725.29	106,117,776.90	426,471,160.80	102,350,769.57
Lease liabilities	租賃負債	1,485,125,041.23	376,125,592.20	1,871,201,594.88	487,385,716.51
Amortization of finance expenses for long-term borrowings	長期借款融資費用攤銷	45,136,539.42	13,853,782.36	105,748,848.70	23,334,661.42
Amortization of taxable value of trademark rights	商標權計稅價值攤銷	105,974,427.57	15,896,164.13	105,974,427.57	15,896,164.13
Change in fair value of financial instruments	金融工具公允價值變動	695,063,625.69	104,246,423.84	572,884,590.88	85,987,952.63
Depreciation of fixed assets	固定資產折舊	1,338,001,891.30	212,022,194.67	744,297,331.27	121,306,359.68
Others	其他	2,849,060,802.99	657,823,783.56	2,721,188,884.04	684,543,062.12
Total	合計	52,102,193,183.27	13,768,795,191.15	50,840,424,378.08	13,856,733,353.11

Deferred tax assets and deferred tax liabilities are presented in net amount after offsetting:

遞延所得稅資產和遞延所得稅負債以抵銷後的淨額列示：

RMB
人民幣元

		31 December 2020 2020年12月31日		31 December 2019 2019年12月31日	
		Offset amount 抵銷金額	After offsetting 抵銷後餘額	Offset amount 抵銷金額	After offsetting 抵銷後餘額
Deferred tax assets	遞延所得稅資產	8,718,962,222.11	6,251,213,473.80	8,450,419,083.56	5,034,346,014.96
Deferred tax liabilities	遞延所得稅負債	8,718,962,222.11	5,049,832,969.04	8,450,419,083.56	5,406,314,269.55

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred tax assets/ liabilities (Continued)

Deductible temporary difference and deductible losses in respect of deferred tax assets not yet recognized are presented as follows:

		RMB 人民幣元	
Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Deductible temporary difference	可抵扣暫時性差異	3,975,215,593.77	4,344,389,333.28
Deductible losses	可抵扣虧損	10,737,889,799.49	10,632,428,687.93
Total	合計	14,713,105,393.26	14,976,818,021.21

Deductible losses in respect of deferred tax assets not yet recognized will fall due in the following years:

未確認遞延所得稅資產的可抵扣虧損將於以下年度到期：

		RMB 人民幣元	
		31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
2020	2020年	–	179,596,007.96
2021	2021年	212,259,353.26	276,981,550.85
2022	2022年	152,402,633.43	191,055,259.30
2023	2023年	153,039,542.94	261,659,893.88
2024	2024年	359,800,942.93	361,177,776.70
2025	2025年	1,140,084,289.80	1,060,219,758.06
2026	2026年	2,868,005.96	463,351,046.57
2027	2027年	10,655,118.53	435,144,191.92
2028	2028年	98,414,676.54	439,281,958.20
2029	2029年	114,929,950.05	236,233,986.84
2030	2030年	380,711,243.80	–
Indefinite	無到期期限	8,112,724,042.25	6,727,727,257.65
Total	合計	10,737,889,799.49	10,632,428,687.93

Note: Pursuant to the requirements under the "Notice Concerning the Extension of Maximum Years Allowed for the Carry-forward of Losses Incurred by High-tech Enterprises and Technology Enterprises of Small and Medium Size" (Cai Shui [2018] No. 76) issued by the MOF and the State Administration of Taxation in July 2018, for those high-tech enterprises and technology enterprises of small and medium size that qualified for the carry-forward of losses in 2018, their losses incurred between 2013 and 2017 for which making-up process has not ended are allowed to be carried forward for a maximum of 10 years, irrespective of whether those enterprises were qualified for the carry-forward of losses between 2013 to 2017.

註：根據財政部、國家稅務總局2018年7月發佈的財稅[2018]76號文《關於延長高新技術企業和科技型中小企業虧損結轉年限的通知》的規定，2018年具備資格的高新技術企業和科技型中小企業無論2013年至2017年是否具備資格，其2013年至2017年發生的尚未彌補完的虧損，均准予結轉以後年度彌補，最長結轉年限為10年。

Deferred tax related to deductible losses and deductible temporary difference is recognized based on profit forecast.

本集團根據盈利預測確認與可抵扣虧損和可抵扣暫時性差異相關的遞延所得稅。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

25. Other non-current assets

25. 其他非流動資產

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Scheme assets under defined benefit plan	設定受益計劃之計劃資產	404,058,750.00	403,740,914.50
Input tax credit to be deducted	待抵扣進項稅額	77,152,350.00	152,404,692.00
Others	其他	85,702,869.77	131,574,886.70
Total	合計	566,913,969.77	687,720,493.20

26. Short-term loans

26. 短期借款

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Secured borrowings (Notes 1 and 2)	抵押借款(註1、2)	89,900,000.00	—
Guaranteed loans (Notes 3-5)	保證借款(註3-5)	2,953,761,750.00	—
Pledged borrowings	質押借款	—	380,000,000.00
Credit loans	信用借款	2,687,424,786.96	1,634,692,401.39
Total	合計	5,731,086,536.96	2,014,692,401.39

Note 1: As at 31 December 2020, among the short-term loans, RMB50,000,000.00 (31 December 2019: not applicable) represented the borrowings obtained by Shengrui Transmission, a subsidiary of the Company, from China Construction Bank Corporation Weifang Branch, secured by the land and properties by Weifang Shengrui Spare Parts Co., Ltd., pursuant to the borrowing agreement.

註1：於2020年12月31日，短期借款中人民幣50,000,000.00元(2019年12月31日：不適用)，為中國建設銀行股份有限公司濰坊分行向本公司之子公司盛瑞傳動提供的借款，借款協議約定以濰坊盛瑞零部件有限公司的土地和房產作為抵押。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Short-term loans (Continued)

Note 2: As at 31 December 2020, among the short-term loans, RMB39,900,000.00 (31 December 2019: not applicable) represented the borrowings obtained by Shengrui Transmission, a subsidiary of the Company, from Shanghai Pudong Development Bank Co., Ltd., secured by the inventories (automatic transmission assembly) of Shengrui Transmission. As at 31 December 2020, the carrying amount of these transmission assembly amounted to RMB79,916,081.08.

Note 3: As at 31 December 2020, among the short-term loans, EUR153,070,000.00 (equivalent to RMB1,228,386,750.00) (31 December 2019: nil) represented the loans obtained by Weichai Power Hong Kong International Development Co., Limited, a subsidiary of the Company, from BNP Paribas, Hong Kong Branch, for which the Company provided guarantee for joint liabilities.

Note 4: As at 31 December 2020, among the short-term loans, EUR150,000,000.00 (equivalent to RMB1,203,750,000.00) (31 December 2019: nil) represented the loans obtained by Weichai Power Hong Kong International Development Co., Limited, a subsidiary of the Company, from Australia and New Zealand Banking, Hong Kong Branch, for which the Company provided guarantee for joint liabilities.

Note 5: As at 31 December 2020, among the short-term loans, EUR65,000,000.00 (equivalent to RMB521,625,000.00) (31 December 2019: nil) represented the loans obtained by Weichai Power Hong Kong International Development Co., Limited, a subsidiary of the Company, from ICBC, Luxembourg Branch, for which the Company provided guarantee for joint liabilities.

As at 31 December 2020, the above borrowings and loans carried interest at rates ranging 0.40%~5.22% (31 December 2019: 1.05%~4.35%) per annum.

五、合併財務報表主要項目註釋(續)

26. 短期借款(續)

註2：於2020年12月31日，短期借款中人民幣39,900,000.00元(2019年12月31日：不適用)，為上海浦東發展銀行股份有限公司濰坊分行向本公司之子公司盛瑞傳動提供的借款，借款協議約定以盛瑞傳動存貨(自動變速器總成)作為抵押，2020年12月31日該批變速器總成的賬面價值為79,916,081.08元。

註3：於2020年12月31日，短期借款中歐元153,070,000.00，折合人民幣1,228,386,750.00元(2019年12月31日：無)，為法國巴黎銀行香港支行向本公司子公司濰柴動力(香港)國際發展有限公司提供的借款，由本公司提供連帶責任保證擔保。

註4：於2020年12月31日，短期借款中歐元150,000,000.00，折合人民幣1,203,750,000.00元(2019年12月31日：無)，為澳新銀行香港支行向本公司之子公司濰柴動力(香港)國際發展有限公司提供的借款，由本公司提供連帶責任保證擔保。

註5：於2020年12月31日，短期借款中歐元65,000,000.00，折合人民幣521,625,000.00元(2019年12月31日：無)，為工銀盧森堡分行向本公司之子公司濰柴動力(香港)國際發展有限公司提供的借款，由本公司提供連帶責任保證擔保。

於2020年12月31日，上述借款的年利率為0.40%~5.22%(2019年12月31日1.05%~4.35%)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

27. Financial liabilities held for trading

27. 交易性金融負債

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Forward foreign exchange contracts	遠期外匯合約	55,557,616.74	100,742,322.60
Contingent consideration of business combination	企業合併或有對價	1,946,619.00	–
Cross currency swap and interest rate swap instruments	交叉貨幣互換及利率互換工具	–	31,178,431.78
Total	合計	57,504,235.74	131,920,754.38

28. Notes payable

28. 應付票據

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Bank acceptance bills	銀行承兌匯票	22,897,792,119.42	22,399,651,927.32
Commercial acceptance bills	商業承兌匯票	72,701,616.78	46,752,609.26
Total	合計	22,970,493,736.20	22,446,404,536.58

As at 31 December 2020, the Group had no outstanding notes payable which were due (31 December 2019: Nil).

於2020年12月31日，本集團無到期未付的應付票據(2019年12月31日：無)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Accounts payable

五、合併財務報表主要項目註釋(續)

29. 應付賬款

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Within 3 months	3個月以內	38,941,972,550.33	33,160,995,390.49
3 to 6 months	3個月至6個月	5,140,360,453.02	2,714,553,791.80
6 to 12 months	6個月至12個月	619,577,261.89	543,361,583.54
Over 12 months	12個月以上	748,014,731.15	329,592,917.02
Total	合計	45,449,924,996.39	36,748,503,682.85

Accounts payable are non-interest bearing, and are generally settled within three to six months.

應付賬款不計息，並通常在3至6個月內清償。

As at 31 December 2020, there was no payable which was material and aged over one year (31 December 2019: Nil).

於2020年12月31日，無賬齡一年以上的重要的應付款項(2019年12月31日：無)。

30. Contract liabilities

30. 合同負債

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Supply chain solutions services (Note)	供應鏈解決方案服務(註)	3,524,676,300.00	3,257,672,340.51
Sales and other services	銷售及其他服務	12,022,714,777.33	7,396,781,019.68
Total	合計	15,547,391,077.33	10,654,453,360.19

Note: (1) The contract liabilities associated with the supply chain solutions services are the balances payable to the customer under the performing contract. The balance is generated when a specific milestone payment exceeds the revenue recognized as a result of the input method.

註：(1) 與供應鏈解決方案服務相關的合同負債為履行中合同下應付客戶的餘額。當特定的里程碑收款超過按投入法已確認的收入時，將產生該餘額。

(2) The revenue in the opening balance carrying amount including contract liabilities recognized this year by the Group amounted to RMB9,458,057,909.77.

(2) 本集團於本年確認的包括在合同負債年初賬面價值中的收入為人民幣9,458,057,909.77元。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

31. Payroll payable

31. 應付職工薪酬

RMB
人民幣元

Item	項目	31 December 2019 2019年12月31日	Increase during the year 本年增加	Decrease during the year 本年減少	31 December 2020 2020年12月31日
Short-term remuneration	短期薪酬	4,869,582,825.95	23,017,286,815.21	(23,166,212,412.28)	4,720,657,228.88
Post-employment benefits (defined contribution plan)	離職後福利(設定提存計劃)	430,349,431.75	2,822,737,062.60	(2,849,597,312.91)	403,489,181.44
Severance benefits	辭退福利	181,311,504.27	248,943,488.51	(158,704,007.42)	271,550,985.36
Cash-settled share-based payment due within 1 year	一年內到期的以現金結算的股份支付	43,344,763.00	27,406,126.50	(42,823,889.50)	27,927,000.00
Other long-term payroll due within 1 year	一年內到期的其他長期職工薪酬	64,407,535.50	459,073,818.89	(456,384,329.39)	67,097,025.00
Total	合計	5,588,996,060.47	26,575,447,311.71	(26,673,721,951.50)	5,490,721,420.68

Short-term remuneration is presented as follows:

短期薪酬如下：

RMB
人民幣元

Item	項目	31 December 2019 2019年12月31日	Increase during the year 本年增加	Decrease during the year 本年減少	31 December 2020 2020年12月31日
Salaries, bonuses, allowances and subsidies	工資、獎金、津貼和補貼	3,873,801,176.90	19,843,294,898.70	(20,208,152,895.75)	3,508,943,179.85
Staff welfare	職工福利費	23,252,500.93	558,579,212.82	(499,614,548.71)	82,217,165.04
Social security	社會保險費	108,433,625.50	1,606,753,255.54	(1,605,998,149.39)	109,188,731.65
Incl: Medical insurance	其中：醫療保險費	76,143,515.66	1,420,835,938.10	(1,418,543,921.55)	78,435,532.21
Work injury insurance	工傷保險費	20,295,658.83	75,745,927.61	(82,186,403.50)	13,855,182.94
Maternity insurance	生育保險費	1,008,583.73	407,688.03	(1,341,137.70)	75,134.06
Supplementary medical insurance	補充醫療保險	10,985,867.28	109,763,701.80	(103,926,686.64)	16,822,882.44
Housing funds	住房公積金	18,874,214.37	424,148,108.86	(415,378,801.76)	27,643,521.47
Labor union operating funds and employee education costs	工會經費和職工教育經費	640,038,401.52	206,748,660.46	(95,649,597.45)	751,137,464.53
Other short-term remuneration	其他短期薪酬	205,182,906.73	377,762,678.83	(341,418,419.22)	241,527,166.34
Total	合計	4,869,582,825.95	23,017,286,815.21	(23,166,212,412.28)	4,720,657,228.88

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

31. Payroll payable (Continued)

Post-employment benefits (defined contribution plan) is presented as follows:

31. 應付職工薪酬(續)

離職後福利(設定提存計劃)如下:

RMB

人民幣元

Item	項目	31 December 2019 2019年12月31日	Increase during the year 本年增加	Decrease during the year 本年減少	31 December 2020 2020年12月31日
Basic pension insurance	基本養老保險	344,709,563.41	2,182,980,916.60	(2,206,143,631.86)	321,546,848.15
Unemployment insurance	失業保險費	15,744,653.74	198,410,359.07	(198,669,450.68)	15,485,562.13
Contribution to pension fund	企業年金繳費	69,895,214.60	441,345,786.93	(444,784,230.37)	66,456,771.16
Total	合計	430,349,431.75	2,822,737,062.60	(2,849,597,312.91)	403,489,181.44

32. Taxes payable

32. 應交稅費

RMB

人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Value-added tax	增值稅	901,032,696.99	721,933,236.77
Corporate income tax	企業所得稅	724,745,336.22	977,012,671.16
Individual income tax	個人所得稅	364,067,826.69	219,970,981.88
Stamp duty	印花稅	22,083,051.18	17,347,883.76
Property tax	房產稅	20,830,227.26	11,161,834.32
Land use tax	土地使用稅	15,921,944.09	9,262,341.18
City maintenance and construction tax	城市維護建設稅	11,634,211.84	7,079,202.79
Educational surtax	教育費附加	8,312,913.08	5,787,532.86
Other taxes	其他稅項	112,111,574.97	95,029,079.98
Total	合計	2,180,739,782.32	2,064,584,764.70

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Other payables

Presented by categories

五、合併財務報表主要項目註釋(續)

33. 其他應付款

*分類列示*RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Interest payable	應付利息	71,075,433.98	86,402,649.03
Dividend payable	應付股利	384,173,120.51	305,265,323.14
Other payables	其他應付款	7,953,057,341.01	6,119,334,670.68
Total	合計	8,408,305,895.50	6,511,002,642.85

*Interest payable**應付利息*RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Interest on medium term notes	中期票據利息	14,456,768.89	63,063,074.22
Interest on borrowings	借款利息	56,618,665.09	23,339,574.81
Total	合計	71,075,433.98	86,402,649.03

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Other payables (Continued)

Dividend payable

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Dividend payable on ordinary shares	應付普通股股利	327,808,933.22	245,005,493.84
Interest payable on perpetual bonds (Note)	應付永續債票息(註)	56,364,187.29	60,259,829.30
Total	合計	384,173,120.51	305,265,323.14

RMB
人民幣元

Other payables

Nature	性質	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Guarantees and deposits	保證金及押金	2,977,914,546.38	1,983,323,781.13
Sales discount	銷售折讓	609,892,254.38	563,936,754.18
Payables for purchase of construction and fixed assets	應付工程款及固定資產採購款	523,318,371.42	263,043,363.50
After-sale expenses and repair and maintenance expenses	三包及修理維護費	400,198,075.21	405,156,107.97
Commission	佣金	279,315,537.83	327,229,694.22
Technology development expenses	技術開發費	160,946,256.34	426,634,376.02
Transportation expenses	運費	137,066,418.20	107,004,319.66
Others	其他	2,864,405,881.25	2,043,006,274.00
Total	合計	7,953,057,341.01	6,119,334,670.68

其他應付款

RMB
人民幣元

Note: On 31 December 2020, Weichai International Hong Kong Energy Group Co., Limited, a subsidiary of the Company, confirmed the distribution of coupon interest in the amount of RMB56,364,187.29 to holders of perpetual bonds on 14 March 2021, as stipulated in relevant agreements. As at the approval date of these financial statements, the distribution of such interest has been completed.

註：於2020年12月31日，本公司之子公司濰柴國際(香港)能源集團有限公司按照相關協議約定，確認將於2021年3月14日向永續債持有者派發的永續債票息人民幣56,364,187.29元，於本財務報告批准報出日，已派發完畢。

As at 31 December 2020, there were no other payables in significant amount aging over one year (31 December 2019: Nil).

於2020年12月31日，無賬齡一年以上的重要的其他應付款(2019年12月31日：無)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

34. Non-current liabilities due within one year

34. 一年內到期的非流動負債

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Long-term payables due within one year	一年內到期的長期應付款	2,954,756,850.00	1,340,539,689.35
Long-term borrowings due within one year	一年內到期的長期借款	2,760,330,394.83	3,300,247,072.58
Lease liabilities due within one year	一年內到期的租賃負債	2,368,437,362.56	3,798,393,534.74
Bonds payable due within one year	一年內到期的應付債券	–	2,786,461,065.40
Other non-current liabilities due within one year	一年內到期的其他非流動負債	3,191,122,669.69	1,772,719,525.50
Total	合計	11,274,647,277.08	12,998,360,887.57
Long-term borrowings due within one year include:	其中，一年內到期的長期借款：		
Guaranteed loans (Note V.36 – Notes 2, 4, 5, 8)	保證借款(附註五、36、註2、4、5、8)	2,288,465,175.00	2,795,627,072.58
Credit loans	信用借款	449,865,219.83	350,000,000.00
Mortgage loans (Note V.36 – Notes 11, 12)	抵押借款(附註五、36、註11、12)	18,000,000.00	153,620,000.00
Other loans (Note V.36 – Note 10)	其他借款(附註五、36、註10)	4,000,000.00	1,000,000.00

35. Other current liabilities

35. 其他流動負債

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Product quality assurance deposit	產品質量保證金	3,403,818,750.95	3,129,123,318.32
Loans from leasing institutions	租賃機構借款	1,870,916,400.00	3,036,978,252.00
Short-term commercial paper	短期融資券	500,000,000.00	–
Others	其他	827,031,873.62	551,752,042.48
Total	合計	6,601,767,024.57	6,717,853,612.80

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term borrowings

五、合併財務報表主要項目註釋(續)

36. 長期借款

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Guaranteed loans (Notes 1~9)	保證借款(註1~9)	10,433,914,067.40	6,833,296,369.13
Credit loans	信用借款	1,409,724,299.84	3,998,004,870.00
Mortgage loans (Notes 11, 12)	抵押借款(註11、12)	40,000,000.00	395,356,751.45
Other loans (Note 10)	其他借款(註10)	143,000,000.00	147,000,000.00
Total	合計	12,026,638,367.24	11,373,657,990.58

Long-term borrowings are classified according to maturity dates as follows:

長期借款按到期日劃分如下：

RMB
人民幣元

Maturity	到期日	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Due within 1 year	1年內到期	2,760,330,394.83	3,300,247,072.58
Due within 1 to 2 years	1到2年內到期	831,666,081.88	2,091,064,663.00
Due within 2 to 5 years	2到5年內到期	10,583,972,285.36	8,888,193,327.58
Due over 5 years	5年以上	611,000,000.00	394,400,000.00
Sub-total	小計	14,786,968,762.07	14,673,905,063.16
Less: Long-term borrowings classified as due within one year	減：分類為一年內到期的長期借款	2,760,330,394.83	3,300,247,072.58
Total	合計	12,026,638,367.24	11,373,657,990.58

As at 31 December 2020, the above loans carried interest at rates ranging from 0.57% to 7.45% (31 December 2019: 0.53% to 5.05%) per annum.

於2020年12月31日，上述借款的年利率為0.57%~7.45%(2019年12月31日：0.53%~5.05%)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

36. Long-term borrowings (Continued)

36. 長期借款(續)

Note 1: As at 31 December 2020, an amount of EUR353,000,000.00 equivalent to RMB2,832,825,000.00 under long term borrowings (31 December 2019: RMB2,758,871,500.00) was loan(s) provided to Weichai Power (Hong Kong) International Development Co., Ltd., a subsidiary of the Company, from China Development Bank, for which the Company provided guarantee for joint liabilities. The long term borrowings will mature on 15 October 2024.

註1: 於2020年12月31日, 長期借款中歐元353,000,000.00, 折合人民幣2,832,825,000.00元(2019年12月31日: 人民幣2,758,871,500.00元)為國家開發銀行向本公司之子公司濰柴動力(香港)國際發展有限公司提供的貸款, 由本公司提供連帶責任保證擔保。該筆長期借款將於2024年10月15日到期。

Note 2: As at 31 December 2020, an amount of EUR 201,500,000.00 equivalent to RMB1,617,037,500.00 under long term borrowings (31 December 2019: RMB2,059,384,250.00) was loan(s) provided to Weichai Power (Hong Kong) International Development Co., Ltd., a subsidiary of the Company, from ANZ Singapore, for which the Company provided guarantee for joint liabilities. The long term borrowings will mature within one year.

註2: 於2020年12月31日, 長期借款中歐元201,500,000.00, 折合人民幣1,617,037,500.00元(2019年12月31日: 人民幣2,059,384,250.00元)為澳新銀行新加坡分行向本公司之子公司濰柴動力(香港)國際發展有限公司提供的貸款, 由本公司提供連帶責任保證擔保。該筆長期借款將於一年內到期。

Note 3: As at 31 December 2020, an amount of EUR129,000,000.00, equivalent to RMB1,035,225,000.00 under long term borrowings (31 December 2019: RMB1,008,199,500.00) was loan(s) provided to Weichai Power (Hong Kong) International Development Co., Ltd., a subsidiary of the Company, from Bank of China (Hong Kong) Limited, for which the Company provided guarantee for joint liabilities. The long term borrowings will mature in stages on 28 October 2024. Among others, no amount will mature within one year.

註3: 於2020年12月31日, 長期借款中歐元129,000,000.00, 折合人民幣1,035,225,000.00元(2019年12月31日: 人民幣1,008,199,500.00元)為中國銀行(香港)有限公司向本公司之子公司濰柴動力(香港)國際發展有限公司提供的貸款, 由本公司提供連帶責任保證擔保。該筆長期借款將於2024年10月28日分期到期, 其中無一年內到期金額。

Note 4: As at 31 December 2020, an amount of EUR55,000,000.00 equivalent to RMB441,375,000.00 under long term borrowings (31 December 2019: RMB429,852,500.00) was loan(s) provided to Weichai Power (Hong Kong) International Development Co., Ltd., a subsidiary of the Company, from China Development Bank, for which the Company provided guarantee for joint liabilities. The long term borrowings will mature within one year.

註4: 於2020年12月31日, 長期借款中歐元55,000,000.00, 折合人民幣441,375,000.00元(2019年12月31日: 人民幣429,852,500.00元)為國家開發銀行向本公司之子公司濰柴動力(香港)國際發展有限公司提供的貸款, 由本公司提供連帶責任保證擔保, 並將於一年內到期。

Note 5: As at 31 December 2020, an amount of EUR34,500,000.00 equivalent to RMB276,862,500.00 under long term borrowings (31 December 2019: RMB332,158,750.00) was loan(s) provided to Weichai Power (Hong Kong) International Development Co., Ltd., a subsidiary of the Company, from The Export-import Bank of China, for which the Company provided guarantee for joint liabilities. The long term borrowings will mature in stages on 21 June 2023. Among others, an amount of EUR12,000,000.00 equivalent to RMB96,300,000.00 (31 December 2019: RMB62,524,000.00) will mature within one year.

註5: 於2020年12月31日, 長期借款中歐元34,500,000.00, 折合人民幣276,862,500.00元(2019年12月31日: 人民幣332,158,750.00元)為中國進出口銀行向本公司之子公司濰柴動力(香港)國際發展有限公司提供的貸款, 由本公司提供連帶責任保證擔保。該筆長期借款將於2023年6月21日分期到期, 其中歐元12,000,000.00, 折合人民幣96,300,000.00元(2019年12月31日: 人民幣62,524,000.00元)將於一年內到期。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

36. Long-term borrowings (Continued)

Note 6: As at 31 December 2020, an amount of GBP27,767,540.78 equivalent to RMB246,856,075.45 under long term borrowings (31 December 2019: RMB254,062,053.56) was loan(s) provided to Weichai Power (Hong Kong) International Development Co., Ltd., a subsidiary of the Company, from Industrial and Commercial Bank of China Limited, Luxembourg Branch, for which the Company provided guarantee for joint liabilities. The long term borrowings will mature on 2 December 2024.

Note 7: As at 31 December 2020, an amount of EUR720,658,755.00 under long-term borrowings equivalent to RMB5,783,286,508.87 (31 December 2019: Nil) was loan(s) provided to Weichai Power (Hong Kong) International Development Co., Ltd., a subsidiary of the Company, from Australia and New Zealand Banking, Hong Kong Branch, Industrial and Commercial Bank of China (Asia) Limited, Agricultural Bank of China Limited Hong Kong Branch, DBS Hong Kong Branch, Postal Savings Bank of China Co., Ltd. Weifang Branch, for which the Company provided guarantee for joint liabilities. The loan will mature within one year in stages on 21 September 2025.

Note 8: As at 31 December 2020, an amount of EUR25,000,000.00 equivalent to RMB200,625,000.00 under long term borrowings (31 December 2019: RMB325,648,438.50) was loan(s) provided to Weichai (Germany) Real Estate GmbH, a subsidiary of the Company, from Bank of China Frankfurt Branch, for which the Company provided guarantee for joint liabilities. The long term borrowings will mature in stages on 13 January 2022. Among others, an amount of EUR16,667,000.00 equivalent to RMB133,752,675.00 (31 December 2019: RMB130,253,123.00) will mature within one year.

Note 9: As at 31 December 2020, an amount of USD44,181,000.00 equivalent to RMB288,286,658.08 under long term borrowings (31 December 2019: Nil) was loan(s) provided to Weichai Power (Hong Kong) International Development Co., Ltd., a subsidiary of the Company, from Industrial and Commercial Bank of China (Asia) Limited, for which provided guarantee for joint liabilities. The loan(s) will mature in 7 November 2024.

36. 長期借款(續)

註6：於2020年12月31日，長期借款中英鎊27,767,540.78，折合人民幣246,856,075.45元(2019年12月31日：人民幣254,062,053.56元)為中國工商銀行盧森堡分行向本公司之子公司濰柴動力(香港)國際發展有限公司提供的貸款，由本公司提供連帶責任保證擔保。該筆長期借款將於2024年12月2日到期。

註7：於2020年12月31日，長期借款中歐元720,658,755.00，折合人民幣5,783,286,508.87元(2019年12月31日：無)為澳新銀行香港分行、中國工商銀行(亞洲)有限公司、中國農業銀行股份有限公司香港分行、星展銀行香港分行、中國郵政儲蓄銀行股份有限公司濰坊分行，向本公司之子公司濰柴動力(香港)國際發展有限公司提供的貸款，由本公司提供連帶責任保證擔保。該筆借款將於2025年9月21日前分期到期，其中無一年內到期金額。

註8：於2020年12月31日，長期借款中歐元25,000,000.00，折合人民幣200,625,000.00元(2019年12月31日：人民幣325,648,438.50元)為中國銀行法蘭克福分行向本公司之子公司濰柴(德國)房地產有限公司提供的貸款，由本公司提供連帶責任保證擔保。該筆長期借款將於2022年1月13日前分期到期，其中歐元16,667,000.00，折合人民幣133,752,675.00元(2019年12月31日：人民幣130,253,123.00元)將於一年內到期。

註9：於2020年12月31日，長期借款中美元44,181,000.00，折合人民幣288,286,658.08元(2019年12月31日：無)為中國工商銀行(亞洲)有限公司向本公司之子公司濰柴動力(香港)國際發展有限公司提供的貸款，由本公司提供連帶責任保證擔保。該筆借款將於2024年11月7日前到期。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

36. Long-term borrowings (Continued)

Note 10: As at 31 December 2020, an amount of RMB147,000,000.00 under long-term borrowings (31 December 2019: RMB148,000,000.00) was loan(s) provided to Shaanxi Fast Gear Co., Ltd., a subsidiary of the Company, from CDB Capital Co., Ltd., and the loan agreed in the loan agreement were used in medium-duty and light-duty gear boxes and new energy transmission system projects. This long-term borrowing will mature in stages by 22 October 2030. Among others, RMB4,000,000.00 (31 December 2019: RMB1,000,000.00) will mature within one year.

Note 11: As at 31 December 2020, an amount of RMB26,000,000.00 (31 December 2019: Nil) under long-term borrowings was loan(s) provided to Shengrui Transmission, a subsidiary of the Company, from China Construction Bank Corporation Weifang Branch, secured by intangible assets with a carrying amount of RMB22,245,313.81 and fixed assets with a carrying amount of RMB59,998,610.88 pursuant to the borrowing agreement. The long-term borrowing will mature in stages by 23 October 2023. Among others, RMB8,000,000.00 (31 December 2019: Nil) will mature within one year.

Note 12: As at 31 December 2020, an amount of RMB32,000,000.00 (31 December 2019: Not applicable) under long-term borrowings was loan(s) provided to Shengrui Transmission, a subsidiary of the Company, from China Construction Bank Corporation Weifang Branch, secured by land and properties by Weifang Shengrui Spare Parts Co., Ltd., pursuant to the borrowing agreement. The long-term borrowing will mature in stages by 13 October 2023. Among others, RMB10,000,000.00 (31 December 2019: Nil) will mature within one year.

36. 長期借款(續)

註10：於2020年12月31日，長期借款中人民幣147,000,000.00元(2019年12月31日：人民幣148,000,000.00元)為國開發基金有限公司向本公司之子公司陝西法士特齒輪有限責任公司提供的貸款，借款協議約定該筆借款用於中輕型變速器及新能源傳動系統項目。該筆長期借款將於2030年10月22日前分期到期，其中人民幣4,000,000.00元(2019年12月31日：人民幣1,000,000.00元)將於一年內到期。

註11：於2020年12月31日，長期借款中人民幣26,000,000.00元(2019年12月31日：不適用)為中國建設銀行股份有限公司濰坊分行向本公司之子公司盛瑞傳動提供的借款，以賬面價值人民幣22,245,313.81元的無形資產和59,998,610.88元的固定資產作為抵押。該筆長期借款將於2023年10月23日前分期到期，其中人民幣8,000,000.00元(2019年12月31日：無)將於一年內到期。

註12：於2020年12月31日，長期借款中人民幣32,000,000.00元(2019年12月31日：不適用)為中國建設銀行股份有限公司濰坊分行向本公司之子公司盛瑞傳動提供的借款，借款協議約定以濰坊盛瑞零部件有限公司土地和房產作為抵押。該筆長期借款將於2023年10月13日前分期到期，其中人民幣10,000,000.00元(2019年12月31日：無)將於一年內到期。

37. Bonds payable

37. 應付債券

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Bonds payable	應付債券	8,702,767,425.04	10,295,279,995.18

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

As at 31 December 2020, balance of bonds payable are listed as follows:

五、合併財務報表主要項目註釋(續)

37. 應付債券(續)

於2020年12月31日，應付債券餘額列示如下：

RMB
人民幣元

Item 項目	Face value 面值	Issuing date 發行日期	Bond period 債券期限	Issued amount 發行金額	At the	Issued during the year 本年發行	Accrued interest during the year 本年計提利息	Fair value	Amortization 折溢攤銷	Adjustment	Repaid during the year 本年償還	At the end
					beginning 年初餘額			hedging 公允價值套期調整		for exchange 匯兌差額調整		of year 年末餘額
Medium-term note (Note 1) 中期票據(註1)	7,367,344,000.00	February 2017 2017年2月	Note 1 註1	7,344,731,360.00	7,885,581,857.50	-	66,547,701.11	-	8,476,163.50	125,469,224.09	(5,162,323,250.00)	2,857,203,995.09
Medium-term note (Note 2) 中期票據(註2)	1,504,120,000.00	June 2018 2018年6月	7 years 7年	1,500,359,700.00	1,469,407,517.18	-	11,827,041.93	(18,497,990.35)	434,472.50	41,476,851.77	-	1,492,820,851.10
Medium-term note (Note 3) 中期票據(註3)	906,834,800.00	April 2019 2019年4月	7 years 7年	905,254,424.00	940,290,620.50	-	7,939,601.96	-	995,337.00	16,122,217.50	(572,713,750.00)	384,694,425.00
Corporate bonds (Note 4) 企業債券(註4)	3,967,200,000.00	September 2020 2020年9月	5 years 5年	3,967,200,000.00	-	3,921,402,643.20	33,278,875.94	-	1,859,270.10	44,786,240.55	-	3,968,048,153.85
Total 合計	13,745,498,800.00			13,717,545,484.00	10,295,279,995.18	3,921,402,643.20	119,593,220.94	(18,497,990.35)	11,765,243.10	227,854,533.91	(5,735,037,000.00)	8,702,767,425.04

Note 1: KION, a subsidiary of the Company, issued medium-term notes with total par value of EUR1,010 million in February 2017, which will mature in May 2022, April 2024 and April 2027, at floating interest rate based on EURIBOR (Euro Interbank Offered Rate). In October 2020, KION early redeemed part of the bonds payable in May 2022 and repaid EUR653.5 million, equivalent to RMB5,162,323,250.00.

註1：本公司之子公司KION，於2017年2月發行票面總額為10.1億歐元的中期票據，分別於2022年5月、2024年4月和2027年4月到期，利率為以EURIBOR（歐元銀行同業拆借利率）為基準的浮動利率。於2020年10月，KION提前償還部分於2022年5月到期的應付債券，償還金額為6.535億歐元，折合人民幣5,162,323,250.00元。

Note 2: KION, a subsidiary of the Company, issued medium-term notes with total par value of EUR179 million in June 2018 with bond period of 7 years. Nominal amount of EUR100 million of such notes are at floating interest rate based on EURIBOR while the other nominal amount of EUR79 million are at fixed interest rate.

註2：本公司之子公司KION，於2018年6月發行票面總額為1.79億歐元的中期票據，債券期限為7年，該票據中1億歐元面額利率為以EURIBOR（歐元銀行同業拆借利率）為基準的浮動利率，另0.79億歐元面額利率為固定利率。

Note 3: KION, a subsidiary of the Company, issued medium-term notes with total par value of EUR120.5 million in April 2019 with bond period of 7 years, at floating interest rate based on EURIBOR. In December 2020, KION early redeemed part of the bonds payable in April 2026 and repaid EUR72.5 million, equivalent to RMB572,713,750.00.

註3：本公司之子公司KION，於2019年4月發行票面總額為1.205億歐元的中期票據，債券期限為7年，利率為以EURIBOR（歐元銀行同業拆借利率）為基準的浮動利率。於2020年12月，KION提前償還部分於2026年4月到期的應付債券，償還金額為0.725億歐元，折合人民幣572,713,750.00元。

Note 4: KION, a subsidiary of the Company, issued corporate bonds of principal amount of EUR500 million in September 2020, with a nominal interest rate of 1.625%, and maturity of 5 years. The bonds will be mature in 2025.

註4：本公司之子公司KION，於2020年9月發行票面金額為5億歐元的企業債券，債券期限為5年，票面利率為1.625%，該筆債券於2025年到期。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

38. Lease liabilities

38. 租賃負債

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Lease liabilities	租賃負債	9,604,335,470.34	12,741,973,630.35
Less: Lease liabilities taken to non-current liabilities due within one year (Note V.34)	減：計入一年內到期的非流動負債的租賃負債(附註五·34)	2,368,437,362.56	3,798,393,534.74
Total	合計	7,235,898,107.78	8,943,580,095.61

As at 31 December 2020, the balance of unrecognized finance costs in lease liabilities amounted to RMB623,427,598.02 (31 December 2019: RMB1,157,952,001.92).

於2020年12月31日，租賃負債中未確認融資費用的餘額為人民幣623,427,598.02元(2019年12月31日：人民幣1,157,952,001.92元)。

39. Long-term payables

39. 長期應付款

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Government grants for national debt projects	國債項目政府撥款	5,500,000.00	5,500,000.00
Balance of indirect lease guarantee	間接租賃擔保餘值	1,496,839,050.00	660,847,418.00
Special payables	專項應付款	26,812,880.19	28,889,197.98
Financial liabilities related to sale and leaseback	售後租回相關金融負債	5,475,546,000.93	3,962,969,321.08
Total	合計	7,004,697,931.12	4,658,205,937.06

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Long-term payables (Continued)

The change in special payables is as follows:

Item	項目	31 December 2019 2019年12月31日	Increase during the year 本年增加	Decrease during the year 本年減少	31 December 2020 2020年12月31日
Interest subsidy for liquid fund granted by provincial finance office	省財政廳撥付的流動資金 貸款貼息	23,000,000.00	-	-	23,000,000.00
Compensation for relocation	拆遷補償款	5,513,797.98	4,567,155.76	(6,268,073.55)	3,812,880.19
R&D projects grants	研發項目撥款	375,400.00	-	(375,400.00)	-
Total	合計	28,889,197.98	4,567,155.76	(6,643,473.55)	26,812,880.19

RMB
人民幣元

五、合併財務報表主要項目註釋(續)

39. 長期應付款(續)

專項應付款的變動如下：

40. Long-term payroll payable

40. 長期應付職工薪酬

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Defined benefit obligations	設定受益義務	12,840,459,812.53	10,994,858,481.19
Long-term severance benefits	長期辭退福利	694,341,321.39	348,758,860.11
Cash-settled share-based payments	以現金結算的股份支付	180,377,925.00	142,851,709.00
Other long-term payroll payable	其他長期職工薪酬	852,076,254.05	469,599,837.20
Subtotal	小計	14,567,255,312.97	11,956,068,887.50
Less: Long-term payroll payable due within one year	減：一年內到期的長期應付職工薪酬		
Among which: Severance benefits	其中：辭退福利	271,550,985.36	181,311,504.27
Cash-settled share-based payments	以現金結算的股份支付	27,927,000.00	43,344,763.00
Other long-term payroll payable	其他長期職工薪酬	67,097,025.00	64,407,535.50
Subtotal	小計	366,575,010.36	289,063,802.77
Total	合計	14,200,680,302.61	11,667,005,084.73

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Long-term payroll payable (Continued)

Defined benefit obligations

The Group operates defined benefit schemes for its staff in some overseas subsidiaries who meet conditions. The scheme requires that contribution be made to an independently administered fund. Under the scheme, staff are entitled to enjoy retirement benefit provided for under defined benefit of the plans.

The Group's defined benefit scheme is one requiring contribution after termination of service. The scheme requires that contribution be made to an independently administered fund. The scheme is administered by an independent trustee in the legal form of a fund. The assets held under the fund is held separately with assets of the Group. The trustee is responsible for the investment strategies of the scheme.

The trustee assesses the level of capital of the scheme. The assessment includes asset-liabilities matching strategies and investment risk management strategies. The trustee determines the amount to be deployed based on the result of its annual assessment.

The scheme is exposed to interest rate risk, risk of change of anticipated age of beneficiaries of the pension, and risks of the securities market.

The following table sets out the key actuarial assumptions used as at the balance sheet date:

Key actuarial assumptions	主要精算假設	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Discount rate (%)	折現率(%)	0.39-2.55	0.73-3.30
Expected growth rate of future pension expenses (%)	預期薪金增長率(%)	0.00-2.98	0.00-3.20
Expected rate of salary increment (%)	預期未來退休金費用增長率(%)	0.00-4.25	0.00-4.12

The actuarial valuation illustrates that the market value of assets under the scheme is RMB7,001,724,116.20 (31 December 2019: RMB7,059,245,244.99). Such actuarial valuation of assets accounts for 36.02% of the benefit provided for qualifying staff.

五、合併財務報表主要項目註釋(續)

40. 長期應付職工薪酬(續)

設定受益義務

本集團部分境外子公司為符合條件的員工運作若干設定受益計劃，該計劃要求向獨立管理的基金繳存費用。在該計劃下，員工有權享受設定受益計劃約定的退休福利。

本集團的設定受益計劃是離職後退休金計劃，該計劃要求向獨立管理的基金繳存費用。該計劃以基金為法律形式，並由獨立受托人進行管理，其持有的資產與本集團的資產單獨分開。受托人負責確定該計劃的投資策略。

受托人審核計劃的資金水平。該審核包括資產－負債匹配策略和投資風險管理策略。受托人根據年度審核的結果決定應繳存額。

該計劃受利率風險、退休金受益人的預期壽命變動風險和證券市場風險的影響。

下表為資產負債表日所使用的主要精算假設：

Key actuarial assumptions	主要精算假設	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Discount rate (%)	折現率(%)	0.39-2.55	0.73-3.30
Expected growth rate of future pension expenses (%)	預期薪金增長率(%)	0.00-2.98	0.00-3.20
Expected rate of salary increment (%)	預期未來退休金費用增長率(%)	0.00-4.25	0.00-4.12

精算估值顯示計劃資產的市值為人民幣7,001,724,116.20元(2019年12月31日：人民幣7,059,245,244.99元)，且這些資產的精算價值佔為符合條件員工承擔的福利的36.02%。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Long-term payroll payable (Continued)

Defined benefit obligations (Continued)

The following table shows the quantitative sensitivity analysis of key assumptions used:

Key actuarial assumptions	主要精算假設	Increase/(decrease) of defined benefit obligations		Increase/(decrease) of defined benefit obligations	
		Increase	Decrease	Increase	Decrease
		增加	減少	增加/(減少)	增加/(減少)
Discount rate	折現率	1.00%	(3,370,226,382.23)	1.00%	4,616,063,601.86
Future growth of salary	未來薪金增長	0.50%	414,787,380.53	0.50%	(379,103,078.48)
Future growth of pension expenses	未來退休金費用增長	0.25%	172,363,269.23	0.25%	(167,307,527.25)

Scheme recognized in the income statement is set out below:

在利潤表中確認的有關計劃如下：

Item	項目	Incurred during the year	Incurred in previous year
		本年發生額	上年發生額
Current period cost of service	當期服務成本	438,266,290.03	327,860,801.86
Previous cost of service	過去服務成本	(624,808.95)	(9,660,000.00)
Net interest	利息淨額	109,797,770.19	164,085,470.30
Net amount of the cost of post-employment benefit	離職後福利成本淨額	547,439,251.27	482,286,272.16
Taken to cost of sales	計入營業成本	257,645,135.78	189,250,992.00
Taken to distribution and selling expenses	計入銷售費用	72,783,280.66	55,556,592.00
Taken to general and administrative expenses	計入管理費用	77,727,300.62	50,216,945.86
Taken to research and development expenses	計入研發費用	29,485,764.02	23,176,272.00
Taken to finance expenses	計入財務費用	109,797,770.19	164,085,470.30
Total	合計	547,439,251.27	482,286,272.16

RMB
人民幣元

RMB
人民幣元

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

40. Long-term payroll payable (Continued)
Defined benefit obligations (Continued)40. 長期應付職工薪酬(續)
設定受益義務(續)

The change in defined benefit obligations and the change in fair value of assets under the scheme are as follows:

設定受益義務變動和計劃資產公允價值變動如下：

RMB
人民幣元

Item	項目	Present value of defined benefit obligations 設定受益計劃義務現值	Fair value of assets under the scheme 計劃資產公允價值	Net liabilities/(Net assets) of defined benefit scheme 設定受益計劃淨負債/(淨資產)
Opening balance	年初餘額	17,650,362,811.68	(7,059,245,244.99)	10,591,117,566.69
Taken to profit or loss in the current period	計入當期損益	691,709,250.21	(144,269,998.94)	547,439,251.27
Cost of services	服務成本	437,641,481.08	-	437,641,481.08
Net interest	利息淨額	254,067,769.13	(144,269,998.94)	109,797,770.19
Taken to other comprehensive income	計入其他綜合收益	1,704,605,173.73	(417,004,775.50)	1,287,600,398.23
Actuarial gains or losses	精算利得或損失	1,704,605,173.73	-	1,704,605,173.73
Return on assets under the scheme (net of amount included in net interest)	計劃資產回報 (計入利息淨額的除外)	-	(417,004,775.50)	(417,004,775.50)
Adjustment for exchange differences	匯兌差額調整	113,125,960.76	135,973,066.04	249,099,026.80
Benefits paid	已支付的福利	(775,618,726.23)	601,157,849.35	(174,460,876.88)
Contribution from employers	僱主繳存	-	(59,777,742.69)	(59,777,742.69)
Other changes	其他變動	53,940,708.58	(58,557,269.47)	(4,616,560.89)
Closing balance	年末餘額	19,438,125,178.73	(7,001,724,116.20)	12,436,401,062.53

Note: As of 31 December 2020, the assets under the scheme amounting in aggregate to RMB404,058,750.00 (31 December 2019: RMB 403,740,914.50) were accounted for under other non-current assets.

註：於2020年12月31日計劃資產中有共計人民幣404,058,750.00元(2019年12月31日：人民幣403,740,914.50元)在其他非流動資產中核算。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Long-term payroll payable (Continued)

Defined benefit obligations (Continued)

Fair value of assets under the scheme is mainly classified as follows:

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Stocks	股票	1,585,524,301.39	1,514,565,830.83
Bonds	債券	4,218,324,989.17	4,160,805,555.41
Real estates	房地產	155,970,584.91	121,274,377.11
Insurance	保險	366,830,775.00	325,023,198.50
Others	其他	675,073,465.73	937,576,283.14
Total	合計	7,001,724,116.20	7,059,245,244.99

RMB
人民幣元

It is anticipated that the contribution to be made to the defined benefit obligations within the next 12 months will amount to RMB501,625,789.82. The average term of the defined benefit obligations as at the balance sheet date is 13.6 to 23.4 years (31 December 2019: 13.9 to 23.3 years).

預計未來12個月內將向設定受益義務做出的繳存額為人民幣501,625,789.82元。資產負債表日的設定受益義務的平均期限是13.6至23.4年(2019年12月31日: 13.9至23.3年)。

41. Accruals and provisions

41. 預計負債

RMB
人民幣元

Item	項目	31 December 2019 2019年12月31日	Increase during the year 本年增加	Decrease during the year 本年減少	Adjustment for exchange differences 匯兌差額調整	31 December 2020 2020年12月31日
Product quality assurance deposit	產品質量保證金	147,556,640.00	208,729,642.75	(57,871,737.00)	(5,254,663.77)	293,159,881.98
Pending litigation	未決訴訟	54,763,208.50	18,144,382.61	(8,368,071.56)	(5,232,992.00)	59,306,527.55
Others	其他	113,348,109.34	93,940,497.46	(50,209,400.84)	(464,644.12)	156,614,561.84
Total	合計	315,667,957.84	320,814,522.82	(116,449,209.40)	(10,952,299.89)	509,080,971.37

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Deferred income

五、合併財務報表主要項目註釋(續)

42. 遞延收益

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Government grant	政府補助	2,218,813,065.64	1,862,716,747.45
Deferred income of indirect leasing business	間接租賃業務之遞延收益	2,391,883,350.00	2,234,452,184.66
Deferred income of sale and leaseback sub-leases	售後租回再轉租業務之遞延收益	386,183,865.00	511,397,863.90
Total	合計	4,996,880,280.64	4,608,566,796.01

As at 31 December 2020, the items related to government grant are as follows:

於2020年12月31日，涉及政府補助的項目如下：

RMB
人民幣元

Item	項目	31 December 2019 2019年12月31日	Increase during the year 本年增加	Taken to other income during the period 本年計入其他收益	Other decreases 其他減少	31 December 2020 2020年12月31日	Related to assets/income 與資產/收益相關
Land-related government grant	與土地相關的政府補助	895,657,699.02	188,443,766.00	(25,781,213.84)	(82,600,663.75)	975,719,587.43	與資產相關
Special funds for industry revitalization and technological renovation	產業振興和技改專項資金	656,725,021.77	270,082,999.57	(80,013,484.77)	(61,166,859.39)	785,627,677.18	與資產/收益相關
Special assistance fund	專項補助資金	109,256,721.35	198,025,630.00	(28,766,639.69)	(22,537,947.60)	255,977,764.06	與資產/收益相關
National debt special fund	國債專項資金	3,984,405.59	-	(1,992,202.80)	-	1,992,202.79	與資產相關
Position-based allowances for project teams	項目人才團隊崗位津貼等	194,890,107.40	87,360,068.58	(84,853,993.04)	-	197,396,182.94	與收益相關
Others	其他	2,202,792.32	-	(103,141.08)	-	2,099,651.24	與資產/收益相關
Total	合計	1,862,716,747.45	743,912,464.15	(221,510,675.22)	(166,305,470.74)	2,218,813,065.64	

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other non-current liabilities

五、合併財務報表主要項目註釋(續)

43. 其他非流動負債

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Asset securitization financing	資產證券化融資	5,891,898,825.00	3,254,303,860.50
Long-term liabilities of indirect leasing business	間接租賃業務之長期負債	356,976,075.00	311,338,258.00
Interest rate swap contracts	利率互換合約	106,661,529.92	89,174,855.00
Put options	看跌期權	39,218,175.00	38,194,348.50
Others	其他	483,027,632.74	218,886,963.35
Total	合計	6,877,782,237.66	3,911,898,285.35

44. Share capital

44. 股本

Item	項目	31 December 2019 2019年12月31日		Increase (decrease) of shares year 本年增(減)股數		
		No. of shares 股數	Percentage 比例 (%)	31 December 2020 2020年12月31日		
		No. of shares 股數	Percentage 比例 (%)	No. of shares 股數	Percentage 比例 (%)	
I. Restricted shares	一. 有限售條件股份	1,745,832,270	22.00	685,800	1,746,518,070	22.01
State-owned legal person shares	國有法人持股	1,642,531,008	20.70	-	1,642,531,008	20.70
Other domestic shares	其他內資持股	103,301,262	1.30	685,800	103,987,062	1.31
Ind: Domestic natural person shares	其中：境內自然人持股	103,301,262	1.30	685,800	103,987,062	1.31
II. Non-restricted shares	二. 無限售條件股份	6,188,041,625	78.00	(685,800)	6,187,355,825	77.99
RMB ordinary Shares	人民幣普通股	4,245,001,625	53.51	(685,800)	4,244,315,825	53.50
Overseas listed foreign shares	境外上市的外資股	1,943,040,000	24.49	-	1,943,040,000	24.49
III. Total no. of shares	三. 股份總數	7,933,873,895	100.00	-	7,933,873,895	100.00

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

45. Capital reserve

45. 資本公積

RMB
人民幣元

Item	項目	31 December 2019 2019年12月31日	Increase during the year 本年增加	Decrease during the year 本年減少	31 December 2020 2020年12月31日
Share premium (Notes 1, 3, 4)	股本溢價(註1、3、4)	2,406,847.88	30,893,265.18	(3,573,970.99)	29,726,142.07
Wholly state-owned capital reserve	國有獨享資本公積	77,000,000.00	-	-	77,000,000.00
Other capital reserve (Note 2)	其他資本公積(註2)	39,489,878.77	34,336,517.74	-	73,826,396.51
Total	合計	118,896,726.65	65,229,782.92	(3,573,970.99)	180,552,538.58

Note 1: KION, a subsidiary of the Company, repurchased shares for use in equity-settled share-based payment and employees purchased shares to participate in the scheme (for details please refer to Note XI), leading to a net increase of RMB1,167,123.11 in capital reserve during the year.

註1：本公司之子公司KION回購股份以用於權益結算的股份支付，員工購買股份以參與該項計劃(詳情參見附註十一)，引起資本公積增加人民幣1,167,123.11元。

Note 2: KION, a subsidiary of the Company, made an equity-settled share-based payment, leading to an increase of RMB2,958,103.60 in capital reserve.

註2：本公司之子公司KION以權益結算的股份支付引起的資本公積增加人民幣2,958,103.60元。

Note 3: The capital reserve of Tsintel Technology, a subsidiary of the Company, increased by RMB29,726,142.07 as a result of dilution of equity interest due to capital injection by its minority shareholders.

註3：本公司之子公司清智科技因少數股東單方增資導致股權稀釋，引起資本公積增加人民幣29,726,142.07元。

Note 4: During the Year, the Company acquired 0.23% of minority interest of KION through Weichai Power (Luxembourg) Holding S.à r.l. ("Weichai Lux") from the secondary market. The aforesaid equity interest transaction deducted the share premium of RMB3,573,970.99 and deducted retained earnings of RMB78,852,438.64.

註4：本年本公司通過子公司濰柴動力(盧森堡)控股有限公司(以下簡稱「濰柴盧森堡」)從二級市場購買KION 0.23%的少數股權，上述權益性交易沖減股本溢價人民幣3,573,970.99元，沖減未分配利潤人民幣78,852,438.64元。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other comprehensive income

Other comprehensive income, on a cumulative basis, attributable to the parent as shown in the consolidated balance sheet is as follows:

五、合併財務報表主要項目註釋(續)

46. 其他綜合收益

合併資產負債表中歸屬於母公司的其他綜合收益累計餘額：

RMB
人民幣元

Item	項目	Balance as at 31 December 2019	Incurred before the income tax for the current year	Incurred during the year 本年發生額			Attributable to minority interests after tax	Balance as at 31 December 2020
				Less: Amount recognized in other comprehensive income in previous period and recognized in profit or loss in current period 減：前期計入	Less: Income tax expenses	Attributable to parent company after tax		
		2019年 12月31日餘額	本年所得稅前 發生額	其他綜合收益 當期轉入損益	減： 所得稅費用	稅後歸屬於 母公司	稅後歸屬 於少數股東	2020年 12月31日餘額
I. Those other comprehensive income not to be reclassified into profit or loss	一、不能重分類進損益的 其他綜合收益							
Changes arising from re-measuring of defined benefit plan	重新計量設定受益 計劃變動額	(936,835,187.38)	(1,287,600,398.23)	-	(374,232,336.78)	(435,444,292.90)	(477,923,768.55)	(1,372,279,480.28)
Other comprehensive income not to be reclassified into profit or loss using the equity method	權益法下不能轉損益的 其他綜合收益	(159,298,652.32)	(20,512,044.60)	-	-	11,854,432.02	(32,366,476.62)	(147,444,220.30)
Change in fair value of investment in other equity instruments	其他權益工具投資 公允價值變動	425,026,942.34	132,125,002.78	-	8,634,429.67	116,444,579.15	7,045,993.96	541,471,521.49
II. Other comprehensive income to be reclassified into profit or loss	二、將重分類進損益的 其他綜合收益							
Other comprehensive income to be reclassified into profit or loss using the equity method	權益法下可轉損益的 其他綜合收益	36,683,605.76	4,985,450.20	-	-	2,243,452.59	2,741,997.61	38,927,058.35
Cashflow hedging reserve	現金流量套期儲備	(54,454,552.10)	169,234,404.61	14,131,670.97	43,667,565.97	43,953,036.86	67,482,130.81	(10,501,515.24)
Exchange differences on foreign currency translation	外幣財務報表折算差額	(589,152,792.88)	(1,301,194,017.28)	-	-	(711,847,338.93)	(589,346,678.35)	(1,301,000,131.81)
Total of other comprehensive income	其他綜合收益合計	(1,278,030,636.58)	(2,302,961,602.52)	14,131,670.97	(321,930,341.14)	(972,796,131.21)	(1,022,366,801.14)	(2,250,826,767.79)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

47. Special reserve

47. 專項儲備

RMB
人民幣元

Item	項目	31 December 2019 2019年12月31日	Increase during the year 本年增加	Decrease during the year 本年減少	31 December 2020 2020年12月31日
Safety funds	安全生產費	193,099,471.45	102,744,621.55	(72,413,925.19)	223,430,167.81

48. Surplus reserve

48. 盈餘公積

RMB
人民幣元

Item	項目	31 December 2019 2019年12月31日	Increase during the year 本年增加	Decrease during the year 本年減少	31 December 2020 2020年12月31日
Statutory surplus reserve	法定盈餘公積	973,728,220.76	656,514,855.70	-	1,630,243,076.46

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Retained earnings

五、合併財務報表主要項目註釋(續)

49. 未分配利潤

		RMB 人民幣元	
Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Retained earnings at the beginning of the year	年初未分配利潤	37,282,373,385.43	32,324,975,192.29
Net profit attributable to shareholders of the parent	歸屬於母公司股東的淨利潤	9,207,129,173.77	9,104,955,354.35
Less: Appropriation to surplus reserve	減：提取盈餘公積	656,514,855.70	735,991,386.36
Dividend payable on ordinary shares in cash	應付普通股現金股利	2,269,087,933.97	3,411,565,774.85
Acquisition of minority interests in subsidiaries (Note V. 45 – note 5)	購買子公司少數股東股權 (五、45註5)	78,852,438.64	–
Retained earnings at the end of the year	年末未分配利潤	43,485,047,330.89	37,282,373,385.43

On 29 June 2020, the Company's 2019 profit distribution proposal was considered and approved at the Company's 2019 annual general meeting. Based on the total share capital of 7,933,873,895 shares, the Company distributed to all shareholders a cash dividend of RMB1.36 (including tax) for every 10 shares held, without any capitalisation of reserve. Cash dividend amounting to RMB1,079,006,849.72 were distributed.

於2020年6月29日，本公司2019年度股東周年大會審議通過了2019年度利潤分配方案，本公司以總股本7,933,873,895股為基數，向全體股東每10股派發現金紅利人民幣1.36元(含稅)，不實施公積金轉增股本，共派發現金股利人民幣1,079,006,849.72元。

On 27 August 2020, in accordance with the Articles of Association and as authorised at the 2019 annual general meeting of the Company, the Board considered and approved that based on the total share number of 7,933,873,895 shares, the Company shall distribute to all shareholders a cash dividend of RMB1.50 (including tax), for every 10 shares held, without any capitalisation of reserve. Cash dividend amounting to RMB1,190,081,084.25 were distributed.

於2020年8月27日，本公司董事會根據公司章程和2019年度股東周年大會授權，審議通過以本公司總股數7,933,873,895股為基數，向全體股東每10股派發現金紅利人民幣1.50元(含稅)，不實施公積金轉增股本。共派發現金股利人民幣1,190,081,084.25元。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Minority interests

五、合併財務報表主要項目註釋(續)

50. 少數股東權益

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Minority interest attributable to ordinary share holders	歸屬於普通股少數股東的權益	24,177,730,893.38	19,497,507,126.08
Minority interests – perpetual bonds	少數股東權益 – 永續債	5,053,277,241.69	5,053,277,241.69
Total	合計	29,231,008,135.07	24,550,784,367.77

On 14 September 2017, Weichai International Hong Kong Energy Group Co., Limited, a subsidiary of the Company, issued perpetual bond of par value of USD775 million, nominal interest rate of 3.75% and with interest payable every six months. Total net proceeds after deduction of issue expenses amounted to RMB5,053,277,241.69.

The perpetual bonds were issued with the guarantee provided by the Company for its subsidiary Weichai International Hong Kong Energy Group Co., Limited, without maturity date, without conversion right, and dividend distribution may be deferred for an indefinite number of times at the discretion of the Company. The Company is entitled to redeem such perpetual bonds on 14 September 2022.

In 2020, change in other equity instruments issued by subsidiaries and outstanding was as follows:

於2017年9月14日，本公司之子公司濰柴國際(香港)能源集團有限公司發行票面總額為7.75億美元，票面利率為3.75%，付息頻率為6個月的永續債，扣除發行費用後募集資金總額為人民幣5,053,277,241.69元。

該等永續債由本公司為子公司濰柴國際(香港)能源集團有限公司提供擔保發行，無到期日，無轉股權，且分派股息可由本公司酌情延期，且不受次數限制。本公司有權於2022年9月14日贖回該等永續債。

於2020年，子公司發行在外的其他權益工具變動如下：

RMB
人民幣元

Item	項目	31 December 2019 2019年12月31日	Issued during the year 本年發行	Redeemed during the year 本年贖回	31 December 2020 2020年12月31日
Perpetual bonds	永續債	5,053,277,241.69	-	-	5,053,277,241.69

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. Revenue and Cost of Sales

(1) Revenue and cost of sales

RMB
人民幣元

Item	項目	Incurred during the year 本年發生額		Incurred in previous year 上年發生額	
		Revenue 收入	Cost 成本	Revenue 收入	Cost 成本
Revenue from principal operations	主營業務	191,888,497,726.87	154,412,810,268.00	171,001,213,380.16	133,392,320,982.75
Other revenue	其他業務	5,602,595,199.55	4,939,838,839.93	3,359,679,132.70	2,960,914,451.57
Total	合計	197,491,092,926.42	159,352,649,107.93	174,360,892,512.86	136,353,235,434.32

(2) Details of revenue

(2) 營業收入的明細情況

RMB
人民幣元

Item	項目	Incurred during the year 本年發生額		Incurred in previous year 上年發生額	
		Revenue	Cost	Revenue	Cost
Revenue from principal operations	主營業務收入				
Sales of goods and others	銷售商品及其他	126,909,025,943.97		103,996,691,356.99	
Revenue from forklift trucks production and sales and warehousing technology	叉車生產及銷售、倉庫技術收入	44,281,131,020.01		48,663,418,280.53	
Revenue from supply chain solution services	供應鏈解決方案服務收入	20,698,340,762.89		18,341,103,742.64	
Sub-total	小計	191,888,497,726.87		171,001,213,380.16	
Other revenue	其他業務收入				
Sales of materials	銷售材料	4,925,721,012.97		2,767,638,600.39	
Lease income	租賃收入	89,776,921.85		186,094,795.18	
Sales of power	銷售動力	179,183,752.55		71,650,545.60	
Provision of non-industrial labour	提供非工業勞務	98,959,851.70		24,838,653.07	
Others	其他	308,953,660.48		309,456,538.46	
Sub-total	小計	5,602,595,199.55		3,359,679,132.70	
Total	合計	197,491,092,926.42		174,360,892,512.86	

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

51. Revenue and Cost of Sales (Continued)

51. 營業收入及成本(續)

(3) Reporting segment

(3) 報告分部

RMB
人民幣元

Item	項目	Engines 發動機	Automobiles and automobile components 汽車及汽車零部件	Intelligent logistics 智能物流	Total 合計
Major regions of operation: 主要經營地區:					
Mainland China	中國大陸	44,187,933,196.21	79,910,943,348.15	4,154,923,597.40	128,253,800,141.76
Other countries and regions	其他國家和地區	3,506,072,576.90	4,906,672,022.26	60,824,548,185.50	69,237,292,784.66
Total	合計	47,694,005,773.11	84,817,615,370.41	64,979,471,782.90	197,491,092,926.42
Time for recognition of revenue: 收入確認時間:					
Transferred at a certain point of time	在某一時點轉讓	47,646,544,443.43	84,584,482,842.39	35,997,048,096.10	168,228,075,381.92
Provided over a certain period of time	在某一時段內提供	16,023,135.43	174,793,800.42	22,593,008,871.39	22,783,825,807.24
Subtotal of revenue arising from contracts with customers	與客戶之間的合同產生的收入小計	47,662,567,578.86	84,759,276,642.81	58,590,056,967.49	191,011,901,189.16
Revenue under the Standard on Leases	租賃準則下的收入	31,438,194.25	58,338,727.60	6,389,414,815.41	6,479,191,737.26
Total	合計	47,694,005,773.11	84,817,615,370.41	64,979,471,782.90	197,491,092,926.42

(4) Performance of obligations

The supply chain solution services provided by the Group belong to the performance obligation satisfied over a certain period of time. The performance costs actually incurred on a cumulative basis as a percentage of estimated total costs is used to ascertain progress of performance of supply chain solution services contracts. As at 31 December 2020, some of the Group's supply chain solution services contracts were still in the process of performance, the transaction price allocated to the outstanding (or partially unperformed) performance obligations is related to the performance progress of each supply chain solution services contract, and will be recognized as revenue in the future performance period of each supply chain solution services contracts based on the performance progress.

(4) 履約義務的說明

本集團提供的供應鏈解決方案服務屬於在某一時段內履行的履約義務，按照累計實際發生的履約成本佔預計總成本的比例確定供應鏈解決方案服務合同的履約進度。截至2020年12月31日，本集團部分供應鏈解決方案服務尚在履行過程中，分攤至尚未履行（或部分未履行）履約義務的交易價格與相應供應鏈解決方案服務的履約進度相關，並將於相應供應鏈解決方案服務的未來履約期內按履約進度確認為收入。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. Revenue and Cost of Sales (Continued)

(5) Allocation to the outstanding performance obligations

The amount of revenue corresponding to the contract performance obligations for which the contracts had been entered into and which had not been performed or fully performed as at the end of the year was RMB34,282,666,216.42. Information related to revenue expected to be recognized in respect of outstanding performance obligations under contracts is set out below:

Term	期間	31 December 2020 2020年12月31日
Within 1 year	1年以內	21,662,321,695.88
1 to 2 years	1至2年	6,945,829,321.50
2 to 3 years	2至3年	2,022,233,374.04
3 to 4 years	3至4年	1,420,457,100.00
4 to 5 years	4至5年	996,231,525.00
Over 5 years	5年以上	1,235,593,200.00

RMB
人民幣元

52. Taxes and surcharges

52. 税金及附加

RMB
人民幣元

Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
City maintenance and construction tax	城建稅	219,768,713.71	183,106,864.29
Property tax	房產稅	187,673,464.34	141,860,296.88
Educational surtax	教育費附加	160,829,291.70	124,625,772.86
Stamp duty	印花稅	102,407,346.80	80,520,942.01
Others	其他	159,992,388.55	133,847,215.26
Total	合計	830,671,205.10	663,961,091.30

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

53. Distribution and selling expenses

53. 銷售費用

		RMB 人民幣元	
Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Staff costs	員工成本	4,620,870,669.41	4,586,198,382.77
After-sales and repair fee	三包及產品返修費用	1,625,903,697.76	1,627,121,933.30
Freight and packaging	運費及包裝費	1,374,547,771.33	1,352,500,510.34
Marketing expenses	市場開拓費用	812,057,460.40	1,187,760,564.13
Depreciation and amortization	折舊及攤銷	741,020,404.08	687,864,991.05
Travel expenses	差旅費	246,298,249.05	406,983,318.60
Office expenses	辦公費用	104,013,770.76	109,277,676.33
Lease expenses	租賃費	57,183,975.78	91,020,878.71
Others	其他	1,280,561,508.14	1,205,345,322.73
Total	合計	10,862,457,506.71	11,254,073,577.96

54. General and administrative expenses

54. 管理費用

		RMB 人民幣元	
Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Staff costs	員工成本	3,990,877,172.80	3,774,201,232.86
External support fee	外部支持費	845,175,617.31	930,289,087.37
Depreciation and amortization	折舊及攤銷	775,313,405.17	560,383,987.91
Office expenses	辦公費	394,096,641.93	327,038,799.80
Travel expenses	租賃費	122,923,014.94	85,608,187.65
Lease expenses	修理費	98,812,206.13	96,807,331.37
Repair expenses	差旅費	84,630,539.92	156,711,729.64
Others	其他	1,398,103,215.26	969,159,032.30
Total	合計	7,709,931,813.46	6,900,199,388.90

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Research & development expenses

五、合併財務報表主要項目註釋(續)

55. 研發費用

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Staff costs	員工成本	2,611,486,569.91	2,393,273,337.40
Technology development costs	技術開發費	1,242,016,304.75	1,222,868,294.82
Testing costs	實驗試製費	813,211,147.12	359,491,364.85
External intellectual property and published documents licensing costs	外部知識產權及出版文獻使用費	601,653,124.14	615,573,310.02
Depreciation and amortization	折舊及攤銷	329,013,484.43	256,161,619.61
Travel expenses	差旅費	48,964,365.79	78,236,385.01
Others	其他	366,738,406.69	302,369,238.41
Total	合計	6,013,083,402.83	5,227,973,550.12

56. Finance expenses

56. 財務費用

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Interest expenses (Note)	利息支出(註)	1,139,022,760.28	1,233,361,936.01
Less: interest income	減：利息收入	1,277,863,594.80	1,067,326,294.25
Exchange gains and losses	匯兌損失	281,877,262.72	48,375,648.06
Handling fees and others	手續費及其他	135,979,437.27	5,922,486.92
Total	合計	279,015,865.47	220,333,776.74

Note: Among which, interest expenses of lease liabilities during the year was RMB538,181,940.88 (2019: RMB571,209,266.71).

註：其中本年度租賃負債的利息費用為人民幣538,181,940.88元(2019年：人民幣571,209,266.71元)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

57. Other income

Government grants charged to profit or loss for the current period are presented as follows:

57. 其他收益

計入當期損益的政府補助如下：

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額	Related to assets/income 與資產/收益相關	Extraordinary profit and loss taken as incurred during the year 計入本年發生額的非經常性損益
Income of financial subsidies	財政補貼收入	88,563,451.81	116,817,591.17	Related to income 與收益相關	88,563,451.81
Amortization of deferred income	遞延收益攤銷	221,510,675.22	199,581,551.54	Related to assets/income 與資產/收益相關	221,510,675.22
Others	其他	17,141,028.27	1,739,227.33	Related to income 與收益相關	17,141,028.27
Total	合計	327,215,155.30	318,138,370.04		327,215,155.30

58. Investment income

58. 投資收益

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Gain on long-term equity investments under the equity method	權益法核算的長期股權投資收益	253,063,274.50	244,231,790.47
Investment income during the period in which the financial assets held for trading were held	交易性金融資產持有期間取得的投資收益	251,760,168.26	229,035,429.08
Gain on interest rate swap and exchange gains and losses realized in cross currency swap and interest rate swap contracts	交叉貨幣互換及利率互換合約中已實現的利息掉期收益和匯兌損益	92,662,474.80	103,375,140.44
Investment income arising from disposal of long-term equity investments	處置長期股權投資產生的投資收益	647,822,434.12	74,160,285.25
Investment income during the period in which the investments in other equity instruments were held	其他權益工具投資在持有期間取得的投資收益	49,659,068.78	19,429,123.91
Investment income arising from the exercise of warrants	認股權證行權產生的投資收益	-	7,859,123.54
Others	其他	(54,458.81)	16,595,411.41
Total	合計	1,294,912,961.65	694,686,304.10

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

59. Profit or loss on change of fair value

59. 公允價值變動損益

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Cross currency swap and interest rate swap instruments at fair value through profit or loss for the current period	以公允價值計量且其變動計入當期損益的交叉貨幣互換及利率互換工具	(465,425,069.02)	232,626,932.94
Forward foreign exchange contracts at fair value through profit or loss for the current period	以公允價值計量且其變動計入當期損益的遠期外匯合約	(12,830,587.63)	(148,887,995.01)
Structured deposit	結構性存款	4,497,082.20	(12,479,472.77)
Change of fair value of contingent consideration of business combination	企業合併或有對價公允價值變動	64,160,277.02	—
Total	合計	(409,598,297.43)	71,259,465.16

60. Impairment loss of credit

60. 信用減值損失

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Impairment loss of credit from accounts receivable	應收賬款信用減值損失	(508,143,151.85)	(271,039,910.55)
Impairment loss of credit from other receivables	其他應收款信用減值損失	(9,432,203.66)	4,145,005.01
Impairment loss of credit from long-term receivables	長期應收款信用減值損失	(46,029,763.50)	—
Total	合計	(563,605,119.01)	(266,894,905.54)

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

61. Impairment loss of assets

61. 資產減值損失

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Loss due to decline in value of inventories	存貨跌價損失	(410,857,925.10)	(242,248,148.73)
Impairment loss of fixed assets	固定資產減值損失	(129,062,881.26)	(86,918,148.33)
Impairment loss of long-term prepaid expenses	長期待攤費用減值損失	–	(78,315,527.64)
Impairment loss of intangible assets	無形資產減值損失	(123,287,531.00)	(44,088,240.00)
Impairment loss of contract assets	合同資產減值損失	(27,615.66)	–
Impairment loss of construction in progress	在建工程減值損失	–	(11,096,564.59)
Impairment loss of long-term equity investment	長期股權投資減值損失	–	(6,000,000.00)
Impairment loss of right-of-use assets	使用權資產減值損失	–	(525,504.00)
Total	合計	(663,235,953.02)	(469,192,133.29)

62. Non-operating income

62. 營業外收入

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額	Extraordinary profit and loss taken as incurred during the year 計入本年發生額的非經常性損益
Reversal of provision for other liabilities	其他負債撥備轉回	26,897,039.30	14,723,061.19	26,897,039.30
Others	其他	335,985,475.27	275,045,081.99	335,985,475.27
Total	合計	362,882,514.57	289,768,143.18	362,882,514.57

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Non-operating expenses

五、合併財務報表主要項目註釋(續)

63. 營業外支出

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額	Extraordinary profit and loss taken as incurred during the year 計入本年發生額的非經常性損益
Donation expenditure	對外捐贈	8,190,790.00	27,061,800.00	8,190,790.00
Others	其他	133,739,269.29	66,948,883.92	133,739,269.29
Total	合計	141,930,059.29	94,010,683.92	141,930,059.29

64. Income Tax Expenses

64. 所得稅費用

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Current tax expenses	當期所得稅費用	2,798,523,804.32	3,105,790,137.26
Deferred tax expenses	遞延所得稅費用	(1,391,684,719.96)	(661,147,088.70)
Total	合計	1,406,839,084.36	2,444,643,048.56

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Income Tax Expenses (Continued)

The relationship between income tax expenses and the total profit is listed as follows:

Item	項目		Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Total profit	利潤總額		12,681,678,871.32	14,351,650,141.05
Tax at statutory tax rate	按法定稅率計算的稅項	Note 1 註1	3,170,419,717.83	3,587,912,535.26
Effect of different tax rates applicable to the Company and some subsidiaries	本公司及某些子公司適用不同稅率的影響	Note 2 註2	(1,298,523,176.15)	(914,894,238.69)
Effect of tax rate change on opening balance of deferred income tax	稅率變動對年初遞延所得稅餘額的影響		5,008,867.38	12,826,724.56
Adjustments to current tax of previous periods	對以前期間當期所得稅的調整		(1,169,297.61)	(130,960,111.01)
Profits and losses attributable to associates and joint ventures	歸屬於聯營和合營企業的損益的影響		(13,535,305.38)	(45,654,248.89)
Income not subject to tax	無須納稅的收入的影響		(1,748,535.66)	(78,517,579.40)
Expenses not deductible for tax	不可抵扣的費用的影響		194,806,466.36	204,927,112.97
Effect of tax incentives on eligible expenditures	由符合條件的支出而產生的稅收優惠的影響		(607,340,105.30)	(490,935,012.52)
Effect of utilization of deductible losses and deductible temporary difference of unrecognized deferred tax assets from prior years	利用以前年度未確認遞延所得稅資產的可抵扣虧損及可抵扣暫時性差異的影響		(522,629,554.22)	(16,686,279.69)
Effect of unrecognized deductible losses and deductible temporary difference	未確認的可抵扣虧損及可抵扣暫時性差異的影響		473,838,832.84	317,886,471.35
Others	其他		7,711,174.27	(1,262,325.38)
Tax expense at the Group's effective tax rate	按本集團實際稅率計算的所得稅費用		1,406,839,084.36	2,444,643,048.56

Note 1: The Company is subject to a statutory tax rate of 25%.

註1：本公司法定稅率為25%。

Note 2: The PRC income tax of the Group is calculated based on the estimated taxable income gained in the PRC and applicable tax rate. Tax arising from the taxable income in other regions is calculated at applicable tax rate according to existing laws, interpretations and practices of the country in which the Group operates.

註2：本集團在中國境內所得稅按取得的估計應納稅所得額及適用稅率計提。源於其他地區應納稅所得的稅項根據本集團經營所在國家的現行法律、解釋公告和慣例，按照適用稅率計算。

No provision for Hong Kong profit tax has been made as the Group had no taxable profits arising in Hong Kong for the year.

由於本集團於年內在香港並無應稅利潤，故未作出香港利得稅的撥備。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Earnings Per Share (EPS)

The basic EPS is calculated by dividing the net profit of the current period attributable to the ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares.

The calculation of basic EPS is detailed as follows:

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Earnings	收益		
Net profit of the current year attributable to ordinary shareholders of the Company	歸屬於本公司普通股股東的 當年淨利潤	9,207,129,173.77	9,104,955,354.35
Shares	股份		
Weighted average number of the ordinary shares outstanding of the Company	本公司發行在外普通股的 加權平均數	7,933,873,895.00	7,933,873,895.00
Basic EPS (RMB/share)	基本每股收益(元/股)	1.16	1.15

RMB
人民幣元

65. 每股收益

基本每股收益按照歸屬於本公司普通股股東的當期淨利潤，除以發行在外普通股的加權平均數計算。

基本每股收益的具體計算如下：

The Group holds no potential shares that are significantly dilutive.

本集團無重大稀釋性潛在股。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Expenses by nature

The supplemental information of the Group's cost of sales, distribution and selling expenses, general and administrative expenses and research and development expenses which are categorized by nature is as follows:

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Materials used	耗用的材料	139,386,775,518.91	116,330,100,930.51
Movement of inventories of finished goods and work in progress	產成品及在產品等存貨增加	(6,100,996,463.67)	(2,762,992,914.85)
Staff remuneration	職工薪酬	27,013,088,792.79	25,561,600,899.76
Depreciation and amortization expenses	折舊費和攤銷費用	8,857,939,137.75	8,070,958,014.08
Rental	租金	304,553,676.90	263,016,556.88
Others	其他	14,476,761,168.25	12,272,798,464.92
Total	合計	183,938,121,830.93	159,735,481,951.30

RMB
人民幣元

67. Notes to items in cash flow statement

Other cash received relating to operating activities

67. 現金流量表項目註釋

收到其他與經營活動有關的現金

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Interest income	利息收入	831,526,072.84	648,068,979.63
Government grants	政府補助	835,526,978.83	735,826,858.16
Others	其他	607,273,423.68	473,856,037.18
Total	合計	2,274,326,475.35	1,857,751,874.97

RMB
人民幣元

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

67. Notes to items in cash flow statement (Continued)

Other cash paid relating to operating activities

		RMB 人民幣元	
Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Cash settlement of confirmation business	保兌倉業務現金平倉	2,223,202,826.73	2,280,083,577.60
After-sales and repair fee	三包及產品返修	1,579,756,831.71	1,315,477,136.66
Freight and packaging	運費及包裝費	1,244,922,373.59	1,355,608,477.49
Marketing and external support fee	市場開拓費及外部支持費	1,693,153,765.19	1,913,532,526.56
Travel expenses	差旅費	383,118,657.81	652,707,456.90
Office expenses	辦公費	280,016,777.55	215,337,540.01
Others	其他	1,781,849,512.86	2,895,222,507.53
Total	合計	9,186,020,745.44	10,627,969,222.75

Other cash paid relating to financing activities

支付其他與籌資活動有關的現金

		RMB 人民幣元	
Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Lease liabilities	租賃負債	1,223,993,110.67	993,792,536.03
Acquisition of minority interests in subsidiaries	購買子公司少數股權	59,246,250.00	—
Handling fee for guarantee for borrowings and letters of guarantee and fixed deposits for pledges	借款擔保、保函手續費及質押的定期存單	346,961,777.28	9,213,311.17
Others	其他	97,086,923.09	28,460,688.83
Total	合計	1,727,288,061.04	1,031,466,536.03

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

68. Supplement to cash flow statement

68. 現金流量表補充資料

(1) Supplement to cash flow statement

(1) 現金流量表補充資料

RMB
人民幣元

Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Net profit	淨利潤	11,274,839,786.96	11,907,007,092.49
Add: Impairment loss of assets	加：資產減值損失	663,235,953.02	469,192,133.29
Impairment loss of credit	信用減值損失	563,605,119.01	266,894,905.54
Increase in special reserve	專項儲備的增加	54,670,920.01	50,419,399.24
Depreciation of fixed assets, investment properties and right-of-use assets	固定資產、投資性房地產及使用權資產折舊	6,699,236,314.96	6,187,566,584.07
Amortization of intangible assets	無形資產攤銷	2,087,445,020.45	1,819,975,181.88
Amortization of long-term prepaid expenses	長期待攤費用攤銷	71,257,802.34	63,416,248.13
Gain on disposal and retirement of fixed assets, intangible assets and other long-term assets	處置和報廢固定資產、無形資產和其他長期資產的收益	(16,189,851.97)	(66,396,590.30)
Finance expenses	財務費用	1,301,511,246.77	1,299,866,014.84
Investment income	投資收益	(1,294,912,961.65)	(694,686,304.10)
Profit or loss on change of fair value	公允價值變動損益	409,598,297.43	(71,259,465.16)
Increase in deferred tax assets	遞延所得稅資產的增加	(1,076,310,769.70)	(173,193,125.74)
Decrease in deferred tax liabilities	遞延所得稅負債的減少	(315,373,950.26)	(487,953,962.96)
Increase in inventories	存貨的增加	(6,082,067,260.31)	(4,285,009,729.31)
Increase in operating receivables	經營性應收項目的增加	(6,264,186,919.86)	(6,418,084,303.21)
Increase in operating payables	經營性應付項目的增加	14,851,797,354.61	13,966,939,203.96
Net cash flow from operating activities	經營活動產生的現金流量淨額	22,928,156,101.81	23,834,693,282.66

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

68. Supplement to cash flow statement (Continued)

(1) Supplement to cash flow statement (Continued)

Non-cash payment of material investment and financing activities:

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Acquisition of long-term assets from the endorsement of bank acceptance bills received from the sale of goods and provision of services	銷售商品、提供勞務收到的銀行承兌匯票背書轉讓 購買長期資產	1,986,128,983.48	3,059,681,983.68

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Net change in cash and cash equivalents: The closing balance of cash and cash equivalents	現金及現金等價物淨變動： 現金及現金等價物的年末餘額	52,734,052,691.24	42,285,584,925.16
Less: The opening balance of cash and cash equivalents	減：現金及現金等價物的年初餘額	42,285,584,925.16	34,379,938,275.41
Net increase in cash and cash equivalents	現金及現金等價物淨增加額	10,448,467,766.08	7,905,646,649.75

五、合併財務報表主要項目註釋(續)

68. 現金流量表補充資料(續)

(1) 現金流量表補充資料(續)

不涉及現金的重大投資和籌資活動：

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Acquisition of long-term assets from the endorsement of bank acceptance bills received from the sale of goods and provision of services	銷售商品、提供勞務收到的銀行承兌匯票背書轉讓 購買長期資產	1,986,128,983.48	3,059,681,983.68

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Net change in cash and cash equivalents: The closing balance of cash and cash equivalents	現金及現金等價物淨變動： 現金及現金等價物的年末餘額	52,734,052,691.24	42,285,584,925.16
Less: The opening balance of cash and cash equivalents	減：現金及現金等價物的年初餘額	42,285,584,925.16	34,379,938,275.41
Net increase in cash and cash equivalents	現金及現金等價物淨增加額	10,448,467,766.08	7,905,646,649.75

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

68. Supplement to cash flow statement (Continued)

(2) Information related to acquisition or disposal of major subsidiaries and other business units

Information relating to disposal of major subsidiaries and other business units

五、合併財務報表主要項目註釋(續)

68. 現金流量表補充資料(續)

(2) 取得或處置主要子公司及其他營業單位信息

取得主要子公司及其他營業單位信息

		RMB 人民幣元	
Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Consideration for acquisition of subsidiaries and other business units	取得子公司及其他營業單位的價格	2,173,519,878.90	868,284,348.50
Cash and cash equivalents paid for acquisition of subsidiaries and other business units	取得子公司及其他營業單位支付的現金和現金等價物	1,767,763,494.59	878,834,000.00
Less: Amount of cash and cash equivalents in subsidiaries and other business units acquired	減：取得子公司及其他營業單位持有的現金和現金等價物	472,212,895.92	3,270,471.03
Net cash paid for acquisition of subsidiaries and other business units	取得子公司及其他營業單位支付的現金淨額	1,618,828,798.57	875,563,528.97
Net cash received from acquisition of subsidiaries and other business units	取得子公司及其他營業單位收到的現金淨額	(323,278,199.90)	-

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

68. Supplement to cash flow statement (Continued)

(3) Cash and cash equivalents

五、合併財務報表主要項目註釋(續)

68. 現金流量表補充資料(續)

(3) 現金及現金等價物

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Cash	現金	52,734,052,691.24	42,285,584,925.16
Incl: Cash at bank	其中：庫存現金	2,870,023.35	2,828,793.63
Bank deposits on demand	可隨時用於支付的 銀行存款	52,640,456,229.62	42,231,897,155.05
Other cash equivalents on demand	可隨時用於支付的 其他貨幣資金	90,726,438.27	50,858,976.48
Cash and cash equivalents at end of year	年末現金及現金等價物餘額	52,734,052,691.24	42,285,584,925.16

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Cash and cash equivalents at end of year	年末貨幣資金餘額	62,216,111,509.25	48,817,622,206.26
Less: Balance of restricted cash and cash equivalents	減：使用受到限制的 貨幣資金餘額	9,482,058,818.01	6,532,037,281.10
Closing balance of cash and cash equivalents at end of year	年末現金及現金等價物餘額	52,734,052,691.24	42,285,584,925.16

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

69. Assets with restrictions in titles or use rights

69. 所有權或使用權受到限制的資產

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	Reasons for restrictions 受限原因
Cash and cash equivalents	貨幣資金	9,482,058,818.01	Used in security monies for special accounts such as letter of guarantee, bank acceptance bills and letter of credit. 用於辦理保函、銀行承兌票據、信用證等專戶而儲存的保證金
Bills receivable	應收票據	10,703,508,535.00	Used in securing issued notes payable 用於質押開具應付票據
Financings receivable	應收款項融資	4,243,638,346.92	Used in securing issued notes payable 用於質押開具應付票據
Financial assets held for trading	交易性金融資產	500,000,000.00	Used in securing issued notes payable 用於質押開具應付票據
Inventories	存貨	79,916,081.08	Used in pledge to secure bank borrowings 用於抵押取得銀行借款
Fixed assets	固定資產	301,806,904.98	Used in securing bank borrowings and pledge to guarantee the obligations under the staff retirement benefit 用於抵押取得銀行借款、對員工退休福利下的義務提供擔保
Intangible assets	無形資產	22,245,313.81	Used in secure to secure bank borrowings 用於抵押取得銀行借款
Long-term receivable	長期應收款	5,598,400,500.00	Used in asset securitization financing 用於資產證券化融資
Total	合計	30,931,574,499.80	

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

五、合併財務報表主要項目註釋(續)

70. Foreign currency monetary items

70. 外幣貨幣性項目

Item	項目	31 December 2020 2020年12月31日		
		Gross carrying amount of foreign currency 外幣餘額	Exchange rate 折算匯率	RMB equivalent 人民幣餘額
Cash and cash equivalents	貨幣資金			
Among which: USD	其中：美元	101,516,481.13	6.5249	662,384,887.73
JPY	日圓	2,104,906.53	0.0632	133,030.09
HKD	港幣	784,110.85	0.8416	659,907.69
EUR	歐元	1,700,566.02	8.0250	13,647,042.31
Russian Ruble	俄羅斯盧布	276,711,516.53	0.0877	24,267,600.00
GBP	英鎊	27,792,743.00	8.8903	247,085,823.09
Accounts receivable	應收賬款			
Among which: USD	其中：美元	434,789,004.90	6.5249	2,836,954,778.07
EUR	歐元	2,561,338.28	8.0250	20,554,739.70
Short-term borrowings	短期借款			
Among which: USD	其中：美元	27,468,158.87	6.5249	179,226,989.81
Long-term borrowings	長期借款			
Among which: USD	其中：美元	44,181,000.00	6.5249	288,286,658.08
GBP	英鎊	27,767,540.78	8.8903	246,856,075.45
Interest payable	應付利息			
Among which: USD	其中：美元	8,638,322.01	6.5249	56,364,187.28
GBP	英鎊	45,352.12	8.8903	403,193.95

71. Hedges

Cash flow hedging

KION, a subsidiary of the Company, conducted cash flow hedging on forward currency contracts designated to the exchange rate risk of forecast sale, forecast purchase and firm commitment. The total cash flow of the hedged item amounted to RMB3,096,726,589.90 (EUR385,884,933.32), of which the amount due within 1 year was RMB2,810,202,631.90 (EUR350,181,013.32), and the remaining portion will become due in 2022. The hedged items would affect the profit and loss for the period of 2021 to 2022. There was no material invalid hedge for the current year. As at 31 December 2020, the cashflow hedging reserve in respect of the aforesaid hedged item was a loss of RMB22,292,475.20 (EUR2,944,000.00).

71. 套期

現金流量套期

子公司KION將遠期外匯合同指定對預期銷售、預期採購以及確定承諾的多種貨幣外匯風險進行現金流量套期。被套期項目現金流量總額折算為人民幣3,096,726,589.90元(歐元385,884,933.32)，其中1年內到期的金額為人民幣2,810,202,631.90元(歐元350,181,013.32)，剩餘部分將於2022年到期。被套期項目預期影響損益的期間為2021年至2022年。本年無重大無效套期的部分。截至2020年12月31日，上述套期項目現金流量套期儲備的金額為收益人民幣22,292,475.20元(歐元2,944,000.00)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Hedges (Continued)

Cash flow hedging (Continued)

Carrying amount and fair value changes of hedging instrument are as follows:

RMB
人民幣元

Item 項目	Notional amount of hedging instrument 套期工具的名義金額	Carrying amount of hedging instrument 套期工具的賬面價值		Item shown in balance sheet which includes the hedging instrument 包含套期工具的資產負債表列示項目
		Assets 資產	Liabilities 負債	
Cashflow hedging – Forward foreign exchange contract 現金流量套期—遠期外匯合約	3,096,726,589.90	74,375,700.00	36,698,325.00	Financial assets held for trading/ Financial liabilities held for trading 交易性金融資產/交易性金融負債

The change in fair value of hedging instrument is shown in profit or loss and other comprehensive income as follows:

套期工具公允價值變動在當期損益及其他綜合收益列示如下：

RMB
人民幣元

Item 項目	Gain on change in fair value of hedging instrument taken to other comprehensive income 計入其他綜合收益的 套期工具的公允價值 變動收益	Amount of loss reclassified from cashflow hedge reserve to profit or loss 從現金流量套期 儲備重分類至 當期損益的損失金額	Item in income statement which includes the reclassification adjustment 包含重分類 調整的利潤表列示項目

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Hedges (Continued)

Cash flow hedging (Continued)

Time span and average price or interest of the notional amount of forward foreign exchange hedging instrument of major currencies are as follows:

		<i>RMB</i>			
		人民幣元			
Item	項目	Within 6 months 6個月內	6 to 12 months 6至12個月	More than one year 1年以後	Total 合計
Notional amount of GBP forward foreign exchange contract	英鎊遠期外匯合約名義金額	624,437,118.98	625,698,978.00	164,945,208.00	1,415,081,304.98
Average exchange rate of EUR against GBP	歐元兌英鎊的平均匯率				0.6464
Notional amount of USD forward foreign exchange contract	美元遠期外匯合約名義金額	321,545,700.00	48,150,000.00	18,056,250.00	387,751,950.00
Average exchange rate of EUR against USD	歐元兌美元的平均匯率				1.1389

KION, a subsidiary of the Company, conducted cash flow hedging on interest rate swap contracts designated to the interest rate risk of the floating-rate borrowings for acquiring Dematic Group, a subsidiary of the Company. The total cash flow of the hedged item amounted to RMB60,187.50 (EUR8,000.00), which will become due in 2027. There was no material invalid hedge for the current year. As at 31 December 2020, the cashflow hedging reserve in respect of the aforesaid hedged item was a loss of RMB31,523,655.50 (EUR4,118,000.00).

五、合併財務報表主要項目註釋(續)

71. 套期(續)

現金流量套期(續)

主要幣種的遠期外匯套期工具的名義金額的時間分佈以及平均價格或匯率如下：

子公司KION將利率互換合約指定對收購子公司Dematic Group的浮動利率借款的利率風險進行現金流量套期。被套期項目現金流量總額折算為人民幣60,187.50元(歐元8,000.00)，將於2027年到期。本年無重大套期無效的部分。截至2020年12月31日，上述套期項目現金流量套期儲備的金額為損失人民幣31,523,655.50元(歐元4,118,000.00)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Hedges (Continued)

Cash flow hedging (Continued)

Carrying amount and fair value changes of hedging instrument are as follows:

RMB
人民幣元

Item 項目	Notional amount of hedging instrument 套期工具的名義金額	Carrying amount of hedging instrument 套期工具的賬面價值		Item shown in balance sheet which includes the hedging instrument 包含套期工具的資產負債表列示項目
		Assets 資產	Liabilities 負債	
Cashflow hedging – interest rate swap agreement 現金流量套期—利率互換協議	1,284,000,000.00	–	28,649,250.00	Other non-current liabilities 其他非流動負債

The change in fair value of hedging instrument is shown in profit or loss and other comprehensive income as follows:

套期工具公允價值變動在當期損益及其他綜合收益列示如下：

RMB
人民幣元

Item 項目	Gain on change in fair value of hedging instrument taken to other comprehensive income 計入其他綜合收益的 套期工具的公允價值 變動收益	Amount of loss reclassified from cashflow hedge reserve to profit or loss 從現金流量套期 儲備重分類至 當期損益的損失金額	Item in income statement which includes the reclassification adjustment 包含重分類 調整的利潤表列示項目

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Hedges (Continued)

Cash flow hedging (Continued)

Time span and average price or interest of the notional amount of hedging instrument are as follows:

		<i>RMB</i>			
		人民幣元			
Item	項目	Within 6 months 6個月內	6 to 12 months 6至12個月	More than one year 1年以後	Total 合計
Interest rate swap agreement	利率互換協議	-	-	1,284,000,000.00	1,284,000,000.00
Average interest rate of hedging instrument	套期工具的平均利率				0.6580%

On 15 January 2020, Weichai Power (Hong Kong) International Development Co., Limited, a subsidiary of the Company, used the interest rate swap instrument as hedging instrument, and conducted cash flow hedging on the floating-rate borrowings amounting to EUR241 million against the cash flow fluctuation incurred by change in interest rates. The hedged items would affect the profit and loss for the period of 2020 to 2024. There was no material invalid hedge for the current year. As at 31 December 2020, the cashflow hedging reserve in respect of the aforesaid hedged item was a loss of RMB14,484,977.71 (EUR1,804,981.65).

五、合併財務報表主要項目註釋(續)

71. 套期(續)

現金流量套期(續)

套期工具的名義金額的時間分佈以及平均價格或利率如下：

2020年1月15日，子公司濰柴動力(香港)國際發展有限公司將利率互換工具作為套期工具，指定對2.41億歐元的浮動利率借款由於利率變動引起的現金流量波動進行現金流量套期。被套期項目預期影響損益的期間為2020年至2024年。本年無重大套期無效的部分。截至2020年12月31日，上述套期項目現金流量套期儲備的金額為損失人民幣14,484,977.71元(歐元1,804,981.65)。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Hedges (Continued)

Cash flow hedging (Continued)

Carrying amount and fair value changes of hedging instrument are as follows:

RMB
人民幣元

Item 項目	Notional amount of hedging instrument 套期工具的名義金額	Carrying amount of hedging instrument 套期工具的賬面價值		Item shown in balance sheet which includes the hedging instrument 包含套期工具的資產負債表列示項目
		Assets 資產	Liabilities 負債	
Cashflow hedging – interest rate swap agreement 現金流量套期－利率互換協議	1,934,025,000.00	–	14,484,977.71	Other non-current liabilities 其他非流動負債

The change in fair value of hedging instrument is shown in profit or loss and other comprehensive income as follows:

套期工具公允價值變動在當期損益及其他綜合收益列示如下：

RMB
人民幣元

Item 項目	Loss on change in fair value of hedging instrument taken to other comprehensive income 計入其他綜合收益的 套期工具的公允價值 變動損失	Amount of loss reclassified from cashflow hedge reserve to profit or loss 從現金流量套期儲備 重分類至當期損益的 損失金額	Item in income statement which includes the reclassification adjustment 包含重分類調整的 利潤表列示項目

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Hedges (Continued)

Cash flow hedging (Continued)

Time span and average price or interest of the notional amount of hedging instrument are as follows:

		<i>RMB</i>			
		人民幣元			
Item	項目	Within 6 months 6個月內	6 to 12 months 6至12個月	More than one year 1年以後	Total 合計
Interest rate swap agreement	利率互換協議	-	-	1,934,025,000.00	1,934,025,000.00
Average interest rate of hedging instrument	套期工具的平均利率				0.7690%

On 1 July 2016, Weichai International Hong Kong Energy Group Co., Limited, a subsidiary of the Company, used the bond cross currency swaps as hedging instrument, and conducted cash flow hedging on the foreign currency bond amounting to USD400 million against the cash flow fluctuation incurred by change in exchange rates. The hedged items would affect the profit and loss for the period of 2020. There was no material invalid hedge for the current year. As at 30 September 2020, this hedging instrument expired and hedge accounting discontinued. The gain arising from changes in fair value of the hedging instrument recognized as other comprehensive income was RMB31,178,431.78, and the gain amount recognized in profit or loss in current period was RMB28,198,916.10.

五、合併財務報表主要項目註釋(續)

71. 套期(續)

現金流量套期(續)

套期工具的名義金額的時間分佈以及平均價格或利率如下：

2016年7月1日，子公司濰柴國際香港能源集團有限公司將交叉貨幣利率互換工具作為套期工具，指定對4億美元的外幣債券由於匯率變動引起的現金流量波動進行現金流量套期。被套期項目影響損益的期間為2020年。本年無重大套期無效的部分。截至2020年9月30日，該套期工具已到期，終止運用套期會計。本年度該套期工具計入其他綜合收益的公允價值變動收益為人民幣31,178,431.78元，當期轉出至損益的收益金額為人民幣28,198,916.10元。

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Hedges (Continued)

Fair value hedging

On 31 December 2018, KION, a subsidiary of the Company, entered into interest rate swap contract with a notional amount of EUR100,000,000.00, pursuant to which the Group shall receive interest at fixed annual interest rate, and shall pay interest on the notional amount at variable rate based on London Interbank Offer Rate (LIBOR). The purpose of the swap is to conduct fair value hedging on the interest rate risk underlying fixed-rate medium-term notes. There was no material invalid hedge for the current year.

Time span of the notional amount of hedging instrument are as follows:

Item	項目	Within 6 months 6個月內	6 to 12 months 6至12個月	More than one year 1年以後	Total 合計
Interest rate swap contract	利率互換合約	-	-	637,987,500.00	637,987,500.00

Carrying amount and fair value changes of hedging instrument are as follows:

Item 項目	Notional amount of hedging instrument 套期工具的名義金額	Carrying amount of hedging instrument 套期工具的賬面價值		Item shown in balance sheet which includes the hedging instrument 包含套期工具的資產負債表列示項目
		Assets 資產	Liabilities 負債	
Interest rate swap contract 利率互換合約	637,987,500.00	20,608,200.00	-	Other non-current financial assets 其他非流動金融資產

五、合併財務報表主要項目註釋(續)

71. 套期(續)

公允價值套期

於2018年12月31日，本集團子公司KION簽訂了名義金額為100,000,000.00歐元的利率互換合約，根據該協議本集團收到按固定年利率計算的利息，並支付以名義金額為基礎按照倫敦銀行同業拆借利率的可變年利率計算的利息。互換的目的是對固定利率中期票據的利率風險進行公允價值套期。本年無重大套期無效的部分。

套期工具的名義金額的時間分佈如下：

RMB
人民幣元

套期工具的賬面價值以及公允價值如下：

RMB
人民幣元

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

71. Hedges (Continued)

Fair value hedging (Continued)

Carrying amount and relevant adjustment of hedged items are as follows:

五、合併財務報表主要項目註釋(續)

71. 套期(續)

公允價值套期(續)

被套期項目的賬面價值以及相關調整如下：

RMB
人民幣元

Item 項目	Carrying amount of hedged item 被套期項目的賬面價值	Cumulative amount of fair value hedging adjustment in respect of the hedged item (recognized in carrying amount of hedged items) 被套期項目公允價值 套期調整的累計金額 (計入被套期項目的 賬面價值)	Item shown in balance sheet which includes the hedged item 包含被套期項目的 資產負債表列示項目
Fixed-rate medium-term note 固定利率中期票據	692,314,338.65	54,326,838.65	Bonds payable 應付債券

VI. CHANGE IN SCOPE OF CONSOLIDATION

1. Consolidation of businesses involving entities not under common control

(1) Consolidation of businesses involving entities not under common control during the year

Consolidation of businesses involving entities not under common control during the year as follows:

六、合併範圍的變動

1. 非同一控制下企業合併

(1) 本年發生的非同一控制下企業合併

本年發生的重要的非同一控制下企業合併的情況如下：

Name of acquiree	Shareholding (%)	Way of acquisition	Acquisition date	Determination basis for the acquisition date	RMB 人民幣元	
					Revenue of the acquiree from the acquisition date to the end of the period	Net profit of the acquiree from the acquisition date to the end of the period
被合併方名稱	股權取得比例(%)	股權取得方式	購買日	購買日確定的依據	購買日至期末被購買方的收入	購買日至期末被購買方的淨利潤
Digital Applications International Limited ("DAI") (Note 1)	100.00	Acquisition 購買	2 March 2020 2020年3月2日	The Company acquired control over the acquiree on the acquisition date. 本公司於購買日取得對被合併方的控制權	129,346,413.00	7,338,635.50
Digital Applications International Limited (以下簡稱「DAI」) (註1)						
Shengrui Transmission (Note 2) 盛瑞傳動(註2)	38.00	Acquisition 購買	30 November 2020 2020年11月30日	The Company acquired control over the acquiree on the acquisition date. 本公司於購買日取得對被合併方的控制權	9,798,630.57	(36,074,584.14)

Other Information:

Note 1: Pursuant to the equity transfer agreement entered into by the KION, a subsidiary of the Company, with the original shareholders of DAI, KION acquired 100% equity interest in DAI at a consideration of RMB852,041,047.20 (EUR110,348,000.00). KION obtained the control right over relevant activities such as financial and operational policies of DAI on 2 March 2020 and the acquisition date is determined to be 2 March 2020. DAI will become a part of KION's supply chain solutions business segment and expand the software investment portfolio of Dematic Group.

其他說明：

註1：根據本公司之子公司KION與DAI的原股東簽署的《股權轉讓協議》，KION以人民幣852,041,047.20元（歐元110,348,000.00）的對價收購DAI 100%的股權。KION於2020年3月2日取得了對DAI財務和經營政策等相關活動的控制權，購買日確認為2020年3月2日。DAI將成為KION供應鏈解決方案業務分部的一部分，擴大Dematic Group的軟件投資組合。

VI. CHANGE IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Consolidation of businesses involving entities not under common control (Continued)

(1) Consolidation of businesses involving entities not under common control during the year (Continued)

Note 2: Pursuant to the equity transfer agreement entered into by the Company and the original shareholders of Shengrui Transmission (the "Original Shareholders") on 12 November 2020, KION acquired 38% equity interest in Shengrui Transmission at a consideration of RMB761,946,619.00. In addition, it signed a voting right entrustment agreement with minority shareholders holding 54.78% equity interest in Shengrui Transmission. Pursuant to which, it has the power to exercise 30% of voting right and acquired the control over the activities related to financial and operating policies of Shengrui Transmission. The acquisition date is determined to be 30 November 2020.

(2) Acquisition cost and goodwill

六、合併範圍的變動(續)

1. 非同一控制下企業合併(續)

(1) 本年發生的非同一控制下企業合併(續)

註2：根據本公司與盛瑞傳動的原股東(以下簡稱「原股東」)於2020年11月12日簽署的《股權轉讓協議》，本公司以人民幣761,946,619.00元的對價，收購盛瑞傳動38%的股權，同時與持有盛瑞傳動合計16.78%股權的少數股東聯合簽訂了《表決權委託協議》，合計可行使的表決權比例為54.78%，取得了對盛瑞傳動的財務和經營政策等相關活動的控制權，購買日確認為2020年11月30日。

(2) 合併成本及商譽

RMB
人民幣元

Acquisition cost and goodwill	合併成本及商譽	DAI	Shengrui Transmission DAI 盛瑞傳動
Cash	現金	674,726,817.60	760,000,000.00
Fair value of liabilities assumed	承擔債務的公允價值	177,314,229.60	-
Fair value of equity interest held	持有股權的公允價值	-	-
Contingent consideration	或有對價	-	1,946,619.00
Total of acquisition cost	合併成本合計	852,041,047.20	761,946,619.00
Less: share of value of identifiable net assets acquired	減：取得的可辨認淨資產價值份額	297,937,940.40	356,522,717.17
Goodwill	商譽	554,103,106.80	405,423,901.83

VI. CHANGE IN SCOPE OF CONSOLIDATION
(CONTINUED)1. Consolidation of businesses involving entities not
under common control (Continued)(3) Identifiable assets and liabilities of the acquiree
as at the acquisition date

六、合併範圍的變動(續)

1. 非同一控制下企業合併(續)

(3) 主要被購買方於購買日可
辨認資產、負債RMB
人民幣元

Item	項目	Fair value as at	DAI
		the acquisition date	DAI
		購買日公允價值	Carrying amount as at the acquisition date 購買日賬面價值
Assets	資產		
Cash and cash equivalents	貨幣資金	67,670,349.60	67,670,349.60
Accounts receivable	應收賬款	44,259,064.80	44,259,064.80
Fixed assets	固定資產	6,192,562.80	6,192,562.80
Right-of-use assets	使用權資產	80,858,500.80	80,858,500.80
Intangible assets	無形資產	256,906,420.80	-
Deferred tax assets	遞延所得稅資產	33,680,746.80	-
Other non-current assets	其他非流動資產	210,670,677.60	33,356,448.00
Liabilities	負債		
Other current liabilities	其他流動負債	171,384,194.40	87,877,253.40
Deferred tax liabilities	遞延所得稅負債	48,814,690.80	-
Other non-current liabilities	其他非流動負債	93,807,288.60	-
Lease liabilities	租賃負債	80,858,500.80	80,858,500.80
Other liabilities	其他負債	7,435,708.20	7,435,708.20
Net assets	淨資產	297,937,940.40	56,165,463.60
Less: Minority interests	減：少數股東權益	-	-
Net assets acquired	取得的淨資產	297,937,940.40	

VI. CHANGE IN SCOPE OF CONSOLIDATION
(CONTINUED)

1. Consolidation of businesses involving entities not under common control (Continued)
(3) Identifiable assets and liabilities of the acquiree as at the acquisition date (Continued)

六、合併範圍的變動(續)

1. 非同一控制下企業合併(續)
(3) 主要被購買方於購買日可辨認資產、負債(續)

RMB
人民幣元

Item	項目	Shengrui Transmission 盛瑞傳動	
		Fair value as at the acquisition date 購買日公允價值	Carrying amount as at the acquisition date 購買日賬面價值
Assets	資產		
Cash and cash equivalents	貨幣資金	273,256,394.73	273,256,394.73
Accounts receivable	應收賬款	23,716,108.93	23,716,108.93
Other receivables	其他應收款	259,969,284.45	259,969,284.45
Inventories	存貨	87,239,649.30	87,239,649.30
Other current assets	其他流動資產	29,604,623.06	29,604,623.06
Long-term equity investments	長期股權投資	106,759,749.07	106,759,749.07
Fixed assets	固定資產	735,350,605.28	611,396,084.60
Intangible assets	無形資產	670,764,924.27	204,509,330.10
Development expenditure	開發支出	251,947,150.52	72,334,612.71
Other assets	其他資產	16,620,915.13	16,620,915.13
Liabilities	負債		
Short-term loans	短期借款	379,900,000.00	379,900,000.00
Notes payable	應付票據	449,234,709.44	449,234,709.44
Accounts payable	應付賬款	171,256,759.61	171,256,759.61
Other payables	其他應付款	67,410,224.28	67,410,224.28
Long-term borrowings	長期借款	233,000,000.00	233,000,000.00
Long-term payables	長期應付款	49,076,736.43	49,076,736.43
Accruals and provisions	預計負債	31,155,045.60	31,155,045.60
Deferred income	遞延收益	15,553,517.86	204,737,417.68
Deferred tax liabilities	遞延所得稅負債	115,473,397.90	-
Other liabilities	其他負債	4,951,336.86	4,951,336.86
Net assets	淨資產	938,217,676.76	94,684,522.18
Less: Minority interests	減：少數股東權益	581,694,959.59	
Net assets acquired	取得的淨資產	356,522,717.17	

VI. CHANGE IN SCOPE OF CONSOLIDATION
(CONTINUED)

2. Disposal of subsidiaries

六、合併範圍的變動(續)

2. 處置子公司

							RMB	
							人民幣元	
							Basis for	Difference between
							determining	the consideration
							the time point	and the share of the
							of losing	subsidiary's net assets
							control	in the consolidated
							of losing control	financial statement
							corresponding to	the disposal of the
							investment	investment
							處置價款與	處置投資對應的
							處置投資對應的	合併財務報表
							層面享有該子公司	淨資產份額的差額
Name of subsidiary	子公司名稱	Consideration received for disposal of equity	Percentage of disposal of equity (%)	Way of disposal of equity	Time point of losing control	Basis for determining the time point of losing control	Difference between the consideration and the share of the subsidiary's net assets in the consolidated financial statement corresponding to the disposal of the investment	
		股權處置價款	股權處置比例(%)	股權處置方式	喪失控制權的時點	喪失控制權時點的確定依據	處置價款與處置投資對應的合併財務報表層面享有該子公司淨資產份額的差額	
Weichai (Chongqing) Automotive Co., Ltd.	濰柴(重慶)汽車有限公司	790,058,500.00	100.00	Equity transfer 股權轉讓	End of December 2020 2020年12月末	Completion of equity transfer 完成股權交割	419,233,357.78	

VII. INTEREST IN OTHER ENTITIES

1. Interest in subsidiaries

Particulars of the principal subsidiaries of the Company are presented as follows:

Item 項目	Place of key operation 主要經營地	Place of registration 註冊地	Nature of business 業務性質	Registered capital 註冊資本	Percentage of shareholding (%) 持股比例(%)		
					Direct 直接	Indirect 間接	
Subsidiaries acquired through establishment or investment 通過設立或投資等方式取得的子公司							
(1)	Weichai (Weifang) Material Forming and Manufacturing Co., Ltd. 濰柴(濰坊)材料成型製造中心有限公司	Shandong 山東	Shandong 山東	Manufacturing industry 製造業	RMB460,150,000.00 人民幣460,150,000.00	100.00	-
(2)	Weichai Power (Shanghai) Technology Development Co., Ltd. 濰柴動力(上海)科技發展有限公司	Shanghai 上海	Shanghai 上海	Manufacturing industry 製造業	RMB650,000,000.00 人民幣650,000,000.00	100.00	-
(3)	Weichai Power Yangzhou Diesel Engine Co., Ltd. 濰柴動力揚州柴油機有限責任公司	Jiangsu 江蘇	Jiangsu 江蘇	Manufacturing industry 製造業	RMB953,885,379.17 人民幣953,885,379.17	-	71.06
(4)	Weichai Power (Beijing) International Resources Investment Co., Ltd. 濰柴動力(北京)國際資源投資有限公司	Beijing 北京	Beijing 北京	Project Investment 項目投資	RMB300,000,000.00 人民幣300,000,000.00	100.00	-
(5)	Weichai Lux 濰柴盧森堡	Luxembourg 盧森堡	Luxembourg 盧森堡	Project Investment 項目投資	EUR100,000.00 歐元100,000.00	-	100.00
(6)	Weichai Power (Hong Kong) International Development Co., Ltd. 濰柴動力(香港)國際發展有限公司	Hong Kong 香港	Hong Kong 香港	Services 服務業	USD336,242,497.00 美元336,242,497.00	100.00	-
(7)	Shandong Heavy Industry India Private Limited 山東重工印度有限責任公司	India 印度	India 印度	Manufacturing industry 製造業	Rupee823,889,270.00 盧比823,889,270.00	-	97.68
(8)	Weichai Ballard Hydrogen Energy Technology Company Limited 濰柴巴拉德氫能科技有限公司	Shandong 山東	Shandong 山東	Manufacturing industry 製造業	RMB 1,100,000,000.00 人民幣1,100,000,000.00	51.00	9.75

七、在其他主體中的權益

1. 在子公司中的權益

本公司重要子公司的情况如下：

VII. INTEREST IN OTHER ENTITIES
(CONTINUED)

1. Interest in subsidiaries (Continued)

七、在其他主體中的權益(續)

1. 在子公司中的權益(續)

Item 項目	Place of key operation 主要經營地	Place of registration 註冊地	Nature of business 業務性質	Registered capital 註冊資本	Percentage of shareholding (%) 持股比例(%)	
					Direct 直接	Indirect 間接
Subsidiaries acquired through business combination involving entities not under common control 非同一控制下企業合併取得的子公司						
(9)	Shandong	Shandong	Manufacturing industry 製造業	RMB450,150,000.00	-	100.00
	山東	山東	製造業	人民幣450,150,000.00		
(10)	Shaanxi	Shaanxi	Manufacturing industry 製造業	RMB3,706,330,000.00	51.00	-
	陝西	陝西	製造業	人民幣3,706,330,000.00		
(11)	Shaanxi	Shaanxi	Manufacturing industry 製造業	RMB320,000,000.00	3.06	94.00
	陝西	陝西	製造業	人民幣320,000,000.00		
(12)	Shaanxi	Shaanxi	Manufacturing industry 製造業	RMB593,360,000.00	-	100.00
	陝西	陝西	製造業	人民幣593,360,000.00		
(13)	Shaanxi	Shaanxi	Manufacturing industry 製造業	RMB256,790,000.00	51.00	-
	陝西	陝西	製造業	人民幣256,790,000.00		
(14)	Hunan	Hunan	Manufacturing industry 製造業	RMB540,789,475.00	86.37	-
	湖南	湖南	製造業	人民幣540,789,475.00		
(15)	Hunan	Hunan	Manufacturing industry 製造業	RMB282,480,000.00	99.95	0.05
	湖南	湖南	製造業	人民幣282,480,000.00		
(16)	France	France	Manufacturing industry 製造業	EUR67,311,180.00	-	100.00
	法國	法國	製造業	歐元67,311,180.00		
(17)	Germany	Germany	Manufacturing industry 製造業	EUR131,198,647.00	-	45.23
	德國	德國	製造業	歐元131,198,647.00		
(18)	U.S.A.	U.S.A.	Manufacturing industry 製造業	USD89,452,784.00	100.00	-
	美國	美國	製造業	美元89,452,784.00		
(19)	Shandong	Shandong	Manufacturing industry 製造業	RMB 120,000,000.00	38.00	-
	山東	山東	製造業	人民幣120,000,000.00		

VII. INTEREST IN OTHER ENTITIES
(CONTINUED)

1. Interest in subsidiaries (Continued)

Changes in paid-in capital of principal subsidiaries in the year are detailed as follows:

Name of subsidiary	子公司名稱	31 December 2019 2019年12月31日	Increase in the year 本年增加	Decrease in the year 本年減少	31 December 2020 2020年12月31日
Societe International des Moteurs Baudouin (USD)	法國博杜安動力國際有限公司(美元)	47,311,180.00	20,000,000.00	-	67,311,180.00
KION (EUR)	凱傲(歐元)	117,959,000.00	13,127,000.00	-	131,086,000.00
Weichai Ballard Hydrogen Energy Technology Company Limited (RMB)	濰柴巴拉德氫能科技有限公司(人民幣元)	491,920,236.86	317,581,970.16	-	809,502,207.02

Subsidiaries with material interests of minority shareholders are as follows:

存在重要少數股東權益的子公司如下：

RMB
人民幣元

Name of subsidiary	子公司名稱	Percentage of shareholding of minority shareholders 少數股東 持股比例	Attributable to minority interests 歸屬少數 股東損益	Dividends paid to minority shareholders 向少數股東 支付股利	Accumulated minority interests at the end of year 年末累計少數 股東權益
KION	凱傲	54.77%	394,892,023.22	48,995,991.77	14,284,504,280.78
Shaanxi Heavy-duty Motor Co., Ltd.	陝西重型汽車有限公司	49.00%	769,881,410.51	289,405,820.12	3,846,072,390.12
Shaanxi Fast Gear Co., Ltd.	陝西法士特齒輪 有限責任公司	49.00%	771,256,207.07	286,801,919.03	5,063,373,447.10
Total	合計		1,936,029,640.80	625,203,730.92	23,193,950,118.00

VII. INTEREST IN OTHER ENTITIES (CONTINUED)

1. Interest in subsidiaries (Continued)

The following table illustrates the summarized financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

七、在其他主體中的權益(續)

1. 在子公司中的權益(續)

下表列示了上述子公司主要財務信息。這些信息為本集團內各企業之間相互抵銷前的金額：

RMB
人民幣元

Item	項目	KION 凱傲	Shaanxi Heavy-duty	Shaanxi Fast
			Motor Co., Ltd. 陝西重型汽車有限公司	Gear Co., Ltd. 陝西法士特齒輪有限責任公司
31 December 2020	2020年12月31日			
Current assets	流動資產	27,200,280,075.00	42,374,668,069.81	16,814,760,741.66
Non-current assets	非流動資產	75,766,973,919.38	6,696,375,328.57	3,467,341,903.15
Total assets	資產合計	102,967,253,994.38	49,071,043,398.38	20,282,102,644.81
Current liabilities	流動負債	29,339,255,550.00	38,481,540,661.94	9,077,142,470.96
Non-current liabilities	非流動負債	50,052,992,522.28	2,247,207,538.09	337,612,815.08
Total liabilities	負債合計	79,392,248,072.28	40,728,748,200.03	9,414,755,286.04
Incurring during the year	本年發生額			
Revenue	營業收入	65,111,340,918.48	65,843,479,009.88	17,989,407,522.36
Net profit	淨利潤	907,910,540.62	1,527,739,527.60	1,552,141,580.50
Total comprehensive income	綜合收益總額	(946,382,107.12)	1,527,739,527.60	1,548,426,229.82
Net cash flows from operating activities	經營活動產生的現金流量淨額	4,163,968,641.00	5,979,497,964.96	1,760,894,491.43

VII. INTEREST IN OTHER ENTITIES
(CONTINUED)

2. Interest in joint ventures and associates

Particulars of the principal joint venture and associates of the Company are presented as follows:

七、在其他主體中的權益(續)

2. 在合營企業和聯營企業中的權益
本公司重要合營企業和聯營企業的情況如下：

Item 項目	Place of key operation 主要經營地	Place of registration 註冊地	Nature of Business 業務性質	Registered capital 註冊資本	Percentage of shareholding (%) 持股比例(%)		Accounting treatment 會計處理
					Direct 直接	Indirect 間接	
Joint venture							
合營企業							
(1) Xi'an FC 西安雙特	Shaanxi 陝西	Shaanxi 陝西	Manufacturing industry 製造業	RMB500,000,000.00 人民幣500,000,000.00	-	51.00	Equity method 權益法
Associates							
聯營企業							
(1) Shanzhong Finance Leasing Co., Ltd. 山重融資租賃有限公司	Beijing 北京	Beijing 北京	Finance lease 融資租賃	RMB1,315,217,391.30 人民幣1,315,217,391.30	16.36	16.36	Equity method 權益法
(2) Shandong Heavy Industry Group Finance Co., Ltd. 山東重工集團財務有限公司	Shandong 山東	Shandong 山東	Finance company 財務公司	RMB1,600,000,000.00 人民幣1,600,000,000.00	31.25	6.25	Equity method 權益法

VII. INTEREST IN OTHER ENTITIES
(CONTINUED)

2. Interest in joint ventures and associates (Continued)

Key financial information of principal joint venture:

The following table illustrates the financial information of Xi'an FC:

		RMB 人民幣元	
Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Current assets	流動資產	256,261,039.77	221,108,848.52
Non-current assets	非流動資產	187,482,221.96	219,116,438.87
Total assets	資產合計	443,743,261.73	440,225,287.39
Current liabilities	流動負債	181,210,978.49	229,369,186.76
Total liabilities	負債合計	181,210,978.49	229,369,186.76
Shareholders' equity attributable to the parent	歸屬於母公司的股東權益	262,532,283.24	210,856,100.63
Share of net assets based on percentage of shareholding	按持股比例享有的淨資產份額	133,891,464.45	107,536,611.32
Adjustments	調整事項		
– Others	– 其他	(7,603,822.26)	(7,767,465.53)
Carrying value of investment	投資的賬面價值	126,287,642.19	99,769,145.79

RMB
人民幣元

		RMB 人民幣元	
Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Revenue	營業收入	410,431,458.72	280,205,261.82
Finance expenses	財務費用	5,028,930.93	4,038,691.21
Net profit	淨利潤	51,580,444.30	(14,339,017.70)
Total comprehensive income	綜合收益總額	51,580,444.30	(14,339,017.70)

Key financial information of principal associates:

The Group holds 37.50% equity interest of Shandong Heavy Industry Group Finance Co., Ltd. ("Shandong Heavy Industry Finance Co."), which provides the Group with services of deposits, credit lending, settlement and other financial services. It is a key associate of the Group and is accounted for using equity method in the Group's accounts.

2. 在合營企業和聯營企業中的權益(續)

重要合營企業的主要財務信息：

下表列示了西安雙特的財務信息：

		RMB 人民幣元	
Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Revenue	營業收入	410,431,458.72	280,205,261.82
Finance expenses	財務費用	5,028,930.93	4,038,691.21
Net profit	淨利潤	51,580,444.30	(14,339,017.70)
Total comprehensive income	綜合收益總額	51,580,444.30	(14,339,017.70)

重要聯營企業的主要財務信息：

本集團持有山東重工集團財務有限公司(「山東重工財務公司」)37.50%股權，山東重工財務公司為本集團提供存款、信貸、結算及其他金融服務，是本集團重要的聯營企業，本集團對該聯營企業採用權益法核算。

VII. INTEREST IN OTHER ENTITIES
(CONTINUED)

2. Interest in joint ventures and associates (Continued)

The following table illustrates the financial information of Shandong Heavy Industry Finance Co.:

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Total assets	資產合計	37,040,389,274.82	32,150,936,534.18
Total liabilities	負債合計	34,094,813,725.37	29,383,272,094.78
Shareholders' equity attributable to the parent	歸屬於母公司的股東權益	2,945,575,549.45	2,767,664,439.40
Share of net assets based on percentage of shareholding	按持股比例享有的淨資產份額	1,104,590,831.04	1,037,874,164.78
Adjustments:	調整事項		
– Others	– 其他	35,202,169.24	35,793,070.01
Carrying value of investment	投資的賬面價值	1,139,793,000.28	1,073,667,234.79

RMB
人民幣元

Item	項目	Incurred during the Year 本年發生額	Incurred in previous year 上年發生額
Revenue	營業收入	476,773,731.89	457,432,002.24
Income tax expenses	所得稅費用	(106,573,387.88)	(103,141,175.93)
Net profit	淨利潤	319,591,110.05	309,264,688.44
Total comprehensive income	綜合收益總額	319,591,110.05	309,264,688.44
Dividend received	收到的股利	53,130,000.00	37,500,000.00

The Group holds 32.73% equity interests of Shanzhong Finance Leasing Co., Ltd. ("Shanzhong Finance Leasing"), which provides the distributors and end-user customers of Shaanxi Heavy-duty Motor Co., Ltd, a subsidiary of the Company, with finance leasing services. It is a key associate of the Group and is accounted for using equity method in the Group's accounts.

本集團持有山重融資租賃有限公司(「山重融資租賃」)32.73%股權。山重融資租賃為本公司子公司陝西重型汽車有限公司的經銷商及其終端客戶提供融資租賃服務，是本集團重要的聯營企業，本集團對該聯營企業採用權益法核算。

VII. INTEREST IN OTHER ENTITIES
(CONTINUED)

2. Interest in joint ventures and associates (Continued)

The following table illustrates the financial information of Shanzhong Finance Leasing Co., Ltd.:

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Current assets	流動資產	4,648,052,697.10	3,613,666,154.48
Non-current assets	非流動資產	3,205,841,518.53	2,197,374,049.21
Total assets	資產合計	7,853,894,215.63	5,811,040,203.69
Current liabilities	流動負債	3,813,812,682.89	3,074,375,022.58
Non-current liabilities	非流動負債	2,408,554,001.12	1,455,798,632.20
Total liabilities	負債合計	6,222,366,684.01	4,530,173,654.78
Shareholders' equity attributable to the parent	歸屬於母公司的股東權益	1,631,527,531.62	1,280,866,548.91
Share of net assets based on percentage of shareholding	按持股比例享有的淨資產份額	533,953,278.33	501,203,080.59
Adjustments	調整事項		
– Other	– 其他	(4,090,507.01)	(62,554.47)
Carrying value of investment	投資的賬面價值	529,862,771.32	501,140,526.12

RMB
人民幣元

Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Revenue	營業收入	414,651,836.84	372,766,408.95
Income tax expenses	所得稅費用	(24,666,839.74)	(20,687,948.34)
Net profit	淨利潤	73,555,244.06	63,145,287.44
Total comprehensive income	綜合收益總額	73,555,244.06	63,145,287.44
Dividend received	收到的股利	–	6,624,000.00

VII. INTEREST IN OTHER ENTITIES (CONTINUED)

2. Interest in joint ventures and associates (Continued)

The following illustrates the combined financial information of the joint ventures and associates which, individually, are not significant to the Group:

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Total carrying value of investments	投資賬面價值合計	3,148,416,100.60	3,036,567,626.31

The total amount of the following calculation based on the percentage of shareholding:

Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Net profit	淨利潤	78,566,767.41	87,333,541.98
Other comprehensive loss	其他綜合收益	(15,526,594.40)	(2,446,556.70)
Total comprehensive income	綜合收益總額	63,040,173.01	84,886,985.28
Dividends received	收到的股利	91,892,731.92	—

七、在其他主體中的權益(續)

2. 在合營企業和聯營企業中的權益 (續)

下表列示了對本集團單項不重要的合營和聯營企業的合計財務信息：

RMB
人民幣元

下列各項按持股比例計算的合計數：

RMB
人民幣元

VII. INTEREST IN OTHER ENTITIES (CONTINUED)

2. Interest in joint ventures and associates (Continued)

As the Group takes no responsibility for additional losses incurred by Shaanxi Eurostar Auto Co., Ltd., in recognizing its share of the net losses incurred by Shaanxi Eurostar Auto Co., Ltd., the writing-off of carrying values of long-term equity investments and other long-term interests constituting effectively net investments in Shaanxi Eurostar Auto Co., Ltd. is limited to zero. The Group's unrecognized investment losses, for the year and on an accumulative basis, amounted to RMB5,760,686.45 and RMB94,767,600.64 (2019: RMB4,707,338.83 and RMB89,006,914.19) respectively.

As the Group takes no responsibility for additional losses incurred by Baoding Shanqi Tianma Automobile Co., Ltd., in recognizing its share of the net losses incurred by Baoding Shanqi Tianma Automobile Co., Ltd., the writing-off of the carrying values of long-term equity investments and other long-term interests constituting effectively net investments in Baoding Shanqi Tianma Automobile Co., Ltd. is limited to zero. The Group's unrecognized investment losses, for the year and on an accumulative basis, amounted to RMB308.00 and RMB7,750,463.68 (2019: RMB358,574.37 and RMB7,750,155.68) respectively.

七、在其他主體中的權益(續)

2. 在合營企業和聯營企業中的權益(續)

由於本集團對陝西歐舒特汽車股份有限公司不負有承擔額外損失義務，因此在確認應分擔陝西歐舒特汽車股份有限公司發生的淨虧損時，以長期股權投資的賬面價值以及其他實質上構成對陝西歐舒特汽車股份有限公司淨投資的長期權益減記至零為限，本集團本期及累計未確認的投資損失金額分別為人民幣5,760,686.45元和人民幣94,767,600.64元(2019年：人民幣4,707,338.83元和人民幣89,006,914.19元)。

由於本集團對保定陝汽天馬汽車有限公司不負有承擔額外損失義務，因此在確認應分擔保定陝汽天馬汽車有限公司發生的淨虧損時，以長期股權投資的賬面價值以及其他實質上構成對保定陝汽天馬汽車有限公司淨投資的長期權益減記至零為限，本集團本年及累計未確認的投資損失金額分別為人民幣308.00元和人民幣7,750,463.68元(2019年：人民幣358,574.37元和人民幣7,750,155.68元)。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

1. Financial instruments by category

The carrying amounts of each category of financial instruments as at the balance sheet date are presented as follows:

2020

Financial assets

八、與金融工具相關的風險

1. 金融工具分類

資產負債表日的各類金融工具的賬面價值如下：

2020年

金融資產

RMB

人民幣元

Item	項目	At fair value through profit or loss	Measured at amortized cost	At fair value through other comprehensive income		Total
		以公允價值計量且其變動計入當期損益	以攤餘成本計量	Categorised into	Designated as	
				分類為	指定為	合計
Cash and cash equivalents	貨幣資金	-	62,216,111,509.25	-	-	62,216,111,509.25
Financial assets held for trading	交易性金融資產	5,852,397,849.29	-	-	-	5,852,397,849.29
Notes receivable	應收票據	-	19,296,491,612.98	-	-	19,296,491,612.98
Receivable Financing	應收款項融資	-	-	9,483,678,101.82	-	9,483,678,101.82
Accounts receivable	應收賬款	-	15,421,878,611.33	-	-	15,421,878,611.33
Other receivables	其他應收款	-	1,409,858,869.61	-	-	1,409,858,869.61
Investment in other equity instruments	其他權益工具投資	-	-	-	2,411,112,072.96	2,411,112,072.96
Other non-current financial assets	其他非流動金融資產	243,013,050.00	-	-	-	243,013,050.00
Total	合計	6,095,410,899.29	98,344,340,603.17	9,483,678,101.82	2,411,112,072.96	116,334,541,677.24

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Financial instruments by category (Continued)

The carrying amounts of each category of financial instruments as at the balance sheet date are presented as follows: (Continued)

2020 (Continued)

Financial liabilities

八、與金融工具相關的風險(續)

1. 金融工具分類(續)

資產負債表日的各類金融工具的賬面價值如下：(續)

2020年(續)

金融負債

RMB
人民幣元

Item	項目	At fair value through profit or loss 以公允價值計量且其變動計入當期損益	Measured at amortized cost 以攤餘成本計量	Total 合計
Short-term loans	短期借款	-	5,731,086,536.96	5,731,086,536.96
Financial liabilities held for trading	交易性金融負債	57,504,235.74	-	57,504,235.74
Notes payable	應付票據	-	22,970,493,736.20	22,970,493,736.20
Accounts payable	應付賬款	-	45,449,924,996.39	45,449,924,996.39
Other payables	其他應付款	-	8,408,305,895.50	8,408,305,895.50
Non-current liabilities due within one year	一年內到期的非流動負債	-	8,906,209,914.52	8,906,209,914.52
Other current liabilities	其他流動負債	-	2,971,300,255.05	2,971,300,255.05
Long-term borrowings	長期借款	-	12,026,638,367.24	12,026,638,367.24
Bonds payable	應付債券	-	8,702,767,425.04	8,702,767,425.04
Long-term payables	長期應付款	-	6,972,385,050.93	6,972,385,050.93
Other non-current liabilities	其他非流動負債	145,879,704.92	6,272,273,302.52	6,418,153,007.44
Total	合計	203,383,940.66	128,411,385,480.35	128,614,769,421.01

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Financial instruments by category (Continued)

The carrying amounts of each category of financial instruments as at the balance sheet date are presented as follows: (Continued)

2019

Financial assets

八、與金融工具相關的風險(續)

1. 金融工具分類(續)

資產負債表日的各類金融工具的賬面價值如下：(續)

2019年

金融資產

RMB

人民幣元

Item	項目	At fair value	Measured at	At fair value through other comprehensive		Total
		through profit or loss		amortized cost	income	
		以公允價值計量且其變動計入當期損益	以攤餘成本計量	以公允價值計量且其變動計入其他綜合收益		合計
				Categorised into	Designated as	
				分類為	指定為	
Cash and cash equivalents	貨幣資金	-	48,817,622,206.26	-	-	48,817,622,206.26
Financial assets held for trading	交易性金融資產	4,451,059,463.07	-	-	-	4,451,059,463.07
Notes receivable	應收票據	-	15,920,141,988.31	-	-	15,920,141,988.31
Receivable Financing	應收款項融資	-	-	10,537,909,983.71	-	10,537,909,983.71
Accounts receivable	應收賬款	-	14,285,262,297.09	-	-	14,285,262,297.09
Other receivables	其他應收款	-	681,601,186.05	-	-	681,601,186.05
Investment in other equity instruments	其他權益工具投資	-	-	-	2,103,129,675.18	2,103,129,675.18
Other non-current financial assets	其他非流動金融資產	636,502,629.08	-	-	-	636,502,629.08
Total	合計	5,087,562,092.15	79,704,627,677.71	10,537,909,983.71	2,103,129,675.18	97,433,229,428.75

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Financial instruments by category (Continued)

The carrying amounts of each category of financial instruments as at the balance sheet date are presented as follows: (Continued)

2019 (Continued)

Financial liabilities

八、與金融工具相關的風險(續)

1. 金融工具分類(續)

資產負債表日的各類金融工具的賬面價值如下：(續)

2019年(續)

金融負債

RMB
人民幣元

Item	項目	At fair value through profit or loss 以公允價值計量且 其變動計入當期損益	Measured at amortized cost 以攤餘成本計量	Total 合計
Short-term loans	短期借款	-	2,014,692,401.39	2,014,692,401.39
Financial liabilities held for trading	交易性金融負債	131,920,754.38	-	131,920,754.38
Notes payable	應付票據	-	22,446,404,536.58	22,446,404,536.58
Accounts payable	應付賬款	-	36,748,503,682.85	36,748,503,682.85
Other payables	其他應付款	-	6,511,002,642.85	6,511,002,642.85
Non-current liabilities due within one year	一年內到期的非流動負債	-	9,199,967,352.83	9,199,967,352.83
Other current liabilities	其他流動負債	-	3,519,812,898.34	3,519,812,898.34
Long-term borrowings	長期借款	-	11,373,657,990.58	11,373,657,990.58
Bonds payable	應付債券	-	10,295,279,995.18	10,295,279,995.18
Long-term payables	長期應付款	-	4,623,816,739.08	4,623,816,739.08
Other non-current liabilities	其他非流動負債	127,369,203.50	3,379,508,170.50	3,506,877,374.00
Total	合計	259,289,957.88	110,112,646,410.18	110,371,936,368.06

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

2. Transfers of Financial Assets

Transferred financial assets that had not been derecognised in their entirety

As at 31 December 2020, the Group's transferred long-term receivables that had not been derecognised in their entirety amounted to RMB5,598,400,500.00 (31 December 2019: RMB3,298,141,000.00).

Transferred financial assets that had been derecognised in their entirety but continuously involved

As at 31 December 2020, the Group had endorsed or discounted acceptance bills, which remained outstanding, for settling account payables with a carrying amount of RMB32,426,320,835.90 (31 December 2019: RMB23,456,803,940.66). As at 31 December 2020, they were due in 1 to 12 months. If acceptance banks dishonor the bills, endorsees shall have the right to turn to the Group for recourse ("Continuing Involvement") according to the Law of Negotiable Instruments.

The Group considered substantially all risk and reward of the bills have been transferred. Therefore, the Group derecognized the book value of the related accounts payable that have been settled by the bills. The undiscounted cash flow and maximum loss of continuing involvement and repurchase were equal to the book value of the bills. The Group considers the fair value of continuing involvement is not significant.

In 2020, the Group did not recognize any significant profit or loss at the date of transfer. The Group had no current or accumulated gain or expense arising from the continuing involvement in financial assets which had been derecognized. The endorsement and discount were incurred evenly throughout the year.

八、與金融工具相關的風險(續)

2. 金融資產轉移

已轉移但未整體終止確認的金融資產

於2020年12月31日，本集團已轉移但未整體終止確認的長期應收款為人民幣5,598,400,500.00元(2019年12月31日：人民幣3,298,141,000.00元)。

已整體終止確認但繼續涉入的已轉移金融資產

於2020年12月31日，本集團未到期的已背書或貼現的承兌匯票的賬面價值為人民幣32,426,320,835.90元(2019年12月31日：人民幣23,456,803,940.66元)。於2020年12月31日，其到期日為1至12個月，根據《票據法》相關規定，若承兌銀行拒絕付款的，其持有人有權向本集團追索(「繼續涉入」)。

本集團認為，本集團已經轉移了其幾乎所有的風險和報酬，因此，終止確認其及與之相關的已結算應付賬款的賬面價值。繼續涉入及回購的最大損失和未折現現金流量等於其賬面價值。本集團認為，繼續涉入公允價值並不重大。

2020年度，本集團於其轉移日確認的利得或損失並不重大。本集團無因繼續涉入已終止確認金融資產當年度和累計確認的收益或費用。背書和貼現在本年度大致均衡發生。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks

In its day-to-day activities, the Group is exposed to financial instruments risks, primarily including credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk and price risk). The Group's major financial instruments include cash and cash equivalents, equity investments, debt investments, borrowings, notes receivable, accounts receivable, finance lease receivables, notes payable, accounts payable and lease payables and so forth. The risks in connection with these financial instruments and the risk management policies adopted by the Group to mitigate such risks are described as follows.

The Directors are responsible for planning and establishing the risk management structure of the Group, designating the risk management policies and the related guidance for the Group, and monitoring the implementation of risk management measures. The Group has risk management policies in place to identify and analyse the risk exposure of the Group. These risk management policies have defined particular risks, covering the aspects of the management of credit risk, liquidity risk and market risk. The Group will decide whether it is necessary to update the risk management policies and system by regularly evaluating changes in market environment and the operating activities of the Group. Risk management of the Group is carried out by the risk management committee in accordance with the policies approved by the board. Risk management committee identifies, evaluates and mitigates the relevant risks by closely working with other business departments. Internal audit department of the Group will conduct audit regularly on risk management control and procedures, and submit the audit results to the audit committee of the Group.

The Group spreads the risks from financial instruments by diversified investment and business portfolio, and develops risk management policies accordingly to mitigate the risk of over-concentration on any single industry, particular region or particular counterparties.

八、與金融工具相關的風險(續)

3. 金融工具風險

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、流動性風險及市場風險(包括匯率風險、利率風險和價格風險)。本集團的主要金融工具包括貨幣資金、股權投資、債權投資、借款、應收票據、應收賬款、融資租賃應收款、應付票據、應付賬款及租賃應付款等。與這些金融工具相關的風險，以及本集團為降低這些風險所採取的風險管理策略如下所述。

董事會負責規劃並建立本集團的風險管理架構，制定本集團的風險管理政策和相關指引並監督風險管理措施的執行情況。本集團已制定風險管理政策以識別和分析本集團所面臨的風險，這些風險管理政策對特定風險進行了明確規定，涵蓋了市場風險、信用風險和流動性風險管理等諸多方面。本集團定期評估市場環境及本集團經營活動的變化以決定是否對風險管理政策及系統進行更新。本集團的風險管理由風險管理委員會按照董事會批准的政策開展。風險管理委員會通過與本集團其他業務部門的緊密合作來識別、評價和規避相關風險。本集團內部審計部門就風險管理控制及程序進行定期的審核，並將審核結果上報本集團的審計委員會。

本集團通過適當的多樣化投資及業務組合來分散金融工具風險，並通過制定相應的風險管理政策減少集中於任何單一行業、特定地區或特定交易對手的風險。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Credit risk

The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to ensure that the Group's exposure to credit loss is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Department of Credit Control in the Group.

For financial service transactions related to finance leasing, the Group only trades with third-party cooperation partners with high investment credit ratings, and thus the credit risk for finance lease receivables is relatively lower. The carrying amounts of non-current assets due within one year and long-term receivables in the consolidated balance sheet represent the maximum credit risk to which the Group may be exposed.

Since the counterparties for cash and cash equivalents and bank acceptance bills receivable are reputable banks with high credit ratings, the credit risk of those financial instruments is lower.

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

信用風險

本集團僅與經認可的、信譽良好的第三方進行交易。按照本集團的政策，需對所有要求採用信用方式進行交易的客戶進行信用審核。另外，本集團對應收賬款餘額進行持續監控，以確保本集團不致面臨重大信用損失風險。對於未採用相關經營單位的記賬本位幣結算的交易，除非本集團信用控制部門特別批准，否則本集團不提供信用交易條件。

本集團對於融資租賃相關的金融服務交易，僅與具有較高投資信用評級的第三方合作夥伴進行交易，對應融資租賃應收款的信用風險較低。合併資產負債表中一年內到期的非流動資產和長期應收款的賬面價值正是本集團可能面臨的最大信用風險。

由於貨幣資金、應收銀行承兌匯票的交易對手是聲譽良好並擁有較高信用評級的銀行，這些金融工具信用風險較低。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Credit risk (Continued)

The credit risk of the Group's other financial assets, which comprise debt investments and other receivables and so forth, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

The Group trades with its customers primarily on credit terms, and generally requires payment in advance or cash on delivery for new customers. Credit period is generally from one to twelve months, Customers with good trading record could be granted a longer credit period. Since the Group trades only with recognized and creditworthy third parties, there is no requirement for collateral. Credit risk management is centralized according to customer/ counterparty, geographical region and industry sector. The Group's maximum possible credit risk equals to the carrying amounts of accounts receivable in the consolidated balance sheet. As at 31 December 2020, the Group has no significant concentrations of credit risk as 12.51% (31 December 2019: 15.27%) of the Group's accounts receivable (at historical value) were due from the top 5 customers.

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

信用風險(續)

本集團其他金融資產包括債權投資及其他應收款等，這些金融資產的信用風險源自交易對手違約，最大風險敞口等於這些工具的賬面金額。

本集團與客戶間的貿易條款以信用交易為主，且一般要求新客戶預付款或採取貨到付款方式進行。信用期通常為1-12個月，交易記錄良好的客戶可獲得比較長的信貸期。由於本集團僅與經認可的且信譽良好的第三方進行交易，所以無需擔保物。信用風險集中按照客戶／交易對手、地理區域和行業進行管理。合併資產負債表中應收賬款的賬面價值正是本集團可能面臨的最大信用風險。於2020年12月31日，本集團應收賬款中前五名客戶的款項原值佔所有款項原值的12.51% (2019年12月31日：15.27%)，本集團並未面臨重大信用集中風險。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

*Credit risk (Continued)**Definition of credit-impaired asset*

The standard adopted by the Group to determine whether a credit impairment occurs is consistent with the internal credit risk management objectives of the relevant financial instrument, taking into account quantitative and qualitative criteria. When the Group assesses whether the credit impairment of financial assets occurred, the following factors are mainly considered:

- Significant financial difficulty of the issuer or the debtor;
- Debtors are in breach of contract, such as defaulting on interest or becoming overdue on interest or principal payments overdue;
- The creditor of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession that the creditor would not otherwise consider;
- It is becoming probable that the debtor will enter bankruptcy or other financial restructuring;
- The disappearance of an active market for that financial asset because of financial difficulties;
- The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses;

The credit impairment of a financial asset may be caused by the combined effect of multiple events and may not be necessarily due to a single event.

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

*信用風險(續)**已發生信用減值資產的定義*

為確定是否發生信用減值，本集團所採用的界定標準，與內部針對相關金融工具的信用風險管理目標保持一致，同時考慮定量、定性指標。本集團評估金融資產是否發生信用減值時，主要考慮以下因素：

- 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；
- 債權人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；
- 以大幅折扣購買或源生一項金融資產，該折扣反映了發生信用損失的事實；

金融資產發生信用減值，有可能是多個事件的共同作用所致，未必是可單獨識別的事件所致。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Credit risk (Continued)

Parameters of ECL measurement

According to whether there is a significant increase in credit risk and whether there is an impairment of assets, the Group measures the impairment loss for different assets with ECL of 12 months or the entire lifetime respectively. The key measuring parameters of ECL include probability of default (PD), loss given default (LGD) and exposure at default (EAD). The Group takes into account the quantitative analysis of historical statistics (such as ratings of counterparties, manners of guarantees and types of collaterals, repayments, etc.) and forward-looking information in order to establish the model of PD, LGD and EAD.

Relevant definitions are listed as follows:

- PD refers to the possibility that the debtor will not be able to fulfil its obligations of repayment over the next 12 months or throughout the entire remaining lifetime. The Group's PD is adjusted based on the results of the migration ratio model, taking into account the forward-looking information and deducting the prudential adjustment to reflect the debtor's point-in-time (PIT) PD under the current macroeconomic environment;
- LGD refers to the Group's expectation of the extent of the loss resulting from the default exposure. Depending on the type of counterparty, the method and priority of the recourse, and the type of collaterals, the LGD varies. The LGD is the percentage of loss of risk exposure at the time of default, calculated over the next 12 months or over the entire remaining lifetime;
- EAD is the amount that the Group should be reimbursed at the time of the default in the next 12 months or throughout the entire remaining lifetime.

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

信用風險(續)

預期信用損失計量的參數

根據信用風險是否發生顯著增加以及是否已發生信用減值，本集團對不同的資產分別以12個月或整個存續期的預期信用損失計量減值準備。預期信用損失計量的關鍵參數包括違約概率、違約損失率和違約風險敞口。本集團考慮歷史統計數據(如交易對手評級、擔保方式及抵質押物類別、還款方式等)的定量分析及前瞻性信息，建立違約概率、違約損失率及違約風險敞口模型。

相關定義如下：

- 違約概率是指債務人在未來12個月或在整個剩餘存續期，無法履行其償付義務的可能性。本集團的違約概率以遷徙率模型結果為基礎進行調整，加入前瞻性信息，以反映當前宏觀經濟環境下債務人違約概率；
- 違約損失率是指本集團對違約風險暴露發生損失程度作出的預期。根據交易對手的類型、追索的方式和優先級，以及擔保品的不同，違約損失率也有所不同。違約損失率為違約發生時風險敞口損失的百分比，以未來12個月內或整個存續期為基準進行計算；
- 違約風險敞口是指，在未來12個月或在整個剩餘存續期中，在違約發生時，本集團應被償付的金額。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Credit risk (Continued)

Forward-looking information

The assessment of a significant increase in credit risk and the calculation of ECL both involve forward-looking information. Through the analysis of historical data, the Group identifies the key economic indicators that affect the credit risk and ECL of various business types.

The impact of these economic indicators on the PD and the LGD varies according to different types of business. The Group applied judgement and estimation in this process, according to the result of judgment and estimation, the Group predicts these economic indicators on a yearly basis and determines the impact of these economic indicators on the PD and the LGD by conducting analysis.

Provision for losses in respect of accounts receivable is measured at the amount of the lifetime expected credit losses. Except for the account receivables which are individually significant or not individually significant but with specific credit risks, which are assessed individually for impairment test, the Group uses provision matrix for account receivables on a group basis to determine credit losses.

Quantitative data in respect of the Group's exposure to credit risk and expected credit losses arising from accounts receivable and other receivables are disclosed in Notes V.4 and 7. Quantitative data in respect of the Group's exposure to credit risk and expected credit losses arising from finance lease receivables are disclosed in Note V.10 and 12.

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

信用風險(續)

前瞻性信息

信用風險顯著增加的評估及預期信用損失的計算均涉及前瞻性信息。本集團通過進行歷史數據分析，識別出影響各業務類型信用風險及預期信用損失的關鍵經濟指標。

這些經濟指標對違約概率和違約損失率的影響，對不同的業務類型有所不同。本集團在此過程中應用了判斷和估計，根據判斷和估計的結果，每年度對這些經濟指標進行預測，並通過進行分析確定這些經濟指標對違約概率和違約損失率的影響。

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損失準備。除對單項金額重大以及單項金額不重大但具有特別信用風險的應收賬款單獨進行減值測試以外，本集團在組合基礎上採用減值矩陣確定應收賬款的信用損失。

本集團因應收賬款和其他應收款產生的信用風險敞口及預期信用損失的量化數據，參見附註五、4和7中；因融資租賃應收款產生的信用風險敞口及預期信用損失的量化數據，參見附註五、10和12中。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Liquidity risk

The Group maintains balance between continuity and flexibility of capital through bank loans and debts to manage its liquidity risk.

The Group's objective is to maintain a balance between continuity and flexibility of funding through the use of bank borrowings, bonds and other interest-bearing borrowings. As at 31 December 2020, 69.03% (31 December 2019: 67.77%) of the Group's borrowings would mature in less than one year.

The table below summarizes the maturity profile of non-derivative financial liabilities and lease liabilities based on the undiscounted contractual cash flows:

2020

Item	項目	Less than 3 months 少於3個月	3 months to 1 year 3個月以上至1年	1 year to 5 years 1年以上至5年	Over 5 years 5年以上	Total 合計
Short-term loans	短期借款	8,441,449.71	5,742,362,507.13	-	-	5,750,803,956.84
Notes payable	應付票據	16,368,741,561.18	6,601,752,175.02	-	-	22,970,493,736.20
Accounts payable	應付賬款	42,689,688,586.07	2,760,236,410.32	-	-	45,449,924,996.39
Other payables	其他應付款	3,280,350,097.05	5,127,955,798.45	-	-	8,408,305,895.50
Non-current liabilities due within one year	一年內到期的非流動負債	11,586,275.00	11,397,819,024.16	-	-	11,409,405,299.16
Other current liabilities	其他流動負債	-	2,981,987,755.05	-	-	2,981,987,755.05
Long-term borrowings	長期借款	16,063,981.27	133,989,646.27	11,618,042,500.55	653,916,367.12	12,422,012,495.21
Bonds payable	應付債券	-	-	7,971,385,450.00	595,622,300.00	8,567,007,750.00
Lease liabilities	租賃負債	-	-	6,143,386,541.16	1,715,939,164.64	7,859,325,705.80
Long-term payables	長期應付款	-	-	6,736,091,682.02	344,442,512.15	7,080,534,194.17
Other non-current liabilities	其他非流動負債	-	-	6,272,273,302.52	-	6,272,273,302.52
Total	合計	62,374,871,950.28	34,746,103,316.40	38,741,179,476.25	3,309,920,343.91	139,172,075,086.84

RMB
人民幣元

2020年

下表概括了非衍生金融負債和租賃負債按未折現的合同現金流量所作的到期期限分析：

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

流動性風險

本集團通過利用銀行貸款及債務維持資金延續性與靈活性之間的平衡，以管理其流動性風險。

本集團的目標是運用銀行借款、債券和其他計息借款等多種融資手段以保持融資的持續性與靈活性的平衡。於2020年12月31日，本集團69.03%（2019年12月31日：67.77%）的債務在不足1年內到期。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Liquidity risk (Continued)

The table below summarizes the maturity profile of non-derivative financial liabilities and finance lease payables based on the undiscounted contractual cash flows: (Continued)

2019

Item	項目	Less than	3 months	1 year	Over 5 years	Total
		3 months	to 1 year	to 5 years	5 years	
		少於3個月	3個月以上至1年	1年以上至5年	5年以上	合計
Short-term loans	短期借款	676,865,541.28	1,351,195,621.12	-	-	2,028,061,162.40
Notes payable	應付票據	11,344,765,921.20	11,101,638,615.38	-	-	22,446,404,536.58
Accounts payable	應付賬款	36,247,585,320.72	500,918,362.13	-	-	36,748,503,682.85
Other payables	其他應付款	2,540,151,181.08	3,970,851,461.77	-	-	6,511,002,642.85
Non-current liabilities due within one year	一年內到期的非流動負債	200,016,194.44	12,818,601,288.72	-	-	13,018,617,483.16
Other current liabilities	其他流動負債	-	3,519,812,898.34	-	-	3,519,812,898.34
Long-term borrowings	長期借款	19,293,315.09	127,738,224.04	11,033,740,014.10	460,756,991.67	11,641,528,544.90
Bonds payable	應付債券	-	113,248,079.95	7,687,367,358.66	2,576,235,772.65	10,376,851,211.26
Lease liabilities	租賃負債	-	-	7,632,726,774.13	2,156,906,827.93	9,789,633,602.06
Long-term payables	長期應付款	-	-	4,400,983,393.73	368,847,347.75	4,769,830,741.48
Other non-current liabilities	其他非流動負債	-	-	3,379,508,170.50	-	3,379,508,170.50
Total	合計	51,028,677,473.81	33,504,004,551.45	34,134,325,711.12	5,562,746,940.00	124,229,754,676.38

RMB
人民幣元

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

流動性風險(續)

下表概括了非衍生金融負債和應付融資租賃款按未折現的合同現金流量所作的到期期限分析：(續)

2019年

*Market risk**Interest rate risk*

The risk of changes in the cash flow of financial instruments caused by changes in interest rates of the Group is mainly related to floating-rate bank borrowings (for details please see Notes V. 26 and 36). The Group pays close attention to the effect of interest rate changes on the interest rate risk exposed to the Group. Its policy is to maintain floating interest rates on these loans. For the Group's interest rate swap arrangement, please refer to Note V. 71.

The table below is a sensitivity analysis of interest rate risk for subsidiaries in China and Hong Kong. It reflects the effects on the net profit and net other comprehensive income after tax, when there are reasonable and potential changes in interest rates, under the presumption that other variables remain unchanged.

*市場風險**利率風險*

本集團因利率變動引起金融工具現金流量變動的風險主要與浮動利率銀行借款(詳見附註五、26和36)有關。本集團持續密切關注利率變動對於本集團利率風險的影響，本集團的政策是保持這些借款的浮動利率。本集團的利率互換安排參見附註五、71。

下表為中國大陸和香港子公司利率風險的敏感性分析，反映了在其他變量不變的假設下，利率發生合理、可能的變動時，將對淨損益和其他綜合收益的稅後淨額產生的影響。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Market risk (Continued)

Interest rate risk (Continued)

2020

RMB
人民幣元

Item	項目	Benchmark increase/ (decrease) 基點 增加/(減少)	Net profit or loss increase/ (decrease) 淨損益 增加/(減少)	Net other comprehensive income after tax increase/ (decrease) 其他綜合收益 的稅後淨額 增加/(減少)	Equity increase/ (decrease) 股東權益 合計 增加/(減少)
RMB	人民幣	50bps	(54,949,350.51)	-	(54,949,350.51)
RMB	人民幣	(50bps)	54,949,350.51	-	54,949,350.51

2019

RMB
人民幣元

Item	項目	Benchmark increase/ (decrease) 基點 增加/(減少)	Net profit or loss increase/ (decrease) 淨損益 增加/(減少)	Net other comprehensive income after tax increase/ (decrease) 其他綜合收益 的稅後淨額 增加/(減少)	Equity increase/ (decrease) 股東權益合計 增加/(減少)
RMB	人民幣	50bps	(50,048,181.33)	-	(50,048,181.33)
RMB	人民幣	(50bps)	50,048,181.33	-	50,048,181.33

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

*Market risk (Continued)**Interest rate risk (Continued)*

The table below is a sensitivity analysis of interest rate risk for KION. It reflects the effects on the net profit or loss (through the impact on floating-rate financial assets and liabilities) and net other comprehensive income after tax, when there are reasonable and potential changes in interest rates, under the presumption that other variables remain unchanged.

2020

Item	項目	Benchmark increase/ (decrease) 基點 增加/(減少)	Net profit	Net other	Equity
			or loss increase/ (decrease) 淨損益 增加/(減少)	comprehensive income after tax increase/ (decrease) 其他綜合收益 的稅後淨額 增加/(減少)	increase/ (decrease) 股東權益 合計 增加/(減少)
Euro (RMB equivalent)	歐元(折合人民幣)	50bps	41,867,350.00	3,949,750.00	45,817,100.00
Euro (RMB equivalent)	歐元(折合人民幣)	(50bps)	(45,027,150.00)	(789,950.00)	(45,817,100.00)

2019

Item	項目	Benchmark increase/ (decrease) 基點 增加/(減少)	Net profit	Net other	Equity
			or loss increase/ (decrease) 淨損益 增加/(減少)	comprehensive income after tax increase/ (decrease) 其他綜合收益 的稅後淨額 增加/(減少)	increase/ (decrease) 股東權益 合計 增加/(減少)
Euro (RMB equivalent)	歐元(折合人民幣)	50bps	30,912,000.00	34,003,200.00	64,915,200.00
Euro (RMB equivalent)	歐元(折合人民幣)	(50bps)	(33,230,400.00)	(3,864,000.00)	(37,094,400.00)

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

*市場風險(續)**利率風險(續)*

下表為KION利率風險的敏感性分析，反映了在其他變量不變的假設下，利率發生合理、可能的變動時，將對淨損益(通過對浮動利率金融資產和負債的影響)和其他綜合收益的稅後淨額產生的影響。

2020年

RMB

人民幣元

2019年

RMB

人民幣元

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

*Market risk (Continued)**Exchange rate risk*

The Group has transactional currency exposures. Such exposures arise from sales or purchases in currencies other than the operational unit's functional currency.

The table below is a sensitivity analysis of exchange rate risk for subsidiaries in China and Hong Kong. It reflects the effects on the net profit or loss and net other comprehensive income after tax, when there are reasonable and potential changes in exchange rate, under the presumption that other variables remain unchanged.

2020

Item	項目	Exchange rate increase/ (decrease) 匯率 增加/(減少) %	Net profit or loss increase/ (decrease) 淨損益 增加/(減少)	Net other comprehensive income after tax increase/ (decrease) 其他綜合收益 的稅後淨額 增加/(減少)		Equity increase/ (decrease) 股東權益 合計 增加/(減少)
If RMB weakens against USD	人民幣對美元貶值	5	133,734,580.56	-	133,734,580.56	
If RMB strengthens against USD	人民幣對美元升值	5	(133,734,580.56)	-	(133,734,580.56)	
If RMB weakens against EUR	人民幣對歐元貶值	5	1,430,843.80	-	1,430,843.80	
If RMB strengthens against EUR	人民幣對歐元升值	5	(1,430,843.80)	-	(1,430,843.80)	

RMB
人民幣元

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

*市場風險(續)**匯率風險*

本集團面臨交易性的匯率風險。此類風險由於經營單位以其記賬本位幣以外的貨幣進行的銷售或採購所致。

下表為中國大陸和香港子公司匯率風險的敏感性分析，反映了在所有其他變量保持不變的假設下，以下所列外幣匯率發生合理、可能的變動時，將對淨損益和其他綜合收益的稅後淨額產生的影響。

2020年

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Market risk (Continued)

Exchange rate risk (Continued)

2019

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

市場風險(續)

匯率風險(續)

2019年

RMB
人民幣元

Item	項目	Exchange rate increase/ (decrease) 匯率 增加/(減少) %	Net profit or loss (decrease) 淨損益 增加/(減少)	Net other comprehensive income after tax increase/ (decrease) 其他綜合收益 的稅後淨額 增加/(減少)		Equity increase/ (decrease) 股東權益 合計 增加/(減少)
				Net profit or loss (decrease) 淨損益 增加/(減少)	Net other comprehensive income after tax increase/ (decrease) 其他綜合收益 的稅後淨額 增加/(減少)	
If RMB weakens against USD	人民幣對美元貶值	5	(23,175,388.77)	-	(23,175,388.77)	
If RMB strengthens against USD	人民幣對美元升值	5	23,175,388.77	-	23,175,388.77	
If RMB weakens against EUR	人民幣對歐元貶值	5	369,524.40	-	369,524.40	
If RMB strengthens against EUR	人民幣對歐元升值	5	(369,524.40)	-	(369,524.40)	

The Group has entered into cross currency interest rate swap contracts in respect of corporate bonds issued by subsidiaries in Note V.37 in order to manage the expected cash flow fluctuation arising from changes in exchange rate.

本集團對附註五、37中子公司發行的企業債券簽訂交叉貨幣利率互換工具管理其由於匯率變動引起的預期現金流量波動。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

*Market risk (Continued)**Exchange rate risk (Continued)*

The table below is a sensitivity analysis of exchange rate risk for KION. It reflects the effects on the net profit or loss and net other comprehensive income after tax, when there are reasonable and potential changes in exchange rate, under the presumption that other variables remain unchanged.

2020

Item	項目	Exchange rate increase/ (decrease) 匯率 增加/(減少) %	Net profit	Net other	Equity
			or loss increase/ (decrease) 淨損益 增加/(減少)	comprehensive income after tax increase/ (decrease) 其他綜合收益 的稅後淨額 增加/(減少)	increase/ (decrease) 股東權益 合計 增加/(減少)
If EUR weakens against GBP	歐元對英鎊貶值	10	2,369,850.00	(59,246,250.00)	(56,876,400.00)
If EUR strengthens against GBP	歐元對英鎊升值	10	(1,579,900.00)	48,976,900.00	47,397,000.00
If EUR weakens against USD	歐元對美元貶值	10	2,369,850.00	(27,648,250.00)	(25,278,400.00)
If EUR strengthens against USD	歐元對美元升值	10	(3,159,800.00)	22,908,550.00	19,748,750.00

RMB
人民幣元

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

*市場風險(續)**匯率風險(續)*

下表為KION匯率風險的敏感性分析，反映了在其他變量不變的假設下，以下所列外幣匯率發生合理、可能的變動時，將對淨損益和其他綜合收益的稅後淨額(由於套期工具的公允價值變化)產生的影響。

2020年

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Market risk (Continued)

Exchange rate risk (Continued)

2019

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

市場風險(續)

匯率風險(續)

2019年

RMB
人民幣元

Item	項目	Exchange rate increase/ (decrease) 匯率 增加/(減少) %	Net profit or loss increase/ (decrease) 淨損益 增加/(減少)	Net other comprehensive income after tax increase/ (decrease) 其他綜合收益 的稅後淨額 增加/(減少)	Equity increase/ (decrease) 股東權益 合計 增加/(減少)
If EUR weakens against GBP	歐元對英鎊貶值	10	(772,800.00)	(92,736,000.00)	(93,508,800.00)
If EUR strengthens against GBP	歐元對英鎊升值	10	772,800.00	75,734,400.00	76,507,200.00
If EUR weakens against USD	歐元對美元貶值	10	(10,046,400.00)	(43,276,800.00)	(53,323,200.00)
If EUR strengthens against USD	歐元對美元升值	10	8,500,800.00	35,548,800.00	44,049,600.00

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

*Market risk (Continued)**Equity investment price risk*

Equity investment price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of share indices and the value of individual securities. The Group was exposed to equity investment price risk arising from individual equity investments classified as investment in other equity instruments (Note V.14) as at 31 December 2020. The Group held listed equity investments that are listed on the stock exchanges and are valued at quoted market prices at the balance sheet date.

The following table demonstrates the sensitivity of the Group's net profit or loss and net other comprehensive income after tax to every 5% change in the fair values of the listed equity investments, with all other variables held constant (based on their carrying amounts at the balance sheet date).

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

*市場風險(續)**權益工具投資價格風險*

權益工具投資價格風險，是指權益性證券的公允價值因股票指數水平和個別證券價值的變化而降低的風險。於2020年12月31日，本集團列報在其他權益工具投資(附註五、14)下的權益工具投資面臨價格風險。本集團持有的上市權益工具投資在證券交易所上市，並在資產負債表日以市場報價計量。

下表說明了在所有其他變量保持不變，本集團的淨損益和其他綜合收益的稅後淨額對上市權益工具投資的公允價值的5%的變動的敏感性分析。

RMB
人民幣元

Item	項目	Carrying amount of listed equity investments 價格增加/(減少) %	Net profit or loss increase/(decrease) 淨損益增加/(減少)	Net other comprehensive income after tax increase/(decrease) 其他綜合收益的稅後淨額增加/(減少)		Equity increase/(decrease) 股東權益合計增加/(減少)
2020	2020年					
Equity investments	權益工具投資	5	-	87,071,978.75	87,071,978.75	
		(5)	-	(87,071,978.75)	(87,071,978.75)	
2019	2019年					
Equity investments	權益工具投資	5	-	82,160,245.61	82,160,245.61	
		(5)	-	(82,160,245.61)	(82,160,245.61)	

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Financial service risk

The Group is engaged in finance lease business under its intelligent logistics segment. The Group's long-term lease business is therefore exposed to the risk of residue value of industrial forklift trucks due to the possible return of forklift trucks from leasees upon the expiry of lease period. Such risk can be eliminated by selling or re-leasing second-hand forklift trucks. Accordingly, it is necessary to monitor and forecast the residue value of second-hand forklift trucks on the market from time to time. The Group regularly assesses the risk arising from the aforesaid finance lease financial services.

Once the risk from the aforesaid financial services materializes, the Group immediately considers recognizing the impairment of the relevant assets and calculates the cost of the new forklift truck leasing agreement by adjusting the residue value of forklift trucks. Market demand for second-hand forklift trucks supports the residue value of the Group's industrial forklift trucks at a stable level, thereby lowering financial service risk. Most of the Group's forklift truck leasing agreements contain provisions on potential reselling, whereby the risk of residue value can be transferred to a third-party lease company to mitigate the impact on the financial statements of the Group. The adoption of a uniform standard together with the use of an IT system helps the Group in calculating the residue value of second-hand forklift trucks and managing and reducing the risk arising from residue value.

By ensuring that most of the Group's finance lease business match with the maturity dates of borrowings and devising liquidity planning on an ongoing basis, the Group seeks to mitigate the liquidity risk and interest rate risk to which the Group is exposed. Fixed-interest-rate agreements are most commonly adopted for the Group's long-term lease business. The adequacy of liquidity is ensured with the banking facilities made available from banks and the Group's effective collection demand procedures.

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

金融服務風險

本集團智能物流分部從事融資租賃業務，這導致本集團經營的長期租賃業務在租賃期滿後可能因承租人歸還叉車而面臨工業叉車的餘值風險，該風險需要通過出售或重新租出二手叉車以消除，因此，需要不斷監控和預測二手叉車在市場中的餘值。本集團會定期評估以上融資租賃金融服務產生的風險。

上述金融服務產生的風險一經確認，本集團會立即考慮確認相關資產的減值並通過調整叉車的餘值來計算新叉車租賃協議的成本。市場上對二手叉車的需求能夠穩定本集團工業叉車的餘值，從而降低金融服務風險。本集團大多數叉車租賃協議都包含了潛在再銷售協議，可以將餘值風險轉移給第三方租賃公司，降低對本集團財務報表的影響。本集團採用統一的標準並結合IT系統計算二手叉車的餘值、管理和降低餘值風險。

本集團通過確保大部分融資租賃業務和借款的到期日相匹配，並不斷更新流動性規劃以降低本集團面臨的流動性風險和利率風險。長期租賃業務主要採用固定利率協議。本集團通過各銀行提供的授信額度和有效的催款程序確保有充分的流動性。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Financial instruments risks (Continued)

Financial service risk (Continued)

To eliminate the exchange rate risk associated with its leasing business, the Group generally uses local currencies in conducting finance lease business in each market for transactions.

The Group's exposure to customers' credit risks is minimal in its leasing business. Meanwhile, the proceeds from selling the returned forklift trucks also hedge against losses from customers' default. Further, there is always room for improvement for the Group's management of finance lease receivables and its management of credit risk. Relevant business processes, risk management and control processes also emerge and improve on an ongoing basis.

4. Capital Management

The key objectives of the Group's capital management are to maintain the Group's going concern and a sound capital ratio so as to support business development and maximize shareholders' value.

The Group makes adjustments based on latest economic conditions and the changes in the risk profiles of the relevant assets. To maintain or adjust capital structure, the Group may adjust its profit distribution to shareholders, return capital to shareholders, repurchase outstanding shares or issue new shares. The Group is not constrained by any external mandatory requirements on capital. In 2020 and 2019, there had been no change in the objectives, policies or procedures of capital management of the Group.

八、與金融工具相關的風險(續)

3. 金融工具風險(續)

金融服務風險(續)

為消除租賃業務中面臨的匯率風險，本集團在每個交易市場中一般採用當地貨幣進行融資租賃業務。

本集團在租賃業務中面臨的客戶自身信用風險較小，也通過出售收回租賃叉車所獲取的收益來對沖因客戶違約而造成的損失。此外，本集團的融資租賃應收款的管理和信用風險管理處於持續完善中，相關的業務流程、風險管理和控制流程的也在持續更新中。

4. 資本管理

本集團資本管理的主要目標是確保本集團持續經營的能力，並保持健康的資本比率，以支持業務發展並使股東價值最大化。

本集團根據經濟形勢以及相關資產的風險特徵的變化對其進行調整。為維持或調整資本結構，本集團可以調整對股東的利潤分配、向股東歸還資本、回購已發行股份或發行新股。本集團不受外部強制性資本要求的約束。2020年度和2019年度，資本管理的目標、政策或程序未發生變化。

VIII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

4. Capital Management (Continued)

The Group manages its capital with the gearing ratio, which refers to interest-bearing liabilities (excluding long-term payables and lease liabilities) divided by the total sum of owners' equity and interest-bearing liabilities. The gearing ratio of the Group as of the balance sheet date is as follows:

八、與金融工具相關的風險(續)

4. 資本管理(續)

本集團採用槓桿比率來管理資本，槓桿比率是指計息負債(不含長期應付款和租賃負債)佔股東權益加計息負債的比率。本集團於資產負債表日的槓桿比率如下：

RMB
人民幣元

Item	項目	2020 2020年	2019 2019年
Short-term borrowings	短期借款	5,731,086,536.96	2,014,692,401.39
Long-term borrowings	長期借款	12,026,638,367.24	11,373,657,990.58
Bonds payable	應付債券	8,702,767,425.04	10,295,279,995.18
Long-term borrowings and bonds payable due within 1 year	一年內到期的長期借款和應付債券	2,760,330,394.83	6,086,708,137.98
Interest-bearing liabilities	有息負債	29,220,822,724.07	29,770,338,525.13
Owner's equity	股東權益	80,433,328,376.02	69,774,725,430.48
Add: Interest-bearing liabilities	加：有息負債	29,220,822,724.07	29,770,338,525.13
Owners' equity and interest-bearing liabilities	股東權益和有息負債	109,654,151,100.09	99,545,063,955.61
Gearing ratio	槓桿比率	26.65%	29.91%

IX. DISCLOSURE OF FAIR VALUE

1. Assets and liabilities measured at fair value

九、公允價值的披露

1. 以公允價值計量的資產和負債

RMB
人民幣元

Item	項目	Inputs used in the measurement of fair value			Total
		Quoted prices in active markets (Level 1) 活躍市場報價 (第一層次)	Key observable inputs (Level 2) 重要可觀察 輸入值 (第二層次)	Key unobservable inputs (Level 3) 重要不可觀察 輸入值 (第三層次)	
Receivable Financing	應收款項融資	-	9,483,678,101.82	-	9,483,678,101.82
Financial assets held for trading	交易性金融資產	-	5,739,493,572.27	112,904,277.02	5,852,397,849.29
Investments in other equity instruments	其他權益工具投資	272,158,800.00	1,780,324,204.98	358,629,067.98	2,411,112,072.96
Other non-current financial assets	其他非流動金融資產	-	243,013,050.00	-	243,013,050.00
Financial liabilities held for trading	交易性金融負債	-	55,557,616.74	1,946,619.00	57,504,235.74
Other non-current liabilities	其他非流動負債	-	106,661,529.92	39,218,175.00	145,879,704.92

2. Fair value of financial assets and financial liabilities not measured at fair value

The management of the Group considers that the carrying values of financial assets and financial liabilities measured at amortized cost in the financial statements approximate the fair values of those assets and liabilities.

2. 不以公允價值計量的金融資產和金融負債的公允價值情況

本集團管理層認為，財務報表中以攤餘成本計量的金融資產及金融負債的賬面價值接近該等資產及負債的公允價值。

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

3. Estimation of fair value

Fair value of financial assets/liabilities

The finance team of the Group is led by the head of finance department. It is responsible for formulating policies and procedures applicable to the measurement of the fair value of financial instruments. The finance team directly reports to the Chief Financial Officer and the Audit Committee. On each balance sheet date, the finance team analyzes the change in value of financial instruments and ascertain the key inputs which apply to the valuation. The process and result of valuation is subject to approval by the Chief Financial Officer.

Financial assets/liabilities at fair value through profit or loss include the forward exchange contracts, cross currency swap and interest rate swap instruments, some structured deposits and other debt instruments of subsidiaries. The Group believes that the fair value estimated using valuation techniques is reasonable and the most appropriate value as of the balance sheet date.

The fair values of listed equity instruments are determined according to quote prices on the market. For listed equity instruments for which circulation is restricted, fair values are determined based on quoted prices on the market with necessary adjustments. The fair values of investments in non-listed equity instruments are estimated using the valuating model of market comparison or income approaches, and the assumptions adopted are not supported by observable market price or interest rate. The Group needs to estimate unobservable market parameters such as price-to-book ratio or cash flow. The Group believes that the fair value and its changes estimated using valuation techniques is reasonable and the most appropriate value as of the balance sheet date.

九、公允價值的披露(續)

3. 公允價值估值

金融資產／金融負債公允價值

本集團的財務團隊由財務部門負責人領導，負責制定金融工具公允價值計量的政策和程序。財務團隊直接向首席財務官和審計委員會報告。每個資產負債表日，財務團隊分析金融工具價值變動，確定估值適用的主要輸入值。估值流程和結果經首席財務官審核批准。

以公允價值計量且其變動計入當期損益的金融資產／金融負債包括下屬子公司的遠期外匯合約、交叉貨幣互換及利率互換工具、部分結構性存款及其他債務工具。本集團相信，以估值技術估計的公允價值是合理的，並且亦是於資產負債表日最合適的價值。

上市的權益工具，以市場報價確定公允價值。上市但是流通受限的權益工具，以市場報價為依據做必要的調整確定公允價值。非上市的權益工具投資，採用市場比較法或收益法估值模型估計公允價值，採用的假設並非由可觀察市場價格或利率支持。本集團需要就市淨率或現金流量等不可觀測市場參數作出估計。本集團相信，以估值技術估計的公允價值及其變動是合理的，並且亦是於資產負債表日最合適的價值。

IX. DISCLOSURE OF FAIR VALUE
(CONTINUED)

4. Unobservable inputs

The key unobservable inputs of Level 3 of the measurements of fair value are summarized as follows:

九、公允價值的披露(續)

4. 不可觀察輸入值

如下為第三層次公允價值計量的重要不可觀察輸入值概述：

Item	Fair value as at the end of 2020 2020年末 公允價值	Fair value as at the end of 2019 2019年末 公允價值	Valuation technique 估值技術	Unobservable inputs 不可觀察輸入值	RMB 人民幣元
					Range (weighted average) 範圍區間 (加權平均值)
Financial assets 金融資產					
Financial assets held for trading 交易性金融資產					
Contingent consideration from business combinations 企業合併或有對價	112,904,277.02	-	Monte Carlo simulation method 蒙特卡洛模擬法	Revenue from principal business 主營業務收入	
Real estate call option 不動產看漲期權	-	257,911.50	Binomial options pricing model 二叉樹期權定價模型	Forward price of real estate 不動產遠期價格	
Sub-total 小計	112,904,277.02	257,911.50			
Other equity investment instruments 其他權益工具投資					
Xiamen Fengtai Bus and Coach International Co., Ltd. 廈門豐泰國際新能源汽車有限公司	5,120,000.00	5,000,000.00	Market comparison approach 市場比較法	Price-to-sales ratio 市銷率倍數	0.70
Huarong Xiangjiang Bank 華融湘江銀行	39,748,600.00	40,552,440.00	Market comparison approach 市場比較法	Price-to-Book ratio 市淨率	0.95
Zhejiang EP Equipment Co., Ltd	104,878,725.00	86,966,553.30	Income approach 收益法	Cash flow 現金流量	
Others 其他	208,881,742.98	32,716,942.98			
Sub-total 小計	358,629,067.98	165,235,936.28			

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

4. Unobservable inputs (Continued)

Item	Fair value as at the end of 2020 2020年末 公允價值	Fair value as at the end of 2019 2019年末 公允價值	Valuation technique 估值技術	Unobservable inputs 不可觀察輸入值	Range (weighted average) 範圍區間 (加權平均值)
Other non-current financial assets 其他非流動金融資產					
Contingent consideration from business combinations 企業合併或有對價	-	48,744,000.00	Monte Carlo simulation method 蒙特卡洛模擬法	Revenue from principal business 主營業務收入	
Financial liabilities 金融負債					
Other non-current liabilities 其他非流動負債					
Put option 看跌期權	39,218,175.00	38,194,348.50	Binomial options pricing model 二叉樹期權定價模型	Volatility of equity value 股權價值波動率	
Financial liabilities held for trading 交易性金融負債					
Contingent consideration from business combinations 企業合併或有對價	1,946,619.00	-	Black-Scholes model 佈萊克-斯科爾斯期權定價模型	Volatility of equity value 股權價值波動率	

5. Adjustments for fair value measurement

The adjustments for the continuous Level 3 measurement of fair value are as follows:

5. 公允價值計量的調節

持續的第三層次公允價值計量的調節信息如下：

RMB
人民幣元

Item	項目	31 December		Total current profit/loss 本年利得或損失總額		Acquisition, issuance, sale and settlement 購買、發行、出售和結算					Foreign exchange gain/loss 匯兌損益	31 December 2020	
		2019 2019年12月31日	Transfer into Level 3 轉入第三層次	Transfer out of Level 3 轉出第三層次	Recognized through profit or loss 計入損益	Recognized through other comprehensive income 計入其他綜合收益	Acquisition 購買	Issuance/written 發行/簽出	Sale 出售	Settlement 結算			Other transfer in (out) 其他轉入(出)
Financial assets held for trading	交易性金融資產	257,911.50	-	-	(257,911.50)	-	-	-	-	-	112,904,277.02	-	112,904,277.02
Investment in equity instruments	權益工具投資	165,235,936.28	-	-	-	17,826,744.20	175,566,387.50	-	-	-	-	-	358,629,067.98
Other non-current assets	其他非流動金融資產	48,744,000.00	-	-	64,160,277.02	-	-	-	-	-	(112,904,277.02)	-	-
Other non-current liabilities	其他非流動金融負債	38,194,348.50	-	-	1,023,826.50	-	-	-	-	-	-	-	39,218,175.00
Financial liabilities held for trading	交易性金融負債	-	-	-	-	-	-	1,946,619.00	-	-	-	-	1,946,619.00

6. The level change in the fair value

In 2020, there were neither transfers between Level 1 and Level 2 for the measurement of fair value of financial assets and liabilities, nor transfer into or out of Level 3 (2019: nil).

6. 公允價值層次轉換

2020年，本集團並無金融資產和金融負債公允價值計量在第一層次和第二層次之間的轉移，亦無轉入或轉出第三層級的情況(2019年：無)。

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

The related parties defined in these financial statements included the related parties under accounting standards and related parties under the information disclosure requirements of China Securities Regulatory Commission (the "CSRC") and Shenzhen Stock Exchange.

1. Parent

Company	Registered address	Nature of business	Registered capital	Proportion of ownership interest in the Company	Proportion of voting power in the Company
公司	註冊地	業務性質	註冊資本	對本公司持股比例 (%)	對本公司表決權比例 (%)
Weichai Group Holdings Limited ("Weichai Group Holdings") 濰柴控股集團有限公司 (以下簡稱「濰柴控股」)	Weifang City, Shandong Province 山東省 濰坊市	External investment financial guarantee investment advisory planning and organization/coordination and management of production operating activities of corporates under the Group 對外投資經濟擔保投資 諮詢規劃組織/協調管理 集團所屬企業生產經營活動	RMB1,200,000,000.00 人民幣1,200,000,000.00元	17.72	17.72

Shandong Heavy Industry Group Co., Ltd. is the ultimate controlling company of the Company.

本公司的最終控股公司為山東重工集團有限公司。

2. Subsidiaries

Details of subsidiaries are set out in Note VII.1.

2. 子公司

子公司信息詳見附註七、1。

3. Associates and joint ventures

Details of associates and joint ventures are set out in Note VII.2.

3. 聯營企業和合營企業

聯營企業和合營企業詳見附註七、2。

十、關聯方關係及其交易

本財務報表中披露的關聯方既包括企業會計準則中界定的關聯方，也包括中國證券監督管理委員會(「證監會」)和深圳證券交易所信息披露規定中界定的關聯方。

1. 母公司

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Particulars of other related parties which entered into material transactions with the Group

十、關聯方關係及其交易(續)

4. 與本集團發生重大交易的其他關聯方情況

Company 公司	Related party relationships 關聯方關係	Referred to as 簡稱
Shandong Weichai Import and Export Co., Ltd. 山東濰柴進出口有限公司	Common control by parent 同受母公司控制	Weichai Import and Export 濰柴進出口
Weichai Heavy-duty Machinery Co., Ltd. 濰柴重機股份有限公司	Common control by parent 同受母公司控制	Weichai Heavy-duty Machinery 濰柴重機
Weichai Electric Equipment Co., Ltd. 濰柴電力設備有限公司	Common control by parent 同受母公司控制	Weichai Electric 濰柴電力
Yangzhou Yaxing Coach Co., Ltd. 揚州亞星客車股份有限公司	Common control by parent 同受母公司控制	Yangzhou Yaxing 揚州亞星
Weichai (Yangzhou) Yaxing New Energy Commercial Vehicles Co., Ltd. 濰柴(揚州)亞星新能源商用車有限公司	Common control by parent 同受母公司控制	New Energy Commercial Vehicles 新能源商用車
Weichai (Yangzhou) Special Vehicles Co., Ltd. 濰柴(揚州)特種車有限公司	Common control by parent 同受母公司控制	Yangzhou Special Vehicles 揚州特種車
Dezhou Degong Machinery Co., Ltd. 德州德工機械有限公司	Same ultimate controller 同一最終控股公司	Dezhou Degong 德州德工
Shantui Construction Machinery Co., Ltd. 山推工程機械股份有限公司	Same ultimate controller 同一最終控股公司	Shantui Construction 山推工程
Shanzhong Jianji Co., Ltd. 山重建機有限公司	Same ultimate controller 同一最終控股公司	Shanzhong Jianji 山重建機
Shandong Automobile Manufacturing Co., Ltd. 山東汽車製造有限公司	Same ultimate controller 同一最終控股公司	Shandong Automobile Manufacture 山東汽車製造
Beiqi Foton Motor Co., Ltd. 北汽福田汽車股份有限公司	Same key management personnel 同一關鍵管理人員	Beiqi Foton 北汽福田

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Particulars of other related parties which entered into material transactions with the Group (Continued)

十、關聯方關係及其交易(續)

4. 與本集團發生重大交易的其他關聯方情況(續)

Company 公司	Related party relationships 關聯方關係	Referred to as 簡稱
Shaanxi Automotive Group Co., Ltd. 陝西汽車集團有限責任公司	Minority shareholders of subsidiary(ies) 子公司之少數股東	Shaanxi Automotive 陝汽集團
Shaanxi Fast Gear Automotive Transmission Co., Ltd. 陝西法士特汽車傳動集團有限責任公司	Minority shareholders of subsidiary(ies) 子公司之少數股東	Fast Gear Transmission 法士特傳動
Shaanxi Automobile Industry Co., Ltd. 陝西汽車實業有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Shaanxi Industry 陝汽實業
Shaanxi Wanfang Vehicle Parts and Components Co. Ltd. 陝西萬方汽車零部件有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Shaanxi Wanfang 陝西萬方
Shaanxi Huazhen Vehicle Parts Co., Ltd. 陝西華臻車輛部件有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Huazhen Parts 華臻部件
Shaanxi Wanfang Tianyun Vehicle Equipment Co. Ltd. 陝西萬方天運汽車電器有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Wanfang Tianyun 萬方天運
Shaanxi Huazhen Vehicle Component Parts Co., Ltd. 陝西華臻汽車零部件有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Huazhen Component 華臻零部件
Shaanxi Tongli Special Purpose Vehicle Co., Ltd. 陝西通力專用汽車有限責任公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Tongli Special Purpose 通力專用
Shaanxi Lantong Transmission Axle Co., Ltd. 陝西藍通傳動軸有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Lantong Transmission 藍通傳動軸

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Particulars of other related parties which entered into material transactions with the Group (Continued)

十、關聯方關係及其交易(續)

4. 與本集團發生重大交易的其他關聯方情況(續)

Company 公司	Related party relationships 關聯方關係	Referred to as 簡稱
Shaanxi Automotive Group Commercial Vehicles Co., Ltd. 陝汽集團商用車有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Shaanxi Automotive Commercial Vehicles 陝汽商用車
Shaanxi Fangyuan Automobile Standard Components Co. Ltd. 陝西方圓汽車標準件有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Fangyuan Automobile 方圓汽車
Shaanxi Huazhen Industry and Trading Services Co.,Ltd. 陝西華臻工貿服務有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Huazhen Services 華臻服務
Shaanxi Dongming Automobile System Co., Ltd 陝西東銘車輛系統股份有限公司	Related party of substantial shareholder(s) of subsidiary(ies) 子公司重要股東之關聯人士	Dongming Automobile 東銘車輛
Shaanxi Huazhen Automobile Filtration System Co., Ltd. 陝西華臻汽車濾清系統有限公司	Related party of substantial shareholder(s) of subsidiary(ies) 子公司重要股東之關聯人士	Huazhen Filtration 華臻濾清
Xi'an Deshi Vehicle Components Co., Ltd. 西安德仕汽車零部件有限責任公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Deshi Components 德仕零部件

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

十、關聯方關係及其交易(續)

4. Particulars of other related parties which entered into material transactions with the Group (Continued)

4. 與本集團發生重大交易的其他關聯方情況(續)

Company 公司	Related party relationships 關聯方關係	Referred to as 簡稱
Xi'an Oude Rubber and Plastic Technology Co., Ltd. 西安歐德橡膠技術有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Oude Rubber 歐德橡膠
Shaanxi Heavy-duty Special Vehicles Co., Ltd. 陝西重汽專用汽車有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Shaanxi Heavy-duty Special 陝重汽專用
Xi'an Huanyu Automotive Lights Co., Ltd. 西安環宇車燈有限公司	Related party of substantial shareholders of subsidiary(ies) 子公司重要股東之關聯人士	Xi'an Huanyu 西安環宇
Weichai Power Westport New Energy Engine Co., Ltd. 濰柴西港新能源動力有限公司	Associate of parent 母公司之聯營企業	Westport New Energy 西港新能源
Xi'an Cummins Engine Co., Ltd. 西安康明斯發動機有限公司	Associate of subsidiary(ies) 子公司之聯營企業	Xi'an Cummins 西安康明斯
CIMC-SHAC (Xi'an) Special Vehicles Co., Ltd. 中集陝汽重卡(西安)專用車有限公司	Associate of subsidiary(ies) 子公司之聯營企業	CIMC-SHAC 中集重卡
Ballard Power Systems Inc. 巴拉德動力系統有限公司	Associate of subsidiary(ies) 子公司之聯營企業	Ballard Power 巴拉德動力
Shaanxi Eurostar Auto Co., Ltd. 陝西歐舒特汽車股份有限公司	Associate of subsidiary(ies) 子公司之聯營企業	Eurostar 歐舒特
Shaanxi Automobile Wuhai Special Vehicles Co., Ltd. 陝汽烏海專用汽車有限公司	Associate of subsidiary(ies) 子公司之聯營企業	Shaanxi Wuhai 陝汽烏海
Baoding Shanqi Tianma Automobile Co., Ltd. 保定陝汽天馬汽車有限公司	Associate of subsidiary(ies) 子公司之聯營企業	Shanqi Tianma 陝汽天馬
Shaanxi Tianxingjian Vehicle Networking Information Technology Co., Ltd. 陝西天行健車聯網信息技術有限公司	Associate of subsidiary(ies) 子公司之聯營企業	Tianxingjian Vehicle Networking 天行健車聯
Shaanxi Deyin Leasing Co., Ltd 德銀融資租賃有限公司	Associate of subsidiary(ies) 子公司之聯營企業	Deyin Leasing 德銀租賃
Shaanxi Tonghui Automotive Transportation Co., Ltd. 陝西通匯汽車物流有限公司	Associate of subsidiary(ies) 子公司之聯營企業	Tonghui Transportation 通匯物流

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties

(1) Transaction of goods and services with related parties

Purchase of goods from related parties

十、關聯方關係及其交易(續)

5. 本集團與關聯方的主要交易

(1) 關聯方商品和勞務交易

自關聯方購買商品

RMB
人民幣元

Company	公司	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Fast Gear Transmission	法士特傳動	6,545,063,732.46	4,866,796,812.26
Shaanxi Wuhai	陝汽烏海	3,670,849,346.45	2,034,906,097.42
Westport New Energy	西港新能源	3,033,344,541.21	2,822,915,745.44
Shaanxi Automotive Commercial Vehicles	陝汽商用車	2,990,437,113.13	3,060,334,354.14
Shaanxi Wanfang	陝西萬方	1,497,641,837.50	1,362,971,117.06
Xi'an Cummins	西安康明斯	1,173,911,600.40	729,653,979.81
Weichai Import and Export	濰柴進出口	1,089,876,790.92	1,038,958,132.91
Tongli Special Purpose	通力專用	971,027,031.20	774,041,815.93
CIMC-SHAC	中集重卡	883,359,202.68	657,388,205.82
Deshi Components	德仕零部件	860,488,023.89	631,695,289.53
Wanfang Tianyun	萬方天運	725,533,706.13	567,174,994.17
Huazhen Component	華臻零部件	639,197,705.28	578,296,238.24
Weichai Group Holdings	濰柴控股	436,592,732.95	406,169,927.85
Oude Rubber	歐德橡膠	423,820,496.98	358,765,655.62
Weichai Heavy-duty Machinery	濰柴重機	395,697,282.93	374,172,839.03
Shaanxi Heavy-duty Special	陝重汽專用	381,207,656.73	348,508,600.16
Lantong Transmission	藍通傳動軸	259,890,880.00	195,407,426.30
Ballard Power	巴拉德動力	248,340,703.77	-
Tianxingjian Vehicle Networking	天行健車聯	150,586,845.95	172,901,918.36
Huazhen Parts	華臻部件	99,831,922.19	80,925,947.35
Fangyuan Automobile	方圓汽車	97,691,567.03	75,413,774.39
Dongming Automobile	東銘車輛	84,415,281.44	40,275,164.90
Xi'an FC	西安雙特	-	115,667,403.14
Others	其他	1,855,418,801.01	1,287,565,144.59
Total	合計	28,514,224,802.23	22,580,906,584.42

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)

(1) Transaction of goods and services with related parties (Continued)

Sales of goods to related parties (Continued)

十、關聯方關係及其交易(續)

5. 本集團與關聯方的主要交易(續)

(1) 關聯方商品和勞務交易(續)

向關聯方銷售商品(續)

RMB
人民幣元

Company	公司	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Fast Gear Transmission	法士特傳動	2,753,064,953.95	2,016,927,443.40
Shaanxi Wuhai	陝汽烏海	2,530,719,839.04	1,377,786,972.29
Weichai Import and Export	濰柴進出口	1,238,386,469.88	1,107,645,199.17
Shaanxi Automotive Commercial Vehicles	陝汽商用車	1,196,267,332.87	1,168,231,056.92
Westport New Energy	西港新能源	832,874,078.01	1,147,911,085.53
Beiqi Foton	北汽福田	723,691,531.40	437,338,817.31
Shandong Automobile Manufacture	山東汽車製造	398,417,012.35	112,772,169.43
Shaanxi Wanfang	陝西萬方	386,155,390.80	286,124,164.72
Weichai Electric	濰柴電力	345,001,794.83	306,332,374.88
Weichai Heavy-duty Machinery	濰柴重機	286,842,945.16	200,362,621.96
Shantui Construction	山推工程	270,105,242.16	211,284,397.50
Oude Rubber	歐德橡塑	206,076,303.37	163,110,913.02
Huazhen Component	華臻零部件	162,026,085.29	145,485,803.51
Yangzhou Yaxing	揚州亞星	159,737,446.95	629,918,967.47
Tongli Special Purpose	通力專用	128,838,413.37	119,301,303.56
Yangzhou Special Vehicles	揚州特種車	121,472,343.74	157,725,835.65
Dezhou Degong	德州德工	99,286,322.31	101,268,856.73
Huazhen Services	華臻服務	76,971,633.04	58,429,148.58
Shaanxi Automotive	陝汽集團	60,050,219.28	429,267,939.24
Shanzhong Jianji	山重建機	50,152,212.35	52,136,146.01
Shaanxi Heavy-duty Special	陝重汽專用	19,979,697.40	398,083,124.75
New Energy Commercial Vehicles	新能源商用車	15,527,554.32	34,254,079.20
Others	其他	1,667,396,509.30	2,009,659,059.85
Total	合計	13,729,041,331.17	12,671,357,480.68

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)
 (1) Transaction of goods and services with related parties (Continued)
 Receiving services from related parties

十、關聯方關係及其交易(續)

5. 本集團與關聯方的主要交易(續)
 (1) 關聯方商品和勞務交易
 (續)
 自關聯方接受勞務

RMB
 人民幣元

Company	公司		Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Tonghui Transportation	通匯物流	Note 1 註1	427,209,271.81	317,163,229.89
Shanzhong Finance Leasing	山重融資租賃	Note 2 註2	143,053,215.64	63,177,056.17
Deyin Leasing	德銀租賃	Note 3 註3	97,385,459.77	70,162,954.33
Shaanxi Industry	陝汽實業		92,717,580.90	90,279,515.71
Ballard Power	巴拉德動力		67,999,500.00	176,976,795.00
Fast Gear Transmission	法士特傳動		17,967,660.64	57,620,680.41
Others	其他		213,862,509.37	323,883,036.25
Total	合計		1,060,195,198.13	1,099,263,267.76

Rendering services to related parties

向關聯方提供勞務

RMB
 人民幣元

Item	項目		Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Rendering services	提供勞務		257,466,978.91	231,792,840.15

Note 1: Tonghui Transportation provided comprehensive services including agency procurement, warehousing, logistics distribution and receipt and payment services to Shaanxi Heavy-duty Motor Co., Ltd, a subsidiary of the Company.

註1: 通匯物流為本公司之子公司陝西重型汽車有限公司提供代理採購、倉儲、物流配送及代為收付等綜合服務。

Note 2: Shanzhong Finance Leasing provides distributors and ultimate customers of Shaanxi Heavy-duty Motor Co., Ltd., a subsidiary of the Company, with services of financial leasing. For details, see Note XII.3.

註2: 山重融資租賃為本公司之子公司陝西重型汽車有限公司的經銷商及其終端客戶提供融資租賃業務。具體情況參見附註十二、3。

Note 3: Deyin Leasing provides Shaanxi Heavy-duty Motor Co., Ltd., a subsidiary of the Company, with services of financial leasing. It was agreed among Deyin Leasing and third-party distributors that for the vehicle monies of related business to be receivable by the Group from distributors, Deyin Leasing may take up the payment obligation on behalf of the distributors.

註3: 德銀租賃為本公司之子公司陝西重型汽車有限公司提供融資租賃業務。德銀租賃和第三方經銷商同意對於本集團應收經銷商的相關業務的車款，可由德銀租賃代經銷商承擔付款義務。

The prices for the Group's sale of goods and rendering services to related parties as well as purchase of goods and receiving services from related parties were determined with reference to market rates.

本集團向關聯方銷售商品、提供勞務、採購商品及接受勞務的價格參考市場價格決定。

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)

(2) Leasing with related parties

Item	項目	Type of leased property	租賃資產種類	Incurring during the year 本年租賃收入	Incurring in previous year 上年租賃收入
As lessor	作為出租人	Buildings, equipment & land	房屋設備土地	25,587,574.82	22,041,419.43

The prices for the Group's leasing with related parties were determined with reference to market rates.

本集團與關聯方租賃業務價格參考市場價格決定。

(3) Transfer of assets with related parties

Item	項目	Particulars of transaction	交易內容	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Transfer of assets	資產轉讓	Purchase of fixed assets	購買固定資產	2,614,449.87	10,779,648.25
Transfer of assets	資產轉讓	Sale of fixed assets	出售固定資產	257,060.69	1,705,190.67

The price for the Group's purchase and sale of fixed assets from and to related parties were determined with reference to market rates.

本集團向關聯方採購和銷售固定資產價格參考市場價格決定。

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)

(4) Other related party transactions

On 25 March 2019, the Group entered into the Financial Services Agreement with Shandong Heavy Industry Finance Co.. Pursuant to the agreement, Shandong Heavy Industry Finance Company provided deposit, credit, accounting and clearing services as well as other financial services to the Company and its controlling subsidiaries. The interest rates for credit relating to financial services as well as fee rates are determined according to the Financial Services Agreement and based upon the relevant requirements of the People's Bank of China's under which the lending rate shall not exceed the minimum level permitted under the interest rates and fee rates for money lending of similar types and categories available to the Group from other major commercial banks in the PRC.

Shandong Heavy Industry Finance Co. provides distributors of Shaanxi Heavy-duty Motor Co., Ltd., a subsidiary of the Company, with credit line to apply for establishing bank acceptance bills for the purchase of products from Shaanxi Heavy-duty Motor Co., Ltd.. In 2020, the credit line amounted to RMB3,000,000,000.00 (2019: RMB3,000,000,000.00). Shaanxi Heavy-duty Motor Co., Ltd. assumes security obligation in favour of the distributors for the difference between amount of notes and guarantee money. As at 31 December 2020, open position of outstanding acceptance bill was RMB708,591,800.00 (31 December 2019: RMB658,341,770.00). For details, see Note XII.2.

十、關聯方關係及其交易(續)

5. 本集團與關聯方的主要交易(續)

(4) 其他關聯方交易

本集團與山東重工財務公司於2019年3月25日簽訂《金融服務協議》，根據協議，山東重工財務公司為本公司及控股子公司提供存款、信貸、結算及其他金融服務等。有關金融服務信貸利率和費率根據《金融服務協議》滿足中國人民銀行有關貸款利率相關規定的基礎上不高於本集團在其他中國國內主要商業銀行取得的同類同檔次信貸利率及費率允許的最低水平確定。

山東重工財務公司為本公司之子公司陝西重型汽車有限公司的經銷商提供授信額度，申請開立銀行承兌匯票用於購買陝西重型汽車有限公司產品，2020年的授信額度為人民幣3,000,000,000.00元（2019年：人民幣3,000,000,000.00元）。陝西重型汽車有限公司為經銷商提供票據金額與保證金之間差額的退款保證責任。截至2020年12月31日，尚未到期的承兌匯票敞口額為人民幣708,591,800.00元（2019年12月31日：人民幣658,341,770.00元）。具體情況參見附註十二、2。

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)

(4) Other related party transactions (Continued)

Amounts of transactions with Shandong Heavy Industry Finance Co. are as follows:

RMB
人民幣元

Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Bank deposit placed	存放銀行存款	83,610,833,134.99	72,453,351,189.88
Interest income	利息收入	421,240,813.16	315,774,886.06
Interest expenses	利息支出	17,340,709.85	28,040,386.60
Acquisition of short-term borrowings	取得短期借款	665,000,000.00	20,000,000.00
Repayment of short-term borrowings	償還短期借款	20,000,000.00	80,000,000.00
Acquisition of long-term borrowings	取得長期借款	468,236,751.45	411,400,000.00
Repayment of long-term borrowings	償還長期借款	784,634,502.90	271,330,000.00
Establishment of bank acceptance bills	開具銀行承兌匯票	3,362,986,056.47	5,256,785,541.51

Balances of accounts with Shandong Heavy Industry Finance Co. are as follows:

本集團與山東重工財務公司的各項往來餘額如下：

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Cash and cash equivalents placed with related parties	存放關聯方的貨幣資金	27,868,215,353.63	24,322,456,355.51
Interest receivable	應收利息	7,513,885.58	24,268,278.47
Balance of short-term borrowings	短期借款餘額	665,000,000.00	20,000,000.00
Balance of long-term borrowings	長期借款餘額	150,000,000.00	466,397,751.45
Balance of bank acceptance bills established	開具的銀行承兌匯票餘額	1,956,725,003.03	3,461,859,096.77

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)
(5) Compensation of Key Management Personnel

十、關聯方關係及其交易(續)

5. 本集團與關聯方的主要交易(續)
(5) 關鍵管理人員報酬RMB
人民幣元

Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Fees	袍金	900,000.00	775,000.00
Other emolument:	其他薪酬：		
Wages, allowances and non-cash benefits in kind	工資、津貼和非現金利益金額	32,795,100.48	26,096,248.40
Contribution to pension schemes	養老金計劃供款	837,324.52	687,014.52
	合計	34,532,425.00	27,558,262.92

Note: Key management are the persons who are authorized and responsible for planning, supervision and control of the Group's activities, including directors, general manager, chief accounting officer, financial controller, deputy general managers in charge of different business, and other personnel who perform similar strategic functions.

Compensation for key management personnel includes salaries, welfare and bonus paid in cash, kind and other forms, special treatment and marketable securities.

(a) Remuneration of independent non-executive directors
Fees paid to independent non-executive directors during the year were as follows:

註：關鍵管理人員指有權利並負責進行計劃、指揮和控制本集團活動的人員。包括董事、總經理、總會計師、財務總監、主管各項事務的副總經理，以及行使類似政策職能的人員。

支付給關鍵管理人員的報酬包括採用貨幣、實物形式和其他形式的工資、福利、獎金、特殊待遇及有價證券等。

(a) 獨立非執行董事酬金

年內付予獨立非執行董事的袍金如下：

RMB
人民幣元

Independent non-executive directors	獨立非執行董事	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Mr. Zhang Zhong (Note)	張忠先生(註)	90,000.00	155,000.00
Mr. Wang Gongyong (Note)	王貢勇先生(註)	90,000.00	155,000.00
Mr. Li Hongwu	李洪武先生	180,000.00	155,000.00
Mr. Wen Daocai	聞道才先生	180,000.00	155,000.00
Mr. Ning Xiangdong (Note)	寧向東先生(註)	90,000.00	155,000.00
Ms. Jiang Yan (Note)	蔣彥女士(註)	90,000.00	-
Mr. Yu Zhuoping (Note)	余卓平先生(註)	90,000.00	-
Ms. Zhao Huifang (Note)	趙惠芳女士(註)	90,000.00	-
Total	合計	900,000.00	775,000.00

Note: Ms. Jiang Yan, Mr. Yu Zhuoping and Ms. Zhao Huifang have been appointed as independent non-executive directors of the Company since from 29 June 2020. Mr. Zhang Zhong, Mr. Wang Gongyong and Mr. Ning Xiangdong ceased to be independent non-executive directors of the Company with effect from 29 June 2020.

註：蔣彥女士、余卓平先生及趙惠芳女士自2020年6月29日起開始擔任本公司獨立非執行董事；張忠先生、王貢勇先生及寧向東先生自2020年6月29日起不再擔任本公司獨立非執行董事。

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)

(5) Compensation of Key Management Personnel (Continued)

(b) Remuneration of executive directors, non-executive directors and supervisors

十、關聯方關係及其交易(續)

5. 本集團與關聯方的主要交易(續)

(5) 關鍵管理人員報酬(續)

(b) 執行董事、非執行董事及監事酬金

RMB
人民幣元

Executive directors:	執行董事	Fees 袍金	Wages, allowances and non-cash benefits	Performance- linked bonus 績效 掛鈎獎金	Contribution to pension schemes	Total remuneration 薪酬總額
			工資、津貼和 非現金利益金額		養老金 計劃供款	
Mr. Tan Xuguang (Note)	譚旭光先生(註)	-	-	-	42,414.08	42,414.08
Mr. Sun Shaojun	孫少軍先生	-	2,588,900.00	-	42,414.08	2,631,314.08
Mr. Zhang Quan	張泉先生	-	2,748,800.00	-	42,414.08	2,791,214.08
Mr. Yuan Hongming	袁宏明先生	-	-	-	-	-
Mr. Yan Jianbo	嚴鑒鉞先生	-	-	-	-	-
Total	合計	-	5,337,700.00	-	127,242.24	5,464,942.24

Note: Mr. Tan Xuguang is the chairman and chief executive officer of the Company.

註：譚旭光先生為本公司董事長及首席執行官。

RMB
人民幣元

Non-executive directors:	非執行董事	Fees 袍金	Wages, allowances and non-cash benefits	Performance- linked bonus 績效 掛鈎獎金	Contribution to pension schemes	Total remuneration 薪酬總額
			工資、津貼和 非現金利益金額		養老金 計劃供款	
Mr. Jiang Kui	江奎先生	-	150,000.00	-	42,414.08	192,414.08
Mr. Wang Yuepu	王曰普先生	-	37,500.00	-	-	37,500.00
Mr. Zhang Liangfu	張良富先生	-	75,000.00	-	-	75,000.00
Mr. Xu Xinyu	徐新玉先生	-	2,482,500.00	-	42,414.08	2,524,914.08
Mr. Michael Macht	Michael Macht先生	-	150,000.00	-	-	150,000.00
Mr. Gordon Riske	Gordon Riske先生	-	150,000.00	-	-	150,000.00
Total	合計	-	3,045,000.00	-	84,828.16	3,129,828.16

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)

(5) Compensation of Key Management Personnel (Continued)

(b) Remuneration of executive directors, non-executive directors and supervisors (Continued)

RMB
人民幣元

Supervisors:		Fees	Wages, allowances and non-cash benefits	Performance-linked bonus	Contribution to pension schemes	Total remuneration
	監事	袍金	工資、津貼和非現金利益金額	績效掛鈎獎金	養老金計劃供款	薪酬總額
Mr. Lu Wenwu	魯文武先生	-	1,769,300.00	-	42,414.08	1,811,714.08
Mr. Wu Hongwei	吳洪偉先生	-	-	-	42,414.08	42,414.08
Mr. Ma Changhai	馬常海先生	-	1,517,200.00	-	42,414.08	1,559,614.08
Total	合計	-	3,286,500.00	-	127,242.24	3,413,742.24

(c) Remuneration of senior management personnel

(c) 高級管理人員酬金

RMB
人民幣元

Senior management personnel		Fees	Wages, allowances and non-cash benefits	Performance-linked bonus	Contribution to pension schemes	Total remuneration
	高級管理人員	袍金	工資、津貼和非現金利益金額	績效掛鈎獎金	養老金計劃供款	薪酬總額
Mr. Kwong Kwan Tong	鄭焜堂先生	-	1,550,900.48	-	-	1,550,900.48
Mr. Feng Gang	馮剛先生	-	2,088,500.00	-	42,414.08	2,130,914.08
Mr. Tong Dehui	佟德輝先生	-	1,280,800.00	-	42,414.08	1,323,214.08
Mr. Li Shaohua	李紹華先生	-	700,100.00	-	16,554.60	716,654.60
Ms. Ren Bingbing	任冰冰女士	-	1,182,700.00	-	16,554.60	1,199,254.60
Mr. Ding Yingdong	丁迎東先生	-	1,803,200.00	-	42,414.08	1,845,614.08
Mr. Hu Haoyan	胡浩然先生	-	386,200.00	-	-	386,200.00
Mr. Zhang Jiyuan	張紀元先生	-	1,957,000.00	-	42,414.08	1,999,414.08
Mr. Liu Yuanqiang	劉元強先生	-	1,644,100.00	-	42,414.08	1,686,514.08
Ms. Cao Zhiyu	曹志月女士	-	1,761,600.00	-	40,396.28	1,801,996.28
Mr. Wang Zhijian	王志堅先生	-	1,074,300.00	-	42,414.08	1,116,714.08
Mr. Hu Haihua	胡海華先生	-	1,219,500.00	-	40,396.28	1,259,896.28
Mr. Cheng Guangxu	程廣旭先生	-	1,509,600.00	-	17,165.52	1,526,765.52
Mr. Chen Wenmiao	陳文淼先生	-	1,331,600.00	-	40,396.28	1,371,996.28
Mr. Sun Jian	孫健先生	-	1,235,500.00	-	42,414.08	1,277,914.08
Ms. Wang Li	王麗女士	-	400,300.00	-	29,649.76	429,949.76
Total	合計	-	21,125,900.48	-	498,011.88	21,623,912.36

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)

(5) Compensation of Key Management Personnel (Continued)

(d) Five highest paid individuals

The five highest paid employees during the year included one director (2019: one director), details of whose remuneration are set out above. Details of the remuneration of the remaining four (2019: four) non-director and non-supervisor, highest paid employees for the year are as follows:

十、關聯方關係及其交易(續)

5. 本集團與關聯方的主要交易(續)

(5) 關鍵管理人員報酬(續)

(d) 五名最高薪人士

本年度內五名最高薪酬僱員包括一名董事(2019年：一名董事)，其薪酬詳情已載於上文中，年內餘下四名(2019年：四名)非董事及非監事的最高僱員的酬金詳情如下：

RMB
人民幣元

Item	項目	Incurred during the year 本年發生額	Incurred in previous year 上年發生額
Wages, allowances and non-cash benefits	工資、津貼和非現金利益金額	20,859,065.98	24,064,992.00
Performance-linked bonus	績效掛鉤獎金	1,499,795.66	19,304,544.00
Cash-settled share option expenses	以現金結算的股份支付費用	–	7,952,112.00
Contribution to pension schemes	養老金計劃供款	4,281,529.00	5,077,296.00
Total	合計	26,640,390.64	56,398,944.00

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major transactions between the Group and its related parties (Continued)

(5) Compensation of Key Management Personnel (Continued)

(e) Remuneration bands

The number of non-director and non-supervisor, highest paid employees whose remuneration fell within the following bands is as follows:

Item	項目	Number of people for the year 本年人數	Number of people for last year 上年人數
RMB3,000,001 to RMB3,500,000	人民幣3,000,001元至 人民幣3,500,000元	1	–
RMB6,000,001 to RMB6,500,000	人民幣6,000,001元至 人民幣6,500,000元	1	–
RMB8,000,001 to RMB8,500,000	人民幣8,000,001元至 人民幣8,500,000元	1	–
RMB8,500,001 to RMB9,000,000	人民幣8,500,001元至 人民幣9,000,000元	1	–
RMB11,000,001 to RMB11,500,000	人民幣11,000,001元至 人民幣11,500,000元	–	1
RMB13,500,001 to RMB14,000,000	人民幣13,500,001元至 人民幣14,000,000元	–	1
RMB14,500,001 to RMB15,000,000	人民幣14,500,001元至 人民幣15,000,000元	–	1
RMB16,500,001 to RMB17,000,000	人民幣16,500,001元至 人民幣17,000,000元	–	1

The number of senior management whose remuneration fell within the following bands is as follows:

Item	項目	Number of people for the year 本年人數	Number of people for last year 上年人數
Nil to RMB1,000,000	零至人民幣1,000,000元	3	2
RMB1,000,001 to RMB1,500,000	人民幣1,000,001元至 人民幣1,500,000元	6	2
RMB1,500,001 to RMB2,000,000	人民幣1,500,001元至 人民幣2,000,000元	6	8
RMB2,000,001 to RMB2,500,000	人民幣2,000,001元至 人民幣2,500,000元	1	–

十、關聯方關係及其交易(續)

5. 本集團與關聯方的主要交易(續)

(5) 關鍵管理人員報酬(續)

(e) 薪酬介於範圍

薪酬介於下列範圍的非董事及非監事最高薪酬僱員的人數如下：

薪酬介於下列範圍的高級管理人員的人數如下：

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Amounts due from/to related parties

十、關聯方關係及其交易(續)

6. 關聯方應收應付款項餘額

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日		31 December 2019 2019年12月31日	
		Gross carrying amount 賬面餘額	Provision for credit losses 信用損失準備	Gross carrying amount 賬面餘額	Provision for credit losses 信用損失準備
Accounts receivable	應收賬款				
Shaanxi Automotive Commercial Vehicles	陝汽商用車	325,280,125.43	6,489,543.69	192,684,496.25	–
Weichai Import and Export	濰柴進出口	293,135,460.94	1,330,638.87	110,659,375.88	1,099,877.91
Shaanxi Wuhai	陝汽烏海	63,551,266.43	–	78,074,725.76	–
Beiqi Foton	北汽福田	56,632,501.10	653,705.07	91,251,341.21	1,945,738.96
Huazhen Component	華臻零部件	20,452,627.00	11,487.94	12,177,225.31	–
Shandong Automobile Manufacture	山東汽車製造	15,275,758.18	304,344.22	5,986,832.00	119,736.64
Weichai Electric	濰柴電力	15,158,799.36	74,868.87	66,936,962.46	1,338,635.85
Eurostar	歐舒特	12,129,459.02	12,129,459.02	14,067,992.31	14,067,992.31
Westport New Energy	西港新能源	7,236,037.44	187,670.99	16,164,686.09	94,108.88
Xi'an FC	西安雙特	4,027,423.07	37,540.73	11,949,328.47	238,986.57
Yangzhou Yaxing	揚州亞星	209,712.42	289.03	70,014,901.68	2,242,476.09
Others	其他	352,474,834.96	6,832,184.63	298,567,475.18	7,015,108.99
Total	合計	1,165,564,005.35	28,051,733.06	968,535,342.60	28,162,662.20

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日		31 December 2019 2019年12月31日	
		Gross carrying amount 賬面餘額	Provision for credit losses 信用損失準備	Gross carrying amount 賬面餘額	Provision for credit losses 信用損失準備
Other receivables	其他應收款	264,545,443.41	13,801,792.44	124,994,121.77	13,781,240.01

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Amounts due from/to related parties (Continued)

十、關聯方關係及其交易(續)

6. 關聯方應收應付款項餘額(續)

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Notes receivable	應收票據		
Shantui Construction	山推工程	147,297,865.20	146,947,390.01
Shandong Automobile Manufacture	山東汽車製造	145,963,577.79	–
Weichai Heavy-duty Machinery	濰柴重機	72,337,599.87	339,612,368.69
Dezhou Degong	德州德工	64,150,000.00	74,301,358.24
Yangzhou Yaxing	揚州亞星	60,975,000.00	278,154,000.00
Yangzhou Special Vehicles	揚州特種車	43,284,000.00	50,900,000.00
Others	其他	58,412,966.52	26,884,695.03
	合計	592,421,009.38	916,799,811.97

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Receivable financing	應收款項融資		
Shaanxi Automotive Commercial Vehicles	陝汽商用車	198,140,000.00	29,450,000.00
Shaanxi Wuhai	陝汽烏海	96,000,000.00	110,667,390.00
Deyin Leasing	德銀租賃	61,420,000.00	153,000,000.00
Yangzhou Yaxing	揚州亞星	31,278,380.00	48,412,298.00
Yangzhou Special Vehicles	揚州特種車	19,337,444.00	54,412,400.00
Others	其他	77,397,989.39	60,015,795.69
Total	合計	483,573,813.39	455,957,883.69

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Prepayments	預付款項		
Huazhen Services	華臻服務	55,292,009.86	43,146,129.56
Weichai Import and Export	濰柴進出口	46,001,372.57	75,176,413.60
Ballard Power	巴拉德動力	35,004,871.56	42,560,370.00
Others	其他	32,127,187.00	44,853,751.74
Total	合計	168,425,440.99	205,736,664.90

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Amounts due from/to related parties (Continued)

十、關聯方關係及其交易(續)

6. 關聯方應收應付款項餘額(續)

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Accounts payable	應付賬款		
Shaanxi Automotive Commercial Vehicles	陝汽商用車	865,409,804.41	762,088,776.30
Shandong Heavy Industry Finance Co.	山東重工財務公司	557,218,624.46	—
Fast Gear Transmission	法士特傳動	438,107,753.88	346,979,138.43
Tongli Special Purpose	通力專用	336,984,662.13	229,100,179.48
Weichai Import and Export	濰柴進出口	333,523,452.05	224,075,034.42
Xi'an Cummins	西安康明斯	278,728,272.25	179,775,989.91
Westport New Energy	西港新能源	272,222,708.49	318,271,447.84
Deshi Components	德仕零部件	226,424,796.94	201,473,981.41
Shaanxi Wuhai	陝汽烏海	218,564,179.45	286,984,556.93
Shaanxi Wanfang	陝西萬方	209,664,612.70	245,348,067.02
Huazhen Component	華臻零部件	153,351,853.76	147,448,583.10
Shaanxi Heavy-duty Special	陝重汽專用	104,760,489.97	79,824,954.86
Lantong Transmission	藍通傳動軸	96,365,359.22	57,690,604.79
Tonghui Transportation	通匯物流	88,848,268.79	88,329,212.51
Oude Rubber	歐德橡膠	56,098,592.55	71,975,306.12
Xi'an FC	西安雙特	25,926,841.24	73,531,242.38
Tianxingjian Vehicle Networking	天行健車聯	51,062,990.41	57,853,838.88
Wanfang Tianyun	萬方天運	34,423,610.06	137,116,971.42
Others	其他	239,429,665.11	327,696,784.98
Total	合計	4,587,116,537.87	3,835,564,670.78

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Amounts due from/to related parties (Continued)

十、關聯方關係及其交易(續)

6. 關聯方應收應付款項餘額(續)

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Notes payable	應付票據		
Shaanxi Wuhai	陝汽烏海	799,000,000.00	385,000,000.00
Westport New Energy	西港新能源	631,212,833.10	922,140,371.81
Shaanxi Automotive Commercial Vehicles	陝汽商用車	547,900,000.00	101,500,000.00
Huazhen Component	華臻零部件	5,850,000.00	114,390,000.00
Deshi Components	德仕零部件	72,166.62	64,200,000.00
Fast Gear Transmission	法士特傳動	–	115,300,000.00
Shaanxi Wanfang	陝西萬方	–	171,366,000.00
Others	其他	14,799,871.78	74,178,979.12
Total	合計	1,998,834,871.50	1,948,075,350.93

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Contract liabilities	合同負債		
Beiqi Foton	北汽福田	81,696,623.02	–
Shaanxi Automotive	陝汽集團	38,098,993.41	517,094,874.40
Others	其他	62,877,307.23	8,545,379.38
Total	合計	182,672,923.66	525,640,253.78

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Amounts due from/to related parties (Continued)

十、關聯方關係及其交易(續)

6. 關聯方應收應付款項餘額(續)

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Other payables	其他應付款		
Shaanxi Automotive Commercial Vehicles	陝汽商用車	24,784,600.00	–
Shaanxi Industry	陝汽實業	–	64,063,346.62
Others	其他	67,345,092.61	115,182,073.98
Total	合計	92,129,692.61	179,245,420.60

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Dividends payable	應付股利		
Shaanxi Automotive	陝汽集團	115,466,388.68	106,658,826.01
Fast Gear Transmission	法士特傳動	139,198,832.08	109,529,743.16
Weichai Group Holdings	濰柴控股	–	27,993,120.35
Total	合計	254,665,220.76	244,181,689.52

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Lease liabilities	租賃負債		
Fast Gear Transmission	法士特傳動	5,713,667.89	13,722,851.47
Shaanxi Industry	陝汽實業	785,714.12	347,323.44
Total	合計	6,499,382.01	14,070,174.91

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Amounts due from/to related parties (Continued)

十、關聯方關係及其交易(續)

6. 關聯方應收應付款項餘額(續)

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Long-term payables	長期應付款		
Other immaterial associates	其他非重大聯營企業	399,789,450.00	394,940,661.50

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Non-current liabilities due within one year	一年內到期的非流動負債		
Other immaterial associates	其他非重大聯營企業	229,282,275.00	179,154,706.50

Other than long-term payables and non-current liabilities due within one year, amounts due from/to related parties were non-interest bearing and unsecured. Of which the terms of repayment for amounts of trading nature will follow the requirement of terms of trading, while amounts of non-trading nature have no fixed terms of repayment.

除長期應付款、一年內到期的非流動負債以外，應收及應付關聯方款項均不計利息、無抵押，其中，貿易往來的還款期遵從貿易條款規定，非貿易往來無固定還款期。

XI. SHARE-BASED PAYMENT

Share-based Payment Project Applicable to Staff Members of KION

Given the impact of COVID-19 in 2020, KION has not yet implemented the new equity-settled share-based payment project. On 20 September 2019, KION implemented an equity-settled share-based payment project ("KION Staff Member Scheme 2019"). Only those who have, before the commencement of the agreement, signed permanent employment contract with KION and been working for KION for at least one year are qualified to participate in the project. Currently, KION, 19 German subsidiaries and 60 overseas subsidiaries have participated in KION Staff Member Scheme 2019. KION, 19 German subsidiaries and 62 overseas subsidiaries have participated in KION Staff Member Scheme 2018.

A staff member participating in the equity-settled share-based payment scheme is entitled to one bonus share, free of charge, to match with every three shares in KION upon the expiry of a three-year period from the date of grant. KION is entitled to provide cash payments in lieu of the grant of bonus shares. To motivate staff's participation in this project, KION will grant a first-time participant, on a free-of-charge basis, one share to correspond with every 21 shares initially purchased by him/her/it. If the participant has sold the shares of KION or no longer works for KION, he/she/it will no longer be eligible for such right to receive such free-of-charge shares. Fair value of the equity as at the date of grant is assessed using Monte-Carlo simulation, with the following key parameters for measurement:

Parameters for measurement (EUR)	計量參數(歐元)	KION Staff Member Scheme 2019 KION 2019年 員工激勵計劃	KION Staff Member Scheme 2018 KION 2018年 員工激勵計劃
Dividend yield	股息生息率	1.30	0.99
Share price of KION on the date of grant	授予日KION股價	58.82	44.59

十一、股份支付

KION員工股份支付項目

2020年受新冠疫情影响，KION未实施新的以权益结算的股份支付项目。2019年9月20日，KION实施了以权益结算的股份支付项目（简称「KION 2019年员工激励计划」），只有在协议开始前与KION签订了永久雇佣合同，且参加工作至少一年的员工才有资格加入本项目。目前参与KION 2019年员工激励计划的有KION及19个德国子公司和60个德国以外的子公司。参与KION 2018年员工激励计划的有KION及19个德国子公司和62个德国以外的子公司。

参与该权益结算的股份支付项目的员工，拥有在授予日起3年后以每3股KION股票无偿获得一股红股的權利，KION有权通过现金支付替代授予红股。KION为激励员工参与本项目，对首次参与的员工最初购买的每21股股票无偿赠送1股股票。如果本项目参与者出售了KION的股票或者离职，将无权获得无偿股票。授予的期權於授予日採用蒙特·卡羅模型評估公允價值，具體重要計量參數如下：

XI. SHARE-BASED PAYMENT (CONTINUED)

Share-based Payment Project Applicable to Staff Members of KION (Continued)

Movements in the number of bonus shares granted to staff members of KION are as follows:

Shares	股數	2020 2020年	2019 2019年
Shares	年初數	53,776	43,655
Granted during the year	本年授予	–	24,794
Exercised during the year	本年行權	(11,129)	(14,136)
Lapsed during the year	本年失效	(2,118)	(537)
Closing balance	年末數	40,529	53,776

In 2020, no (2019: 24,794) preferential share options were granted by KION, and 2,118 options (2019: 537) have lapsed, while 11,129 (2019: 14,136) bonus shares were issued upon the exercise of share options by staff members. In addition, given the impacts of COVID-19, no (2019: 3,785) free-of-charge shares have been granted by KION in 2020. For KION Staff Member Scheme 2019, the fair value of the bonus shares as at the date of grant was EUR55.16 per share (KION Staff Member Scheme 2018: EUR42.03 per share). In 2020, total costs recognized in respect of equity-settled share-based payments of the Group was EUR831,000.00, equivalent to RMB6,540,136.20 (2019: EUR925,000.00, equivalent to RMB7,047,591.92).

Share Incentive Scheme Applicable to KION Managers

In 2020, a cash-settled equity incentive scheme operated by KION became applicable to managers from 1 January 2020, for a term of three years (“KION Senior Management Long-term Incentive Scheme 2020”). The remuneration component measured over the long term is based in equal parts on the total shareholder return (TSR) of KION shares compared with the MDAX index as a measure of market performance, and with return on capital employed (ROCE) as an internal measure. It also depends on the performance of KION shares during the relevant period.

The cash-settled share-based payment granted in 2018 is subject to appraisal for business performance during a period ending 31 December 2020, and has been settled in March 2021. The cash-settled share-based payment granted in 2017 is subject to appraisal for business performance during a period ending 31 December 2019, and has been settled in March 2020.

十一、股份支付(續)

KION員工股份支付項目(續)

KION授予員工紅股期權數量的變動如下：

2020年，KION未授予紅股期權(2019年：24,794股)，2,118股已失效(2019年：537股)，員工行權而發放紅股11,129股(2019年：14,136股)；此外，2020年受新冠疫情影响，KION未無償贈送股票(2019年：3,785股)；對於「KION2019年員工激勵計劃」，紅股於授予日的公允價值為每股55.16歐元(「KION2018年員工激勵計劃」：每股42.03歐元)。2020年，本集團確認的以權益結算的股份支付費用總額為歐元831,000.00，折合人民幣6,540,136.20元(2019年：歐元925,000.00，折合人民幣7,047,591.92元)。

KION經理股權激勵計劃

在2020年，KION對經理實施了自2020年1月1日起為期三年的以現金結算的股權激勵計劃(「KION 2020年高管長期激勵計劃」)。KION的長期報酬的衡量是基於全體股東的回報率，與作為計量市場業績的MDAX指數作比較，以及已動用資本回報率(ROCE)作為內部計量基礎。該計量還取決於KION股價在相關期間內的表現。

2018年授予的以現金結算的股份支付的業績考核期在2020年12月31日結束，並於2021年3月完成支付。2017年授予的以現金結算的股份支付的業績考核期在2019年12月31日結束，並已於2020年3月完成支付。

XI. SHARE-BASED PAYMENT (CONTINUED)

Share-based Payment Project Applicable to Staff Members of KION (Continued)

At the beginning of the period subject to appraisal, on 1 January 2020, 264,191 (2019: 274,460; 2018: 188,531) virtual shares with specific fair value were granted to managers. Such virtual shares were apportioned in proportion to the total annual remuneration of the respective managers who were granted such shares. At the end of the performance period, the number of the virtual shares so granted is amended depending on the degree to which the relevant targets are achieved. The resulting final number of virtual shares multiplied by the smoothed price of KION shares at the end of the performance period determines the amount of cash actually paid. KION has the right to adjust it at the end of performance period when results or development performance is outstanding. The maximum amount payable is limited to 200 per cent of the value of the shares allotted to an individual at the grant date. Fair value of the cash-settled share-based payment as at each assessment date is assessed using Monte-Carlo simulation, with the following parameters for measurement:

十一、股份支付(續)

KION經理股權激勵計劃(續)

在2020年1月1日績效考核初期，經理被授予264,191份具有特定公允價值的虛擬股份(2019年：274,460份；2018年：188,531份)，該虛擬股份按照每位經理被授予股份時個人總年薪的相應比例進行分配。在業績考核期末，授予虛擬股份的數量會按照相關目標的完成程度進行修訂。修訂後的虛擬股份數量乘以KION在業績考核期末的平滑股價來決定最終實際需要支付的金額，KION有權在業績表現或發展突出的情況下在考核期末做調整。最終的支付金額以虛擬股份於授予日當天公允價值的200%為上限。授予的以現金結算的股份支付於每個評估日採用蒙特·卡羅模型評估公允價值，具體計量參數如下：

Assessment date on 31 December 2020

評估日2020年12月31日

Parameters for measurement (EUR)	計量參數(歐元)	2020 tranche 2020年份額	2019 tranche 2019年份額
Expected fluctuation of share price of KION	KION股價預期波動率	40.0%	45.0%
Expected fluctuation of price of MDAX index	MDAX指數預期波動率	20.0%	30.0%
Risk-free interest rate	無風險利率	(0.77%)	(0.75%)
Expected dividend yield	股息生息率	0.94	0.67
Share price of KION at valuation date	評估日KION股價	71.36	71.36
MDAX index at valuation date	評估日MDAX指數	30,233.41	30,233.41
60-day-average initial value of shares of KION	60日平均KION股票初始價格	57.79	48.68
60-day-average initial value of MDAX index	60日平均初始MDAX指數	26,893.05	23,511.95

As at 31 December 2020, the fair value of the remaining virtual shares granted under the KION Senior Management Long-term Incentive Scheme 2019 was EUR58.26 per share, amounting in aggregate fair value to EUR14,114,000.00, equivalent to RMB113,264,850.00 (2019: EUR50.27 per share, amounting in aggregate fair value EUR13,144,000.00, equivalent to RMB102,726,932.00). The fair value of the remaining virtual shares granted under the KION Senior Management Long-term Incentive Scheme 2020 was EUR52.86 per share, amounting in aggregate fair value to EUR13,205,000.00, equivalent to RMB105,970,125.00.

截至2020年12月31日，2019年度高管長期激勵計劃剩餘的虛擬股份的公允價值為每股58.26歐元，公允價值總額共計歐元14,114,000.00，折合人民幣113,264,850.00元(2019年：每股50.27歐元，公允價值總額共計歐元13,144,000.00，折合人民幣102,726,932.00元)；2020年度高管長期激勵計劃剩餘的虛擬股份的公允價值為每股52.86歐元，公允價值總額共計歐元13,205,000.00，折合人民幣105,970,125.00元。

XI. SHARE-BASED PAYMENT (CONTINUED)**Share-based Payment Project Applicable to Staff Members of KION (Continued)**

As at 31 December 2020, liabilities balance incurred from the cash-settled share-based payments amounted to EUR17,290,000.00, equivalent to RMB138,752,250.00 (31 December 2019: EUR12,519,000.00, equivalent to RMB97,842,244.50). In particular, liabilities balance incurred from the cash-settled share-based payments granted in 2017 amounted to nil (31 December 2019: EUR3,729,000.00, equivalent to RMB29,143,999.50); liabilities balance incurred from the cash-settled share-based payments granted in 2018 amounted to EUR3,480,000.00, equivalent to RMB27,927,000.00 (31 December 2019: EUR4,409,000.00, equivalent to RMB34,458,539.50); liabilities balance incurred from the cash-settled share-based payments granted in 2019 amounted to EUR9,409,000.00, equivalent to RMB75,507,225.00 (31 December 2019: EUR4,381,000.00, equivalent to RMB34,239,705.50); liabilities balance incurred from the cash-settled share-based payments granted in 2020 amounted to EUR4,401,000.00, equivalent to RMB35,318,025.00.

In 2020, for the tranche granted in 2018, total costs reversed amounting to EUR929,000.00, equivalent to RMB6,531,539.50 (2019: total costs recognized amounted to EUR2,983,000.00, equivalent to RMB23,313,636.50); for the tranche granted in 2019, total costs recognized in respect of cash-settled share-based payments amounted to EUR5,028,000.00, equivalent to RMB41,267,519.50 (2019: EUR4,381,000.00, equivalent to RMB34,239,705.50); for the tranche granted in 2020, total costs recognized in respect of cash-settled share-based payments amounted to EUR4,401,000.00, equivalent to RMB35,318,025.00.

十一、股份支付(續)**KION經理股權激勵計劃(續)**

截至2020年12月31日，以現金結算的股份支付產生的負債餘額為歐元17,290,000.00，折合人民幣138,752,250.00元(2019年12月31日：歐元12,519,000.00，折合人民幣97,842,244.50元)，其中，2017年授予的以現金結算的股份支付產生的負債餘額為零(2019年12月31日：歐元3,729,000.00，折合人民幣29,143,999.50元)，2018年授予的以現金結算的股份支付產生的負債餘額為歐元3,480,000.00，折合人民幣27,927,000.00元(2019年12月31日：歐元4,409,000.00，折合人民幣34,458,539.50元)，2019年授予的以現金結算的股份支付產生的負債餘額為歐元9,409,000.00，折合人民幣75,507,225.00元(2019年12月31日：歐元4,381,000.00，折合人民幣34,239,705.50元)，2020年授予的以現金結算的股份支付產生的負債餘額為歐元4,401,000.00，折合人民幣35,318,025.00元。

2020年，對於2018年授予的以現金結算的股份支付沖回的費用總額為歐元929,000.00，折合人民幣6,531,539.50元(2019年：確認的費用總額為歐元2,983,000.00，折合人民幣23,313,636.50元)，對於2019年授予的以現金結算的股份支付確認的費用總額為歐元5,028,000.00，折合人民幣41,267,519.50元(2019年：歐元4,381,000.00，折合人民幣34,239,705.50元)，對於2020年授予的以現金結算的股份支付確認的費用總額為歐元4,401,000.00，折合人民幣35,318,025.00元。

XI. SHARE-BASED PAYMENT (CONTINUED)**Share Incentive Scheme Applicable to KION Executive Board**

As part of the Share Incentive Scheme of KION, members of the Executive Board were granted virtual shares over a fixed period of time (3 years). The remuneration component measured over the long term of members of the Executive Board is on the same basis of the Share Incentive Scheme Applicable to managers above. On 1 January 2020, i.e. the beginning of the period subject to appraisal, 76,656 virtual shares (2019: 111,544 shares; 2018: 72,170 shares) with specified fair value were granted to members of the Executive Committee by KION and apportioned in ways stipulated in the service contract of each member of the Executive Committee.

At the end of the performance period, the number of the virtual shares so granted is amended depending on the degree to which the relevant targets are achieved. The resulting final number of virtual shares multiplied by the smoothed price of KION shares at the end of the performance period determines the amount of cash actually paid. The Supervisory Board of KION can also use a personal performance factor with respect to the members of the Executive Board to adjust the final payment at the end of the performance period by +/- 30 per cent. The maximum amount payable is limited to 200 per cent of the value of the shares allotted to an individual at the grant date. Fair value of the cash-settled share-based payment as at each assessment date is assessed using Monte-Carlo simulation, with the same parameters for measurement as the Share Incentive Scheme Applicable to KION Managers.

The cash-settled share-based payment granted in 2017 is subject to appraisal for business performance during a period ending 31 December 2019, and has been settled in March 2020.

As at 31 December 2020, the fair value of the remaining virtual shares granted under the KION Senior Management Long-term Incentive Scheme 2019 was EUR58.26 per share, amounting in aggregate fair value to EUR5,302,000.00, equivalent to RMB42,548,550.00 (2019: EUR50.27 per share, amounting in aggregate fair value of EUR5,607,000.00, equivalent to RMB43,821,508.50); the fair value of the remaining virtual shares granted under the KION Senior Management Long-term Incentive Scheme 2020 was EUR52.86 per share, amounting in aggregate fair value of EUR4,052,036.16, equivalent to RMB32,517,590.18.

十一、股份支付(續)**KION執行委員會股權激勵計劃**

作為KION股權激勵計劃的一部分，執行委員會成員在一個固定的期間內(3年)被授予虛擬股份。執行委員會成員的長期報酬的計量與上述經理股權激勵計劃方法一致。在2020年1月1日績效期間考核初期，KION授予執行委員會成員76,656份具有特定公允價值的虛擬股份(2019年：111,544份；2018年：72,170份)，該虛擬股份按照每位執行委員會成員的服務合同中規定的方式分配。

在業績考核期末，授予個人虛擬股份的數量會按照相關目標的完成程度進行修訂。修訂後的股份數量乘以KION在業績考核期末的平滑股價來決定最終實際需要支付的金額。KION監事會有權按照執行委員會委員的個人績效於業績考核期末在30%的幅度內做調整，對每個人最終的支付金額以授予日當天公允價值的200%為上限。授予的以現金結算的股份支付於每個評估日採用蒙特·卡羅模型評估公允價值，具體計量參數與KION經理股權激勵計劃相同。

2017年授予的以現金結算的股份支付的業績考核期在2019年12月31日結束，並已於2020年3月完成支付。

截至2020年12月31日，2019年度高管長期激勵計劃剩餘的虛擬股份的公允價值為每股58.26歐元，公允價值總額共計歐元5,302,000.00，折合人民幣42,548,550.00元(2019年：每股50.27歐元，公允價值總額共計歐元5,607,000.00，折合人民幣43,821,508.50元)，2020年度高管長期激勵計劃剩餘的虛擬股份的公允價值為每股52.86歐元，公允價值總額共計歐元4,052,036.16，折合人民幣32,517,590.18元。

XI. SHARE-BASED PAYMENT (CONTINUED)**Share Incentive Scheme Applicable to KION Executive Board (Continued)**

As at 31 December 2020, liabilities balance incurred from the cash-settled share-based payments amounted to EUR5,187,000.00, equivalent to RMB41,625,675.00 (31 December 2019: EUR5,759,000.00, equivalent to RMB45,009,464.50). In particular, nil belonged to the 2017 tranche (31 December 2019: EUR1,817,000.00, equivalent to RMB14,200,763.50); nil belonged to the 2018 tranche (31 December 2019: EUR1,990,000.00, which was equivalent to RMB15,552,845.00); EUR3,753,000.00, equivalent to RMB30,117,825.00 belonged to the 2019 tranche (31 December 2019: EUR1,952,000.00, which was equivalent to RMB15,255,856.00); and EUR1,434,000.00, equivalent to RMB11,507,850.00 belonged to the 2020 tranche.

In 2020, for the tranche granted in 2018, total costs reversed in respect of cash-settled share-based payments amounted to EUR1,990,000.00, equivalent to RMB15,552,845.00 (2019: total costs recognized amounting to EUR1,446,000.00, equivalent to RMB11,301,213.00). For the tranche granted in 2019, total costs recognized in respect of cash-settled share-based payments amounted to EUR 1,801,000.00, equivalent to RMB14,861,969.00 (2019: EUR 1,952,000.00, equivalent to RMB15,255,856.00). For the tranche granted in 2020, total costs recognized in respect of cash-settled share-based payments amounted to EUR 1,434,000.00, equivalent to RMB11,507,850.00.

十一、股份支付(續)**KION執行委員會股權激勵計劃(續)**

截至2020年12月31日，以現金結算的股份支付產生的負債餘額為歐元5,187,000.00，折合人民幣41,625,675.00元（2019年12月31日：歐元5,759,000.00，折合人民幣45,009,464.50元）。其中，2017年授予的以現金結算的股份支付產生的負債餘額為零（2019年12月31日：歐元1,817,000.00，折合人民幣14,200,763.50元），2018年授予的以現金結算的股份支付產生的負債餘額為零（2019年12月31日：歐元1,990,000.00，折合人民幣15,552,845.00元），2019年授予的以現金結算的股份支付產生的負債餘額為歐元3,753,000.00，折合人民幣30,117,825.00元（2019年12月31日：歐元1,952,000.00，折合人民幣15,255,856.00元），2020年授予的以現金結算的股份支付產生的負債餘額為歐元1,434,000.00，折合人民幣11,507,850.00元。

2020年，對於2018年授予的以現金結算的股份支付沖回的費用總額為歐元1,990,000.00，折合人民幣15,552,845.00元（2019年：確認的費用總額為歐元1,446,000.00，折合人民幣11,301,213.00元），對於2019年授予的以現金結算的股份支付確認的費用總額為歐元1,801,000.00，折合人民幣14,861,969.00元（2019年：歐元1,952,000.00，折合人民幣15,255,856.00元），對於2020年授予的以現金結算的股份支付確認的費用總額為歐元1,434,000.00，折合人民幣11,507,850.00元。

XII. COMMITMENTS AND CONTINGENCIES

1. Significant commitments

十二、承諾及或有事項

1. 重要承諾事項

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Contracted for but not yet recognized in the financials statement	已簽約但尚未於財務報表中確認的		
– Commitment on acquisition and construction of long-term assets	– 購建長期資產承諾	3,285,028,991.71	3,088,297,118.51
– Commitment on external investment (Note)	– 對外投資承諾(註)	681,712,100.00	–
Total	合計	3,966,741,091.71	3,088,297,118.51

Note 1: On 26 November 2020, the Group published the Announcement on Related Party Transaction in Relation to Proposed External Investment of Weichai Power Co., Ltd. Pursuant to which, the Company proposed to use internal fund to subscribe for up to 236,705,601 shares under the non-public issuance of Shantui Construction Machinery Co., Ltd. ("Shantui Shares"), at a subscription price of not more than RMB681,712,100. Upon the completion of the transaction, the Company will hold approximately 16.02% Shantui Shares and become the second largest substantial shareholder of Shantui Shares. The transaction has obtained the approval from the Board at the ninth extraordinary board meeting in 2020. On 15 March 2021, the non-public issuance of Shantui Shares was approved by China Securities Regulatory Commission.

註1：本集團於2020年11月26日發佈《濰柴動力股份有限公司擬對外投資暨關聯交易的公告》，擬以自有資金認購山推工程機械股份有限公司（「山推股份」）非公开发行的股票，認購數量為不超過236,705,601股，認購金額為不超過人民幣68,171.21萬元。交易完成後，本公司將持有山推股份約16.02%的股份，為山推股份的第二大股東，交易已經本公司2020年第九次臨時董事會會議審議通過。2021年3月15日山推股份本次非公开发行申請獲得中國證券監督管理委員會審核通過。

XII. COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Exposure to confirmation risks

Shaanxi Heavy-duty Motor Co., Ltd., a subsidiary of the Company, entered into a tri-party cooperation agreement with distributors and endorsing bank. Distributors will deposit guarantee money of no lower than 30% to the bank and apply for establishment of bank acceptance bill for the purchase of products of Shaanxi Heavy-duty Motor Co., Ltd. according to the amount of credit facility provided by the bank. Shaanxi Heavy-duty Motor Co., Ltd. assumes security obligation in favour of the distributors for the difference between amount of notes and guarantee money. Products are delivered to distributors and revenue is recognized when Shaanxi Heavy-duty Motor Co., Ltd. receives the amount representing the aforementioned difference from the distributors. As at 31 December 2020, open position of outstanding acceptance bills was RMB3,587,010,040.00 (31 December 2019: RMB2,643,365,360.00). Further, pursuant to the tri-party indemnity agreement entered into among Shaanxi Heavy-duty Motor Co., Ltd., the distributors and the guarantors of the distributors, the distributors shall indemnify Shaanxi Heavy-duty Motor Co., Ltd. in respect of the aforesaid security obligation for the said difference in amount or losses suffered, and their guarantors shall be jointly liable for the same. As at the approval date of these financial statements, distributors under this arrangement have hardly had any default. The Group is of the view that the risk exposure related to the provision of these security obligations is minimal, and thus no accruals and provisions have been made.

十二、承諾及或有事項(續)

2. 保兌倉敞口風險

本公司之子公司陝西重型汽車有限公司與經銷商、承兌銀行三方簽訂三方合作協議，經銷商向銀行存入不低於30%的保證金，根據銀行給予的一定信用額度，申請開立銀行承兌匯票用於購買陝西重型汽車有限公司產品，陝西重型汽車有限公司為經銷商提供票據金額與保證金之間差額的還款保證責任。陝西重型汽車有限公司在收到經銷商存入上述差額的資金時，向經銷商交付產品並確認收入。截至2020年12月31日，尚未到期的承兌匯票敞口額為人民幣3,587,010,040.00元（2019年12月31日：人民幣2,643,365,360.00元）。此外，根據陝西重型汽車有限公司、經銷商及經銷商的保證人的三方保證合同，經銷商賠償陝西重型汽車有限公司承擔的差額還款責任或遭受的損失，其保證人承擔連帶保證責任。截至本財務報告批准報出日，此類安排下經銷商幾乎從未發生過違約情況，本集團認為與提供該等保證責任相關的風險較小，因此未確認預計負債。

XII. COMMITMENTS AND CONTINGENCIES (CONTINUED)

3. Business related to finance lease company

Regarding the outright product sales to distributors in cash by Shaanxi Heavy-duty Motor Co., Ltd., a subsidiary of the Company, Shaanxi Heavy-duty Motor Co., Ltd. entered into a cooperation agreement with Shanzhong Finance Leasing Co., Ltd.. It is agreed by and between the two parties that Shanzhong Finance Leasing Co., Ltd. shall provide finance lease service to distributors or ultimate customers of Shaanxi Heavy-duty Motor Co., Ltd. Shaanxi Heavy-duty Motor Co., Ltd. shall jointly guarantee repurchase of physical assets upon presentation in respect of the leasee's (ultimate customers') failure to pay the instalment payments and interests under the finance lease, on condition that product quality required by Shaanxi Heavy-duty Motor Co., Ltd. is satisfied. As at 31 December 2020, risk exposure in respect of possible guarantee for joint liabilities was RMB3,550,000,000.00 (31 December 2019: RMB2,733,717,589.42). To date, the Group had not received any request for repurchase under this sort of business. As at the approval date of these financial statements, the Group is of the view that the risk exposure related to the provision of these guarantees for joint liabilities is minimal, and thus no accruals and provisions have been made.

十二、承諾及或有事項(續)

3. 與融資租賃公司有關的業務

對於本公司之子公司陝西重型汽車有限公司現金銷售賣斷給經銷商的產品，陝西重型汽車有限公司與山重融資租賃簽訂合作協議，雙方約定山重融資租賃為陝西重型汽車有限公司的經銷商及其終端客戶提供融資租賃服務，陝西重型汽車有限公司為融資租賃的承租方(終端客戶)未能支付融資租賃分期付款及利息的，在滿足陝西重型汽車有限公司約定的產品質量條件下提供連帶的見物回購責任。截至2020年12月31日，連帶責任保證風險敞口為人民幣3,550,000,000.00元(2019年12月31日：人民幣2,733,717,589.42元)。截至本財務報告批准報出日，本集團從未收到過此類業務下的回購要求，本集團認為與提供該等連帶責任保證相關的風險較小，因此未確認預計負債。

XIII. SUBSEQUENT EVENTS

1. Non-public issuance of A Shares

On 24 December 2020, a resolution in relation to the non-public issuance of A shares of the Company ("A Shares") have been considered and approved at the Company's tenth provisional meeting of the board of directors (the "Board") for the year 2020. The issuance will be implemented by the Company in due course by way of non-public issuance to specific targets within the validity period upon obtaining the approval from the China Securities Regulatory Commission (the "CSRC"). The maximum number of A Shares to be issued under the non-public issuance of A Shares will be based on the approval granted by the CSRC. The Company will issue more than 793,387,389 (inclusive) new A Shares, representing not more than 10% of the total issued share capital of the Company prior to the completion of the non-public issuance of A Shares. The maximum number of A Shares to be issued under the non-public issuance of A Shares will be based on the approval granted by the CSRC. On 26 January 2021, the Company received a written approval from SASAC of Shandong Province. On 4 March 2021, the Company made a public written reply to the CSRC in addressing their feedbacks. As at the approval date of these financial statements, the non-public issuance of A Shares has not yet completed.

2. Spin-Off and Separate Listing of a subsidiary

On 25 February 2021, the possible spin-off and separate listing of Weichai Torch Technology Co., Ltd. on the GEM was approved by the Company's 2021 first extraordinary meeting of the Board. The possible spin-off is subject to the approvals of The Stock Exchange of Hong Kong Limited and of shareholders at the Company's general meeting

十三、資產負債表日後事項

1. 非公開發行A股股票

2020年12月24日，本公司2020年第十次臨時董事會審議通過了關於本公司非公開發行A股股票方案的議案，本次發行採用向特定對象非公開發行的方式，在獲得中國證券監督管理委員會核准後由本公司在規定的有效期內選擇適當時機向特定對象發行股票。本次非公開發行股票數量不超過793,387,389股(含)，不超過本次非公開發行前本公司總股本10%，最終發行數量上限以中國證券監督管理委員會關於本次發行的核准批覆為準。本公司於2021年1月26日獲得山東省國資委批覆同意，於2021年3月4日對中國證券監督管理委員會一次反饋意見做出公開書面回覆。截止本財務報告對外報出日，本公司非公開發行A股股票事宜尚未完成。

2. 子公司分拆上市

2021年2月25日，本公司2021年第一次臨時董事會審議通過了關於可能分拆子公司濰柴火炬科技股份有限公司至創業板上市的相關議案。有關可能分拆需取得香港聯合交易所有限公司和本公司股東大會有關批准後方可落實。

XIV. OTHER SIGNIFICANT EVENTS

1. Leases

As the lessor

Finance leases: As at 31 December 2020, the balance of unrealized finance income was RMB1,124,607,450.00 (31 December 2019: RMB1,069,566,806.00) and was apportioned to the leasing period using effective interest rate method. Pursuant to the leasing contract signed with the lessee, the minimum lease receivables under non-cancellable leases are as follows:

Lease period	租賃期	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Within (and inclusive of) 1 year	1年以內(含1年)	3,625,542,525.00	3,071,491,500.00
1 to (and inclusive of) 2 years	1年至2年(含2年)	3,222,623,325.00	2,717,449,350.00
2 to (and inclusive of) 3 years	2年至3年(含3年)	2,742,198,675.00	2,311,043,350.00
3 to (and inclusive of) 4 years	3年至4年(含4年)	2,130,236,250.00	1,896,821,850.00
4 to (and inclusive of) 5 years	4年至5年(含5年)	1,430,400,075.00	1,301,523,030.50
Over 5 years	5年以上	831,085,050.00	876,899,100.00
Total	合計	13,982,085,900.00	12,175,228,180.50

RMB
人民幣元

十四、其他重要事項

1. 租賃

作為出租人

融資租賃：於2020年12月31日，未實現融資收益的餘額為人民幣1,124,607,450.00元（2019年12月31日：人民幣1,069,566,806.00元），採用固定的周期性利率在租賃期內各個期間進行分攤。根據與承租人簽訂的租賃合同，不可撤銷租賃的最低租賃收款額如下：

For fixed assets leased out under operating lease, refer to Note V.17.

經營租出固定資產，參見附註五、17。

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Non-monetary asset exchange

In December 2020, the Group conducted Non-monetary asset exchange with Deewin Tianxia, in which 7% equity interest of Deewin Tianxia was transferred in and equity interest of Shaanxi Tonghui Automotive Transportation Co., Ltd. was transferred out. This non-monetary asset exchange has commercial substance as there are obvious differences in risks, time distribution or amount of future cashflow of transferred-in assets and transferred-out assets.

The fair value of transferred-in assets and transferred-out assets as well as the carrying amount of transferred-out assets are as follows:

		<i>RMB</i> 人民幣元	
Item	項目	Fair value 公允價值	Carrying amount 賬面價值
Long-term equity investment of transferred-in assets	換入資產 長期股權投資	300,821,488.00	-
Long-term equity investment of transferred-out assets	換出資產 長期股權投資	300,821,488.00	74,965,454.57

The aforesaid fair value and carrying amount are the values as at the transaction date. Gain or loss arising from the recognition of the aforesaid non-monetary asset exchange during the Year amounted to RMB225,856,033.43.

十四、其他重要事項(續)

2. 非貨幣性資產交換

本集團於2020年12月與德銀天下進行了非貨幣性資產交換，其中換入資產類別為德銀天下7%的股權，換出資產類別為對陝西通匯汽車物流有限公司的股權投資。此非貨幣性資產交換具有商業實質，因為換入資產的未來現金流量在風險、時間分佈或金額方面等與換出資產存在明顯差異。

換入資產、換出資產的公允價值及換出資產的賬面價值如下：

RMB
人民幣元

Item	項目	Fair value 公允價值	Carrying amount 賬面價值
Long-term equity investment of transferred-in assets	換入資產 長期股權投資	300,821,488.00	-
Long-term equity investment of transferred-out assets	換出資產 長期股權投資	300,821,488.00	74,965,454.57

上述公允價值和賬面價值均為交易日的價值。本年上述非貨幣性資產交換確認的損益為人民幣225,856,033.43元。

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

3. Segment reporting *Operating segments*

The Group organizes and manages its operating business in accordance with the nature of business and provision of products and services. Each operating segment of the Group is one operating group, providing products and services with risks and rewards different from those of other operating segments.

The details of operating segments are as follows:

- (a) manufacturing and sale of engines and related parts (“Engines”);
- (b) manufacturing and sale of automobiles and automobile components other than Engines (“Automobiles and automobile components”);
- (c) Forklift trucks production, warehousing technology and supply chain solution services (“Intelligent logistics”).

Management monitors the results of operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reported segment profit, which is a measure of adjusted total profits. The adjusted total profits are measured consistently with the Group’s total profits, except that finance expenses, investment income, gains from changes in fair value of financial instruments as well as other unallocated income or expense are excluded from such measurement.

Segment assets exclude cash and cash equivalents, derivative instruments, dividends receivable, interests receivable, investment in other equity instruments, deferred tax assets and other unallocated head office assets.

Segment liabilities exclude derivative instruments, borrowings, income tax payable, deferred tax liabilities and other unallocated head office liabilities.

Inter-segment transfers are transacted with reference to the prices used in the transactions carried out with third parties.

十四、其他重要事項(續)

3. 分部報告 *經營分部*

本集團的經營業務根據業務的性質以及所提供的產品和服務分開組織和管理。本集團的每個經營分部是一個業務集團，提供面臨不同於其他經營分部的風險並取得不同於其他經營分部的報酬的產品和服務。

以下是對經營分部詳細信息的概括：

- (a) 生產及銷售發動機及相關零部件(「發動機」)；
- (b) 生產及銷售汽車及汽車零部件(不包括發動機)(「汽車及汽車零部件」)；
- (c) 叉車生產、倉庫技術及供應鏈解決方案服務(「智能物流」)。

管理層出於配置資源和評價業績的決策目的，對各業務單元的經營成果分開進行管理。分部業績，以報告的分部利潤為基礎進行評價。該指標系對利潤總額進行調整後的指標，除不包括財務費用、投資收益、公允價值變動損益以及其他未分配收益或開支之外，該指標與本集團利潤總額是一致的。

分部資產不包括貨幣資金、衍生工具、應收股利、應收利息、其他權益工具投資、遞延所得稅資產和其他未分配的總部資產。

分部負債不包括衍生工具、借款、應交所得稅、遞延所得稅負債以及其他未分配的總部負債。

分部間的轉移定價，參照向第三方進行交易所採用的價格制定。

XIV. OTHER SIGNIFICANT EVENTS
(CONTINUED)3. Segment reporting (Continued)
Operating segments (Continued)

十四、其他重要事項(續)

3. 分部報告(續)
經營分部(續)RMB
人民幣元

Item	項目	Engines 發動機	Automobiles and automobile components 汽車及汽車零部件	Intelligent logistics 智能物流	Total 合計
Incurred during the year	本年發生額				
Segment revenue:	分部收入：				
Sale to external customers	外部客戶銷售	47,694,005,773.11	84,817,615,370.41	64,979,471,782.90	197,491,092,926.42
Inter-segment sale	分部間銷售	15,026,376,749.53	1,088,949,165.23	130,248,941.91	16,245,574,856.67
Total	合計	62,720,382,522.64	85,906,564,535.64	65,109,720,724.81	213,736,667,783.09
Adjustment:	調整：				
Elimination of inter-segment sale	抵銷分部間銷售	-	-	-	(16,245,574,856.67)
Revenue	收入	-	-	-	197,491,092,926.42
Segment results	分部業績	8,523,853,742.93	1,668,380,469.80	1,789,378,624.57	11,981,612,837.30
Adjustment:	調整：				
Elimination of inter-segment results	抵銷分部間業績	-	-	-	(127,185,220.01)
Interest income	利息收入	-	-	-	1,277,863,594.80
Dividend income and unallocated income	股息收入及未分配收益	-	-	-	1,248,197,178.79
Corporate and other unallocated expenses	企業及其他未分配開支	-	-	-	(141,930,059.29)
Finance expenses	財務成本	-	-	-	(1,556,879,460.27)
Profit before tax	稅前利潤	-	-	-	12,681,678,871.32
31 December 2020	2020年12月31日				
Segment assets	分部資產	61,495,181,501.71	59,491,364,495.28	95,874,389,844.38	216,860,935,841.37
Adjustment:	調整：				
Elimination of inter-segment assets	抵銷分部間資產	-	-	-	(22,913,076,057.19)
Corporate and other unallocated assets	企業及其他未分配資產	-	-	-	76,802,309,167.11
Total assets	總資產	-	-	-	270,750,168,951.29
Segment liabilities	分部負債	46,849,031,118.89	49,994,949,079.93	58,625,165,715.00	155,469,145,913.82
Adjustment:	調整：				
Elimination of inter-segment liabilities	抵銷分部間負債	-	-	-	(11,343,252,095.55)
Corporate and other unallocated liabilities	企業及其他未分配負債	-	-	-	46,190,946,757.00
Total liabilities	總負債	-	-	-	190,316,840,575.27
Incurred during the year	本年發生額				
Other segment information:	其他分部資料：				
Share of profit and loss from:	應佔下列公司利潤及虧損：				
Gain from associates and joint ventures	聯營和合營企業收益	22,946,041.60	162,669,968.59	67,447,264.31	253,063,274.50
Loss of impairment of inventories	存貨跌價損失	(3,639,323.91)	(180,473,632.36)	(226,744,968.83)	(410,857,925.10)
Loss of credit impairment of receivables and lease receivable	應收款項及租賃應收款的信用減值損失	(21,088,169.96)	(331,212,737.95)	(211,304,211.10)	(563,605,119.01)
Loss of impairment of non-current assets	非流動資產減值	(402,042.29)	(80,000,000.00)	(171,948,369.97)	(252,350,412.26)
Depreciation and amortization	折舊及攤銷	(1,253,104,119.86)	(1,394,830,994.93)	(6,210,004,022.96)	(8,857,939,137.75)
(Loss)/gain from disposal of fixed assets	固定資產處置(損失)/利得	(3,883,904.52)	(3,895,755.05)	39,533,303.20	31,753,643.63
Investment in associates and joint ventures	於聯營和合營企業的投資	2,937,798,927.52	1,235,037,086.87	771,523,500.00	4,944,359,514.39
Capital expenditure	資本開支	3,141,915,963.07	2,693,669,009.48	9,667,330,606.14	15,502,915,578.69

XIV. OTHER SIGNIFICANT EVENTS
(CONTINUED)3. Segment reporting (Continued)
Operating segments (Continued)

十四、其他重要事項(續)

3. 分部報告(續)
經營分部(續)RMB
人民幣元

Item	項目	Engines 發動機	Automobiles and automobile components 汽車及汽車零部件	Intelligent logistics 智能物流	Total 合計
Incurring in the previous year	上年發生額				
Segment revenue:	分部收入：				
Sale to external customers	外部客戶銷售	37,323,557,565.33	70,032,812,924.36	67,004,522,023.17	174,360,892,512.86
Inter-segment sale	分部間銷售	12,652,512,995.61	1,442,194,470.72	172,546,591.88	14,267,254,058.21
Total	合計	49,976,070,560.94	71,475,007,395.08	67,177,068,615.05	188,628,146,571.07
Adjustment:	調整：				
Elimination of inter-segment sale	抵銷分部間銷售	-	-	-	(14,267,254,058.21)
Revenue	收入	-	-	-	174,360,892,512.86
Segment results	分部業績	7,573,079,248.05	2,175,607,427.83	3,992,293,153.14	13,740,979,829.02
Adjustment:	調整：				
Elimination of inter-segment results	抵銷分部間業績	-	-	-	(130,699,139.75)
Interest income	利息收入	-	-	-	1,067,326,294.25
Dividend income and unallocated income	股息收入及未分配收益	-	-	-	1,055,713,912.44
Corporate and other unallocated expenses	企業及其他未分配開支	-	-	-	(94,010,683.92)
Finance expenses	財務成本	-	-	-	(1,287,660,070.99)
Profit before tax	稅前利潤	-	-	-	14,351,650,141.05
31 December 2019	2019年12月31日				
Segment assets	分部資產	44,882,937,469.75	56,775,622,050.61	91,424,104,386.93	193,082,663,907.29
Adjustment:	調整：				
Elimination of inter-segment assets	抵銷分部間資產	-	-	-	(16,700,068,299.89)
Corporate and other unallocated assets	企業及其他未分配資產	-	-	-	60,449,078,938.77
Total assets	總資產	-	-	-	236,831,674,546.17
Segment liabilities	分部負債	38,985,866,513.29	37,633,986,684.29	55,142,312,447.21	131,762,165,644.79
Adjustment:	調整：				
Elimination of inter-segment liabilities	抵銷分部間負債	-	-	-	(9,161,739,879.50)
Corporate and other unallocated liabilities	企業及其他未分配負債	-	-	-	44,456,523,350.40
Total liabilities	總負債	-	-	-	167,056,949,115.69
Incurring in the previous year	上年發生額				
Other segment information:	其他分部資料：				
Share of profit and loss from:	應佔下列公司利潤及虧損：				
Gain from associates and joint ventures	聯營和合營企業收益	56,491,642.17	93,680,487.24	94,059,661.06	244,231,790.47
Loss of impairment of inventories	存貨跌價損失	(43,772,068.91)	(60,570,129.62)	(137,905,950.20)	(242,248,148.73)
Reversal/(loss) of credit impairment of receivables	應收款項的信用 減值轉回/(損失)	35,956,853.68	(229,658,165.92)	(73,193,593.30)	(266,894,905.54)
Loss of impairment of non-current assets	非流動資產減值損失	(5,011,096.21)	(168,957,448.35)	(52,975,440.00)	(226,943,984.56)
Depreciation and amortization	折舊及攤銷	(920,528,691.49)	(1,273,374,652.72)	(5,877,054,669.87)	(8,070,958,014.08)
(Loss)/gain from disposal of fixed assets	固定資產處置(損失)/利得	(3,158,914.48)	42,261,320.10	27,677,482.18	66,779,887.80
Investment in associates and joint ventures	於聯營和合營企業的投資	3,205,233,822.31	788,263,117.41	717,647,593.29	4,711,144,533.01
Capital expenditure	資本開支	2,522,737,021.20	2,804,647,836.43	11,106,904,354.27	16,434,289,211.90

XIV. OTHER SIGNIFICANT EVENTS
(CONTINUED)

3. Segment reporting (Continued)
Group information
Information about products and services
Revenue from external transactions

十四、其他重要事項(續)

3. 分部報告(續)
集團信息
產品和勞務信息
對外交易收入

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Powertrain, complete vehicles and machines and key components	動力總成、整車整機及關鍵零部件	114,670,207,166.68	90,623,147,422.15
Other components	其他零部件	10,554,994,582.70	10,741,557,726.92
Intelligent logistics	智能物流	64,979,471,782.90	67,004,522,023.17
Others	其他	7,286,419,394.14	5,991,665,340.62
Total	合計	197,491,092,926.42	174,360,892,512.86

Geographic information
Revenue from external transactions

地理信息
對外交易收入

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
China	中國大陸	128,253,800,141.76	103,158,125,786.34
Other countries and regions	其他國家和地區	69,237,292,784.66	71,202,766,726.52
Total	合計	197,491,092,926.42	174,360,892,512.86

Revenue from external transactions is attributable to the areas where customers are located.

對外交易收入歸屬於客戶所處區域。

XIV. OTHER SIGNIFICANT EVENTS
(CONTINUED)

3. Segment reporting (Continued)
Group information (Continued)
Geographic information (Continued)
Total non-current assets

十四、其他重要事項(續)

3. 分部報告(續)
集團信息(續)
產品和勞務信息(續)
非流動資產總額

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
China	中國大陸	25,293,786,327.23	21,580,951,912.91
Other countries and regions	其他國家和地區	74,413,730,626.97	72,844,041,606.24
Total	合計	99,707,516,954.20	94,424,993,519.15

Non-current assets are attributable to the areas where the assets are located, excluding financial assets and deferred tax assets.

非流動資產歸屬於該資產所處區域，不包括金融資產和遞延所得稅資產。

XV. NOTES TO KEY ITEMS OF THE COMPANY
FINANCIAL STATEMENTS

1. Notes receivable
Classification of notes receivable

十五、公司主要財務報表項目註釋

1. 應收票據
應收票據分類

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Bank acceptance bills	銀行承兌匯票	22,933,423,164.99	19,031,065,273.37

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

1. Notes receivable (Continued)

Notes receivable pledged by the Company at year end

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Bank acceptance bills	銀行承兌匯票	10,674,221,892.99	12,147,538,825.61

Notes receivable endorsed or discounted by the Company at period end and not yet expired as at the balance sheet date

1. 應收票據(續)

年末本公司已質押的應收票據

RMB
人民幣元

年末本公司已背書或貼現且在資產負債表日尚未到期的應收票據

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日 Derecognized 終止確認	31 December 2019 2019年12月31日 Derecognized 終止確認
Bank acceptance bills	銀行承兌匯票	5,757,178,611.80	3,658,307,945.85

As at 31 December 2020, the Company had not transferred any notes into accounts receivable due to issuers' failure in performance (31 December 2019: Nil).

於2020年12月31日，本公司無因出票人無力履約而將票據轉為應收賬款的票據(2019年12月31日：無)。

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

2. Accounts receivable

The Company trades with its customers primarily on credit terms, and generally requires prepayments or cash on delivery for new customers. Credit period for credit customers is generally one to six months. Accounts receivable is non-interest bearing.

An aging analysis of accounts receivable based on invoice dates is presented as follows:

十五、公司主要財務報表項目註釋(續)

2. 應收賬款

本公司與客戶間的貿易條款以信用交易為主，且一般要求新客戶預付款或採取貨到付款方式進行，除銷客戶的信用期通常為1至6個月。應收賬款並不計息。

應收賬款根據開票日期的賬齡分析如下：

RMB
人民幣元

Age	賬齡	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Within 1 year	1年以內	748,541,485.80	965,049,698.84
1 to 2 years	1年至2年	323,398.34	9,052,213.29
2 to 3 years	2年至3年	2,972,000.00	–
Over 3 years	3年以上	1,336,684.00	1,336,684.00
Gross carrying amount	賬面餘額	753,173,568.14	975,438,596.13
Less: Provision for credit loss	減：信用損失準備	11,900,401.60	14,214,114.93
Carrying amount	賬面價值	741,273,166.54	961,224,481.20

Disclosure by category of provision for credit losses

按信用損失計提方法分類披露：

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日				31 December 2019 2019年12月31日			
		Gross carrying amount 賬面餘額	Proportion 比例(%)	Provision for credit losses 信用損失準備	Percentage 計提比例(%)	Gross carrying amount 賬面餘額	Proportion 比例(%)	Provision for credit losses 信用損失準備	Percentage 計提比例(%)
Items assessed for expected credit losses by group with distinctive credit risk characteristics	按信用風險特徵組合評估預期信用損失	753,173,568.14	100.00	11,900,401.60	1.58	975,438,596.13	100.00	14,214,114.93	1.46

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

2. Accounts receivable (Continued)

As at 31 December 2020, the Company's accounts receivable for which credit losses are provided for using aging analysis are presented as follows:

		31 December 2020 2020年12月31日		
Age	賬齡	Carrying amount estimated to be in default 估計發生違約的 賬面餘額	Expected credit loss rate (%) 預期信用 損失率(%)	Lifetime Expected credit loss 整個存續期 預期信用損失
Within 1 year	1年以內	205,791,390.65	2.83	5,833,597.65
1 to 2 years	1至2年	323,398.34	15.00	48,509.75
2 to 3 years	2至3年	2,972,000.00	30.00	891,600.00
Over 3 years	3年以上	1,336,684.00	100.00	1,336,684.00
Total	合計	210,423,472.99	3.85	8,110,391.40

As at 31 December 2020, provisions for credit losses for the Company's accounts receivable with good credit history are presented as follows:

		31 December 2020 2020年12月31日		
Item	項目	Carrying amount estimated to be in default 估計發生違約的 賬面餘額	Expected credit loss rate (%) 預期信用 損失率(%)	Lifetime Expected credit loss 整個存續期 預期信用損失
Accounts receivable with good credit history	信用記錄優質的 應收款項組合	542,750,095.15	0.70	3,790,010.20

2. 應收賬款(續)

於2020年12月31日，本公司基於賬齡採用減值矩陣計提信用損失準備的應收賬款情況如下：

RMB
人民幣元

於2020年12月31日，本公司信用記錄優質的應收款項組合計提信用損失準備的情況如下：

RMB
人民幣元

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

2. Accounts receivable (Continued)

As at 31 December 2020, the top five balances in respect of accounts receivable had a sum of closing balance of RMB532,094,063.74 (31 December 2019: RMB277,316,746.54), accounting for 70.65% (31 December 2019: 28.43%) of the total of closing balance of accounts receivable. The closing balance in respect of credit losses provided for the top five amounted to RMB4,575,369.38 (31 December 2019: RMB4,567,752.63).

Provision for credit losses of accounts receivable:

十五、公司主要財務報表項目註釋(續)

2. 應收賬款(續)

於2020年12月31日，餘額前五名的應收賬款的年末賬面餘額合計為人民幣532,094,063.74元(2019年12月31日：人民幣277,316,746.54元)，佔應收賬款年末賬面餘額合計數的比例為70.65%(2019年12月31日：28.43%)，該前五名相應計提的信用損失準備年末餘額為人民幣4,575,369.38元(2019年12月31日：人民幣4,567,752.63元)。

應收賬款信用損失準備變動情況：

RMB
人民幣元

		Lifetime Expected credit loss (without impairment of credit) 整個存續期 預期信用損失 (未發生信用減值)	Lifetime Expected credit loss (with impairment of credit) 整個存續期 預期信用損失 (已發生信用減值)	Total 合計
Provision for credit losses	信用損失準備			
Balance as at 31 December 2019	2019年12月31日餘額	14,214,114.93	-	14,214,114.93
Balance as at 31 December 2019 in the current year	2019年12月31日 餘額在本年			
- Transferred to receivables with impairment of credit	- 轉入已發生信用減值	-	-	-
- Reversal of receivables without impairment of credit	- 轉回未發生信用減值	-	-	-
Provision for the year	本年計提	-	-	-
Reversal during the year	本年轉回	(2,313,713.33)	-	(2,313,713.33)
Written-off or transferred out during the year	本年核銷或轉銷	-	-	-
Balance as at 31 December 2020	2020年12月31日餘額	11,900,401.60	-	11,900,401.60

As at 31 December 2020, no accounts receivable had been pledged to secure bank borrowings of the Company (31 December 2019: Nil).

於2020年12月31日，本公司無將應收賬款(2019年12月31日：無)質押用於取得銀行借款的情況。

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables

Presented by categories

十五、公司主要財務報表項目註釋(續)

3. 其他應收款
分類列示RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Interest receivable	應收利息	2,763,825.94	22,430,107.62
Dividend receivable	應收股利	265,256,869.81	262,092,592.40
Other receivables	其他應收款	307,848,362.47	210,661,238.24
Total	合計	575,869,058.22	495,183,938.26

Interest receivable

應收利息

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Fixed deposits	定期存款	2,763,825.94	22,430,107.62

Dividend receivable

應收股利

RMB
人民幣元

Investee entity	被投資單位	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Shaanxi Fast Gear Co., Ltd.	陝西法士特齒輪有限責任公司	144,880,417.07	114,000,344.92
Shaanxi Heavy-duty Motor Co., Ltd.	陝西重型汽車有限公司	110,999,302.52	100,302,247.48
Hande Axle	漢德車橋	9,180,000.00	10,710,000.00
Weichai Power (Beijing) International Resources Investment Co., Ltd.	濰柴動力(北京)國際資源投資有限公司	197,150.22	—
Weichai Torch Technology Co., Ltd.	濰柴火炬科技股份有限公司	—	37,080,000.00
Total	合計	265,256,869.81	262,092,592.40

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

Other receivables

An aging analysis of other receivables is presented as follows:

		RMB 人民幣元	
Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Within 1 year	1年以內	169,116,777.24	19,687,863.21
1 to 2 years	1至2年	397,475.53	189,361,384.62
2 to 3 years	2至3年	139,094,889.23	3,579,364.56
3 to 4 years	3至4年	3,556,515.11	–
Over 5 years	5年以上	781,725.21	2,222,004.85
Gross carrying amount	賬面餘額	312,947,382.32	214,850,617.24
Less: Provision for credit loss	減：信用損失準備	5,099,019.85	4,189,379.00
Carrying amount	賬面價值	307,848,362.47	210,661,238.24

Classification of other receivables by nature at carrying amount:

其他應收款賬面餘額按款項性質分類如下：

		RMB 人民幣元	
Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
After-sale claims payment paid on behalf and technology development expenses	代墊三包索賠款及技術開發費	145,602,676.95	–
Advance to subsidiaries	子公司暫借款	138,036,939.77	189,777,894.62
Reserve fund	備用金	4,785,605.43	6,893,216.17
Deposits	押金	670,113.04	1,456,296.01
Others	其他	23,852,047.13	16,723,210.44
Total	合計	312,947,382.32	214,850,617.24

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

Other receivables (Continued)

Change in the provision for bad debts in respect of other receivables based on 12-month expected credit losses and lifetime expected credit losses is as follows:

Item	項目	Stage 1	Stage 2	Stage 2	Stage 3	Total
		Expected credit loss for the next 12 months	Lifetime expected credit loss (individually)	Lifetime expected credit loss (by group)	Financial assets with incurred credit loss (lifetime)	
		第一階段 未來12個月 預期信用損失	第二階段 整個存續期 預期信用損失 (單項評估)	第二階段 整個存續期 預期信用損失 (組合評估)	第三階段 已發生信用 減值金融資產 (整個存續期)	合計
Balance as at 31 December 2019	2019年12月31日餘額	136,835.73	-	-	4,052,543.27	4,189,379.00
Balance as at 31 December 2019 in the current year	2019年12月31日餘額 在本年					
- Transferred to Stage 2	- 轉入第二階段	-	-	-	-	-
- Transferred to Stage 3	- 轉入第三階段	-	-	-	-	-
- Reversed to Stage 2	- 轉回第二階段	-	-	-	-	-
- Reversed to Stage 1	- 轉回第一階段	-	-	-	-	-
Provided for the year	本年計提	2,650,595.70	-	-	-	2,650,595.70
Reversed during the year	本年轉回	(1,740,954.85)	-	-	-	(1,740,954.85)
Written off or eliminated the year	本年核銷或轉銷	-	-	-	-	-
Balance as at 31 December 2020	2020年12月31日餘額	1,046,476.58	-	-	4,052,543.27	5,099,019.85

RMB
人民幣元

十五、公司主要財務報表項目註釋(續)

3. 其他應收款(續)

其他應收款(續)

其他應收款按照12個月預期信用損失及整個存續期預期信用損失計提的信用損失準備的變動如下：

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)
Other receivables (Continued)

As at 31 December 2020, the top 5 other receivables are presented as follows:

十五、公司主要財務報表項目註釋(續)

3. 其他應收款(續)
其他應收款(續)

於2020年12月31日，其他應收款金額前五名如下：

RMB
人民幣元

Customer	Closing balance	Percentage of total other receivables (%) 佔其他應收款餘額合計數的比例(%)	Nature	Age	Closing balance of provision for credit losses 信用損失準備年末餘額
客戶	年末餘額		性質	賬齡	
First place 第一名	145,602,676.95	46.53	After-sale claims payment paid on behalf and technology development expenses 代墊三包索賠款及技術開發費	Within one year 1年以內	-
Second place 第二名	138,036,939.77	44.11	Tax refund 退稅款	2-3 years 2-3年	-
Third place 第三名	3,965,177.98	1.27	Advance to subsidiaries 子公司暫借款	Within one year 1年以內	198,258.90
Fourth place 第四名	941,938.05	0.30	Reserve fund 備用金	Within one year 1年以內	47,096.92
Fifth place 第五名	546,903.70	0.17	Reserve fund 備用金	2-3 years 2-3年	164,071.11
Total 合計	289,093,636.45	92.38			409,426.93

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

4. Long-term equity investments

十五、公司主要財務報表項目註釋(續)

4. 長期股權投資

RMB
人民幣元

Item	項目	31 December 2020 2020年12月31日	31 December 2019 2019年12月31日
Non-listed investment under cost method	非上市投資成本法	12,422,802,834.13	14,446,407,120.48
Non-listed investment under equity method	非上市投資權益法	1,423,292,947.75	1,341,901,807.75
Gross carrying amount	賬面餘額	13,846,095,781.88	15,788,308,928.23
Less: Provision for impairment	減：減值準備	-	200,000,000.00
Carrying amount	賬面價值	13,846,095,781.88	15,588,308,928.23

As at 31 December 2020, the breakdown of long-term equity investments under cost method was as follows:

於2020年12月31日，成本法核算的長期股權投資明細如下：

RMB
人民幣元

Investee entity	被投資單位	Opening carrying amount 年初賬面價值	Changes during the year 本年變動			Closing carrying amount 年末賬面價值	Distribution of dividends 發放股利
			Increase in investment 追加投資	Other increases 其他增加	Other decreases 其他減少		
Weichai Power (Hong Kong) International Development Co., Ltd.	濰柴動力(香港)國際發展有限公司	2,087,069,782.12	-	-	-	2,087,069,782.12	-
Shaanxi Heavy-duty Motor Co., Ltd.	陝西重型汽車有限公司	1,992,116,000.85	-	-	-	1,992,116,000.85	272,701,505.68
Huzhou Yingcan Investment Partnership LLP	湖州盈燦投資合夥企業(有限合夥)	1,138,365,000.00	-	-	-	1,138,365,000.00	-
Shaanxi Fast Gear Co., Ltd.	陝西法士特齒輪有限責任公司	1,082,558,680.59	-	-	-	1,082,558,680.59	298,508,062.73
Shengrui Transmission	盛瑞傳動	-	761,946,619.00	-	-	761,946,619.00	-
Weichai America Corp.	Weichai America Corp	743,099,228.57	-	-	-	743,099,228.57	-
Weichai Power (Shanghai) Technology Development Co., Ltd.	濰柴動力(上海)科技發展有限公司	650,000,000.00	-	-	-	650,000,000.00	-
Tsintel Technology	清智科技	611,256,000.00	-	-	-	611,256,000.00	-
Zhuzhou Gear Co., Ltd.	株洲齒輪有限責任公司	532,334,743.21	-	-	-	532,334,743.21	-
Weichai (Weifang) Material Forming and Manufacturing Co., Ltd.	濰柴(濰坊)材料成型製造中心有限公司	460,150,000.00	-	-	-	460,150,000.00	8,240,339.38
Weichai Ballard Hydrogen Energy Technology Company Limited	濰柴巴拉德氫能科技有限公司	251,175,000.00	161,925,000.00	-	-	413,100,000.00	-
Weichai Power (Beijing) International Resource Investment Co., Ltd.	濰柴動力(北京)國際資源投資有限公司	300,000,000.00	-	-	-	300,000,000.00	1,020,954.54
Weichai Torch Technology Co., Ltd.	濰柴火炬科技股份有限公司	245,574,858.40	-	-	122,787.43	245,452,070.97	-
Weichai (Weifang) Medium-duty Diesel Engine Co., Ltd.	濰柴(濰坊)中型柴油機有限公司	244,712,475.43	-	-	-	244,712,475.43	1,560,886.77
Weichai Power (Qingzhou) Drive Control Technology Co., Ltd.	濰柴動力(青州)傳控技術有限公司	150,000,000.00	-	-	-	150,000,000.00	-
Weifang Weichai Power Technology Co., Ltd.	濰坊濰柴動力科技有限責任公司	140,770,000.00	-	-	-	140,770,000.00	-
Zhuzhou Torch Machinery Manufacturing Co., Ltd.	株洲濰柴火炬機械製造有限責任公司	130,898,993.14	-	-	-	130,898,993.14	-
Weichai Power (Weifang) Reconstruction Co., Ltd.	濰柴動力(濰坊)再製造有限公司	122,000,000.00	-	-	-	122,000,000.00	22,455,146.86
Shandong Synergy Oil Co., Ltd.	山東聯濟油品有限公司	109,509,458.68	-	-	-	109,509,458.68	87,521,450.54
Weichai Power Freshen Air Technology Co., Ltd.	濰柴動力空氣淨化科技有限公司	100,000,000.00	-	-	-	100,000,000.00	388,292,878.72
Weichai Power (Chongqing) Western Development Co., Ltd.	濰柴(重慶)汽車有限公司	2,747,353,117.92	388,000,000.00	-	3,135,353,117.92	-	-
Other subsidiaries	其他子公司	407,463,781.57	-	-	-	407,463,781.57	16,958,565.03
Total	合計	14,246,407,120.48	1,311,871,619.00	-	3,135,475,905.35	12,422,802,834.13	1,097,259,790.25

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

4. Long-term equity investments (Continued)

As at 31 December 2020, breakdown of long-term equity investments under equity method was as follows:

RMB
人民幣元

Investee entity 被投資單位	Opening balance 年初餘額	Changes during the year 本年變動				Closing carrying amount 年末賬面價值
		Increase in investment 增加投資	Investment gains and losses under the equity method 權益法下投資損益	Other comprehensive income 其他權益變動	Declaration of cash dividend 宣告現金股利	
Shandong Heavy Industry Group Finance Co., Ltd. 山東重工集團財務有限公司	874,991,244.30	-	99,872,221.88	-	44,275,000.00	930,588,466.18
Shanzhong Finance Leasing Co., Ltd. 山重融資租賃有限公司	250,590,366.30	-	14,394,761.26	-	-	264,985,127.56
Other associates 其他聯營合營企業	216,320,197.15	12,668,858.22	(1,269,701.36)	-	-	227,719,354.01
Total 合計	1,341,901,807.75	12,668,858.22	112,997,281.78	-	44,275,000.00	1,423,292,947.75

5. Revenue and cost of sales

(1) Revenue and cost of sales:

5. 營業收入及成本

(1) 營業收入和營業成本情況:

RMB
人民幣元

Item 項目	Revenue 收入	Incurred during the year 本年發生額		Incurred in previous year 上年發生額	
		Revenue 收入	Cost 成本	Revenue 收入	Cost 成本
Principal operations 主營業務	52,080,767,830.77	39,735,327,133.86	44,872,145,300.29	33,413,176,611.62	
Other revenue 其他業務	1,412,217,156.37	1,148,422,161.40	884,897,284.35	666,055,880.25	
Total 合計	53,492,984,987.14	40,883,749,295.26	45,757,042,584.64	34,079,232,491.87	

XV. NOTES TO KEY ITEMS OF THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

5. Revenue and cost of sales (Continued)

(2) Details of revenue:

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Motors	發動機	49,659,842,058.65	42,758,677,483.70
Components	零部件	2,406,134,594.01	2,103,150,845.99
Sale of raw materials	原材料銷售	523,831,468.51	378,315,787.52
Leasing of fixed assets	出租固定資產	141,844,648.48	112,993,093.94
Others	其他	761,332,217.49	403,905,373.49
Total	合計	53,492,984,987.14	45,757,042,584.64

RMB
人民幣元

(3) Other information of revenue:

(3) 營業收入的其他信息：

RMB
人民幣元

Item	項目	Total 合計
Major regions of operation: Mainland China	主要經營地區： 中國大陸	53,492,984,987.14
Time for recognition of revenue arising from contracts with customers:	與客戶之間的合同產生的收入確認時間：	
Goods (transferred at a certain point of time)	商品(在某一時點轉讓)	53,351,140,338.66
Leases	租賃	141,844,648.48
Total	合計	53,492,984,987.14

Lease income of RMB141,844,648.48 recognised under the applicable standard on lease is included in the revenue of the Group.

本年營業收入包含適用租賃準則確認的租賃收入人民幣141,844,648.48元。

Allocation to the outstanding performance obligations:

分攤至剩餘履約義務的說明：

The amount of revenue corresponding to the contract performance obligations for which the contracts had been entered into and which had not been performed or fully performed as at the end of the reporting period was RMB7,534,474,203.01, which is expected to be recognized as revenue in 2021.

本報告期末已簽訂合同、但尚未履行或尚未履行完畢的履約義務所對應的交易價格總額為人民幣7,534,474,203.01元，預計將於2021年度確認收入。

XV. NOTES TO KEY ITEMS OF THE COMPANY
FINANCIAL STATEMENTS (CONTINUED)

6. Investment income/(loss)

十五、公司主要財務報表項目註釋(續)

6. 投資收益/(損失)

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Gain on long-term equity investments under the equity method	權益法核算的長期股權投資收益	112,997,281.78	109,875,033.76
Investment income arising from disposal of long-term equity investments	處置長期股權投資產生的投資收益	(2,344,493,792.76)	74,160,285.25
Gain on long-term equity investments under the cost method	成本法核算的長期股權投資收益	1,097,259,790.25	1,080,565,077.90
Other	其他	4,159,314.24	–
Total	合計	(1,130,077,406.49)	1,264,600,396.91

XV. NOTES TO KEY ITEMS OF THE COMPANY
FINANCIAL STATEMENTS (CONTINUED)

7. Supplement to cash flow statement

十五、公司主要財務報表項目註釋(續)

7. 現金流量表補充資料

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額	Incurring in previous year 上年發生額
Net profit	淨利潤	6,565,148,557.00	7,359,913,863.60
Add: Impairment loss of assets	加：資產減值損失	1,961,966.02	351,958,827.88
Impairment gain of credit	信用減值利得	(1,404,072.48)	(34,059,926.00)
Increase in special reserve	專項儲備的增加	22,218,884.94	20,031,981.23
Depreciation of fixed assets and investment properties	固定資產及投資性 房地產折舊	811,862,399.51	601,008,663.22
Amortization of intangible assets	無形資產攤銷	19,100,027.48	8,315,630.37
Losses (gains) on disposal of fixed assets, intangible assets and other long-term assets	處置或報廢固定資產、 無形資產和其他 長期資產的損失(收益)	(20,413,802.94)	3,472,164.55
Finance expenses	財務費用	(526,532.67)	3,439,623.10
Investment loss (income)	投資損失(收益)	1,130,077,406.49	(1,264,600,396.91)
Profit or loss on change of fair value	公允價值變動損益	(64,160,277.02)	-
Increase in deferred tax assets	遞延所得稅資產的增加	(444,742,582.70)	(30,320,212.07)
Increase in deferred tax liabilities	遞延所得稅負債的增加	6,653,805.68	-
Increase in inventories	存貨的增加	(1,200,231,375.10)	(1,172,939,628.20)
(Increase) decrease in operating receivables	經營性應收項目的 (增加)減少	(2,859,763,693.10)	1,850,840,404.39
Increase in operating payables	經營性應付項目的增加	7,251,942,122.41	5,190,664,425.45
Net cash flow from operating activities	經營活動產生的現金流量淨額	11,217,722,833.52	12,887,725,420.61

1. SCHEDULE OF EXTRAORDINARY PROFIT AND LOSS

1、非經常性損益明細表

RMB
人民幣元

Item	項目	Incurring during the year 本年發生額
Gains or losses from disposal of non-current assets	非流動資產處置損益	17,282,646.50
Government grants charged in profit or loss for the current period, except for those closely related to the ordinary operation and gained constantly at a fixed amount or quantity according to certain standard based on state policies	計入當期損益的政府補助 (與正常經營業務密切相關， 符合國家政策規定、按照一定標準定額或 定量持續享受的政府補助除外)	327,215,155.30
Gain and loss from non-monetary asset exchange	非貨幣性資產交換損益	225,856,033.43
Loss on reorganization	企業重組損失	(601,240,909.50)
Investment income from disposal of subsidiaries	處置子公司取得的投資收益	421,966,400.69
Profit and loss on the changes in fair value generated from financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other non-current financial assets, and investment income received from disposal of the aforesaid financial assets/liabilities, other than effective hedging business relating to ordinary operating business of the Company	除同公司正常經營業務相關的有效套期 保值業務外，持有交易性金融資產、 衍生金融資產、交易性金融負債、 衍生金融負債、其他非流動金融資產產生的 公允價值變動損益，以及處置上述 金融資產/負債取得的投資收益	(15,571,044.40)
Non-operating income and expenses other than the above items	除上述各項之外的其他營業外收入和支出	235,423,452.41
Tax effect	所得稅影響數	(259,910,834.29)
Effect on minority interests	少數股東損益影響數	127,194,781.36
Total	合計	478,215,681.50

The Group recognized extraordinary profit and loss items in accordance with the provisions in Explanatory Announcement on Information Disclosure for Companies Offering their Securities to the Public No. 1 – Extraordinary Items (CSRC Announcement [2008] No. 43).

本集團對非經常性損益項目的確認依照《公開發行證券的公司信息披露解釋性公告第1號—非經常性損益》(證監會公告[2008]43號)的規定執行。

2. RETURN ON NET ASSETS (“RONA”) AND EARNINGS PER SHARE (“EPS”) 2020

2、淨資產收益率和每股收益 2020年

RMB
人民幣元

Item	項目	Weighted average RONA 加權平均淨資產 收益率 (%)	EPS	
			Basic 基本	Diluted 稀釋
Net profit attributable to the Company's ordinary shareholders	歸屬於公司普通股股東的淨利潤	19.19	1.16	1.16
Net profit attributable to the Company's ordinary shareholders after extraordinary profit and loss	扣除非經常性損益後歸屬於公司普通股股東的淨利潤	18.02	1.10	1.10

2019

2019年

RMB
人民幣元

Item	項目	Weighted average RONA 加權平均淨資產 收益率 (%)	EPS	
			Basic 基本	Diluted 稀釋
Net profit attributable to the Company's ordinary shareholders	歸屬於公司普通股股東的淨利潤	21.34	1.15	1.15
Net profit attributable to the Company's ordinary shareholders after extraordinary profit and loss	扣除非經常性損益後歸屬於公司普通股股東的淨利潤	19.58	1.05	1.05

The Group holds no potential ordinary shares that are significantly dilutive.

本集團無重大稀釋性潛在普通股。

The Group presents RONA and EPS in accordance with Compilation Rules No. 9 for Information Disclosure by Companies Offering Securities to the Public – Calculation and Disclosure of Return on Net Assets and Earnings per Share (Revised in 2010) of the CSRC.

本集團對淨資產收益率和每股收益的列報依照中國證監會《公開發行證券的公司信息披露編報規則第9號—淨資產收益率和每股收益的計算及披露》(2010年修訂)的規定。

FINANCIAL SUMMARY

財務概要

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as applicable, is set out below:

本集團過去五個財政年度的業績及資產、負債及少數股東權益的摘要(摘自公佈的經審核財務報表及經重列/重新分類(如適用))載列如下:

		Year ended 31 December 截至十二月三十一日止年度				
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
RESULTS	業績					
REVENUE	收入	197,491,093	174,360,893	159,255,832	151,569,392	93,183,521
PROFIT BEFORE TAX	除稅前利潤	12,681,679	14,351,650	13,858,284	10,522,268	4,637,647
Tax	稅項	(1,406,839)	(2,444,643)	(2,232,551)	(1,343,901)	(1,041,393)
PROFIT FOR THE YEAR	全年利潤	11,274,840	11,907,007	11,625,733	9,178,367	3,596,254
Attributable to:	以下人士應佔:					
Equity holders of the parent	母公司權益持有人	9,207,129	9,104,955	8,657,527	6,808,343	2,441,189
Minority interests	少數股東	2,067,711	2,802,052	2,968,206	2,370,024	1,155,065
		11,274,840	11,907,007	11,625,733	9,178,367	3,596,254
Dividends for the year	全年股息	1,190,081	2,269,088	3,658,846	3,198,895	1,399,517
Basic earnings per share (in RMB)	每股基本盈利(人民幣元)	1.16	1.15	1.08	0.85	0.31
ASSETS, LIABILITIES	資產、負債					
Total Assets	總資產	270,750,169	236,831,674	205,276,365	189,638,167	163,536,190
Total Liabilities	總負債	(190,316,841)	(167,056,949)	(143,017,037)	(133,283,176)	(119,262,247)
Capital and reserves	資本及儲備	80,433,328	69,774,725	62,259,328	56,354,991	44,273,943
Equity attributable to equity holders of the parent	母公司權益持有人應佔權益	51,202,320	45,223,941	39,313,735	35,239,523	31,613,799
Minority interests	少數股東權益	29,231,008	24,550,784	22,945,593	21,115,468	12,660,144
		80,433,328	69,774,725	62,259,328	56,354,991	44,273,943

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