

Stock code: 200512 Stock abbreviation: TKC.B Announcement No.: 2019-022  
**Tsann Kuen (China) Enterprise Co., Ltd.**  
**Abstract of the Report for the First Quarter of 2019**

**April 2019**

**Section I Important Statements**

The Board of Directors, the Supervisory Committee as well as all directors, supervisors and senior management staff of Tsann Kuen (China) Enterprise Co., Ltd. (hereinafter referred to as "the Company") warrant that this report is factual, accurate and complete without any false record, misleading statement or material omission. And they shall be jointly and severally liable for that.

All directors attended the board session for reviewing this report.

Mr. Pan Zhiming, company principal, and Mr. Wu Jianhua, head of the accounting work & the accounting division (head of accounting) jointly declare that the financial statements carried in this report are factual, accurate and complete.

This Report is prepared in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

**Section II Company Profile**

**I Key financial results**

Whether the Company performed any retroactive adjustments to or reinstatement of its accounting data due to changes of accounting policies or correction of accounting errors

✓ Yes ☐ No

Reason for retroactive adjustments or reinstatement

Changes of accounting policies

Item	January–March 2019	January–March 2018		+/-%
		Before	After	
Operating revenues	414,109,550.74	319,364,654.64	319,364,654.64	29.67
Net profit attributable to shareholders of the Company	34,325,152.74	-21,878,234.79	-21,878,234.79	256.89
Net profit attributable to shareholders of the Company after exceptional profit and loss	-3,740,527.91	-27,785,628.47	-27,785,628.47	86.54
Net operating cash flow	12,516,737.69	-8,842,593.74	-8,842,593.74	241.55
Basic earnings per share (RMB/share)	0.19	-0.12	-0.12	258.33
Diluted earnings per share (RMB/share)	0.19	-0.12	-0.12	258.33
Weighted average return on equity (%)	5.15%	-3.65%	-3.42%	8.57
Item	31 March 2019	31 December 2018		+/-%
		Before	After	
Total assets	1,819,660,315.84	1,842,514,750.64	1,845,714,884.35	-1.30
Net assets attributable to shareholders of the Company	682,534,140.64	648,801,684.35	649,617,105.07	5.07

Total share capital up to the former trading date before the disclosure:	185,391,680
Total share capital up to the former trading date before the disclosure (share)	185,391,680
Fully diluted EPS calculated by the newest share capital (RMB/share)	0.19

**Reason for changes of accounting policies:**

The Ministry of Finance issued the Accounting Standards for Business Enterprises No. 22–Recognition and Measurement of Financial Instruments, Accounting Standards for Business Enterprises No. 23–Transfer of Financial Assets, Accounting Standards for Business Enterprises No. 24–Hedge Accounting, Accounting Standards for Business Enterprises No. 37–Presentation of Financial Instruments revised and printed in 2017 and required all companies listed domestically to implement the revised accounting standards since 1 January 2019.

The standards state that, on the date of the standards implementation, enterprises shall classify and measure financial instruments in accordance with regulations, and when the date of previous comparative financial statements are inconsistent with the stipulations of the revised standards, no adjustment is necessary. The difference of financial instruments between its original book value and the new book value after the new standards are implemented shall be recorded into the opening retained earnings for the year that the standards are carried out, other composite income and other items of financial statements. The Company changes the method of impairment provision for accounts receivable into "expected credit loss method" from "incurred loss method" so as to withdraw the impairment provision for financial assets more timely and to full, reveal and control credit risks of financial assets.

**Exceptional profit and loss**

✓ Applicable ☐ Not applicable

Item	January–March 2019	Note
Profit/loss on disposal of non-current assets (including offset amount of asset impairment provision)	63,163,013.64	
Tax rebates, reductions and exemptions due to approval beyond authority or the lack of official approval documents	2,617,767.00	
Government grants charged to the profit/loss for the Reporting Period (except for the government grants closely related to the business of the Company and given at a fixed quota or amount in accordance with the State's uniform standards)	3,029,066.59	
Capital occupation charges on non-financial enterprises that are charged to the profit/loss for the Reporting Period	38,655,608.28	
Profit due to the situation where investment costs for the Company to obtain subsidiaries, associates and joint ventures are lower than the payable fair value of identifiable net assets of associates when making investments		
Profit/loss on non-monetary asset swap		
Profit/loss on entering others with investments or asset management		
Asset impairment provision due to sale of Good-will in natural disasters		
Profit/loss on debt restructuring		
Restructuring costs in staff arrangement, reorganization, etc.		
Profit/loss on the part over the fair value due to transactions with distinctly unfair prices		
Reporting Period net profit/loss of subsidiaries acquired through business mergers under the same control from parent company		
Profit/loss on contingencies irrelevant to the Company's normal business activities		
Profit/loss on fair value changes of transactional financial assets and liabilities & investment profit or disposal of transactional financial assets and liabilities & financial assets available for sale, except for effectively hedging measures related to normal business operations of the Company	6,164,084.91	Mainly the investment income of sales of forward foreign exchange contracts, income from changes in fair value, and other current assets income from wealth management products
Impairment provision reversal for accounts receivable on which the impairment test is carried out separately		
Profit/loss on entrusted loan		
Profit/loss on fair value changes in investing properties of which the subsequent measurement is carried out adopting the fair value method		
Effect on Reporting Period profit/loss when a state-of-off adjustment is made in Reporting Period/Profit/Loss according to requirements of taxation, accounting and other relevant laws and regulations		
Custody fee income when entered with operations		
Non-operating income and expense other than the above	28,459,312.58	
Other profit/loss (the more the definition of exceptional profit/loss)	23,029,066.59	
Less: Income tax effects	36,262,424.29	
Minority interests effects (after tax)		
Total		

Explanation of why the Company classified an item as exceptional profit/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offsetting Their Securities to the Public—Exceptional Profit and Loss, or reclassified any exceptional profit/loss item given as an example in the said explanatory announcement to recurrent profit/loss

□ Applicable ☐ Not applicable

II Total number of shareholders at the period-end and shareholding of top ten shareholders

1. Numbers of common shareholders and preference shareholders with resumed voting rights as well as shareholding of top ten shareholders

		Unit: share			
Total number of common shareholders at the period-end	15,972	Total number of preference shareholders with resumed voting rights at the period-end	0		
Shareholdings of top ten shareholders					
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares held	Number of restricted shares held	Pledged or frozen shares
FORDCHIE DEVELOPMENT LIMITED	Foreign corporation	29.10%	53,940,530	0	N/A
EUPA INDUSTRY CORPORATION LIMITED	Foreign corporation	13.09%	24,268,840	0	N/A
GUOTAI JUNAN SECURITIES (HONGKONG) LIMITED	Foreign corporation	4.95%	9,181,449	0	N/A
FILLMAN INVESTMENTS LIMITED	Foreign corporation	2.49%	4,621,596	0	N/A
SHENWAN HONGYUAN SECURITIES (HK) CO., LTD.	Foreign corporation	1.09%	2,026,752	0	N/A
CHEN YONGQUAN	Domestic individual	1.03%	1,900,776	0	N/A
CHEN YONGQING	Foreign individual	0.83%	1,538,949	0	N/A
CHEN LIJUAN	Foreign individual	0.75%	1,381,334	0	N/A
DING XIAOLIN	Domestic individual	0.62%	1,148,000	0	N/A
XU QIANMING	Domestic individual	0.33%	618,259	0	N/A

Shareholding of top ten non-restricted shareholders		Variety of shares	
Name of shareholder	Number of restricted shares held	Variety	Number
FORDCHIE DEVELOPMENT LIMITED	0	Domestically listed foreign shares	53,940,530
EUPA INDUSTRY CORPORATION LIMITED	0	Domestically listed foreign shares	24,268,840
GUOTAI JUNAN SECURITIES (HONGKONG) LIMITED	0	Domestically listed foreign shares	9,181,449
FILLMAN INVESTMENTS LIMITED	0	Domestically listed foreign shares	4,621,596
SHENWAN HONGYUAN SECURITIES (HK) CO., LTD.	0	Domestically listed foreign shares	2,026,752
CHEN YONGQIAN	0	Domestically listed foreign shares	1,900,776
CHEN YONGQING	0	Domestically listed foreign shares	1,538,949
CHEN LIJUAN	0	Domestically listed foreign shares	1,381,334
DING XIAOLIN	0	Domestically listed foreign shares	1,148,000
XU QIANMING	0	Domestically listed foreign shares	618,259

Related or acting-in-concert parties among the above shareholders

The first, the second and the fourth largest shareholders are the Company's corporate controlling shareholders. It is unknown to the Company whether there exists associated relationship among the shareholders above or they are acting-in-concert entities as stipulated in the Administrative Measures on Information Disclosure of Companies in Shareholding of Listed Companies.

Did any of the top ten common shareholders or the top ten non-restricted common shareholders of the Company conduct any promissory report during the Reporting Period?

□ Yes ☐ No

No such cases in the Reporting Period.

2. Total number of preference shareholders and shareholdings of the top ten of them

□ Applicable ☐ Not applicable

Section III Significant Events

I Changes in major accounting statement items and financial indicators for the Reporting Period, as well as reasons for such changes

✓ Applicable ☐ Not applicable

Item	31 March 2019	31 December 2018	+/-%	Main reasons for change
Financial assets measured at fair value with fair value change included in the profit and loss for the Reporting Period	2,896,800.00	1,440,700.00	101.07	Evaluated gains on forward foreign exchange contracts purchased at the end of 2018
Assets held for sale	0.00	4,311,456.92	-100.00	Completion of asset disposal for policy plan demotion Phase II in current period
Financial liabilities measured at fair value with fair value changes included in the profit and loss for the Reporting Period	215,100.00	0.00	100.00	Evaluated losses on forward foreign exchange contracts in current period
Taxes and fees payable	6,464,992.77	3,768,531.07	71.55	Increase in corporate income tax and output tax withdrawn in current period
Deferred income tax liabilities	46,731,708.89	27,595,224.10	77.17	Recognition of deferred income tax liabilities from asset disposal for policy plan demotion Phase II in current period

Item	January–March 2019	January–March 2018	+/-%	Main reasons for change
Finance costs	4,612,813.65	11,665,399.89	-60.46	Decrease in unrealized, evaluated foreign exchange loss in current period
Asset impairment loss	800,325.01	-1,776,486.26	105.65	Reversal of allowance for doubtful accounts resulted from collection of payment from customers in same period of last year
Other income	2,617,767.00	1,255,607.00	108.47	Increase in government subsidies in current period
Asset disposal income	63,163,013.64	327,372.40	19,193.93	Gains on asset disposal for policy plan demotion Phase II in current period
Non-operating revenue	25,441,381.14	281,354.88	8,942.45	Gains on asset disposal for policy plan demotion Phase II in current period
Income tax expense	23,231,649.72	348,766.94	6,561.08	Recognition of deferred income tax liabilities from asset disposal for policy plan demotion Phase II in current period
Net operating cash flow	12,516,737.69	-8,842,593.74	241.55	Receipt of compensation for policy plan demotion Phase II in current period
Net investing cash flow	-89,510,560.55	-301,809,247.49	70.34	Increase in outflow of returned fixed term deposit of same period of last year
Net financing cash flow	-1,589,694.76	-6,164,673.70	74.21	Decrease in distribution outflow for dividend payment by TKL in current period

II Progress of significant events and analysis & explanations on their influence and solutions

✓ Applicable ☐ Not applicable

Ao MTN Products, Inc. / Water Solutions (Hong Kong) Ltd. ("MTN" / "WSL") did not pay the relevant payment in time and fulfill the order according to the contract, the subsidiary of the Company, Tsann Kuen (Zhangzhou) Enterprise Co., Ltd. submitted the indictment to the SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES on 23 November 2016 to sue MTN / WSL for payment of USD707,522.92 and USD1,402,940 for reserve fees, totaling USD1,110,465.92. As of the reporting date, the case is still pending.

2. Progress of significant events

Overview of significant event		Disclosure date	Whether when the relevant current announcement is disclosed
The controlling subsidiary company, Tsann Kuen China (Shanghai) Enterprise Co., Ltd. signed the Expropriation Compensation Agreement (second phase of the factory) and received the first installment of expropriation compensation of RMB44,172,066.5.		16 January 2019	www.cninfo.com.cn
The controlling subsidiary company, Tsann Kuen China (Shanghai) Enterprise Co., Ltd. signed the Expropriation Compensation Agreement (second phase of the factory) and received the final installment of expropriation compensation of RMB44,172,066.5.		26 January 2019	www.cninfo.com.cn

III Commitments of the Company's actual controller, shareholders, related parties and acquired, as well as the Company and other contractual matters, unfulfilled in this reporting period						
✓ Applicable <input type="checkbox"/> Not applicable						
Commitment	Commitment maker	Commitment type	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share reform						
Commitment on the acquisition report or the report on equity changes						
Commitment made upon the assets expropriation						
Commitment made upon first issuance or refund						
Commitment on equity incentive						

Other commitment made to minority shareholders	FILLMAN INVESTMENTS LIMITED	Commitment on shareholding increase	Based on the confidence on the commitment and stable development of the Company, it committed to increase the shareholding of the Company's stock price lower than HK\$2.40 per share after the implementation of the shares contraction and trading resumption, and it would increase no more than 2% shares (i.e. 3,370.8 million shares) of the total shares issued by the Company within one year since the date of initial shareholding increase. If the plan on increasing holding 2% shares of the total shares is completed, if the stock price loss reached the target price, it will perform relevant approval procedures, and it will continue to implement shareholding increase by exemption of offering.	December 28, 2012	Long-term
Commitment on share reform	Yes				

No such cases in the reporting period.

IV Operating result forecast for January–June 2019

Forecast of a possible deficit or considerable YoY change in the accumulative net profit made during the period from the beginning of the year to the end of the next reporting period, as well as explanation of why:

□ Applicable ☐ Not applicable

V Securities investments

✓ Applicable ☐ Not applicable

No such cases in the Reporting Period.

VI Investments in derivative financial instruments

✓ Applicable ☐ Not applicable

Operating party	Relation	Related-party transaction or not	Type of derivative financial instrument	Initial investment amount	Commencement date	Termination date	Investment amount at the beginning of the period	Period in which the investment was held	Sold in this reporting period	Amount provided for requirement	Investment amount at the end of the period	Rate of investment amount at the end of the period (%)	Actual profit/loss in the period
Bank	New-related	No	Forward rates	36,894.16	January 1, 2019	March 31, 2019	22,778.21	14,115.92	13,794.50		23,099.66	33.84	438.75
Total				36,894.16			22,778.21	14,115.92	13,794.50		23,099.66	33.84	438.75
Source of investment funds													
Loans													
Disclosures date of the announcement about the board's consent for the investment													
Disclosures date of the announcement about the general meeting's consent for the investment													
2013-03-12													
Risk analysis and risk control measures for positions held in derivatives in the last six months													
1. Analysis on risks from holding of derivative products: gains or losses from difference between contracted exchange rate and market exchange rate on the date of the deal. 2. Control measures: (1) Provide: The purpose of the financial derivative operation is to avoid risk. The Company shall not conduct transactional operation for other purposes than risk avoidance. The Company shall not conduct complex derivative trading along the end-of-the-year operation results and shall not speculate on derivative trading with hedging as a reason. The credit-control amount for risk avoidance of the Company shall not exceed the operation of the net risk exposure of the existing assets and liabilities and the net risk exposure of assets and liabilities arising from the operation of the Company. (2) Risk management: Personnel taking part in the investment shall all be trained and shall understand the risk management and strictly execute the business operation and risk management measures for derivative investment. (3) Operation management: Before making a derivative investment, the Company shall internally equip itself with professional personnel for investment decision-making, business operation, risk control, etc. It shall also acquire and compare among various market and product data. Besides, it shall strictly control the entry and use of derivative investment and pay no to those derivative trading on exchange as much as possible. (4) Periodic evaluation: Derivative investment shall be evaluated at least twice for a month and the evaluation report shall be sent to the Board of Directors for review and decision. (5) Loss limit: The investment loss on a single derivative and the investment loss shall not exceed 20% of the total investment amount. (6) Audit system: The audit department shall conduct periodic trading periodically and submit audit reports to relevant units.													
Changes in market price or fair value of derivatives in the last six months													
(1) Gains on deferred derivatives in the Reporting Period were RMB3.1465 million, and assessed gains from those undervalue were RMB1.2441 million, of which, the reason of forward assessed gains on undervalue derivatives in the last year was RMB1.1487 million. (2) The former contract had provided monthly gains of estimated exchange rates for the future contracted forward exchanges on the last trading day of the month. (3) The profit and loss on fair value changes of the derivative was confirmed according to the difference between the contracted amount under the forward contracted exchange rate and the current amount when bought in.													
Significant changes in the Company's accounting policies and specific accounting principles for derivatives in the reporting period as compared to the prior period													
Special opinions expressed by independent directors concerning the Company's derivatives investment and risk control													
The Company has carried out a strict internal management for the financial derivative business and has established a corresponding supervision mechanism. We are of the opinion that the financial derivative business conducted by the Company is fairly reasonable in routine operation and is in compliance with relevant laws and regulations, with the risks controllable.													

VII Visits paid to the Company in the Reporting Period for purposes of research, communication, interview, etc.

✓ Applicable ☐ Not applicable

Date of visit	Way of visit	Type of visitor	Index to main inquiry information
2019-02-27	Telephone communication	Individual	Inquired of the operation of the Company, and the reform of B-share
2019-03-22	Telephone communication	Individual	Inquired of the operation and operating result forecast of the Company

VIII Illgal provision of guarantees for external parties

□ Applicable ☐ Not applicable

IX Occupation of the Company's funds by the controlling shareholder or its related parties for non-operating purposes

□ Applicable ☐ Not applicable

證券代碼：200512 證券簡稱：廈門燦坤

公告編號：2019-021

**廈門燦坤實業股份有限公司**  
**2019年第三次董事會決議公告**

本公司及董事會全體成員保證信息披露的內容真實、準確、完整，沒有虛假記載、误导性陈述或重大遗漏。

一、董事會會議召開情況：

廈門燦坤實業股份有限公司（以下簡稱「公司」）董事會於2019年4月4日以電子郵件方式發出召開2019年第三次董事會會議通知。會議於2019年4月23日在廈門燦坤實業股份有限公司現場以電話方式召開，會議應到董事6人，實際出席會議的董事4人，其中蔡勝松董事、何宗賢董事、白昉耀獨立董事以電話的形式參加；會議由董事長潘志榮先生主持。公司的監事和高利席列席會議。會議的召開符合《公司法》、《公司章程》及國家有關法律、法規的規定。

二、董事會會議審議情況：

議案一：2019年第一季度報告全文及正文

表決結果：6票同意通過、0票反對、0票棄權。

議案二：關於修訂《公司章程》的議案

1、中國證券監督管理委員會於2019年4月17日修訂了《上市公司章程指引》，結合公司實際情況對《公司章程》中的部分條款進行了修訂。

2、具體內容詳見公司同時披露在巨潮資訊網的《<公司章程>修訂對照表》與《公司章程》。

3、該議案尚需提交公司 2018 年度股東大會進行審議。

表決結果：6票同意通過、0票反對、0票棄權。

議案三：關於補選董事的議案

公司原董事楊龍飛先生於2019年4月1日因個人原因辭去公司第九屆董事會董事職務。經公司董事會推薦，提名、薪酬與考核委員會審議通過，現提名董事候選人如下：

1、董事候選人：徐德耕

2、任期：與第九屆董事會其他成員任期一致，即自股東大會選舉通過之日起至2020年4月5日止。

3、董事候選人簡歷詳見附件。

4、本案需提交公司2018年度股東大會進行審議。股東大會選舉公司董事採用累積投票制。

表決結果：6票同意通過、0票反對、0票棄權。

議案四：提請召開公司2018年度股東大會的議案

1、時間：2019年5月17日(星期五)下午2:30起

2、地點：福建省漳州市台商投資區漳州燦坤實業有限公司會議室

3、股權登記日：2019年5月7日

4、具體詳見公司同時披露在《證券時報》、香港《大公報》和巨潮資訊網的《關於召開2018年度股東大會會議通知》

表決結果：6票同意通過、0票反對、0票棄權。

三、備查文件：

1.經與會董事簽字並加蓋董事會印章的董事會決議。

特此公告。

廈門燦坤實業股份有限公司	
2019年4月23日	
附件：	
徐德耕先生簡歷	
男，1972年1月18日出生，台灣省台南市人；畢業於國立台灣大學 農業機械工程(碩士)。	
工作經歷如下：	
2015.8.4—迄今	漳州燦坤實業股份有限公司 董事
2014.9.1—迄今	漳州燦坤實業股份有限公司 研發部資深協理
2013.1.13—2014.8.31	漳州燦坤實業股份有限公司 商務部美國區協理
2010.5.27—2013.1.12	漳州燦坤實業股份有限公司 研發部系統協理
2006.9.1—2010.5.26	漳州燦坤實業股份有限公司 技術部經理
2005.10.10—2006.8.31	漳州燦坤實業股份有限公司 ELRO MOTOR 專案副經理
2001.12.5—2005.10.9	燦坤實業股份有限公司 (台灣) UL 安規專員