



# China Shenghai Food Holdings Company Limited 中國升海食品控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 1676

2018 ANNUAL REPORT 年報

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# CORPORATE INFORMATION

## 公司資料

### EXECUTIVE DIRECTORS

Mr. Liu Rongru (*Chairman*)  
Mr. Jiang Dehua  
Mr. Lin Jiangtang (resigned on 15 June 2018)  
Mr. Cao Hongyu (appointed on 15 June 2018 and resigned on 5 December 2018)  
Mr. Chak Chi Shing (appointed on 5 December 2018)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Dajin  
Mr. Huang Xingluan  
Ms. Cheng Shing Yan

### AUDIT COMMITTEE

Ms. Cheng Shing Yan (*Chairlady*)  
Mr. Liu Dajin  
Mr. Huang Xingluan

### NOMINATION COMMITTEE

Mr. Liu Rongru (*Chairman*)  
Mr. Liu Dajin  
Mr. Huang Xingluan

### REMUNERATION COMMITTEE

Mr. Liu Dajin (*Chairman*)  
Mr. Huang Xingluan  
Mr. Liu Rongru

### COMPANY SECRETARY

Mr. Wong Wai Lun *FCPA*

### AUTHORISED REPRESENTATIVES

Mr. Liu Rongru  
Mr. Chak Chi Shing

### COMPLIANCE ADVISER

Dongxing Securities (Hong Kong) Company Limited  
Room 6805-06A, ICC  
1 Austin Road West, Kowloon  
Hong Kong

### AUDITORS

BDO Limited  
Certified Public Accountants  
25th Floor, Wing On Centre  
111 Connaught Road Central  
Hong Kong

### LEGAL ADVISERS AS TO HONG KONG LAW

TC & Co.  
Units 2201-3, 22/F, Tai Tung Building  
8 Fleming Road  
Wan Chai  
Hong Kong

### 執行董事

劉榮如先生(主席)  
蔣德華先生  
林江棠先生(於二零一八年六月十五日辭任)  
曹洪宇先生(於二零一八年六月十五日獲委任及於二零一八年十二月五日辭任)  
翟志勝先生(於二零一八年十二月五日獲委任)

### 獨立非執行董事

劉大進先生  
黃興學先生  
鄭承欣女士

### 審核委員會

鄭承欣女士(主席)  
劉大進先生  
黃興學先生

### 提名委員會

劉榮如先生(主席)  
劉大進先生  
黃興學先生

### 薪酬委員會

劉大進先生(主席)  
黃興學先生  
劉榮如先生

### 公司秘書

黃偉倫先生 *FCPA*

### 授權代表

劉榮如先生  
翟志勝先生

### 合規顧問

東興證券(香港)有限公司  
香港  
九龍柯士甸道西1號  
環球貿易廣場6805-06A室

### 核數師

香港立信德豪會計師事務所有限公司  
執業會計師  
香港  
干諾道中111號  
永安中心25樓

### 香港法律顧問

崔曾律師事務所  
香港  
灣仔  
菲林明道8號  
大同大廈22樓2201至2203室

# CORPORATE INFORMATION

## 公司資料

### PRINCIPAL BANKERS

Xiamen Bank, Huachang Branch  
No. 86 Huachang Road  
Xiamen, Fujian Province  
China

China Construction Bank, Xiamen Hubin Branch  
Unit 1A  
No. 388 South Hubin Road  
Xiamen, Fujian Province  
China

### PRINCIPAL REGISTRAR AND TRANSFER OFFICE

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

### HONG KONG BRANCH REGISTRAR AND TRANSFER OFFICE

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

### REGISTERED OFFICE IN THE CAYMAN ISLANDS

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

### HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

5th Floor, No. 5 Factory  
Meixi Road, Huandong Waters  
Tongon District, Huli Industrial Park  
Xiamen City, Fujian Province  
PRC

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1903, 19/F  
Office Plus@Sheung Wan  
93-103 Wing Lok Street  
Sheung Wan  
Hong Kong

### WEBSITE

[www.xmwofan.com](http://www.xmwofan.com)

### STOCK CODE

01676

### 主要往來銀行

廈門銀行華昌支行  
中國  
福建省廈門市  
華昌路86號

中國建設銀行廈門湖濱支行  
中國  
福建省廈門市  
湖濱南路388號  
1A室

### 主要股份過戶登記處

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

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心22樓

### 開曼群島註冊辦事處

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

### 中國總部及主要營業地點

中國  
福建省廈門市  
同安區湖裏工業園  
環東海域美溪道  
5號廠房五樓

### 香港主要營業地點

香港  
上環  
永樂街93-103號  
協成行上環中心  
19樓1903室

### 網址

[www.xmwofan.com](http://www.xmwofan.com)

### 股份代號

01676

# CHAIRMAN'S STATEMENT

## 主席報告書

Dear Shareholders,

On behalf of the Board of Directors of China Shenghai Food Holdings Company Limited 中國升海食品控股有限公司 (the "Company" or "Shenghai Food") and its subsidiaries (collectively, the "Group"), I report to shareholders our annual report for the year ended 31 December 2018 (the "Year 2018" or the "Period").

### BUSINESS REVIEW

In 2018, China's economy remained stable. GDP growth for the year grew by 6.6% as compared to the last year, and per capita disposable income of national residents achieved a real growth of 6.5% as compared to the last year, which was higher than the growth of per capita GDP and was basically in line with economic growth. China's overall economy kept optimizing, and residents tended to spend on higher quality goods. The fast and stable economic development of China helped the successful listing of the Group on the Main Board in Hong Kong in 2017. As one of the well-known brand of seafood producers in China, the Group is committed to producing consumer food with rigid demand for healthy diets, and focusing on the establishment of brand profile and sales channels.

The Group embraces wide and diverse product offerings, and mainly sells dried seafood, algae and fungi, seafood snacks and frozen seafood in the PRC. As a review to 2018, the Group's revenue grew approximately by 3.7% from approximately RMB644.4 million for the year, ended 31 December 2017 (the "Same Period Last Year") to approximately RMB668.0 million for the period, and gross profit increased by approximately 3.4% from RMB163.5 million to RMB169.1 million for the Period. The overall sales remained stable, in which the growth in sales of algae products and seafood snacks products was more significant. Dried seafood, which the largest product category in terms of sales, recorded sales revenue of RMB335.3 million in 2018, accounting for 50.2% of total revenue. In terms of sales channels, supermarket is still the Group's largest revenue resource. Meanwhile, we adjusted our strategies in a timely way based on actual sales performance and we ceased the frozen seafood business with lower sales in the first half of 2018.

尊敬的各位股東：

本人謹代表董事會向股東匯報中國升海食品控股有限公司(「本公司」或「升海食品」)及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止年度(「二零一八年」或「期內」)的全年業績。

### 業務回顧

二零一八年中國經濟運行平穩。全年GDP比上年增長6.6%，全國居民人均可支配收入比上年實際增長6.5%，快於人均GDP增速，與經濟增長基本同步。中國整體經濟結構繼續優化，居民消費升級提質。在中國快速穩健的發展經濟下，二零一七年本集團順利在香港主板上市。作為中國馳名品牌海產公司之一，本集團一直致力於打造健康餐桌的剛性消費食品，著力於品牌和銷售渠道的建設。

本集團擁有龐大而豐富的產品組合，一直以來主要是在中國銷售乾海產品、藻類產品及菌類產品、海洋休閒產品及海鮮凍品。回顧二零一八年，本集團收益由截至二零一七年十二月三十一日止年度(「去年同期」)的約人民幣644.4百萬元增加約3.7%至期內的約人民幣668.0百萬元，毛利由約人民幣163.5百萬元增加約3.4%至期內的約人民幣169.1百萬元。整體銷售成績保持平穩發展，當中產品及休閒食品的增長幅度較大。乾海產品依舊是本集團銷售額最大的產品種類，2018年銷售收入達到人民幣335.3百萬元，佔總體收入的50.2%。從銷售渠道來看，超市仍然是本集團最大的收入來源。同時，根據實際銷售情況，我們也作出了及時的戰略調整，在二零一八年上半年停止了銷售量較小的凍品業務。

# CHAIRMAN'S STATEMENT

## 主席報告書

### OUTLOOK

In the past 12 years, Shenghai Food enjoyed rapid growth accompanying with China's economy. The improvement of social security system, the increase in household income and purchase power of residents, as well as the greater acceptance towards nutritive value of seafood drove the growth of seafood and algae market. However, individual consumer confidence was affected by trade dispute between the United States and China resulting in slowdown of manufacturing and exporting industries, as well as by the depressed stock market and real estate market in China. Since seafood and algae are consumer discretionary, their demands are expected to decrease significantly. The status of listing and sufficient cash flows of the Company lay a solid foundation for Shenghai to pursue growth. From the prospective of China's economic structure, China encourages credit easing to help enterprises to go through transition. As such, the Group has commenced to study the feasibility of stepping into the financial market, and will spare no effort to gain momentum of growth for the Group through proactively pursuing merger and acquisitions opportunities by making the best of the financial strength of the Company.

### APPRECIATION

On behalf of the Board, I would like to express my most sincere gratitude to all the staff who have shown innovation and utmost diligence and dedication in their duties. I would also like to extend my gratitude to our shareholders, investors, long-term customers and suppliers for their continual devotion and consistent support. We will continue to adhere to our initial vision and uphold the pragmatic operation and positive approach to achieve development and actual results to reward the trust from all of you.

**China Shenghai Food Holdings Company Limited**  
**Liu Rongru**

*Chairman and Executive Director*  
Xiamen, the PRC, 22 March 2019

### 展望

在過去十二年，升海食品與中國的經濟同步高速掘來。社會保障制度的完善，家庭收入的增加，居民的購買力上升，加上海產品的營養價值越趨為人接受，帶動海產品以及藻類產品市場的增長。然而受到中美貿易磨擦影響，中國製造業及出口業均受打擊，加上股票市場及房地產市場疲軟，個人消費者信心受到影響。海產品以及藻類產品乃非必需消費品類，預期需求增長將受到顯著打擊。本公司的上市地位及充裕的現金流為升海謀求增長動力奠下穩固的基石，放眼中國經濟結構，中國鼓勵放寬信貸以協助企業過渡過的背景下，本集團正著手研究於金融市場發展的可能性，並積極尋求收購合併機會，務求充分運用本公司的財務優勢，為本集團的成長更添動力。

### 致謝

本人最後僅代表董事會，向恪守崗位、具備創新意識及執行力、充滿韌性的全體員工致以最衷心的謝意，同時亦感謝股東、投資者、長期客戶及供應商的全力支持，我們定將繼續堅守初心、務實經營，積極謀求發展，以實際的業績回報大家的信賴。

**中國升海食品控股有限公司**  
**主席兼執行董事**

**劉榮如**  
中國廈門市，二零一九年三月二十二日

# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

### EXECUTIVE DIRECTORS

**Mr. Liu Rongru** (劉榮如) (“Mr. Liu”), aged 51, is our Executive Director and the chairman of our Board and is primarily responsible for development, positioning and strategy planning of our Group. Mr. Liu is the founder of our Group. He was appointed as a Director on 8 January 2016 and redesignated as an Executive Director on 11 April 2016. He is currently a director of all subsidiaries of our Group. He is also a member of our Remuneration Committee and the chairman of our Nomination Committee.

In the earlier period of his career, Mr. Liu worked at Xiamen Shipping Trading Limited (廈門經貿船務有限公司) in China from August 1990 to August 1996, a company principally engaged in shipping and trading, where he was primarily responsible for ship steering and piloting. In October 1996, Mr. Liu started his own business in trading marine product where he was primarily in charge of the general operation of the business which allowed him to input his trading experience into Xiamen Wofan upon its establishment in July 2005.

Mr. Liu attended a course entitled “Contemporary CEOs’ Advance Course (現代企業總裁高級研修班)” from October 2010 to October 2011 at the School of Continuing Education, Tsinghua University (清華大學繼續教育學院). Mr. Liu has been appointed a member of the 7th Chinese People’s Political Consultative Conference at Xiamen Huli district (廈門市湖裡區第七屆政協委員) since November 2011 and a member of the China Democratic National Construction Association (中國民主建國會會員) since November 2010. Mr. Liu had also been appointed the first vice president of the Association for New Social Stratum of Xiamen Huli district (廈門湖裡區首屆新的社會階層人士聯誼會副會長) in December 2009, the executive committee of the 12th Xiamen Federation of Commerce of Chamber (廈門市工商聯(總商會)第十二屆執委會執委) in December 2011, the standing committee member of the 5th Xiamen Huli district Federation of Commerce of Chamber (廈門市湖裡區工商聯(商會)第五屆理事會常務理事) in April 2012 and the supervisor of the third division of the Xiamen Municipal Bureau of Quality and Technical Supervision (廈門市質量技術監督局第三分局行風監督員) in April 2015.

### 執行董事

**劉榮如先生**(「劉先生」)，51歲，為我們的執行董事及董事會主席，主要負責本集團的發展、定位及策略規劃。劉先生為本集團創辦人。彼於二零一六年一月八日獲委任為董事及於二零一六年四月十一日獲改任為執行董事。彼現為本集團所有附屬公司的董事。彼亦為薪酬委員會成員及提名委員會主席。

劉先生在事業初期，於一九九零年八月至一九九六年八月曾於中國主要經營船務及貿易業務的公司廈門經貿船務有限公司工作，主要負責水手操舵工作。劉先生於一九九六年十月在水產買賣行業開展其個人事業，主要負責一般業務經營，讓其可於二零零五年七月成立廈門沃豐後注入其貿易經驗。

劉先生於二零一零年十月至二零一一年十月參加清華大學繼續教育學院的現代企業總裁高級研修班。劉先生自二零一一年十一月起擔任廈門市湖裡區第七屆政協委員及自二零一零年十一月起擔任中國民主建國會會員。劉先生亦曾分別於二零零九年十二月、二零一一年十二月、二零一二年四月及二零一五年四月擔任廈門湖裡區首屆新的社會階層人士聯誼會副會長、廈門市工商聯(總商會)第十二屆執委會執委、廈門市湖裡區工商聯(商會)第五屆理事會常務理事及廈門市質量技術監督局第三分局行風監督員。

# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

**Mr. Jiang Dehua** (蔣德華) (“Mr. Jiang”), aged 41, is our Executive Director and the chief executive officer of our Group. He was appointed as an Executive Director on 11 April 2016. He is primarily responsible for business development, marketing strategy, sales management and strategic planning of our Group. Mr. Jiang joined our Group in October 2010 and was appointed as the assistant to the chairman and the deputy general manager of Xiamen Wofan in October 2010.

Mr. Jiang has spent over 10 years in the media and advertising industry and has extensive experience in managing business operations. Prior to joining our Group, Mr. Jiang was employed by the Shanghai branch of the Guangzhou Bates Advertising Company Ltd. (廣州達彼思(達華)廣告有限公司上海分公司) as an assistant director of strategic planning primarily responsible for developing marketing strategies for various car models from July 1999 to August 2003. Mr. Jiang was then employed by the New Handsome Joint Advertising Company Ltd. (福建新恒基廣告有限公司) as the director of strategic planning from January 2004 to September 2010.

**Mr. Chak Chi Shing** (翟志勝) (“Mr. Chak”), aged 38, was appointed as our Executive Director on 5 December 2018. Mr. Chak obtained a bachelor’s degree in accounting and finance from Curtin University of Technology in Australia. Mr. Chak has over 10 years of professional experience in auditing, accounting, corporate finance and financial management and also has substantial years of experience in company secretarial and corporate governance practices. Prior to joining of the Company, Mr. Chak served as the company secretary of Bolina Holdings Co., Ltd. (stock code: 1190) from March 2017 to August 2018, and the company secretary of SDM Group Holdings Limited (stock code: 8363) from March 2016 to July 2016. Mr. Chak is a member of CPA Australia and Hong Kong Institute of Certified Public Accountants.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Huang Xingluan** (黃興學) (“Mr. Huang”), aged 44, was appointed as an Independent Non-executive Director on 22 June 2017. Mr. Huang is also a member of our Audit Committee, our Remuneration Committee and our Nomination Committee. Mr. Huang graduated from the Xiamen University with a Master degree in Management in June 2001 and a doctoral degree in Finance in June 2009. Subsequent to his obtaining of the master degree, Mr. Huang was employed by the Xiamen University as an assistant professor of business management in August 2001, where he was later promoted as an associate professor of business management in August 2009. Since March 2013, Mr. Huang has served as the associate director of the Faculty of Financial Management at the School of Management of Xiamen University. Mr. Huang is currently an independent non-executive director of Fujian Longma Environmental Sanitation Equipment Co., Ltd (福建龍馬環衛裝備股份有限公司), which is listed on the Shanghai Stock Exchange (stock code: SHA: 603686); China United Travel Co., Ltd (國旅聯合股份有限公司), which is listed on the Shanghai Stock Exchange (stock code: SHA: 600358) and Xiamen Kingdomway Group Company Limited (廈門金達威集團股份有限公司), which is listed on the Shenzhen Stock Exchange (stock code: SZSE: 002626).

蔣德華先生(「蔣先生」), 41歲, 為執行董事及本集團行政總裁。彼於二零一六年四月十一日獲委任為執行董事。彼主要負責本集團的業務發展、市場營銷策略、銷售管理及策略規劃。蔣先生於二零一零年十月加入本集團, 並曾於二零一零年十月獲委任為廈門沃豐董事長助理及副總經理。

蔣先生投身傳媒及廣告行業逾十年, 並於業務經營管理領域擁有豐富經驗。加入本集團前, 彼曾於一九九九年七月至二零零三年八月獲聘為廣州達彼思(達華)廣告有限公司上海分公司策略計劃總監助理, 主要負責就各種汽車型號制定市場營銷策略。蔣先生於二零零四年一月至二零一零年九月獲聘為福建新恒基廣告有限公司策略規劃總監。

翟志勝先生(「翟先生」), 38歲, 於二零一八年十二月五日獲委任為我們的執行董事。翟先生取得澳洲Curtin University of Technology會計及金融學士學位。翟先生於審計、會計、企業融資及財務管理方面積逾十年專業經驗, 並擁有多年公司秘書及企業管治經驗。於加入本公司前, 翟先生於二零一七年三月至二零一八年八月擔任航標控股有限公司(股份代號: 1190)公司秘書, 並於二零一六年三月至二零一六年七月擔任SDM Group Holdings Limited(股份代號: 8363)公司秘書。翟先生為澳洲會計師公會及香港會計師公會會員。

## 獨立非執行董事

黃興學先生(「黃先生」), 44歲, 於二零一七年六月二十二日獲委任為獨立非執行董事。黃先生亦為審核委員會、薪酬委員會及提名委員會成員。黃先生於二零零一年六月畢業於廈門大學, 獲得管理碩士學位, 並於二零零九年六月獲得金融學博士學位。於獲得碩士學位後, 黃先生於二零零一年八月獲廈門大學委聘為企業管理系助理教授, 並於之後於二零零九年八月升任企業管理系副教授。自二零一三年三月以來, 黃先生一直擔任廈門大學管理學院財務管理系副主任。黃先生現時擔任上海證券交易所上市公司福建龍馬環衛裝備股份有限公司(股份代號: SHA: 603686)獨立非執行董事、上海證券交易所上市公司國旅聯合股份有限公司(股份代號: SHA: 600358)獨立非執行董事及深圳證券交易所上市公司廈門金達威集團股份有限公司(股份代碼: SZSE: 002626)獨立非執行董事。



# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

**Mr. Liu Dajin** (劉大進), aged 53, was appointed as an Independent Non-executive Director on 22 June 2017. Mr. Liu Dajin is also a member of our Audit Committee, our Remuneration Committee and our Nomination Committee. Mr. Liu Dajin has been a practising member of the Chinese Institute of Certified Public Accountants since November 1996. Mr. Liu Dajin graduated with a bachelor degree in economics (major in accounting) from the Central University of Finance and Economics (中央財經大學) (originally named Central Institute of Finance and Banking (中央財政金融學院)) in June 1989. He then obtained a postgraduate qualification from the Xiamen University Postgraduate School in September 1992. Mr. Liu Dajin worked as a teaching assistant at the Jimei Finance and Economics School (集美財經學校 (currently known as: Finance & Economics Institute, Jimei University 集美大學財經學院)) from August 1984 to August 1987. Mr. Liu Dajin then served as the deputy director and an instructor at the Financial Management Teaching and Research Centre (財務管理教研室) at the Jimei College of Finance (集美財政專科學校 (currently known as: Finance & Economics Institute, Jimei University 集美大學財經學院)) from July 1989 to August 1995. Mr. Liu Dajin worked in various faculties of the Jimei University (集美大學) since September 1995 and is currently the professor of the Faculty of Management of the Chengyi University College, Jimei University (集美大學誠毅學院). Mr. Liu Dajin has been an independent non-executive Director of Mobile Internet (China) Holdings Limited (formerly known as China Packaging Holdings Development Limited), which is listed on the Stock Exchange (stock code: 1439) since December 2013.

**Ms. Cheng Shing Yan** (鄭承欣) ("Ms. Cheng"), aged 44, was appointed as an Independent Non-executive Director on 22 June 2017. She is also the chairlady of our Audit Committee. Ms. Cheng has around 20 years of working experience in auditing and accounting.

She joined the group of Zhaobangji Properties Holdings Limited (forming known as Sanroc International Holdings Limited), which is listed on the Stock Exchange (stock code: 1660), as the chief financial officer since April 2016 and has been appointed as company secretary from April 2016 to April 2018 and executive director from April 2017 to April 2018. Ms. Cheng has also been appointed as an independent non-executive director of Putian Communication Group Limited (stock code: 1720) since October 2017, the shares of which are listed on the Stock Exchange.

Ms. Cheng obtained a master degree in international accounting at the City University of Hong Kong in November 2003. Ms. Cheng was admitted as a member of the Association of Chartered Certified Accountants (ACCA) and the Hong Kong Institute of Certified Public Accountants (HKICPA) in December 2000 and July 2003 respectively. Ms. Cheng has also been admitted as an associate of both The Hong Kong Institute of Chartered Secretaries (the "HKICS") and The Institute of Chartered Secretaries and Administrators (the "ICSA") in June 2017. Ms. Cheng is currently a member of ACCA, HKICPA, HKICS and ICSA.

劉大進先生，53歲，於二零一七年六月二十二日獲委任為獨立非執行董事。劉大進先生亦為審核委員會、薪酬委員會及提名委員會成員。劉大進先生自一九九六年十一月起出任中國註冊會計師協會之執業會員。劉大進先生於一九八九年六月畢業於中央財經大學(原稱中央財政金融學院)，取得經濟學學士學位(會計專業)。其後彼於一九九二年九月獲廈門大學研究生院頒授研究生證書。劉大進先生於一九八四年八月至一九八七年八月於集美財經學校(現稱為集美大學財經學院)出任教學助理。劉大進先生其後於一九八九年七月至一九九五年八月於集美財政專科學校(現稱為集美大學財經學院)財務管理教研室出任副主任及講師。劉大進先生自一九九五年九月起於集美大學各學院工作，現為集美大學誠毅學院管理系教授。劉大進先生自二零一三年十二月起一直擔任聯交所上市公司移動互聯(中國)控股有限公司(前稱中華包裝控股發展有限公司(股份代號：1439))獨立非執行董事。

鄭承欣女士(「鄭女士」)，44歲，於二零一七年六月二十二日獲委任為獨立非執行董事。彼亦為審核委員會主席。鄭女士擁有約20年審計及會計經驗。

彼於二零一六年四月加入兆邦基地產控股有限公司(前稱善樂國際控股有限公司，於聯交所上市，股份代號為1660)，擔任財務總監，自二零一六年四月至二零一八年四月及自二零一七年四月至二零一八年四月期間分別獲委任為公司秘書及執行董事。鄭女士自二零一七年十月以來亦獲委任為普天通信集團有限公司(股份代號：1720)的獨立非執行董事，該公司的股份於聯交所上市。

鄭女士於二零零三年十一月在香港城市大學獲得國際會計碩士學位。鄭女士於二零零零年十二月及二零零三年七月分別獲接納為英國特許公認會計師公會及香港會計師公會會員。鄭女士亦於二零一七年六月獲接納為香港特許秘書公會(「香港特許秘書公會」)會員及英國特許秘書及行政人員公會(「英國特許秘書及行政人員公會」)會員。鄭女士現為英國特許公認會計師公會，香港會計師公會，香港特許秘書公會及英國特許秘書及行政人員公會會員。

# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

### SENIOR MANAGEMENT

**Mr. Liu Zhengping** (劉崢平), aged 48, is the chief procurement officer of our Group and is primarily responsible for developing strategic plans and overall management of our Group's procurement. Mr. Liu Zhengping joined our Group as the manager for procurement department in August 2009.

In the earlier period of his career, Mr. Liu Zhengping was employed as the chief sailor in the U-Ming Marine Transport (Singapore) Pte Ltd. (裕民航運(新加坡)私人有限公司) from May 2006 to July 2009. Mr. Liu Zhengping completed a 2-year course in ship piloting at the Fujian Huian Sailing School (福建省惠安縣前亭航海職業學校 (currently known as 福建省泉州市泉港前亭航海水產職業學校)) in July 1988 and completed a short course in ship piloting at the Guangzhou Mariner School (廣州海員學校) in July 1994.

**Mr. Lin Yiyang** (林益陽), aged 31, is the chief sales officer of our Group and is primarily responsible for developing strategic plans and overall management of our Group's sales. Mr. Lin joined our Group in 2010 and he was responsible for business development and customer management for the Group's market in Southern China. He has been working with the Group for 8 years and has extensive experience in marketing and customer relations.

**Mr. Liu Qingsen** (劉清森), aged 48, is the head of production of our Group and is primarily responsible for developing strategic plans and overall management of our Group's production. Mr. Liu joined our Group as the team leader of production department in August 2011.

Prior to joining our Group, Mr. Liu worked for COSCO Shipping (Hong Kong) Co. Limited of the COSCO Group and the Beijing Branch of China Shipping Group as sailor from August 1989 to July 2011.

### 高級管理層

**劉崢平先生**，48歲，為本集團採購主管，主要負責制定戰略計劃及整體管理本集團採購事宜。劉崢平先生於二零零九年八月加入本集團擔任採購部經理。

在事業早期，劉崢平先生自二零零六年五月至二零零九年七月獲聘為裕民航運(新加坡)私人有限公司首席海員。劉崢平先生於一九八八年七月在福建省惠安縣前亭航海職業學校(現稱福建省泉州市泉港前亭航海水產職業學校)完成為期兩年的船舶駕駛課程，並於一九九四年七月在廣州海員學校完成船舶駕駛的短期課程。

**林益陽先生**，31歲，為本集團銷售主管，主要負責發展戰略計劃及本集團整體銷售事宜。林先生於二零一零年加入本集團負責南部市場開發及客戶管理工作，已在本集團工作8年，具有豐富的市場經驗和客戶資源。

**劉清森先生**，48歲，為本集團生產主管，主要負責發展戰略計劃及本集團整體生產事宜的整體管理。劉先生於二零一一年八月加入本集團擔任生產部組長。

加入本集團前，劉先生曾於一九八九年八月至二零一一年七月受僱於中遠集團系的中遠海運(香港)有限公司及中國海運集團北京分公司，從事海員工作。

# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

### COMPANY SECRETARY

**Mr. Wong Wai Lun** (黃偉倫), aged 35, joined our Company in March 2016 as the chief financial officer. He was appointed as the Company Secretary on 11 April 2016. Mr. Wong Wai Lun obtained a bachelor degree of commerce from the University of Queensland in December 2004. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and has over 14 years of experience in the field of accounting, auditing, corporate finance, financial management and corporate governance. Mr. Wong Wai Lun had been the financial controller and the company secretary of China Environmental Technology and Bioenergy Holdings Ltd. (formerly known as Merry Garden Holdings Limited), a company listed on the Stock Exchange (stock code: 1237) from January 2014 to October 2015, and the joint company secretary of the same company from October 2015 to January 2016. Prior to this, he worked at KPMG from September 2008 to December 2013 with the last position as a manager. He also worked at Poon & Co. Certified Public Accountants from February 2005 to March 2007 and from May 2007 to June 2008 with the last position as a senior auditor.

### 公司秘書

黃偉倫先生，35歲，於二零一六年三月加入本公司，擔任財務總監。彼於二零一六年四月十一日獲委任為公司秘書。黃偉倫先生於二零零四年十二月獲得昆士蘭大學商學學士學位。彼為香港會計師公會資深會員並於會計、審計、企業融資、財務管理及企業管治領域擁有逾14年經驗。黃偉倫先生自二零一四年一月至二零一五年十月擔任聯交所上市公司中科生物控股有限公司（前稱美麗家園控股有限公司，股份代號：1237）的財務總監兼公司秘書，並於二零一五年十月至二零一六年一月擔任該公司的聯席公司秘書。於此之前，彼於二零零八年九月至二零一三年十二月期間在畢馬威會計師事務所工作，離職前任職經理。彼自二零零五年二月至二零零七年三月及自二零零七年五月至二零零八年六月於潘永祥會計師事務所任職，離職前職位為高級審計師。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

The board (the “Board”) of directors (the “Directors”) of China Shenghai Food Holdings Company Limited (the “Company”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2018 (“Year 2018” or the “Reporting Year”), together with the comparative figures for the corresponding period in 2017.

### BUSINESS REVIEW

According to the statistics released by the National Bureau of Statistics, the annual GDP in 2018 increased by 6.6% as compared to that in last year. With the steady growth of the economy and the growing consumption power of residents, the upgrade of consumption promoted the rapid growth of the food industry. As one of the well-known branded seafood companies in China, the Group (i) sources high quality raw and processed raw materials, (ii) subcontracts processing of the unprocessed raw materials to third parties, (iii) packages products at its own packaging facilities or through sub-contractors, and (iv) sells packaged products under its own brand “Wofan (沃豐)”. The Group also sells dried seafood, algae and fungi without packaging.

During the Reporting Year, the Group’s revenue was approximately RMB668.0 million, an increase of approximately 3.7% as compared to the corresponding period of last year of approximately RMB644.4 million. During the Reporting Year, the Group’s gross profit and gross profit margin were approximately RMB169.1 million and approximately 25.3%, respectively (approximately RMB163.5 million and approximately 25.4% respectively for the corresponding period of last year).

The Group has a large and broad variety of products, offering 198 products in total, which comprised 101 dried seafood, 33 algae and fungi, and 64 seafood snacks. The Group sold dried seafood, algae and fungi, and seafood snacks in China. The sales of each product were steady during the Reporting Year. The sales volume of frozen products was few and the Group did not renewed the tenancy agreement of the point of sale of frozen products. The operation of the relevant segments was terminated during the Reporting Year. During the Reporting Year, dried seafood was still the largest product category of the Group, accounting for 50.2% of the Group’s revenue, which approximated to 50.2% for the corresponding period of last year.

The Group has established complete sales channels during its course of development. The Company’s products are sold through supermarkets, trading companies, convenience stores and other sales channels, such as food companies, gift stores and e-commerce retailers. Supermarkets remain to be the largest income source of the Group.

中國升海食品控股有限公司(「本公司」)之董事(「董事」)會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止十二個月(「二零一八年」或「報告年內」)之經審核綜合全年業績連同二零一七年同期(「去年同期」)之比較數字。

### 業務回顧

二零一八年，根據國家統計局公布的數據，全年GDP相比上年增長6.6%，在經濟平穩發展的同時，居民消費力增長，消費升級帶動食品行業的快速發展。本集團作為中國馳名品牌海產公司之一，(i)採購高質的未加工及已加工原材料，(ii)將未加工原材料的加工工序分包予第三方，(iii)在本集團的自有包裝設施或透過分包商包裝產品，及(iv)以自有品牌「沃豐」銷售包裝產品。本集團亦銷售未包裝乾海產品以及藻類產品及菌類產品。

於報告年內，本集團收益為約人民幣668.0百萬元，較去年同期的本集團收益為約人民幣644.4百萬元增加約3.7%。報告年內，本集團的毛利及毛利率分別約為人民幣169.1百萬元及約25.3%(去年同期分別約為人民幣163.5百萬元及約25.4%)。

本集團擁有龐大而豐富的產品種類，共提供198種產品，包括101種乾海產品、33種藻類產品及菌類產品及64種海洋休閒產品。於中國銷售乾海產品、藻類產品及菌類產品及海洋休閒產品。於報告年內，各類產品銷售平穩。凍品業務量偏少，本集團未有更新凍品的售銷點之租約，報告年內有關分部之運營已告終止。於報告年內，乾海產品仍然是本集團最大的產品種類，佔本集團收入的50.2%，較去年同期的50.2%相若。

本集團在發展歷程中，建立完善的銷售渠道，本公司透過超市、貿易公司、便利店以及其他的銷售渠道(如食品公司、禮品店及零售電商)銷售其產品。超市仍然是本集團最大的收入來源。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

During the Reporting Year, the revenue growth was mainly due to the increase of sales volume as a result of the increasing customer demands. In addition, the selling price per unit increased as the Group has established its brand successfully. The Group believes that customers choose the Group's products mainly attributable to (i) a large volume of supplies of quality raw material and an experienced sales and promotion team as we have 62 suppliers and 372 sales personnel as at of 31 December 2018, and (ii) the fact that the Group has a wide range of product portfolio and excellent product research and development teams.

In the future's, the Group will (i) strengthen its existing customer relationships in the existing and new markets, launch new products to cater for consumer demands and extend its further efforts to put forward promotion and marketing measures on Tmall and in the Central Western China; and (ii) enhance its packaging capabilities to improve the existing package and design packages that satisfy the requirements of the public. Meanwhile the Group will cooperate with Jimei University to promote the formation of the research and development teams. Furthermore, in order to give new growth drivers, the Company is in the process of studying the possibility of stepping into the financial market by leveraging on its listing status and healthy financial position.

### OPERATING RESULTS AND FINANCIAL REVIEW

#### REVENUE

During the Reporting Year, the Group's revenue grew by approximately 3.7% from approximately RMB644.4 million for the year ended 31 December 2017 to approximately RMB668.0 million for the Reporting Year. The Group has a large and broad variety of products and extensive sales channels. During the Reporting Year, dried seafood is still the largest product category of the Group and supermarkets remain to be the largest income source of the Group. The increase of the revenue was primarily due to (i) the increase in sales volume resulting from the increase of customer demands, (ii) the increase in selling price per unit due to the establishment of its own brand "Wofan (沃豐)".

The table below sets out a breakdown of the Group's revenue categorized by product types during the Reporting Year:

		Year ended 31 December 截至十二月三十一日止年度		% to total revenue	
		2018 二零一八年 RMB'000 人民幣千元	佔總收益的 百分比 (%)	2017 二零一七年 RMB'000 人民幣千元	佔總收益的 百分比 (%)
Dried seafood	乾海產品	335,311	50.2%	327,875	50.9%
Algae and fungi	藻類產品及菌類產品	275,506	41.2%	257,199	39.9%
Seafood Snacks	休閒食品	57,141	8.6%	52,471	8.1%
Frozen products	凍品	-	-	6,862	1.1%
Total	總計	667,958	100%	644,407	100%

於報告年內，收益的增加主要由於客戶需求量的增加，導致銷售量增加。加之，本集團品牌的成功建立，銷售單價有所提高。本集團認為客戶選擇本集團產品的原因主要有(i)大量穩定而優質的原材料供應同時擁有經驗豐富的銷售以及推廣團隊，截止二零一八年十二月三十一日，我們共擁有62名供應商和372名銷售人員；及(ii)本集團擁有豐富的產品組合以及優秀的產品研發團隊。

未來的發展中，本集團將(i)加強現有及新市場現有客戶關係，推出新產品迎合客戶需求同時加強推廣力度，進一步推進天貓及中國中西部地區的推廣及營銷措施；及(ii)本集團將提高包裝能力，完善現有包裝，設計出更加符合大眾要求的食品包裝，與此同時，聯合集美大學加強研發團隊的建設。另外，為更添增長動力，本公司正研究充分利用其上市地位及健康的財務狀況，在金融行業發展的可能性。

#### 經營業績及財務回報

##### 收益

於報告年內，本集團收益由截至二零一七年十二月三十一日止十二個月的約人民幣644.4百萬元增加約3.7%至報告年內的約人民幣668.0百萬元。本集團擁有龐大而豐富的產品種類和豐富的銷售渠道，於報告年內，乾海產品仍然是本集團最大的產品種類，超市仍然是本集團最大的收入來源。收益增加主要是由於(i)客戶需求量的增加，導致銷售量的增加；及(ii)自有品牌「沃豐」的成功建立，導致銷售單價有所提高。

下表載列於報告年內按本集團產品類別劃分的收益：

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

The table below sets forth the revenue contribution from the Group's sales channels during the Reporting Year:

下表載列本集團的銷售渠道於報告年內的收益貢獻：

		Year ended 31 December 截至十二月三十一日止年度			
		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	
		% to total revenue 佔總收益的 百分比 (%)		% to total revenue 佔總收益的 百分比 (%)	
Supermarkets	超市	354,662	53.1%	335,883	52.1%
Trading companies	貿易公司	156,538	23.4%	141,615	22.0%
Convenience stores	便利店	30,987	4.6%	31,302	4.9%
Wholesale market for seafood	海產批發市場	-	-	6,862	1.0%
Others	其他	125,771	18.9%	128,745	20.0%
Food companies	食品公司	44,212	6.6%	49,760	7.7%
Gift stores	禮品店	39,459	5.9%	34,688	5.4%
E-commerce	電商	37,630	5.6%	37,675	5.8%
Others	其他	3,909	0.6%	6,622	1.1%
Self-operated website	自營網站	561	0.1%	-	-
Total	總計	667,958		644,407	

### GROSS PROFIT AND GROSS PROFIT MARGIN

Gross profit represents our revenue less our cost of sales, and our gross profit margin represents gross profit divided by revenue, expressed as a percentage. The following table sets forth the gross profit and gross profit margin by product category for the Reporting Year:

### 毛利及毛利率

毛利指收益減銷售成本，毛利率指毛利除以收益，以百分比列示。下表載列於報告年內按產品類別劃分的毛利及毛利率：

		Year ended 31 December 截至十二月三十一日止年度			
		2018 二零一八年		2017 二零一七年	
		Gross profit margin 毛利率 (%)		Gross profit margin 毛利率 (%)	
		RMB'000 人民幣千元		RMB'000 人民幣千元	
Dried seafood	乾海產品	84,798	25.3%	82,390	25.1%
Algae and fungi	藻類產品及菌類產品	71,041	25.8%	66,683	25.9%
Seafood Snacks	休閒食品	13,255	23.2%	12,908	24.6%
Frozen products	凍品	-	-	1,525	22.3%
Total	總計	169,094	25.3%	163,506	25.4%

The Group's gross profit margin was approximately 25.3% and approximately 25.4% for the Reporting Year and for the corresponding period of last year respectively. The sales of algae products with higher gross profit were higher during the Reporting Year, which helped maintaining the gross profit margin.

本集團的毛利率於報告年內及去年同期分別為約25.3%及約25.4%。毛利較高的藻類產品於報告年內的銷售增長，有助維持毛利率。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### OTHER INCOME AND OTHER GAINS/(LOSSES), NET

Other income represents rental income generated from the seaweed farms located in Xiapu, the PRC and interest income from bank deposits and secured loan receivable.

### SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses primarily consist of salaries and employee benefit expenses for employees engaging in the sales and promotion activities, transportation expenses, advertising and promotion expenses, rental expenses and other expenses. As a percentage of revenue, our selling and distribution expenses amounted to approximately 8.2% and approximately 3.7% for the year ended 31 December 2018 and 2017, respectively. This increase was primarily due to the Group's efforts on promotion and advertising on the products in new markets.

### ADMINISTRATIVE EXPENSES

Administrative expenses primarily consist of salaries and employees benefit expenses, rental expenses, office expenses, depreciation and others. As the Company had no listing expenses incurred in 2018, as a percentage of revenue, our administrative expenses significantly reduced from approximately 5.4% for the year ended 31 December 2017 to approximately 1.7% for the Reporting Year.

### INCOME TAX EXPENSE

Income tax expense primarily consists of Enterprise Income Tax of Xiamen Wofan and Fujian Wofan, the applicable tax rate of which being 25%. For the year ended 31 December 2018 and 2017, income tax expense were approximately RMB28.0 million and RMB34.2 million, respectively. As the Group had no listing expenses incurred (which are non-deductible) during the Reporting Year, the effective tax rates reduced to approximately 26.8% for the year ended 2018 (for the corresponding period of last year: 32.7%).

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "BVI"), we are not subject to any income tax in the Cayman Islands or the BVI.

Hong Kong profits tax at has not been provided as the Group had no assessable profits arising in Hong Kong.

### 其他收入及其他收益/(虧損)淨額

其他收入指位於中國霞浦的海帶農場產生的租金收入及銀行存款及應收有抵押貸款的利息收入。

### 銷售及分銷開支

銷售及分銷開支主要包括從事銷售及推廣活動的僱員的薪金及僱員福利開支、運輸開支、廣告及推廣開支、租賃開支及其他開支。於截至二零一八年及二零一七年十二月三十一日止年度分別為約8.2%及約3.7%，相關增幅乃主要由於本集團在新市場進行產品推廣及宣傳。

### 行政開支

行政開支主要包括薪金及僱員福利開支、租賃開支、辦公開支、折舊及其他。本公司於二零一八年並沒有發生上市費用，因此行政開支佔收益的百分比於二零一七年十二月三十一日止年度的約5.4%大幅下降至報告年內的約1.7%。

### 所得稅開支

所得稅開支主要包括廈門沃豐及福建沃豐按適用稅率25%繳納的企業所得稅。截至二零一八年及二零一七年十二月三十一日止年度，所得稅開支分別約人民幣28.0百萬元及人民幣34.2百萬元。由於報告年內本集團並無發生上市費用(該等費用並不能扣稅)，截至二零一八年止年度的實際稅率減至約26.8%(去年同期：32.7%)。

根據開曼群島及英屬處女群島的規則及規例，本集團毋須繳納任何開曼群島及英屬處女群島(「英屬處女群島」)所得稅。

由於本集團並無於香港產生應課稅溢利，故並無計提香港利得稅撥備。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

#### CASH FLOWS

During the Reporting Year, the Group funded its working capital and other capital requirements principally by cash generated from our operating activities and the net proceeds from initial public offering.

#### NET CURRENT ASSETS

Net current assets increased from approximately RMB364.7 million as at 31 December 2017 to approximately RMB371.1 million as at 31 December 2018. The increase was primarily attributable to an increase in inventories and decrease in trade payables.

#### CASH AND CASH EQUIVALENT AND BANK BORROWINGS

During the Reporting Year, the Group maintained a healthy liquidity position. As at 31 December 2018, cash and cash equivalents of the Group was approximately RMB234.3 million, as compared to approximately RMB285.2 million as at 31 December 2017 and the Group has no bank borrowings.

#### GEARING RATIO

As at 31 December 2018, the gearing ratio (calculated by total debt divided by the total equity as at the end of the year) remained nil.

#### INVENTORIES

As at 31 December 2018, inventories amounted to approximately RMB70.3 million (2017: approximately RMB41.6 million). The number of inventory turnover days was approximately 41 days (2017: 28 days).

#### TRADE RECEIVABLES

As at 31 December 2018, trade receivables amounted to approximately RMB110.0 million (2017: approximately RMB97.9 million). The Group granted its customers a credit period of 30 to 90 days following the day of delivery. The number of turnover days for trade receivables was approximately 57 days (2017: approximately 45 days).

#### TRADE PAYABLES

As at 31 December 2018, trade payables amounted to approximately RMB39.9 million (2017: approximately RMB61.1 million). The Group managed to obtain a credit period of an average of approximately 30 days from the majority of its suppliers. The turnover day for trade payables was approximately 37 days (2017: approximately 35 days).

### 流動資金及財務資源及資本架構

#### 現金流量

於報告年內，本集團主要以經營業務所得現金及首次公開發售所得款項淨額撥付營運資金及其他資金需求。

#### 流動資產淨值

流動資產淨值由二零一七年十二月三十一日約人民幣364.7百萬元增加至二零一八年十二月三十一日約人民幣371.1百萬元，增加乃主要由於存貨增加及貿易應付款項減少所致。

#### 現金及現金等價物及銀行貸款

於報告年內，本集團維持良好的流動資金狀況。於二零一八年十二月三十一日，本集團現金及現金等價物約為人民幣234.3百萬元，而於二零一七年十二月三十一日約為人民幣285.2百萬元，而本集團無銀行借款。

#### 資產負債比率

於二零一八年十二月三十一日，資本負債比率（按總債務除以年末權益總額）維持於零。

#### 存貨

於二零一八年十二月三十一日，存貨為約人民幣70.3百萬元（二零一七年：約人民幣41.6百萬元）。存貨週轉天數為約41天（二零一七年：28天）。

#### 貿易應收款項

於二零一八年十二月三十一日，貿易應收款項為約人民幣110.0百萬元（二零一七年：約人民幣97.9百萬元）。本集團授予其客戶的信貸期自送貨日期翌日起計為期30至90天。貿易應收款項週轉天數為約57天（二零一七年：約45天）。

#### 貿易應付款項

於二零一八年十二月三十一日，貿易應付款項為約人民幣39.9百萬元（二零一七年：約人民幣61.1百萬元）。本集團獲大多數供應商授出平均約30天的信貸期。貿易應付款項週轉天數為約37天（二零一七年：約35天）。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### CAPITAL EXPENDITURES

For the year ended 31 December 2018, the Group had capital expenditure of approximately RMB37.1 million (Year ended 31 December 2017: approximately RMB35,000). The expenditure was mainly related to the purchase of product testing equipment and packaging equipment.

### CAPITAL COMMITMENTS

Save as disclosed in note 30 to the annual report, the Group did not have any material capital commitments as at 31 December 2018.

### CONTINGENT LIABILITIES

As at 31 December 2018, the Group did not have any material contingent liabilities.

### PLEDGE OF ASSETS

As at 31 December 2018, the Group did not pledge any assets.

### USE OF NET PROCEEDS FROM INITIAL PUBLIC OFFERING

The shares of the Company were listed on the Main Board of the Stock Exchange on 18 July 2017 with net proceeds from the global offering of approximately HK\$123.3 million (after deduction of underwriting fees and commissions and expenses paid in connection with the global offering). According to the intended use as set out in "Future Plans and Use of Proceeds" in the prospectus published on 30 June 2017 (the "Prospectus"), the amount utilized as at 31 December 2018 was as follows:

### 資本開支

於截至二零一八年十二月三十一日止年度，本集團的資本開支為約人民幣37.1百萬元，（截至二零一七年十二月三十一日止年度：約人民幣35,000元）。開支主要與採購產品檢驗設備及包裝設備有關。

### 資本承擔

除年報附註30所披露者外，於二零一八年十二月三十一日，本集團並無重大資本承擔。

### 或然負債

於二零一八年十二月三十一日，本集團概無任何重大或然負債。

### 資產抵押

於二零一八年十二月三十一日，本集團概無任何資產抵押。

### 首次公開發售所得款項淨額用途

本公司股份於二零一七年七月十八日在聯交所主板上市，來自全球發售所得款項淨額約為123.3百萬港元（扣除本公司因全球發售已付的包銷費用及佣金及開支）。根據二零一七年六月三十日發佈的招股章程（「招股章程」）內「未來計劃及所得款項用途」所載的擬定用途，於二零一八年十二月三十一日的已動用金額如下：

		Net proceeds (HK\$ million) 所得款項淨額(百萬港元)			
		Percentage 百分比	Available 可用	Utilised 已動用	Unutilised 未動用
Enhance the market access and deepening the penetration of Northern China and Central Western China	加強市場開拓及深入滲透中國北部及中國中西部地區	36.3%	44.8	34.3	10.5
Acquire new packaging equipment and establishing the quality control and testing centre	收購新包裝設備及建立質量控制及檢測中心	29.1%	35.9	35.9	–
Diversify and increase the sales and promotion efforts	擴大及加強銷售及推廣力度工作	24.6%	30.3	19.6	10.7
General working capital	一般營運資金	10.0%	12.3	12.3	–

The Company has no intention to use the proceeds contrary to the description as stated in the Prospectus.

本公司無意將所得款項用作有別於招股章程所述的用途。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There was no significant investment, material acquisition and disposal of subsidiaries by the Company during the Reporting Year. The Group currently has no plan to make any substantial investment in or acquisition of capital assets, but will continue to seek for potential investment or acquisition opportunities according to the Group's development needs.

### EXCHANGE RISK EXPOSURE

The Group mainly operates in the PRC and most of its operating transactions are settled in RMB. Most of its assets and liabilities are denominated in RMB. Although the Group may be exposed to foreign currency exchange risks, the Board does not expect future currency fluctuations to materially impact the Group's operations. The Group did not adopt formal hedging policies and no instruments have been applied for foreign currency hedging purposes during the Reporting Period.

### EMPLOYEES

As at 31 December 2018, the Group had 645 full time employees in total (31 December 2017: 466). The Group remunerates its employees based on their performance, experience and prevailing industry practice. Competitive remuneration package is offered to retain elite employees. The package includes salaries, medical insurance, discretionary bonuses, other benefits as well as mandatory provident fund schemes for employees in Hong Kong and state-managed retirement benefit schemes for employees in the PRC.

### FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2018 to the shareholders.

### 重大投資、重大收購及出售附屬公司及聯營公司

報告年內，本公司並無重大投資、重大收購及出售附屬公司及聯營公司。本集團現時並無計劃作出任何重大投資或收購資本資產，但會按本集團發展需要，繼續物色潛在投資或收購機會。

### 外匯風險

本集團主要於中國開展業務且其大多數經營交易以人民幣結算。大部分資產及負債以人民幣計值。雖然本集團可能承擔外匯風險，但董事會預期未來貨幣波動不會嚴重影響本集團經營。本集團於報告期間並無採納正式對衝政策且並無使用工具作外匯對衝目的。

### 僱員

於二零一八年十二月三十一日，本集團合共有645名(二零一七年十二月三十一日：466名)全職僱員。本集團按僱員表現、經驗及現行行業常規付予僱員薪酬。為挽留精英僱員，本集團提供有競爭力薪酬待遇。待遇包括薪金、醫療保險、酌情花紅、其他福利以及香港僱員的強積金計劃及中國僱員的國家管理退休福利計劃。

### 末期股息

董事會不建議就截至二零一八年十二月三十一日止年度向股東派付末期股息。

# REPORT OF THE DIRECTORS

## 董事會報告

The Directors is pleased to present its report together with the audited consolidated financial statements of the Group for the year ended 31 December 2018.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and those of the principal subsidiaries of the Company are set out in Note 27 to the Consolidated Financial Statements.

### SEGMENT INFORMATION

An analysis of the Group's turnover and results by business segments for the year ended 31 December 2018 is set out in note 6 to the Consolidated Financial Statements.

### RESULT AND APPROPRIATION

The Group's financial information for the year ended 31 December 2018 and the financial position of the Group as at 31 December 2018 are set out in the consolidated financial statements from pages 51 to 127.

No dividend has been declared or proposed by the Directors in respect of the year ended 31 December 2018 (2017: Nil).

### BUSINESS REVIEW

A review of the business, financial key performance indicators and outlook of the Group for the year ended 31 December 2018 are provided in the Chairman's Statement and Management Discussion and Analysis on pages 4 to 5 and pages 11 to 17 of this annual report.

### ENVIRONMENTAL POLICY

It is our corporate and social responsibility in promoting a sustainable and environmental friendly environment. We strive to minimise our environmental impact by saving electricity and to build our Group in a sustainable way.

We have adopted a set of emergency planning, response and control procedures as countermeasures for unexpected environmental pollution accidents to minimise our impact on the environment and the adverse effect on our business.

### DIVIDEND POLICY

The Company has adopted a dividend policy ("Dividend Policy"), pursuant to which the Company may declare and distribute dividends to the shareholders of the Company (the "Shareholders") to allow Shareholders to share the Company's profits and for the Company to retain adequate reserves for future growth.

董事欣然提呈其報告連同本集團截至二零一八年十二月三十一日止年度之經審核綜合財務報表。

### 主要業務

本公司主要業務為投資控股，而本公司主要附屬公司的主要業務載於綜合財務報表附註27。

### 分部資料

截至二零一八年十二月三十一日止年度本集團按業務分部劃分之營業額及業績分析載於綜合財務報表附註6。

### 業績及分派

本集團截至二零一八年十二月三十一日止年度之財務資料及本集團於二零一八年十二月三十一日之財務狀況載於第51頁至127頁的綜合財務狀況表。

董事並未宣派或建議派付截至二零一八年十二月三十一日止年度之任何股息（二零一七年：零）。

### 業務回顧

本集團截至二零一八年十二月三十一日止年度之業務回顧、主要財務表現指標及展望載於本年報第4至5頁之主席報告及第11至17頁之管理層討論及分析。

### 環境政策

促進可持續發展及有利保育的環境是我們的企業及社會責任，我們致力節省電力，並以可持續方式推動企業事務，將對環境的影響減至最少。

我們採納一套緊急規劃、應變及控制程序，作為發生出乎意料環境污染意外時的抵禦措施，儘量減少對環境的衝擊及我們業務的不利影響。

### 股息政策

本公司已採納股息政策（「股息政策」），據此，本公司可向本公司股東（「股東」）宣派及派發股息，使股東能分享本公司之溢利成果，同時使本公司能為未來增長保留充足儲備。

# REPORT OF THE DIRECTORS

## 董事會報告

The recommendation of the payment of any dividend is subject to the absolute discretion of the Board, and any declaration of final dividend will be subject to the approval of the Shareholders. In proposing any dividend payout, the Board shall also take into account, inter alia, the Group's financial results, the general financial condition of the Group, the Group's current and future operations, the level of the Group's debts to equity ratio, return on equity and the relevant financial covenants, liquidity position and capital requirement of the Group, surplus received from the Company's subsidiaries and any other factors that the Board deem appropriate. The Company's ability to pay dividends is also subject to the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and all relevant applicable laws, rules and regulations in the Cayman Islands, Hong Kong and the Memorandum and Articles of Association of the Company. The Company does not have any pre-determined distribution ratio. The Group's dividend distribution record in the past may not be used as a reference or basis to determine the amount of dividends that may be declared or paid by the Company in the future.

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by our Group that has a significant impact on the business and operations of our Group.

董事會擁有絕對酌情權決定派付任何股息的建議，而任何末期股息之宣派均須經股東批准，方可作實。在建議派發任何股息時，董事會亦將考慮(其中包括)本集團財務業績，本集團整體財政狀況，本集團目前及未來營運，本集團之債務權益比率、資本回報率及相關財務契諾水平，本集團流動資金狀況及資本需求，本公司附屬公司所帶來之盈餘及董事會認為屬適當之任何其他因素。本公司能否派付股息亦須受香港聯合交易所有限公司證券上市規則(「上市規則」)之規定及所有相關開曼群島、香港及本公司組織章程大綱及細則之適用法律、規則及規例。本公司並無制定任何預定分派比率。本集團過去的股息分派記錄不得用作釐定本公司日後可能宣派或派付的股息金額的參考或依據。

董事會將持續檢討股息政策，並保留其唯一及絕對酌情權利隨時更新、修訂及／或修改股息政策。股息政策絕不會構成本公司須派付任何特定金額的股息之具法律約束力承諾，並／或令本公司有義務須隨時或不時宣派股息。

### 遵守有關法律及法規

年內，就本公司所知，本集團並無重大違反或不遵守適用法律及法規，以致對本集團之業務及運作構成重大影響。

# REPORT OF THE DIRECTORS

## 董事會報告

### PRINCIPAL RISK AND UNCERTAINTIES

The Group is exposed to the operational risk in relation to the business of the Group. With the growth and expansion of our operations, the potential risks to our business increase as well. In order to identify, assess and control the risks that may create impediments to our success, we have implemented a risk management system that covers each material aspect of our operations, including financial security, production, logistics, technology and compliance. As our risk management is a systematic project, each of our departments is responsible for identifying and evaluating the risks relating to its area of operations. Our Audit Committee is responsible for overseeing, assessing and reviewing our risk management policy and supervising the performance of our risk management system.

### RELATIONSHIPS WITH STAKEHOLDERS

#### EMPLOYEES

The Company recognizes that employees are our valuable assets. Thus our Group provide competitive remuneration package to attract and motivate the employees. Our Group regularly reviews the remuneration package of employees and make necessary adjustment to conform to the market standard.

#### SUPPLIERS

We have developed long-standing relationships with a number of our suppliers and conducts a fair and strict appraisal on an annual basis.

#### CUSTOMERS

We are committed to provide our customers with high quality products and deliver on a timely basis. We also stay connected with our customers to keep abreast of the changing customer preference through regular visits of our sales teams.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statements of comprehensive income on page 51.

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on page 128 of this annual report.

### SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in Note 25 to the Consolidated Financial Statements.

### 主要風險及不確定性

本集團面臨與本集團的業務有關的經營風險。隨著我們的業務增長及擴展，有關我們業務的潛在風險亦同時增加。為識別、評估及控制可能阻礙我們成功的風險，我們已實施一套風險管理系統，覆蓋我們業務營運各重大方面，包括財務安全、生產、物流、科技及合規。由於我們的風險管理為一個系統項目，我們各部門均負責識別及評估有關其營運範疇的風險。我們的審核委員會負責監督及評估我們的風險管理政策及監察我們風險管理系統的表現。

### 與持份者之關係

#### 僱員

本公司深明僱員為我們的寶貴資產，因此本集團提供具競爭力的薪酬待遇，以吸引及推動僱員。本集團定期檢討僱員的薪酬待遇，並會因應市場標準作出所需調整。

#### 供應商

我們已跟多名供應商建立長久的合作關係，並每年進行公正嚴謹的評核。

#### 客戶

我們致力為客戶提供優質產品，並適時送貨。此外，我們亦與客戶保持聯繫，透過銷售團隊定期探訪客戶，緊貼客戶喜好的轉變。

### 業績及分派

本集團截至二零一八年十二月三十一日止年度之業績載於第51頁的綜合全面收益表。

### 五年財務摘要

本集團過往五個財政年度的業績、資產及負債摘要乃載於本年報第128頁。

### 股本

本公司股本的年內變動詳情載於綜合財務報表附註25。

# REPORT OF THE DIRECTORS

## 董事會報告

### RESERVES

Movements in the reserves of the Group during the year ended 31 December 2018 are set out in the consolidated statements of changes in equity on page 53 of this annual report.

### DISTRIBUTABLE RESERVES

As at 31 December 2018, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Law of the Cayman Islands and the Company's articles of association (the "Articles of Association"), amounted to approximately RMB96.0 million (as at 31 December 2017: approximately RMB98.3 million).

### MAJOR CUSTOMERS AND SUPPLIERS

Sales to the Group's largest and five largest customers accounted for approximately 8.1% and 31.6% of the total turnover for the year 2018 respectively. Purchases from the Group's largest and five largest suppliers accounted for approximately 23.4% and 63.1% of the total purchases for the year 2018 respectively.

To the best knowledge of the Directors, neither the Directors, their associates, nor any shareholders who owned more than 5% of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers during the year ended 31 December 2018.

### SUBSIDIARIES

Details of the principal subsidiaries of the Company are set out in Note 27 to the Consolidated Financial Statements.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment during the year are set out in Note 13 to the Consolidated Financial Statements.

### USE OF NET PROCEEDS FROM INITIAL PUBLIC OFFERING

The shares of the Company were listed on the Main Board of the Stock Exchange on 18 July 2017. The net proceeds from the listing were approximately HK\$123.3 million (after deduction of underwriting fees and commissions and estimated expenses payable by the Company in connection with the global offering).

For details, please refer to the section headed "Management Discussion and Analysis – Use of Net Proceeds from Initial Public Offering" on page 16 of this annual report.

### CHARITABLE CONTRIBUTIONS

During the year, the Group did not made charitable contributions (2017: Nil).

### 儲備

於截至二零一八年十二月三十一日止年度，本集團儲備的變動載於本年報第53頁的綜合權益變動表。

### 可供分派儲備

於二零一八年十二月三十一日，根據開曼群島公司法及本公司之組織章程細則（「公司細則」）之規定計算，本公司可供分派儲備為約人民幣96.0百萬元（於二零一七年十二月三十一日：約人民幣98.3百萬元）。

### 主要客戶及供應商

本集團最大及五大客戶的銷售額分別佔二零一八年總營業額約8.1%及31.6%。本集團最大及五大供應商的採購額分別佔二零一八年總採購額約23.4%及63.1%。

就董事所深知，於截至二零一八年十二月三十一日止年度，董事、其聯繫人或擁有本公司已發行股本5%以上的任何股東，概無於本集團五大客戶或供應商擁有任何實益權益。

### 附屬公司

本公司主要附屬公司的詳情載於綜合財務報表附註27。

### 物業、廠房及設備

物業、廠房及設備的年內變動詳情載於綜合財務報表附註13。

### 首次公開發售所得款項淨額用途

本公司股份於二零一七年七月十八日在聯交所主板上市。上市所得款項淨額約為123.3百萬港元（經扣除本公司就全球發售應付的包銷費及佣金及估計開支）。

有關詳情，請參閱本年報第16頁「管理層討論及分析—首次公開發售所得款項淨額用途」一節。

### 慈善捐款

年內，本集團並無作出慈善捐款（二零一七年：零）。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS AND DIRECTORS' SERVICE AGREEMENTS

The Directors of the Company who hold office during the year and up to the date of this report are:

#### EXECUTIVE DIRECTORS

Mr. Liu Rongru (*Chairman*)  
Mr. Jiang Dehua  
Mr. Lin Jiangtang  
(*resigned on 15 June 2018*)  
Mr. Cao Hongyu  
(*appointed on 15 June 2018 and resigned on 5 December 2018*)  
Mr. Chak Chi Shing  
(*appointed on 5 December 2018*)

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Dajin  
Mr. Huang Xingluan  
Ms. Cheng Shing Yan

In accordance with articles 83(3) and 84(1) and (2) of the Company's articles of association, Mr. Chak Chi Shing, Mr. Huang Xingluan and Ms. Cheng Shing Yan will retire at the annual general meeting ("AGM"). Mr. Chak Chi Shing, Mr. Huang Xingluan and Ms. Cheng Shing Yan, being eligible, will offer themselves for re-election.

None of the Directors, including those proposed for re-election at the AGM, has a service agreement which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

The Company has received confirmation on independence from each of the Independent Non-executive Directors pursuant to Rule 3.13 of the Listing Rules and all of them are considered to be independent.

### DIRECTORS' REMUNERATION

The remuneration of the Directors is determined with reference to Directors' duties, responsibilities and performance and the results of the Group.

Details of the remuneration of the Directors are set out in Note 12 to the Consolidated Financial Statements.

### 董事及董事服務合約

於年內及截至本報告日期在任的本公司董事為：

#### 執行董事

劉榮如先生(主席)  
蔣德華先生  
林江棠先生  
(於二零一八年六月十五日辭任)  
曹洪宇先生(於二零一八年六月十五日獲委任  
及於二零一八年十二月五日辭任)  
翟志勝先生  
(於二零一八年十二月五日獲委任)

#### 獨立非執行董事

劉大進先生  
黃興學先生  
鄭承欣女士

根據本公司組織章程細則第83(3)及84(1)及(2)條，翟志勝先生、黃興學先生及鄭承欣女士將於股東週年大會(「股東週年大會」)上退任。翟志勝先生、黃興學先生及鄭承欣女士符合資格並願意膺選連任。

概無董事(包括建議於應屆股東週年大會上重選的董事)訂立了本公司不可於一年內免付賠償(法定賠償除外)予以終止之服務協議。

本公司已根據上市規則第3.13條規定自各獨立非執行董事接獲有關其獨立性的確認書，且彼等均被視為獨立人士。

### 董事薪酬

董事薪酬乃根據董事的職責、責任及表現以及本集團的業績釐定。

董事薪酬詳情載於綜合財務報表附註12。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Group are disclosed in the section headed “Biographical Details of the Directors and Senior Management” on pages 6 to 10 of this annual report.

### NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

The controlling shareholders of the Company entered into a Deed of Non-Competition in favour of the Company dated 22 June 2017 (“Deed of Non-Competition”) as set out in the section of “Relationship with the Controlling Shareholders” under the Prospectus. The controlling shareholders confirmed their compliance of all the undertakings provided under the Deed of Non-Competition.

### MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the year ended 31 December 2018, there was no material acquisition or disposal of subsidiaries or associated companies by the Company.

### SHARE OPTION SCHEME

Pursuant to a resolution passed by all the shareholders on 22 June 2017, the Company has conditionally adopted the share option scheme (the “Share Option Scheme”) for the purpose of recognizing and acknowledging the contributions the eligible participants had or may have made to the Group. The Board may, at its discretion, grant options pursuant to the Share Option Scheme to the Directors (including Executive Directors, Non-executive Directors and Independent Non-executive Directors), the directors of the Company’s subsidiaries and employees of the Group and any other persons (including consultants or advisers) whom the Board considers, in its absolute discretion, have contributed or will contribute to the Group. The Directors were authorised to grant options to subscribe for shares of the Company and to allot, issue and deal with the shares pursuant to the exercise of options granted under the Share Option Scheme and to take all such steps as may be necessary and/or desirable to implement and give effect to the Share Option Scheme. The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue immediately following completion of the Global Offering (as defined in the Company’s prospectus dated 30 June 2017), being 100,000,000 shares, excluding any shares that may be issued under the options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company), unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules from time to time.

### 董事及高級管理層履歷

本集團董事及高級管理層履歷詳情披露於本年報第6至10頁的「董事及高級管理層履歷」部分。

### 控股股東不競爭承諾

本公司控股股東於二零一七年六月二十二日簽立不競爭契據(「不競爭契據」)(載於招股章程「與控股股東的關係」一節)。控股股東已確認遵守不競爭契據訂明的所有承諾。

### 重大收購及出售附屬公司及聯營公司

於截至二零一八年十二月三十一日止年度，概無重大收購或出售本公司附屬公司或聯營公司。

### 購股權計劃

根據全體股東於二零一七年六月二十二日通過的決議案，本公司已有條件採納一項購股權計劃(「購股權計劃」)，以肯定及嘉許曾經或可能對本集團作出貢獻的合資格參與人士。根據購股權計劃，董事會可酌情向董事(包括執行董事、非執行董事及獨立非執行董事)、本公司附屬公司之董事、本集團僱員及董事會全權酌情認為曾經或將對本集團作出貢獻的任何其他人士(包括專家顧問或顧問)授出購股權。董事獲授權授出購股權以認購本公司股份，及根據購股權計劃項下授出的購股權獲行使而配發、發行及處理股份，以及採取對實行購股權計劃及使之生效而言為必需及／或合宜的一切步驟。根據購股權計劃及任何其他本公司購股權計劃而可授予的購股權的最高股份數目，合共不得超過緊隨全球發售(定義見本公司日期為二零一七年六月三十日的招股章程)完成後已發行股份總數的10%，即100,000,000股股份，不包括任何根據購股權計劃(或本公司任何其他購股權計劃)的條款已失效的購股權而可發行的股份，惟獲本公司股東在股東大會上另行批准及／或上市規則不時另有其他規定者除外。



# REPORT OF THE DIRECTORS

## 董事會報告

Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to an eligible participant under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 1% of the shares in issue of the Company within any 12-month period. Any grant of options to a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by our Independent Non-executive Directors. Unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules, the number of shares that may be granted to a substantial shareholder or any Independent Non-executive Director or their respective associates under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 0.1% of the shares in issue, having an aggregate value in excess of HK\$5 million, within any 12-month period.

There is no minimum period for which an option must be held before it can be exercised, and the period during which an option may be exercised will be determined by the Board in its absolute discretion, however, no options shall be exercised 10 years after they have been granted. The subscription price of a share in respect of a particular option shall be not less than the highest of (a) the official closing price of the shares on the daily quotation sheet of the Stock Exchange; (b) the average official closing price of the shares on the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a share. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

From the date that the Share Option Scheme became effective and unconditional and up to the date of this interim report, no share options were granted under the Share Option Scheme.

除非獲本公司股東於股東大會上另行批准，否則可基於購股權計劃及任何其他本公司購股權計劃(包括已行使及未行使購股權)向一名合資格參與者授出的股份數目，不得超過本公司在任何一個12個月期間的已發行股份的1%。任何向董事、本公司高級行政人員或主要股東(定義見上市規則)或其任何各自的聯繫人(定義見上市規則)授予的購股權須獲我們的獨立非執行董事批准。除非本公司股東在股東大會上另行批准及/或上市規則另有規定，否則根據購股權計劃及任何其他本公司購股權計劃(包括已行使及未行使購股權)可授予主要股東或任何獨立非執行董事或其各自的聯繫人的股份數目，不得超過任何一個12個月期間已發行股份的0.1%或合共價值超過5百萬港元。

概無訂有購股權在行使前必須持有的最短期限，而購股權可行使的期間將由董事會全權酌情決定，然而，購股權於授出10年後便不得行使。有關特定購股權的股份認購價不得低於下列最高者：(a)於聯交所每日報價表所報的官方股份收市價；(b)緊接授出日期前五個營業日聯交所每日報價表所報的官方股份平均收市價；及(c)股份面值。購股權計劃將自其獲採納日期起生效並將自該日起10年期間內一直有效。

自購股權計劃生效及成為無條件起及直至本中期報告日期，概無根據購股權計劃授出購股權。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the date of this annual report, the Directors of the Company had the following interests in the shares, underlying shares and debentures of the Company, its Group members and/or associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

### 董事及高級行政人員於股份、相關股份及債券的權益及淡倉

於本年報日期，本公司董事於以下本公司、其集團公司及／或相聯法團（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權益，而須記錄於根據證券及期貨條例第352條須予備存的登記冊或根據標準守則須知會本公司及聯交所：

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of shares 股份數目	Approximate percentage of shareholding Interest (%) 持股概約百分比(%)
Mr. Liu Rongru 劉榮如先生	Interest in controlled corporation/ Long position (Note) 受控制法團的權益／好倉(附註)	525,000,000	52.5%

Note:

The entire issued share capital of Precisely Unique Limited is legally and beneficially owned by Mr. Liu Rongru, who is deemed to be interested in the Shares held by Precisely Unique Limited.

Save as disclosed above, as at the date of this annual report, none of the Directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company, any of its Group members or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code.

附註：

銳奇有限公司的全部已發行股本由劉榮如先生合法及實益擁有，劉榮如先生被視為於銳奇有限公司持有的股份中擁有權益。

除上文所披露者外，於本年報日期，並無本公司董事及主要執行人員於本公司、其任何集團公司或其相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所的任何其他權益或淡倉（包括董事及主要執行人員根據證券及期貨條例的有關條文被當作或視為擁有的權益或淡倉），或須根據證券及期貨條例第352條規定須記入該條所指的登記冊內的權益或淡倉，或根據標準守則的權益或淡倉。

# REPORT OF THE DIRECTORS

## 董事會報告

### INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at the date of this annual report, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company, its Group members and/or associated corporations which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

### 主要股東於本公司股份及相關股份的權益及淡倉

於本年報日期，下列人士／實體（不包括本公司董事或主要執行人員）擁有或被視為於本公司、其集團公司及或相聯法團股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部條文予以披露的權益或淡倉，或根據證券及期貨條例第336條記錄於本公司須予備存的登記冊內的權益或淡倉：

Name of Shareholder 股東姓名	Capacity/Nature of interest 身份／權益性質	Number of shares 股份數目	Approximate percentage of shareholding Interest (%) 持股概約百分比(%)
Precisely Unique Limited 銳奇有限公司	Beneficial Owner (Note 1) 實益擁有人(附註1)	525,000,000	52.5%
Mr. Liu Rongru 劉榮如先生	Interest in controlled corporation/ Long position (Note 1) 受控制法團的權益／好倉(附註1)	525,000,000	52.5%
Ms. Lin Yueying 林月英女士	Interest of spouse (Note 2) 配偶權益(附註2)	525,000,000	52.5%

Notes:

- The entire issued share capital of Precisely Unique Limited is legally and beneficially owned by Mr. Liu Rongru, who is deemed to be interested in the Shares held by Precisely Unique Limited.
- Ms. Lin Yueying is the spouse of Mr. Liu Rongru and is deemed or taken to be interested in all the Shares in which Mr. Liu Rongru has interest under the SFO.

附註：

- 銳奇有限公司的全部已發行股本由劉榮如先生合法及實益擁有，劉榮如先生被視為於銳奇有限公司持有的股份中擁有權益。
- 林月英女士為劉榮如先生的配偶，根據證券及期貨條例被視為或當作於劉榮如先生擁有權益的所有股份中擁有權益。

# REPORT OF THE DIRECTORS

## 董事會報告

### PERMITTED INDEMNITY PROVISION

The articles of associations of the Company provides that the Directors shall be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts.

The Company has taken out and maintained directors' liability insurance which provides appropriate cover for the Directors and directors of the subsidiaries of the Group.

### DIRECTORS' AND CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance to which the Company or its subsidiaries was a party and in which the controlling Shareholder or a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year, there were no connected transactions and continuing connected transactions between the Group and its connected persons (as defined under the Listing Rules) which are subject to the reporting, announcement and the independent shareholders' approval requirement under the Listing Rules.

The material related party transactions as disclosed in Note 28 to the Consolidated Financial Statements are connected transactions exempt from reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

### COMPETITION AND CONFLICT OF INTERESTS

None of the Directors or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

### PURCHASES, SALE AND REDEMPTION OF LISTED SECURITIES

The Company did not redeem any of its listed securities, and neither did the Company nor any of its subsidiaries purchase or sell any of the Company's listed securities during the year and up to the date of this report.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

### 獲准許的彌償條文

本公司組織章程細則規定，應就董事在其各自任期或信託內執行其職務或預期之職務時所作出、同意或遺漏的行動而可能招致或承受的一切訴訟、成本、費用、損失、賠償及開支自本公司資產及溢利中向董事提供補償。

本公司已投購及維持董事責任保險，其為本集團董事及本集團附屬公司董事提供適當保護。

### 董事及控股股東於重要合約之權益

本公司或其附屬公司概無訂立控股股東或董事於其中直接或間接擁有重大權益且於年結日或年內任何時間仍然有效的重要合約。

### 關連交易及持續關連交易

年內，本集團與其關連人士(定義見上市規則)之間概無訂立須受上市規則之申報、公佈及獨立股東批准之規定所規限之關連交易及持續關連交易。

綜合財務報表附註28所披露之重大關聯方交易為獲豁免遵守上市規則之申報、公告及獨立股東批准之規定之關連交易。

### 競爭及利益衝突

概無董事或彼等各自之任何聯繫人從事與本集團業務構成或可能構成競爭的任何業務，亦無與本集團存在任何其他利益衝突。

### 購買、出售及贖回上市證券

於本年度及直至本報告日期，本公司並無贖回任何上市證券，且本公司或其任何附屬公司概無購買或出售任何本公司上市證券。

### 管理合約

年內，概無訂立或存在涉及本公司全部或任何重大部分業務的管理或行政合約。

# REPORT OF THE DIRECTORS

## 董事會報告

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands.

### SUFFICIENCY OF PUBLIC FLOAT

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

### CORPORATE GOVERNANCE

The Company is committed to adopt corporate governance practice. The Company's corporate governance practices are set out in the Corporate Governance Report on pages 29 to 44.

### AUDITORS

The Consolidated Financial Statements for the year ended 31 December 2018 have been audited by BDO Limited which retires, and being eligible, offer itself for re-appointment at the AGM. A resolution to re-appoint BDO Limited and to authorize the Directors to fix its remuneration will be proposed at the AGM.

### 優先購買權

本公司組織章程細則或開曼群島法律下並無有關優先購買權的條文。

### 足夠公眾持股量

根據本公司可獲得的公開資料，並就董事所知，於本年報日期，本公司維持上市規則規定的公眾持股量。

### 企業管治

本公司承諾採納企業管治常規。本公司的企業管治常規載於第29至44頁之企業管治報告。

### 核數師

截至二零一八年十二月三十一日止年度之綜合財務報表已由香港立信德豪會計師事務所有限公司審核，其將於股東週年大會上退任，惟其符合資格並願意膺選連任。於股東週年大會上將提呈一項決議案以續聘香港立信德豪會計師事務所有限公司，並授權董事釐定其酬金。

On behalf of the Board

**Jiang Dehua**

*Executive Director*

Xiamen, the PRC, 22 March 2019

代表董事會

執行董事

**蔣德華**

中國廈門市，二零一九年三月二十二日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Board is committed to maintaining a good standard of corporate governance practices and business ethics in the firm belief that they are essential for maintaining and promoting investors' confidence and maximizing shareholders' returns. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and comply with the increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Company has adopted the code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules as its own code of corporate governance. The Board considers that up to the date of this annual report, in the opinion of the Board, the Company has complied with the CG Code except the following deviations:

Code provision E.1.2 of the CG Code requires the chairman of the board to invite the chairmen of the Audit, Remuneration, Nomination and any other committees (as appropriate) to attend the annual general meeting. In their absence, he should invite another member of the committee or failing this his duly appointed delegate, to attend. Due to other business commitments, the chairmen and members of the Audit, Remuneration and Nomination committees of the Company could not attend the annual general meeting of the Company held in May 2018.

Code provision A.2.7 of the CG Code requires that the chairman of the Board shall at least annually hold meetings with Independent Non-executive Directors without the presence of other Directors. As Mr. Liu Rongru serves as the Chairman and Executive Director concurrently, the code provision does not apply and the Company deviates from such code provision. In addition, the Chairman of the Board is of the view that, the Independent Non-executive Directors can express their opinions to all Executive Directors more directly and effectively at the Board meetings, hence the Board is of the view that the deviation from the code provision does not have material impact on the operation of the Board.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the evolving regulatory requirements and to meet the rising expectations of the shareholders and other stakeholders.

董事會致力維持高水準的企業管治常規及商業道德並深信其是維持及提升投資者信心以及為股東帶來最高回報的根本。董事會不時檢討其企業管治常規，以符合股東不斷提高的期望及遵守日益嚴格的監管規定，並履行其達致卓越企業管治的承諾。

本公司已採納上市規則附錄14所載企業管治守則(「企業管治守則」)所載的守則條文，作為其自身企業管治守則。董事會認為，直至本年報日期，本公司一直遵守企業管治守則惟以下偏離除外：

企業管治守則之守則條文E.1.2規定，董事會主席應邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會(視何者適用而定)的主席出席股東週年大會。若有關委員會主席未能出席，董事會主席應邀請另一名委員(或如該名委員未能出席，則其適當委任的代表)出席。公司之審核委員會、薪酬委員會及提名委員會之主席及成員因其他公務而未能出席公司於二零一八年五月舉行之股東週年大會。

企業管治之守則條文A.2.7規定，董事會主席須至少每年與獨立非執行董事舉行會議，其他董事不可與會。由於董事會主席劉榮如先生兼任執行董事，該守則條文並不適用，因此本公司偏離此守則條文。此外，董事會主席認為，於董事會會議上，獨立非執行董事可更直接及有效地向所有執行董事表明彼等之觀點，所以董事會認為偏離此條文對董事會的運作並不構成重大影響。

本公司將繼續加強適用於其業務運作及發展之企業管治常規，以確保其遵守日益嚴格之監管要求，及滿足股東及其他利益相關者不斷提高的期望。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

#### (A) BOARD OF DIRECTORS

##### *Responsibilities and Delegation*

The Board is responsible for the leadership and control of the Company, overseeing the Group's businesses, strategic decisions, internal control, risk management systems and monitoring the performance of the senior management. The management is responsible for the daily operations of the Group under the leadership of the Chairman. The Directors have the responsibility to act objectively in the interests of the Company.

The Board has delegated various responsibilities to the Board committees including the Audit Committee, the Remuneration Committee and the Nomination Committee. Further details of these Committees are set out below in section B of this corporate governance report.

##### *Board Composition*

The Board members during the year ended 31 December 2018 and up to the date of this report are as follows:

##### *Executive Directors:*

Mr. Liu Rongru (*Chairman of the Board and Nomination Committee and Member of the Remuneration Committee*)  
Mr. Jiang Dehua  
Mr. Lin Jiangtang  
(resigned on 15 June 2018)  
Mr. Cao Hongyu (appointed on 15 June 2018 and resigned on 5 December 2018)

Mr. Chak Chi Shing (appointed on 5 December 2018)

##### *Independent Non-executive Directors:*

Mr. Liu Dajin (*Chairman of the Remuneration Committee and Member of the Nomination Committee and the Audit Committee*)  
Mr. Huang Xingluan (*Member of the Remuneration Committee, Nomination Committee and the Audit Committee*)  
Ms. Cheng Shing Yan (*Chairlady of the Audit Committee*)

The Board currently comprises three Executive Directors and three Independent Non-executive Directors from different business and professional fields. The profiles of each Director are set out in the "Biographical Details of Directors and Senior Management" section in this annual report. The Directors, including the Independent Non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective delivery of the Board functions.

### 企業管治常規

#### (A) 董事會

##### *職責及授權*

董事會負責領導及監控本公司以及監管本集團的業務、決策、內部監控、風險管理系統及監察高級管理層的表现。管理層在主席的領導下專責處理本集團的日常營運工作。董事有責任以本公司利益為前提按客觀標準行事。

董事會已轉授多項職責予董事委員會(包括審核委員會、薪酬委員會及提名委員會)有關該等委員會的進一步詳情載於本企業管治報告下文B節。

##### *董事會組成*

截至二零一八年十二月三十一日止年度及截至本報告日期止之董事會成員如下：

##### *執行董事：*

劉榮如先生(董事會及提名委員會主席及薪酬委員會成員)  
蔣德華先生  
林江棠先生  
(於二零一八年六月十五日辭任)  
曹洪宇先生(於二零一八年六月十五日獲委任及於二零一八年十二月五日辭任)  
翟志勝先生(於二零一八年十二月五日獲委任)

##### *獨立非執行董事：*

劉大進先生(薪酬委員會主席及提名委員會及審核委員會成員)  
黃興學先生(薪酬委員會，提名委員會及審核委員會成員)  
鄭承欣女士(審核委員會主席)

董事會目前由三名執行董事及三名獨立非執行董事組成，彼等來自不同的業務及專業領域。各董事的履歷載於本年報「董事及高級管理層履歷」部分，董事(包括獨立非執行董事)為董事會帶來了廣泛而寶貴的業務經驗，知識及專業精神，以便董事會有效率及有效益地發揮職能。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Diversity Policy

The Board has adopted a board diversity policy (the “Policy”) which sets out the approach to achieve a sustainable and balanced development of the Company and to enhance the quality of performance of the Company. The Policy aims at achieving diversity on the Board.

### Measurable Objectives and Selection

In designing the Board’s composition, a number of perspectives which include race, gender, age, cultural and educational background, industry experience, technical and professional experience, knowledge, skills, length of service, personal integrity and time commitments of the proposed candidates will be taken into consideration. The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the candidates will bring to the Board. Candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The Board currently consists of one female member. The Board will take opportunity to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders’ expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to having an appropriate proportion of Directors who have direct experience in the Group’s core markets, with different ethnic backgrounds, and reflecting the Group’s strategy.

### Implementation and Monitoring

The Nomination Committee will monitor the implementation of the board diversity policy and report to the Board annually.

The Company has received annual confirmation from each of the Independent Non-executive Directors of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the Independent Non-executive Directors are independent.

### 董事會成員多元化政策

董事會已採納董事會成員多元化政策（「政策」），而政策載列本公司取得持續平衡發展及本公司提升表現素質的方針。政策旨在於董事會上實現成員多元化。

### 可計量目標及甄選

於制定董事會成員之組合時，本公司將從多方角度考慮，包括建議候選人的種族、性別、年齡、文化及教育背景、行業經驗、技術及專業經驗、知識、技能、服務任期、個人誠信和時間投入。本公司亦將不時計及與其本身業務模式及具體需要有關的因素。最終決定將基於候選人將為董事會帶來的價值及所作的貢獻。本公司將以客觀條件考慮人選時並充分顧及董事會成員多元化的裨益。

董事會目前僅包括一名女性成員。董事會將在選擇合適的董事會成員候選人並提出建議時，把握機會提高女性成員的比例。董事會將確保經參照持份者的期望以及國際及當地推薦的最佳做法後取得適當的多元性別平衡，從而實現帶領董事會走向性別均等的最終目標。董事會亦期望於本集團核心市場擁有直接經驗並來自不同種族背景的董事佔有適當的比例，從而反映本集團的策略。

### 實施及監控

提名委員會將監控董事會成員多元化政策的實施情況及每年向董事會作出匯報。

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性而發出的年度確認書。本公司認為全體獨立非執行董事均為獨立人士。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Meetings

The Board is scheduled to meet regularly at least four times a year at approximately quarterly intervals, to discuss the overall strategy as well as the operation and financial performance of the Group. Ad-hoc meetings will also be convened when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors.

Agenda and Board papers together with all appropriate, complete and reliable information will be provided to all the Directors before meetings. All the Directors will be provided with sufficient resources to discharge their duties, and, upon reasonable request, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expenses. All Directors will have the opportunity to include matters in the agenda for board meetings. The Company Secretary of the Company is responsible to keep the minutes of board meetings and meetings of Board committees. All minutes are open for inspection by any Director at reasonable time on reasonable notice.

During the year and up to the date of this annual report, six Board meetings have been held, at which the Directors approved the interim results of the Group for the six months ended 30 June 2018 and the annual results of the Group for the years ended 31 December 2018 and 2017, reviewed the results announcements and interim and annual reports and resolved other business matters.

The Company's Articles of Association contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest. According to current Board practices, any material transaction, which involves a conflict of interests for a substantial shareholder or a Director, will be considered and dealt with by the Board at a duly convened Board meeting.

### 董事會會議

董事會每年最少定期舉行四次會議，大約每季舉行一次，以討論整體策略以及本集團的營運及財務表現。需要時亦會召開臨時會議。有關董事會會議需要多數董事積極參與（不論親身或透過其他電子通訊方式）。

全體董事將於會前獲發董事會會議議程及相關文件以及所有適當、完備及可靠資料。所有董事將獲提供充足資源以便履行各自職責，且在合理要求時，董事並可在適當情況下於提出合理要求後，尋求獨立專業意見，費用由本公司承擔。所有董事均有機會在董事會會議議程中加插事項。本公司的公司秘書負責保存董事會會議及董事委員會會議記錄。所有會議記錄均可供任何董事經發出合理通知後於合理時間公開查閱。

於本年度及直至本年報日期，董事會舉行六次會議，董事於該會議上批准本集團截至二零一八年六月三十日止六個月的中期業績和截至二零一八年及二零一七年十二月三十一日止年度業績並審閱業績公佈，中期報告及年報，並決議了其他業務事項。

本公司章程載有條文規定，在批准董事或其任何聯繫人士有重大權益之交易之會議上，該董事須放棄投票及不得計入大會法定人數。根據董事會現有做法，牽涉主要股東或董事之利益衝突之任何重大交易將由董事會在正式召開之董事會會議上考慮及處理。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### *Appointments, Re-election and Removal of Directors*

Each of the Executive Directors has entered into a service contract with the Company for an initial fixed term of three years commencing from the Listing Date renewable automatically until terminated by not less than three months' notice in writing served by either party on the other expiring at the end of the initial term or any time thereafter. All of their appointments are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

Each of the Independent Non-executive Directors has entered into a letter of appointment with our Company on 22 June 2017. Each letter of appointment is for an initial term commencing on the date of the letter of appointment and shall continue thereafter subject to a maximum of three years unless terminated by either party giving at least one month's notice in writing. All of their appointments are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

All Directors shall be subject to retirement by rotation at least once every three years.

The Nomination Committee has reviewed the reappointments/appointments of both the Executive Directors and the Independent Non-executive Directors and recommended to the Board for decision.

### *Training Induction and Continuing Development of Directors*

Directors keep abreast of responsibilities as a Director of the Company and of the conduct, business activities and development of the Company.

Each newly appointed Director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities.

### *委任、重選及罷免董事*

各執行董事已與本公司訂立服務合約，初步固定期限自上市日期起計為期三年，其後將自動續新，直至於初步期限結束時或其後任何時間其中一方向另一方發出不少於三個月的書面通知予以終止為止，惟所有委任須根據本公司組織章程細則輪值退任及重選連任。

各獨立非執行董事已於二零一七年六月二十二日與本公司訂立委任書，初步期限自委任書日期起計，其後將會續期（最長期限不超過三年），除非任何一方可發出至少一個月的書面通知予以終止，惟所有委任須根據本公司組織章程細則輪值退任及重選連任。

所有董事均須至少每三年輪值退任一次。

提名委員會已覆核執行董事及獨立非執行董事之重新委任／委任，並向董事會作出建議以作決定。

### *董事的培訓指引及持續發展*

董事熟知作為本公司董事之責任以及本公司的運作、業務活動及發展。

每名新獲委任的董事在首次接受委任時均會獲本公司發出一份正式、全面及特為彼而設的指引，以確保其對本公司的業務及營運有適當的認識，並且對上市規則及相關法定要求規定董事之責任及義務有充分的認識。

董事持續獲得有關法定及監管制度及營商環境之最新資料，以助彼等履行職責。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### *Model Code for Securities Transactions*

The Company has since 22 June 2017 adopted the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as set out in Appendix 10 to the Listing Rules. Following a specific enquiry, all the Directors confirmed that they have complied with the Model Code during the year.

### **(B) BOARD COMMITTEES**

#### *Nomination Committee*

The Company established a Nomination Committee on 22 June 2017 with written terms of reference in compliance with paragraph A.5.2 of the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board on regular basis; to identify individuals suitably qualified to become Board members; to assess the independence of Independent Non-executive Directors; and to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors. The Nomination Committee comprises two Independent Non-executive Directors, namely Mr. Liu Dajin and Mr. Huang Xingluan and one Executive Director, namely Mr. Liu Rongru (Chairman).

#### *Nomination Policy*

The Company has adopted a Nomination Policy for the Nomination Committee to consider and make recommendations to Shareholders for election as Directors at general meetings or appoint as Directors to fill casual vacancies.

### *進行證券交易的標準守則*

本公司自二零一七年六月二十二日已採納上市規則附錄10所載上市公司董事進行證券交易的標準守則(「標準守則」)。經具體查詢後，所有董事均確認彼等於本年度已遵守標準守則。

### **(B) 董事會下轄委員會**

#### *提名委員會*

本公司已於二零一七年六月二十二日成立提名委員會，並根據守則條文第A.5.2條制定書面職權範圍。書面職權範圍可於本公司及聯交所網站查閱。

提名委員會的主要職責為定期檢討董事會架構、人數及組成；物色具備合適資格可擔任董事的人士；評核獨立非執行董事的獨立性；就委任或重新委任董事等相關事宜向董事會提出推薦建議。提名委員會包括兩名獨立非執行董事劉大進先生及黃興學先生以及一名執行董事劉榮如先生(主席)。

#### *提名政策*

本公司已為提名委員會採納提名政策，以考慮及推薦股東於股東大會上選舉董事或委任填補臨時空缺的董事。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Selection Criteria

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate:

- (1) reputation for integrity;
- (2) accomplishment and experience in the business in which the Group is engaged in;
- (3) commitment in respect of available time and relevant interest;
- (4) diversity in all its aspects, including but not limited to race, gender, age (18 years or above), educational background, professional experience, skills and length of service;
- (5) qualifications which include professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- (6) the number of existing directorships and other commitments that may demand the attention of the candidate;
- (7) requirement for the Board to have Independent Non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in Rules 3.08, 3.09 and 3.13 of the Listing Rules;
- (8) Board Diversity Policy of the Company and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board; and
- (9) such other perspectives appropriate to the Company's business.

### 甄選標準

於評估建議候選人適合與否時，提名委員會將使用下列因素作為參考：

- (1) 誠信聲譽；
- (2) 本集團所從事業務方面的成就及經驗；
- (3) 可投入的時間及對相關利益的承擔；
- (4) 各方面的多元化，包括但不限於種族、性別、年齡(18歲或以上)、教育背景、專業經驗、技能及服務任期；
- (5) 資歷，包括與本公司業務及企業策略相關的專業資格、技能、知識及經驗；
- (6) 現有董事人數以及其他可能需要候選人關注的承擔；
- (7) 董事會根據上市規則有關委任獨立非執行董事的規定，以及候選人參照上市規則第3.08條、3.09條及3.13條所載的獨立指引是否被視為獨立；
- (8) 本公司的董事會成員多元化政策以及董事會為實現董事會成員多元化而採納的任何可計量目標；及
- (9) 其他適用於本公司業務的有關因素。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Director Nomination Procedure

Subject to the provisions in the Articles of Association of the Company and the Listing Rules, if the Board recognises the need for an additional Director or a member of senior management, the following procedure will be followed:

- (1) The Nomination Committee and/or Board will identify potential candidates based on the criteria as set out in the selection criteria, possibly with assistance from external agencies and/or advisors;
- (2) The Nomination Committee and/or the Company Secretary of the Company will then provide the Board with the biographical details and details of the relationship between the candidate and the Company and/or Directors, directorships held, skills and experience, other positions which involve significant time commitment and any other particulars required by the Listing Rules, the Companies Law of the Cayman Islands and other regulatory requirements for any candidate for appointment to the Board;
- (3) The Nomination Committee would then make recommendation to the Board on the proposed candidate(s) and the terms and conditions of the appointment;
- (4) The Nomination Committee should ensure that the proposed candidate(s) will enhance the diversity of the Board, being particularly mindful of gender balance;
- (5) In the case of the appointment of an Independent Non-executive Director, the Nomination Committee and/or the Board should obtain all information in relation to the proposed Director to allow the Board to adequately assess the independence of the Director in accordance with the factors set out in Rules 3.08, 3.09 and 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time; and
- (6) The Board will then deliberate and decide on the appointment based upon the recommendation of the Nomination Committee.

### 董事提名程序

根據本公司組織章程細則及上市規則的規定，如董事會認為有需要新增一名董事或一名高級管理人員，則會遵循下列程序：

- (1) 提名委員會及／或董事會將根據甄選標準所載標準確定潛在候選人，並可能需要外部機構及／或顧問的協助；
- (2) 本公司提名委員會及／或公司秘書隨後將向董事會提供候選人的履歷詳情、候選人與本公司及／或董事之間關係詳情、所擔任董事職務、技能與經驗、需要大量時間投入的其他職位以及上市規則、開曼群島公司法及其他監管規定就董事會任命候選人要求的其他詳情；
- (3) 提名委員會隨後將建議候選人以及任職的條款及條件向董事會提出建議；
- (4) 提名委員會應確保建議候選人將增強董事會成員的多元化，尤其需關注性別平衡；
- (5) 如任命一名獨立非執行董事，提名委員會及／或董事會應獲取與擬任董事有關的所有資料，使董事會可根據上市規則第3.08條、3.09條及3.13條（經聯交所可能不時作出修訂）所載因素充分評估董事的獨立性；及
- (6) 董事會隨後將根據提名委員會之推薦建議審議及決定任命。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Audit Committee

The Company established an Audit Committee on 22 June 2017 with written terms of reference in compliance with Rule 3.21 and Rule 3.22 of the Listing Rules. The written terms of reference of the Audit Committee was adopted in compliance with paragraph C3.3 to C3.7 of the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

The primary duties of the Audit Committee, among other things, are to make recommendation to the Board on the appointment, re-appointment and removal of external auditors, review the financial statements and provide material advice in respect of financial reporting and oversee the internal control and risk management procedures of the Company. As at the date of this annual report, the Audit Committee consists of three Independent Non-executive Directors, namely Ms. Cheng Shing Yan (Chairlady), Mr. Liu Dajin and Mr. Huang Xingluan.

The Audit Committee has reviewed the Company's financial statements and the Group's consolidated financial statements for the year ended 31 December 2018, including the accounting principles and practices adopted by the Company and Group.

During the year, two meetings have been held by the Audit Committee. At such meetings, it reviewed the interim results of the Group for the six months ended 30 June 2018. It also reviewed the annual results of the Group for the year ended 31 December 2017 with the independent auditors and the activities of the Group's internal control and risk management functions. It also reviewed the Company's progress in implementing the corporate governance requirements as set out in the CG Code.

### 審核委員會

本公司已於二零一七年六月二十二日成立審核委員會，並根據上市規則第3.21條及3.22條制定書面職權範圍。審核委員會書面職權範圍根據守則條文第C3.3條及第C3.7條而採納。書面職權範圍可於本公司及聯交所網站查閱。

審核委員會的主要職責為(其中包括)就委任、重新委任及罷免外部核數師向董事會提供建議，審閱財務表報並就財務申報提供重大意見以及監察本公司內部監控及風險管理程序。於本年報日期，審核委員會包括三名獨立非執行董事鄭承欣女士(主席)、劉大進先生及黃興學先生。

審核委員會已審閱截至二零一八年十二月三十一日止年度本公司財務報表及本集團綜合財務報表，包括本公司及本集團所採納的會計原則及應用。

於本年度，審核委員會舉行兩次會議，於該等會議上，審核委員會審閱本集團截至二零一八年六月三十日止六個月的中期業績，亦與獨立核數師審閱本集團截至二零一七年十二月三十一日止年度的年度業績及本集團內部監控及風險管理職能活動。審核委員會亦審閱本公司執行企業管治守則所載企業管治規定的進展。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Remuneration Committee

The Company established a Remuneration Committee on 22 June 2017 with written terms of reference in compliance with Rule 3.25 and Rule 3.26 of the Listing Rules. The written terms of reference of the Remuneration Committee was adopted in compliance with paragraph B1.2. of the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

The primary duties of the Remuneration Committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group and to ensure none of the Directors determine their own remuneration. The emoluments of Executive Directors are determined based on their skills, knowledge, individual performance as well as contributions, the scope of responsibility and accountability of such Directors, taking into consideration the Company's performance and the prevailing market conditions. The remuneration policy of Independent Non-executive Directors is to ensure that they are adequately compensated for their efforts and time dedicated to the Company's affairs including their participation in their respective Board committees. The emoluments of Independent Non-executive Directors are determined with reference to their skills, experience, knowledge, duties and market trends. As at the date of this annual report, the Remuneration Committee consists of two Independent Non-executive Directors, namely Mr. Liu Dajin (Chairman) and Mr. Huang Xingluan and one Executive Director, namely Mr. Liu Rongru.

### 薪酬委員會

本公司已於二零一七年六月二十二日成立薪酬委員會，並根據上市規則第3.25條及第3.26條制定書面職權範圍。審核委員會書面職權範圍根據守則條文第B1.2.條而採納。書面職權範圍可於本公司及聯交所網站查閱。

薪酬委員會的主要職責為就本集團所有董事及管理層的整體薪酬政策及構架向董事會提出建議並保證概無董事可釐定其自身薪酬。執行董事的薪酬基於該等董事的技能、知識、個人表現以及貢獻、職責範圍及責任，並計及本公司表現及現行市場條件而釐定。獨立非執行董事的薪酬政策旨在保證其因付出精力及時間予本公司事務，包括參加各董事下轄委員會，而獲充分補償。獨立非執行董事的薪酬經參考其技能、經驗、知識、職責及市場趨勢而釐定。於本年報日期，薪酬委員會由包括兩名獨立非執行董事劉大進先生(主席)及黃興學先生以及一名執行董事劉榮如先生。

# CORPORATE GOVERNANCE REPORT

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Details of remuneration of Directors are set out in Note 12 to the Consolidated Financial Statements.

董事的薪酬詳情載於綜合財務報表附註12。

During the year and up to the date of this annual report, two meetings have been held to review the remuneration packages paid to Directors and senior management for the financial year.

於本年度及至本年報日期，薪酬委員會舉行兩次會議，以審閱本財政年度支付予董事及高級管理層的薪酬。

The attendance of individual members of the Board and other Board Committees meetings during the year and up to the date of this annual report is set out in the table below:

於本年度及直至本年報日期董事會及其他董事會下轄委員會成員出席會議情況載列於下表：

		Board Meeting 董事會	Audit Committee 審核委員會	Meeting attended/held 出席／舉行會議 Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
<b>Executive Directors</b>	<b>執行董事</b>				
Liu Rongru	劉榮如	6/6	N/A不適用	2/2	2/2
Jiang Dehua	蔣德華	6/6	N/A不適用	N/A不適用	N/A不適用
Lin Jiangtang (resigned on 15 June 2018)	林江棠(於二零一八年六月十五日辭任)	1/1	N/A不適用	N/A不適用	N/A不適用
Cao Hongyu (appointed on 15 June 2018 and resigned on 5 December 2018)	曹洪宇(於二零一八年六月十五日獲委任及二零一八年十二月五日辭任)	2/2	N/A不適用	N/A不適用	N/A不適用
Chak Chi Shing (appointed on 5 December 2018)	翟志勝(於二零一八年十二月五日獲委任)	3/3	N/A不適用	N/A不適用	N/A不適用
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>				
Liu Dajin	劉大進	6/6	2/2	2/2	2/2
Huang Xingluan	黃興學	6/6	2/2	2/2	2/2
Cheng Shing Yan	鄭承欣	6/6	2/2	N/A不適用	N/A不適用



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Compliance Advisor

Pursuant to the Compliance Advisor Agreement dated 28 April 2016 entered into between the Company and Dongxing Securities (Hong Kong) Company Limited (“Dongxing”), Dongxing has been appointed as the compliance advisor as required under the Listing Rules for the period from the Listing Date to the date on which the Company dispatched its annual report in respect of its financial results for the first full financial year after 18 July 2017 (the “Listing Date”). Dongxing has received a fee for acting as the Company’s compliance advisor during the period. Pursuant to Rule 3A.23 of the Listing Rules, the Company shall consult with and, if necessary, seek advice from Dongxing on the following matters:

- the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction is contemplated including share issues and share repurchase;
- where the Company proposes to use the proceeds from the initial public offering in a manner different from that detailed in the Prospectus or where the business activities, developments or results of the Company deviate from any forecast, estimate or other information in the prospectus; and
- where the Stock Exchange makes an inquiry of the Company regarding unusual movements in the price or trading volume of the securities of the Company.

### (C) ACCOUNTABILITY AND AUDIT

#### Directors’ and Auditors’ Acknowledgement

The Audit Committee and the Board have reviewed the Group’s consolidated financial statements for the year ended 31 December 2018. The Directors acknowledge their responsibilities for preparing accounts, the financial statements, performance position and prospects of the Group. Management has provided information and explanation to the Board to enable it to make an informed assessment of the financial and other information put before the Board for approval. The Directors believed that they have selected suitable accounting policies and applied them consistently, made judgment and estimates that are prudent and reasonable.

### 合規顧問

根據本公司與東興證券(香港)有限公司(「東興」)於二零一六年四月二十八日訂立的合規顧問協議，東興按照上市規則規定獲委任為合規顧問，期限自上市日期起至本公司就其二零一七年七月十八日(「上市日期」)後首個完整財政年度的財務業績刊發年報之日止。東興於期內作為本公司的合規顧問已收取費用。根據上市規則第3A.23條，本公司將就以下事宜諮詢及(倘必要)尋求東興意見：

- 刊發任何監管公佈、通函或財務報告；
- 擬進行一項可能屬須予公佈或關連交易的交易而該交易包括發行股份或購回股份；
- 本公司擬按有別於招股章程所述的方式動用首次公開發售的所得款項，或本公司業務活動、發展或業績偏離招股章程所載任何預測、估計或其他資料；及
- 聯交所就本公司股份的股價或成交量的不尋常變動向本公司作出查詢。

### (C) 問責性及審核

#### 董事及核數師的確認

審核委員會及董事會已審閱本集團截至二零一八年十二月三十一日止年度的綜合財務報表。董事確認，彼等的責任乃編製本集團的賬目、財務報表、表現狀況及前景。管理層向董事會提供所有相關資料及解釋，以讓董事會可就提呈董事會審批的財務及其他資料作出知情評估。董事相信，彼等已選用適當的會計政策及並貫徹應用，作出審慎及合理的判斷及估計。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Board is not aware of any material uncertainties relating to the events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

The accounts for the year were audited by BDO Limited whose term of office will expire upon the forthcoming annual general meeting.

### Auditor's Remuneration

For the year ended 31 December 2018, the analysis of the remuneration of the Company's auditor, BDO Limited, paid/payable is set out below:

董事會並不知悉任何重大不確定性涉及事件或狀況，從而可能對本集團持續經營能力產生重大疑問。因此，董事會已按持續經營基準編製財務報表。

本年度賬目經由香港立信德豪會計師事務所有限公司審核，其任期將於應屆股東週年大會上屆滿。

### 核數師薪酬

截至二零一八年十二月三十一日止年度，已付／應付本公司核數師香港立信德豪會計師事務所有限公司的薪酬分析載列如下：

	<b>Amount</b> <b>金額</b> <b>(HK\$'000)</b> <b>(千港元)</b>
Audit services	<b>1,080</b>
審核服務	
The Audit Committee will recommend the reappointment of BDO Limited for audit service, and consider the engagement of the non-audit services to ensure the independence and objectivity of audit service.	審核委員會將建議續聘香港立信德豪會計師事務所有限公司提供審核服務，並考慮委聘進行非審核服務以確保審核服務的獨立性及客觀性。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### (D) RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has overall responsibility for the internal control and risk management systems of the Company. Internal controls and risk management are used by the Board to facilitate the effectiveness and efficiency of operations, safeguard the investment of Shareholders and assets of the Company and to ensure compliance with relevant statutory and regulatory requirements. The Company's internal control and risk management policies are designed to provide reasonable, but not absolute, assurance against material misstatements and help the Board identify and mitigate, but not eliminate, risk exposure. The policies and procedures of internal controls (which include financial, operational and compliance controls and risk management systems) are considered to be adequate and effective based on the annual review conducted by the Board through the Audit Committee.

#### *Handling and Dissemination of Inside Information*

The Company has established and maintained procedures and internal controls for the handling and dissemination of inside information. The Company has adopted a code of conduct for dealing in the securities of the Company by the Directors in accordance with Appendix 10 of the Listing Rules. Other employees of the Group who are likely to be in possession of inside information of the Company are also subject to dealing restrictions. Any inside information and any information which may potentially constitute inside information is promptly identified, assessed and escalated to the Board and for the Board to decide on the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the Listing Rules will be announced on the respective websites of the Stock Exchange and the Company in due course.

In light of the size and scale of the Group's businesses, the Group currently does not have an internal audit department. The Board will review and consider to establish such department as and when it thinks necessary. As such, the Board, supported by the Audit Committee, is directly responsible for risk management and internal control systems of the Company and for reviewing its effectiveness. In order to maintain a high standard of corporate governance, the Company engaged an external independent consultant with professional staff in possession of relevant expertise to assist in identifying and assessing the risks of the Group through a series of interviews; and independently perform internal control review and assess effectiveness of the Group's risk management and internal control systems. The results of the independent review and assessment have been reported to the Audit Committee and the Board. The improvement of the systems of risk management and internal control is an ongoing process and the Board maintains a continuing commitment to strengthen the Company's control environment and processes. Based on the findings and recommendations of the report as well as the comments of the Audit Committee, the Board considered the internal control and risk management systems effective and adequate.

### (D) 風險管理及內部監控

董事會對本公司的內部監控及風險管理系統承擔全面責任。本集團利用內部監控及風險管理來提升營運效率及效益、保障股東投資及公司資產，以及確保符合相關法律及法規要求。本公司的內部監控及風險管理政策旨在對避免重大錯誤陳述提供合理而非絕對的保證，以及協助董事會識別及減輕但非消除風險。根據董事會透過審核委員會進行之年度檢討，內部監控(包括財務、營運及合規等方面之監控)被視為足夠及有效。

#### *內幕消息的處理和傳播*

本公司已建立並維持處理及傳播內幕消息的程序及內部監控。本公司已根據上市規則附錄十採納董事買賣本公司證券之行為守則。本集團其他可能擁有本公司內幕消息的僱員亦須遵守有關交易限制。任何內幕消息及可能構成內幕消息的任何資料將即時識別、評估並上報董事會，以供董事會決定是否須予披露。內幕消息及其他根據上市規則須予披露的資料將於適當時在聯交所及本公司各自的網站上公佈。

鑑於本集團業務之規模及範疇，本集團目前並無內部審計部門。董事會將會作出檢討並於其認為有需要時考慮成立有關部門。因此，董事會在審核委員會之協助下，直接負責本公司之風險管理及內部監控系統，並負責檢討其成效。為了維持高水平的企業管治，本公司委聘了一名具備相關專業知識的專業人員為外聘獨立顧問，透過一系列訪談，協助識別及評估本集團的風險，並獨立進行內部監控檢討及評估本集團風險管理及內部監控系統之成效。有關獨立檢討及評估之結果已匯報審核委員會及董事會。改善風險管理及內部監控系統是一項持續進程，董事會將不斷致力強化本公司的監控環境及程序。根據報告所載的發現及建議以及審核委員會之意見，董事會認為內部監控及風險管理系統行之有效且足夠。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### (E) COMPANY SECRETARY

The Board appoints its Company Secretary in accordance with the Company's Articles of Association and in compliance with the requirements of the Listing Rules. Biographical details of the current Company Secretary is set out in the section headed "Biographical Details of Directors and Senior Management" on pages 6 to 10 of this annual report. The Company Secretary has complied with the professional training requirement as set out in the Rule 3.29 of the Listing Rules during the year ended 31 December 2018.

### (F) SHAREHOLDERS' RIGHTS

The Board welcomes shareholders to present their views and shareholders may at any time submit their questions and concerns about the Group. Enquiries may be put to the Board or senior management by contacting the Company Secretary through our shareholders' email at enquiry@xmwofan.com or by phone at 852-3702 6977 or directly by raising questions at the general meeting of the Company.

Shareholder(s) holding not less than one-tenth of Company's paid up capital may request the Board to convene an extraordinary general meeting. The objects of the meeting must be stated in the related requisition deposited at the Company's registered office and addressing to the Company Secretary at the Company's principal place of business in Hong Kong. The extraordinary general meeting will be held within 2 months after the deposition of such requisition.

To safeguard shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the election of individual Directors.

All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

Any Shareholder may appoint a proxy or representative to attend the general meeting, and they are entitled to exercise the same voting rights in the meeting.

### (E) 公司秘書

董事會根據本公司章程及遵照上市規則之規定委任公司秘書。現任公司秘書的簡歷在本年報第6至10頁的「董事及高級管理層履歷」部分披露。截至二零一八年十二月三十一日止年度，公司秘書已遵守上市規則第3.29條所載有關持續專業培訓的規定。

### (F) 股東權利

董事會樂意聽取股東的意見，並歡迎股東於任何時間向本集團提問及提出質詢。股東可透過股東電郵 enquiry@xmwofan.com 或致電 852-3702 6977 聯絡公司秘書或在本公司股東大會上直接提問，將查詢提呈至董事會或高級管理層。

持有本公司繳足股本不少於十分之一的股東，可要求董事會召開股東特別大會。相關提呈必須列明召開會議的目的，並送交本公司註冊辦事處，抬頭人為公司秘書，並送交本公司於香港之主要營業地點。股東特別大會將於呈交相關提呈後兩個月內舉行。

為保障股東權益及權利，每一個大致獨立的事項在股東大會上均獲提呈獨立決議案(包括選舉個別董事)。

在股東大會上提呈表決的所有決議案均須根據上市規則之規定以投票方式進行表決，投票結果將於每次股東大會之後在本公司及聯交所網站登載。

任何股東均可委任受委代表或代表其出席股東大會，而彼等有權於大會行使相同投票權。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### (G) INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. To promote effective communication, the Company maintains a website at <http://www.xmwofan.com>, where up-to-date information and updates on the Company's business operations and developments, financial information, corporate governance practices and other information are posted.

The Company endeavours to maintain an on-going dialogue with its shareholders and in particular, through AGMs or other general meetings to communicate with the shareholders. Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf.

The forthcoming AGM of the Company will be held on 15 May 2019. The notice of AGM will be sent to shareholders at least 20 clear business days before the AGM.

#### *Constitutional Documents*

The latest version of the Memorandum and Articles of Association of the Company is posted on the Company's website.

### (G) 投資者關係及與股東的溝通

本公司認為，與股東之有效溝通對加強投資者關係及投資者對本集團業務表現及策略之了解非常重要。為促進有效溝通，本公司設有網站 (<http://www.xmwofan.com>)，有關網站會登載最新資料以及有關本公司業務運作及發展、財務資料、企業管治常規之最新資料及其他資料。

本公司努力維持與股東的持續交流，特別是透過股東週年大會或其他股東大會與股東進行溝通。本公司鼓勵股東出席股東大會，或委任受委代表代表其出席股東大會及投票。

本公司將於二零一九年五月十五日舉行應屆股東週年大會。股東週年大會通告將於股東週年大會之前最少20個完整營業日寄發予股東。

#### *憲章文件*

本公司組織章程大綱及公司細則之最新版本登載於本公司網站。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### TO THE SHAREHOLDERS OF CHINA SHENGHAI FOOD HOLDINGS COMPANY LIMITED

(incorporated in Cayman Islands with limited liability)

#### OPINION

We have audited the consolidated financial statements of China Shenghai Food Holdings Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 51 to 127, which comprise the consolidated statement of financial position as at 31 December 2018 and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### BASIS OF OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKASs") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the HKICPA's "Code of Ethics for Professional Accountants" (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### KEY AUDIT MATTERS

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

#### REVENUE RECOGNITION

Refer to summary of significant accounting policies in Note 4 and disclosure of revenue in Note 6 to the consolidated financial statements.

The Group is principally engaged in the dried seafood, algae and fungi and seafood snacks trading business.

Revenue represents income from sales of dried seafood, algae and fungi and seafood snacks sourced from Mainland China.

### 致中國升海食品控股有限公司 列位股東

(於開曼群島註冊成立的有限公司)

#### 意見

本核數師(以下簡稱「吾等」)已審核中國升海食品控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載於第51至127頁的綜合財務報表，當中包括於二零一八年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合全面收益表、綜合權益變動表、綜合現金流量表及綜合財務報表附註，包括重大會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會頒佈之《香港財務報告準則》真實而公平地反映 貴集團於二零一八年十二月三十一日之綜合財務狀況及截至該日止年度之綜合財務表現及其綜合現金流量，並已按照香港《公司條例》披露規定妥為編製。

#### 意見基礎

吾等已根據香港會計師公會頒佈之《香港核數準則》進行審核。吾等於該等準則下之責任於本報告「核數師就審核綜合財務報表之責任」一節中詳述。根據香港會計師公會之《專業會計師道德守則》(「該守則」)，吾等獨立於 貴集團，及吾等已根據該守則履行其他道德責任。吾等相信，吾等所獲取之審核憑證充足和適當地為吾等之審核意見提供基礎。

#### 關鍵審核事項

關鍵審核事項為根據吾等之專業判斷，認為對本期綜合財務報表之審核最為重要事項。該等事項為在吾等審核整體綜合財務報表及出具意見時進行處理。吾等不會對此等事項提供單獨之意見。

#### 收益確認

請參閱於綜合財務報表附註4之重大會計政策概要及附註6之收入披露。

貴集團主要從事乾海產品、藻類產品及菌類產品以及海洋休閒產品貿易業務。

收益指銷售自中國內陸採購之乾海產品、藻類產品及菌類產品以及海洋休閒產品的收入。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### REVENUE RECOGNITION – continued

The Group enters into sale and purchase agreements with the distributors and supermarkets and in accordance with the terms of the agreements, revenue is recognised when control of good or services is transferred to the distributors and supermarkets.

We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Group and therefore there is an inherent risk of manipulation of the recognition of revenue by management to meet specific targets or expectations.

### OUR RESPONSE

Our procedures in relation to assess the recognition of revenue included the following:

- Obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls which govern revenue recognition;
- Inspecting sale and purchase agreements, on a sample basis, to understand the terms of delivery and assess whether management recognised the related revenue in accordance with the Group's accounting policies, with reference to the requirements of the prevailing accounting standards;
- Comparing sales records for a sample of sales transactions recorded during the year with relevant underlying documentation, which included sales invoices and good delivery notes with evidence of the customers' receipt of the goods and the date of receipt of the goods by the customers;
- Comparing, on a sample basis, specific revenue transactions recorded before and after the financial year end date with the underlying sale and purchase agreements and good delivery notes to determine whether the related revenue had been recognized in the appropriate financial period;
- Scrutinising all journals affecting revenue raised during the reporting period and comparing details of a sample of these journal, which met certain risk-based criteria, with relevant underlying documentation.

### 收益確認－續

貴集團與分銷商及超市訂立買賣協議，根據該協議之條款，收益於貨品或服務的控制權轉移予分銷商及超市時確認。

吾等將收益確認識別為關鍵審核事項，因為收益乃 貴集團關鍵表現指標之一，因此當中涉及管理層於確認收益安排時效為達致具體目標或預期而進行操縱之固有風險。

### 吾等之回應

吾等有關評估收益確認之程序包括以下各項：

- 了解及評估管理收益確認之關鍵內部監控之設計、實施及運作有效性；
- 抽樣閱覽買賣協議，了解交付條款、並參照現行會計準則之規定評估管理層是否根據 貴集團會計政策確認有關收益；
- 抽樣將年內錄得的銷售交易的銷售記錄與相關支持文件(包括證明客戶收到貨物及收貨日期的銷售發票及貨物送貨單)進行對比；
- 抽樣比較財政年度結算日前後錄得之指定收益交易與相關買賣協議及送貨單，以釐定相關收益是否於適當財務期間確認；
- 審查於報告期內所有影響收益之記賬，並將符合若干風險標準之該等記賬樣本詳情與相關支持文件進行比較。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### IMPAIRMENT ASSESSMENT ON TRADE RECEIVABLES

Refer to summary of significant accounting policies in Note 4, accounting estimates and judgements in Note 5 and disclosure of trade receivables in Note 18 to the consolidated financial statements.

As at 31 December 2018, the Group had net trade receivables amounting to approximately RMB109,942,000, after making loss allowance of approximately RMB437,000. It represents 22% of the total assets of the Group and is considered quantitatively significant to the Group.

The Group's loss allowance is measured at an amount equal to lifetime expected credit loss ("ECL") based on management's estimated loss rates for each category of trade receivables. The estimated loss rates take into account the aging of the trade receivables, overdue balances, information regarding the ability and intent of the debtor to pay and historical data on default rates.

Management is required to apply judgement in assessing the loss allowance for trade receivables under the ECL model. The ability of the debtors to repay the Group depends on shared credit risk characteristics of trade receivables groups and market conditions which involves inherent uncertainty.

We identified the loss allowance for trade receivables as a key audit matter because of the inherent uncertainty in assessing if trade receivables will be recovered and because the assessment of the ECLs requires the exercise of management judgement.

### OUR RESPONSE

Our procedures in relation to management's impairment assessment on trade receivables included:

- obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls relating to credit control, debt collection and the calculation of the ECLs;
- assessing the trade receivables ageing report by group based on shared credit risk characteristics and the days past due by comparing the details of individual items with underlying invoices on a sample basis;
- obtaining an understanding of the basis of management's approach to measuring ECLs of trade receivable balances and evaluating the loss allowance made by management with reference to the industry in which the debtors are operating, ageing of receivables, overdue balance, historical and post year-end payment records, and evaluating whether the historical loss rates are appropriately adjusted base on current economic conditions and forward-looking information. This included inspecting relevant correspondence with individual debtors; and
- comparing cash receipts from debtors subsequent to the financial year end relating to trade receivable balances at 31 December 2018 with bank statement and relevant underlying documentation on a sample basis.

### 貿易應收款項減值評估

茲提述綜合財務報表附註4的重大會計政策概要、附註5的會計估計及判斷以及附註18的貿易應收款項披露。

於二零一八年十二月三十一日，作出虧損撥備約人民幣437,000元後，貴集團的貿易應收款項淨額為約人民幣109,942,000元，佔貴集團資產總值的22%，數額被視為對貴集團而言屬龐大。

貴集團基於管理層對各類貿易應收款項釐定的估計虧損率，按相等於於全期預期信貸虧損（「預期信貸虧損」）的金額計量虧損撥備。估計虧損率時計及貿易應收款項之賬齡、逾期結餘、有關債務人支付能力及意向的信息以及違約率的歷史數據。

根據預期信貸虧損模式評估貿易應收款項之虧損撥備時，管理層需要運用判斷。債務人向貴集團還款的能力取決於貿易應收款項組合的相同信貸風險特徵及涉及固有不確定性的市況。

吾等將貿易應收款項的虧損撥備確定為關鍵審計事項，原因為評估貿易應收款項能否收回存在固有的不確定性及評估預期信貸虧損需要管理層作出判斷。

### 吾等的回應

吾等就管理層對貿易應收款項減值評估進行的程序包括：

- 了解及評估有關信貸監控、債務收取及計算預期信貸虧損之關鍵內部控制的設計、實施及運作成效；
- 通過抽樣比較個別項目的詳情與相關發票，評估基於相同的信貸風險特徵及逾期天數分組的貿易應收款項賬齡報告；
- 了解管理層計量貿易應收款項結餘的預期信貸虧損的方法的基礎，並參考債務人經營所在行業、應收款項賬齡、逾期結餘、歷史及年結日後的支付記錄評估管理層作出的虧損撥備，以及評估是否根據當前經濟狀況及前瞻性資料對過往虧損率進行適當調整，以及評估是否根據當前經濟狀況及前瞻性資料對過往虧損率進行適當調整，包括檢查與個別債務人的相關通信資料；及
- 將財政年結日後自債務人取得的與二零一八年十二月三十一日的貿易應收款項結餘有關的現金收據與銀行賬單及相關文件進行抽樣比較。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibilities in this regard.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### 年報內的其他資料

董事須對其他資料負責。其他資料包括載於貴公司年報內的資料，惟並不包括綜合財務報表及本核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式的鑒證結論。

就審核綜合財務報表而言，吾等的責任為閱讀其他資料，並在此過程中考慮其他資料是否與綜合財務報表或吾等在審核過程中所了解的情況存在重大抵觸或存在重大錯誤陳述的情況。基於吾等已執行的工作，倘吾等認為其他資料存在重大錯誤陳述，吾等須報告該事實。就此而言，吾等並無任何報告。

### 董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部監控負責。

在編製綜合財務報表時，董事負責評估貴集團的持續經營能力，並在適當情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，惟董事有意將貴集團清盤或停止經營或別無其他切實可行的替代方案則除外。

董事亦負責監督貴集團的財務報告過程。審核委員會協助董事履行此方面的責任。

### 核數師就審核綜合財務報表承擔的責任

吾等的目標為就綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具載有吾等意見的核數師報告。吾等根據委聘條款僅向全體股東出具本報告，除此以外別無其他用途。吾等概不就本報告的內容，對任何其他人士負責或承擔責任。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS – continued

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### 核數師就審核綜合財務報表承擔的責任一續

合理保證屬高水平保證，惟不能保證根據香港審核準則進行審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可由欺詐或錯誤引起，倘合理預期錯誤陳述單獨或滙總起來將影響使用者依賴該等綜合財務報表所作出的經濟決定，則有關錯誤陳述被視作重大。

在根據香港審核準則進行審核的過程中，吾等已運用專業判斷，並抱有專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，並獲取充份而適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致重大錯誤陳述的風險高於未能發現因錯誤而導致重大錯誤陳述的風險。
- 了解與審核相關的內部監控，以設計適當的審核程序，惟目的並非對貴集團內部監控的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計與相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審核憑證以確定有關事件或情況是否存在重大不確定性，從而可能對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則須在核數師報告中提請使用者注意綜合財務報表中的相關披露；或倘有關的披露不足，則吾等須修訂其意見。吾等的結論乃基於在核數師報告日期前所取得的審核憑證。然而，未來事件或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表(包括披露)的整體呈列方式、結構及內容，以及綜合財務報表能否中肯地反映有關交易及事項。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS – continued

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

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and 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 the directors, we determine the matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **BDO Limited**

*Certified Public Accountants*

#### **Wan Che Bun**

Practising Certificate Number P05804

Hong Kong, 22 March 2019

### 核數師就審核綜合財務報表承擔的責任一續

- 充份且適當地獲取與 貴集團內實體或業務活動的財務資料的審核憑證，以便對綜合財務報表發表意見。吾等負責集團審核的方向、監督及執行。吾等為審核意見承擔全部責任。

吾等與審核委員會溝通有關(其中包括)計劃審核範圍、時間安排及重大審核發現，包括吾等在審核中識別出內部監控的任何重大缺陷。

吾等亦向審核委員會提交聲明，說明吾等已符合有關獨立性的相關道德要求，並與彼等溝通有可能合理地被認為會影響吾等獨立性的所有關係及其他事項，以及相關防範措施(如適用)。

從與董事溝通的事項中，吾等確定對本期內綜合財務報表的審核最為重要的事項，並因而構成關鍵審核事項。吾等在核數師報告中闡述該等事項，除非法律或法規不允許公開披露有關事項，或(在極端罕見的情況下)倘合理預期在吾等報告中溝通某事項造成的負面後果超過所產生的公眾利益，則吾等決定不會在報告中溝通該事項。

香港立信德豪會計師事務所有限公司

執業會計師

尹子斌

執業證書編號：P05804

香港，二零一九年三月二十二日

# CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

## 綜合全面收益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		Notes 附註	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
<b>Revenue</b>	<b>收益</b>	6	<b>667,958</b>	644,407
Cost of sales	銷售成本		<b>(498,864)</b>	(480,901)
<b>Gross profit</b>	<b>毛利</b>		<b>169,094</b>	163,506
Other income and other gains/(losses), net	其他收入及其他收益/(虧損)淨額	7	<b>2,363</b>	195
Selling and distribution expenses	銷售及分銷開支		<b>(54,575)</b>	(23,806)
Administrative expenses	行政開支		<b>(11,553)</b>	(34,912)
Expected credit losses on financial assets	金融資產的預期信貸虧損	8	<b>(72)</b>	–
Other expenses	其他開支		<b>(842)</b>	(598)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>	9	<b>104,415</b>	104,385
Income tax expense	所得稅開支	10	<b>(28,001)</b>	(34,183)
<b>Profit for the year attributable to owners of the Company</b>	<b>本公司擁有人應佔年內溢利</b>		<b>76,414</b>	70,202
<b>Other comprehensive income</b>	<b>其他全面收入</b>			
<i>Items that will be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>			
– Exchange differences arising on translation of foreign operations	– 換算海外業務產生的匯兌差額		<b>547</b>	(1,719)
Other comprehensive income for the year	年內其他全面收入		<b>547</b>	(1,719)
<b>Profit and total comprehensive income for the year attributable to owners of the Company</b>	<b>本公司擁有人應佔年內溢利及全面收入總額</b>		<b>76,961</b>	68,483
<b>Earnings per share</b>	<b>每股盈利</b>			
– Basic and Diluted (RMB)	– 基本及攤薄(人民幣元)	11	<b>0.0764</b>	0.0812

# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

	Notes 附註	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
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Plant and equipment	13	34,913	130
Deferred tax assets	24	281	–
Prepaid lease payments	14	79	129
Deposits paid to suppliers	15	5,616	6,000
Prepayment for acquisition of plant and equipment	16	35,000	–
		<b>75,889</b>	6,259
<b>Current assets</b>			
Inventories	17	70,306	41,575
Trade receivables	18	109,942	97,914
Deposits, prepayments and other receivables	19	12,713	13,967
Cash and cash equivalents	20	234,253	285,243
		<b>427,214</b>	438,699
<b>Current liabilities</b>			
Trade payables	21	39,910	61,056
Accruals, deposits received and other payables	22	7,271	3,602
Provision for taxation		8,918	9,323
		<b>56,099</b>	73,981
<b>Net current assets</b>		<b>371,115</b>	364,718
<b>Net assets</b>		<b>447,004</b>	370,977
<b>CAPITAL AND RESERVE</b>			
Share capital	25	8,723	8,723
Reserves		438,281	362,254
<b>Total equity</b>		<b>447,004</b>	370,977

On behalf of the directors

代表董事

**Mr. Liu Rongru**  
劉榮如先生  
Director  
董事

**Mr. Jiang Dehua**  
蔣德華先生  
Director  
董事

# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		Share capital 股本 RMB'000 人民幣千元 Note 25 附註25	Share premium* 股份溢價* RMB'000 人民幣千元 Note (a) 附註(a)	Special reserve* 特別儲備* RMB'000 人民幣千元 Note (b) 附註(b)	Statutory reserve* 法定儲備* RMB'000 人民幣千元 Note (c) 附註(c)	Exchange reserve* 匯兌儲備* RMB'000 人民幣千元	Other reserve* 其他儲備* RMB'000 人民幣千元	Retained earnings* 保留盈利* RMB'000 人民幣千元	Total equity 總股權 RMB'000 人民幣千元
<b>Balance as at 1 January 2017</b>	於二零一七年一月一日的結餘	-	-	17,800	7,900	(804)	5,800	124,890	155,586
Profit for the year	年內溢利	-	-	-	-	-	-	70,202	70,202
Other comprehensive income	其他全面收入								
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	(1,719)	-	-	(1,719)
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	(1,719)	-	70,202	68,483
Transfer to statutory reserves	轉撥至法定儲備	-	-	-	5,767	-	-	(5,767)	-
Issue of shares pursuant to the listing of the Company's share (note 25(g))	因本公司股份上市而發行股份 (附註25(g))	2,166	140,795	-	-	-	-	-	142,961
Capitalisation of shareholders' loan (note 25(e))	股東貸款撥充資本 (附註25(e))	2	19,938	-	-	-	-	-	19,940
Capitalisation issue of ordinary shares (note 25(f))	普通股的資本化發行 (附註25(f))	6,555	(6,555)	-	-	-	-	-	-
Expense incurred in connection with issue of new ordinary share (note 25(g))	就發行新普通股產生之開支 (附註25(g))	-	(15,993)	-	-	-	-	-	(15,993)
<b>Balance as at 31 December 2017 as originally presented</b>	按原先呈列於二零一七年十二月三十一日的結餘	<b>8,723</b>	<b>138,185</b>	<b>17,800</b>	<b>13,667</b>	<b>(2,523)</b>	<b>5,800</b>	<b>189,325</b>	<b>370,977</b>
Initial application of HKFRS 9, net of deferred tax	初始應用香港財務報告準則第9號，扣除遞延稅項	-	-	-	-	-	-	(934)	(934)
<b>Restated balance as at 1 January 2018</b>	於二零一八年一月一日的經重列結餘	<b>8,723</b>	<b>138,185</b>	<b>17,800</b>	<b>13,667</b>	<b>(2,523)</b>	<b>5,800</b>	<b>188,391</b>	<b>370,043</b>
Profit for the year	年內溢利	-	-	-	-	-	-	76,414	76,414
Other comprehensive income	其他全面收入								
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	547	-	-	547
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	547	-	76,414	76,961
Transfer to statutory reserves	轉撥至法定儲備	-	-	-	3,763	-	-	(3,763)	-
<b>Balance as at 31 December 2018</b>	於二零一八年十二月三十一日的結餘	<b>8,723</b>	<b>138,185</b>	<b>17,800</b>	<b>17,430</b>	<b>(1,976)</b>	<b>5,800</b>	<b>261,042</b>	<b>447,004</b>

\* The total of these balances represents "Reserves" in the consolidated statement of financial position.

\* 該等結餘總額指綜合財務狀況表內的「儲備」。

# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

Notes:

- (a) Share premium account of the Company represents the excess of the proceeds received over the nominal value of the Company's share issued.
- (b) During the year ended 31 December 2014, the director has waived the repayment amounted to RMB17,800,000 from its outstanding balance. It was deemed as contribution to the Company and has been capitalised to special reserve.
- (c) The statutory reserve represents the amount transferred from net profit for the year of the subsidiaries established in the PRC (based on the subsidiaries PRC statutory financial statements) in accordance with the relevant PRC laws until the statutory reserves reaches 50% of the registered capital of the subsidiaries. The statutory reserve cannot be reduced except either in setting off the accumulated losses or increasing capital.

附註：

- (a) 本公司之股份溢價賬乃指已收所得款項扣減本公司已發行股份面值之盈餘。
- (b) 截至二零一四年十二月三十一日止年度，董事放棄收取未償還結餘人民幣17,800,000元的還款。該金額視為向本公司的注資並已被劃撥至特別儲備作資本。
- (c) 法定儲備指根據相關中國法律自中國成立附屬公司的年內純利(根據附屬公司的中國法定財務報表)轉撥的金額，直至法定儲備達到該等附屬公司註冊資本的50%。除非用於抵銷累計虧損或增加資本，否則不可減少法定儲備。

# CONSOLIDATED STATEMENTS OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		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
<b>Cash flows from operating activities</b>	<b>經營活動現金流量</b>		
Profit before income tax	除所得稅前溢利	<b>104,415</b>	104,385
Adjustments for:	就以下各項作出調整：		
Depreciation of plant and equipment	廠房及設備折舊	<b>2,298</b>	101
Amortisation of prepaid lease payments	預付租賃款項攤銷	<b>50</b>	50
Reversal of impairment loss on deposit paid to suppliers	支付予供應商之按金的減值虧損撥回	<b>(145)</b>	-
Bank Interest Income	銀行利息收入	<b>(1,069)</b>	(575)
Loan Interest income	貸款利息收入	<b>(1,242)</b>	(68)
Impairment loss on trade receivables	貿易應收款項減值虧損	<b>67</b>	-
Impairment loss on loan receivables	應收貸款減值虧損	<b>150</b>	-
Loss on disposal of plant and equipment	出售廠房及設備的虧損	<b>3</b>	-
<i>Operating profit before working capital changes</i>	<i>營運資金變動前的經營溢利</i>	<b>104,527</b>	103,893
Increase in trade receivables	貿易應收款項增加	<b>(12,465)</b>	(23,381)
Decrease/(increase) in deposits, prepayments and other receivables	按金、預付款項及其他應收款項減少/(增加)	<b>1,599</b>	(14,308)
Increase in inventories	存貨增加	<b>(28,731)</b>	(9,984)
(Decrease)/increase in trade payables	貿易應付款項(減少)/增加	<b>(21,146)</b>	21,341
Increase in accruals, deposits received and other payables	應計費用、已收按金及其他應付款項增加	<b>3,612</b>	1,404
<i>Cash generated from operations</i>	<i>來自經營的現金</i>	<b>47,396</b>	78,965
Income taxes paid	已付所得稅	<b>(28,410)</b>	(31,784)
<i>Net cash generated from operating activities</i>	<i>經營活動產生的淨現金</i>	<b>18,986</b>	47,181



# CONSOLIDATED STATEMENTS OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		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
<b>Cash flows from investing activities</b>	<b>投資活動現金流量</b>		
Prepayment for acquisition of plant and equipment	收購廠房及設備的預付款項	(35,000)	-
Purchases of plant and equipment	購置廠房及設備	(37,084)	(35)
Interest received	已收利息	2,257	575
<i>Net cash (used in)/generated from investing activities</i>	<i>投資活動(所用)/所得淨現金</i>	<b>(69,827)</b>	540
<b>Cash flows from financing activities</b>	<b>融資活動現金流量</b>		
Capitalisation of listing expense	上市開支撥充資本	-	(15,993)
Proceed from issue of shares	發行股份所得款項	-	142,961
Advance from shareholders	股東墊款	-	2,134
<i>Net cash generated from financing activities</i>	<i>融資活動產生的淨現金</i>	-	129,102
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等價物(減少)/增加淨額</b>	<b>(50,841)</b>	176,823
<b>Cash and cash equivalents at beginning of year</b>	<b>年初現金及現金等價物</b>	<b>285,243</b>	109,982
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>匯率變動對現金及現金等價物的影響</b>	<b>(149)</b>	(1,562)
<b>Cash and cash equivalents at end of year</b>	<b>年末現金及現金等價物</b>	<b>234,253</b>	285,243
<b>Analysis of balances of cash and cash equivalents</b>	<b>現金及現金等價物結餘的分析</b>		
Cash and bank balances	現金及銀行結餘	<b>234,253</b>	285,243

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 8 January 2016 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 18 July 2017. The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company's principal place of business is located at 5th floor, No.5 Factory, Mexi Road, Huandong Water, Tongon District, Hui Industrial Park, Xiamen City, Fujian Province, PRC.

The principal activity of the Company is investment holding and the principal activities of its subsidiaries (together with the Company collectively refer to as "Group") is packaging and sales of seafood products.

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018

During the year ended 31 December 2018, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning on or after 1 January 2018.

Annual Improvements to HKFRSs 2014-2016 Cycle	Amendments to HKFRS 1, First-time adoption of Hong Kong Financial Reporting Standards
Annual Improvements to HKFRSs 2014-2016 Cycle	Amendments to HKAS 28, Investments in Associates and Joint Ventures
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKIFRS 15)
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC)–Int 22	Foreign Currency Transactions and Advance Consideration

### 1. 一般資料

本公司於二零一六年一月八日根據開曼群島公司法第22章(1961年第3號法例，經合併及修訂)在開曼群島註冊成立為獲豁免有限公司，及其股份自二零一七年七月十八日以來在香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的主要營業地點位於中國福建省廈門市同安區湖裏工業園環東海域美溪道5號廠房五樓。

本公司的主要業務為投資控股，而其附屬公司(連同本公司統稱「本集團」)的主要業務為包裝及銷售海產品。

### 2. 採納香港財務報告準則(「香港財務報告準則」)

(A) 採納新訂／經修訂香港財務報告準則—自二零一八年一月一日起生效  
截至二零一八年十二月三十一日止年度，本集團首次應用由香港會計師公會頒佈之下列新訂及經修訂準則、修訂及詮釋(「新訂及經修訂香港財務報告準則」)，該等準則自本集團於二零一八年一月一日或之後開始之財政年度生效。

香港財務報告準則二零一四至二零一六年週期的年度改進	香港財務報告準則第1號的修訂，首次採納香港財務報告準則
香港財務報告準則二零一四至二零一六年週期的年度改進	香港會計準則第28號的修訂，於聯營公司及合營企業的投資
香港財務報告準則第2號的修訂	以股份為基礎的付款交易之分類及計量
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收益
香港財務報告準則第15號的修訂	客戶合約收益(對香港財務報告準則第15號的澄清)
香港會計準則第40號的修訂	投資物業轉撥
香港(國際財務報告詮釋委員會)–詮釋第22號	外幣交易及預付代價

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments

- (i) Classification and measurement of financial instruments  
HKFRS 9 replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment; and (3) hedge accounting. The adoption of HKFRS 9 from 1 January 2018 has resulted in changes in accounting policies of the Group and the amounts recognised in the consolidated interim financial statements.

The following tables summarised the impact, net of tax, of transition to HKFRS 9 on the opening balance of reserves, retained earnings as of 1 January 2018 as follows (increase/(decrease)):

		RMB'000 人民幣千元
<b>Retained earnings</b>	<b>保留盈利</b>	
<b>Retained earnings as at 31 December 2017</b>	<b>於二零一七年十二月三十一日的保留盈利</b>	189,325
Increase in expected credit losses (“ECLs”) in trade receivables, loan receivables and deposit paid to suppliers (note 2(A)A(ii) below)	貿易應收款項、應收貸款及支付予供應商之按金的預期信貸虧損(「預期信貸虧損」)增加(如下附註2(A)A(ii))	(1,210)
Increase in deferred tax asset of ECLs in trade receivables, loan receivables and deposit paid to suppliers	貿易應收款項、應收貸款及支付予供應商之按金的預期信貸虧損之遞延稅項資產增加	276
<b>Restated retained earnings as at 1 January 2018</b>	<b>於二零一八年一月一日的經重列保留盈利</b>	<u>188,391</u>

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具

- (i) 金融工具的分類及計量  
香港財務報告準則第9號取代香港會計準則第39號金融工具：自二零一八年一月一日起或之後的年度期間的確認及計量，將金融工具會計的所有三個方面合併在一起：(1)分類及計量；(2)減值；及(3)對沖會計。自二零一八年一月一日起採納香港財務報告準則第9號導致本集團會計政策以及在綜合中期財務報表中已確認金額出現變動。

下表概述過渡至香港財務報告準則第9號對截至二零一八年一月一日的期初儲備餘額及保留盈利的影響(扣除稅項)(增加／(減少)):

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

###### (i) Classification and measurement of financial instruments – continued

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at fair value through profit or losses (“FVTPL”), where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group’s accounting policies related to financial liabilities and derivative financial instruments. The impact of HKFRS 9 on the Group’s classification and measurement of financial assets is set out below.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具 – 續

###### (i) 金融工具的分類及計量 – 續

香港財務報告準則第9號遵照香港會計準則第39號項下金融負債的確認、分類及計量規定，惟指定按公平值計入損益(「按公平值計入損益」)的金融負債除外，而負債信貸風險變動引致的公平值變動金額於其他全面收入確認，除非會產生或擴大會計錯配風險則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號終止確認金融資產及金融負債的規定。然而，其取消先前關於持有至到期金融資產、貸款及應收款項以及可供出售金融資產的香港會計準則第39號的金融資產類別。採納香港財務報告準則第9號對本集團與金融負債及衍生金融工具有關的會計政策並無重大影響。採納香港財務報告準則第9號對本集團分類及計量金融資產的影響載列如下。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

###### (i) Classification and measurement of financial instruments – continued

Under HKFRS 9, except for certain trade receivables (that the trade receivables do not contain a significant financing component in accordance with HKFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. A financial asset is classified as: (i) financial assets at amortised cost (“amortised costs”); (ii) financial assets at fair value through other comprehensive income (“FVOCI”); or (iii) FVTPL (as defined in above). The classification of financial assets under HKFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the “solely payments of principal and interest” criterion, also known as “SPPI criterion”). Under HKFRS 9, embedded derivatives is no longer required to be separated from a host financial asset. Instead, the hybrid financial instrument is assessed as a whole for the classification.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具 – 續

###### (i) 金融工具的分類及計量 – 續

根據香港財務報告準則第9號，除若干貿易應收款項(根據香港財務報告準則第15號，貿易應收款項不包括重大融資部分)外，實體於初次確認時須按公平值加交易成本(倘為並非按公平值計入損益之金融資產)計量金融資產。金融資產分類為：(i)按攤銷成本(「攤銷成本」)計量之金融資產；(ii)按公平值計入其他全面收入(「按公平值計入其他全面收入」)之金融資產；或(iii)按公平值計入損益(定義見上文)。根據香港財務報告準則第9號，金融資產之分類一般基於兩個準則：(i)金融資產受管理之業務模式及(ii)其合約現金流量特徵(「僅為支付本金及利息」準則)。根據香港財務報告準則第9號，嵌入式衍生工具不再須與主體金融資產分開列示。取而代之，混合式金融工具須整體評估分類。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

##### (i) Classification and measurement of financial instruments – continued

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

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

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

- It is held within a business model whose objective is to achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具 – 續

##### (i) 金融工具的分類及計量 – 續

當金融資產同時符合以下條件，且並無指定按公平值計入損益，則該金融資產按攤銷成本計量：

- 該金融資產由一個通過持有金融資產以收取合約現金流量之業務模式持有；及
- 該金融資產之合約條款使於指定日期產生僅為本金及利息之現金流量。

倘債務投資同時符合以下條件，且並非指定按公平值計入損益，則該債務投資按公平值計入其他全面收入計量：

- 該債務投資由一個通過收取現金及融資產之業務模式持有；
- 該金融資產之合約條款使於指定日期產生僅為本金及利息之現金流量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

##### (i) Classification and measurement of financial instruments – continued

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. All other financial assets not classified at amortised cost or FVOCI as described above are classified as FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The following accounting policies would be applied to the Group's financial assets as follows:

Amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

攤銷成本

按攤銷成本計量之金融資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。終止確認之任何收益於損益確認。

The following table summarizes the original measurement categories under HKAS 39 and the new measurement categories under HKRS 9 for each class of the Group's financial assets as at 1 January 2018:

下表概述本集團於二零一八年一月一日各類金融資產根據香港會計準則第39號的原有計量類別及根據香港財務報告準則第9號的新計量類別：

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則—自二零一八年一月一日起生效—續

##### A. 香港財務報告準則第9號—金融工具—續

##### (i) 金融工具的分類及計量—續

並非於初次確認並持作買賣股本投資時，本集團不可撤回地選擇於其他全面收入中呈列投資公積。該項作出。所有其他上述並非為按攤銷成本或其公平值計入之金融資產，均分類為按公平值計入損益。此包括所有衍生金融資產。於初次確認時，本集團可撤回地指定金融資產(於其他方面計量或按公平值計入之規定)為按公平值計入損益，前提是消除或減少會計錯配發生。

以下會計政策將適用於本集團之金融資產：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

##### (i) Classification and measurement of financial instruments – continued

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as at 1 January 2018 under HKAS 39	Carrying amount as at 1 January 2018 under HKFRS 9
金融資產	根據香港會計準則第39號的原有類別	根據香港財務報告準則第9號的新類別	根據香港會計準則第39號於二零一八年一月一日的賬面值 RMB'000 人民幣千元	根據香港財務報告準則第9號於二零一八年一月一日的賬面值 RMB'000 人民幣千元
Trade receivables	Loans and receivables (note 2(A)A(ii)(a))	Amortised cost	97,914	97,544
貿易應收款項	貸款及應收款項 (附註2(A)A(ii)(a))	攤銷成本		
Deposits paid to suppliers	Loans and receivables (note 2(A)A(ii)(a))	Amortised cost	6,000	5,471
支付予供應商之按金	貸款及應收款項 (附註2(A)A(ii)(a))	攤銷成本		
Loan receivables	Loans and receivables (note 2(A)A(ii)(a))	Amortised cost	12,604	12,293
應收貸款	貸款及應收款項 (附註2(A)A(ii)(a))	攤銷成本		

(ii) **Impairment of financial assets**  
The adoption of HKFRS 9 has changed the Group's impairment model by replacing the HKAS 39 "incurred loss model" to the "expected credit losses model" ("ECL Model"). HKFRS 9 requires the Group to recognise ECLs for trade receivables, financial assets at amortised costs, contract assets and debt investment at FVOCI earlier than HKAS 39. Cash and cash equivalents are subject to ECL model but the impairment is immaterial for the current period.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂/經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具 – 續

##### (i) 金融工具的分類及計量 – 續

(ii) **金融資產減值**  
採納香港財務報告準則第9號改變本集團的減值模式，由香港會計準則第39號「已產生虧損模式」改為「預期信貸虧損模式(「預期信貸虧損模式」)模式」。香港財務報告準則第9號規定本集團早於香港會計準則第39號規定的時間就貿易應收款項、按攤銷成本計量的金融資產、合約資產及其他全面收入的債務投資確認預期信貸虧損。現物金及現金等價物受預期信貸虧損模式規限，惟本期間的減值並不重大。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

##### (ii) Impairment of financial assets – continued

Under HKFRS 9, the losses allowances are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

##### Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets’ original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. And the Group has elected to measure loss allowance for deposits paid to suppliers and loan receivable using HKFRS 9 general approach. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具 – 續

##### (ii) 金融資產減值 – 續

根據香港財務報告準則第9號，虧損撥備按以下其中一項基準計量：(1) 12個月預期信貸虧損：為於報告日期後12個月內發生的可能違約事件導致的預期信貸虧損；及(2) 全期預期信貸虧損：為於金融工具預計年期內所有可能違約事件產生的預期信貸虧損。

##### 預期信貸虧損的計量

預期信貸虧損基於根據合約應付的合約現金流與本集團預期收取的所有現金流量之間的差額。該差額其後按資產原實際利率相近的比率貼現。

本集團選擇採用香港財務報告準則第9號簡化方法計量貿易應收款項的虧損撥備，並已根據全期預期信貸虧損計算預期信貸虧損。本集團選擇採用香港財務報告準則第9號一般方法計量已支付予供應商之按金及應收貸款的損失準備。本集團已根據其過往信貸虧損經驗制定撥備矩陣，有關矩陣已就應收賬款特定的前瞻性因素及經濟環境予以調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

##### (ii) Impairment of financial assets – continued Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

##### Impact of the ECLs model

##### (a) Impairment of trade receivables

As mentioned above, the Group applies the HKFRS 9 simplified approach to measure ECLs which adopts a life time ECLs for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance as at 1 January 2018 was determined as follows for trade receivables as follows:

As at 1 January 2018	Current	More than 30 days and less than 60 days past due 逾期 超過30日 但低於60日	More than 60 days and less than 90 days past due 逾期 超過60日 但低於90日	Total
二零一八年一月一日	即期			總計
Expected credit loss rate (%) 預期信貸虧損比率 (%)	0.19%	0.75%	1.68%	
Gross carrying amount (RMB'000) 賬面總值 (人民幣千元)	65,093	32,595	226	97,914
Loss allowance (RMB'000) 虧損撥備 (人民幣千元)	(122)	(244)	(4)	(370)

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具 – 續

##### (ii) 金融資產減值 – 續

預期信貸虧損的呈列  
按攤銷成本計量的金融資產的虧損撥備自資產賬面總額中扣除。

##### 預期信貸虧損模式的影響

(a) 貿易應收款項減值  
如上文所述，本集團採納香港財務報告準則第9號簡化計量預期信貸虧損，對貿易應收款項採用預期信貸虧損計量。預虧易項根據逾期及逾期的分類應於一月內撥備。收二年日撥定如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

##### (ii) Impairment of financial assets – continued

##### Impact of the ECLs model – continued

- (a) – continued  
The increase in loss allowances for trade receivables upon the transition to HKFRS 9 as at 1 January 2018 were approximately RMB370,000. The loss allowances further increased for approximately RMB67,000 for trade receivables during the year ended 31 December 2018.

- (b) Impairment of deposits paid to suppliers and loan receivables

Other financial assets at amortised cost of the Group includes deposits paid to suppliers and loan receivables. Applying the ECLs model result in the recognition of ECLs of approximately RMB840,000 on 1 January 2018 and a further increased ECLs of approximately RMB5,000 for the year ended 31 December 2018.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具 – 續

##### (ii) 金融資產減值 – 續 預期信貸虧損模式的影響 – 續

- (a) – 續  
於二零一八年一月一日過渡至香港財務報告準則第9號後，應收貿易項撥備增加約人民幣370,000元。截至二零一八年十二月三十一日止，貿易項撥備增加約人民幣67,000元。

- (b) 支付予供應商的應收及應付貸款 – 續

按本集團之融資支應金貨用，於二零一八年一月一日期預虧人民幣840,000元及截至二零一八年十二月三十一日期預虧增加約人民幣5,000元。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

###### (iii) Transition

The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the statement of financial position as at 31 December 2017, but are recognised in the statement of financial position on 1 January 2018. This means that differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 are recognised in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented for 2017 does not reflect the requirements of HKFRS 9 but rather those of HKAS 39.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具 – 續

###### (iii) 過渡安排

本集團已應用香港財務報告準則第9號的過渡性條文，以使香港財務報告準則第9號全面獲採納而毋須重列可資比較資料。因此，新預期信貸虧損規則產生的重新分類及調整並無於二零一七年十二月三十一日的財務狀況表中反映，惟於二零一八年一月一日的財務狀況表中確認。其指於二零一八年一月一日採納香港財務報告準則第9號產生的金融資產與金融負債的賬面值差額於保留盈利及儲備中確認。因此，二零一七年呈列的資料並不反映香港財務報告準則第9號的規定，惟反映香港會計準則第39號的規定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### A. HKFRS 9 – Financial Instruments – continued

###### (iii) Transition

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of HKFRS 9 (the “DIA”):

- The determination of the business model within which a financial asset is held;
- The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL; and
- The designation of certain investments in equity investments not held for trading as at FVOCI.

If an investment in a debt investment had low credit risk at the DIA, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### A. 香港財務報告準則第9號 – 金融工具 – 續

###### (iii) 過渡安排

以下評估乃根據香港財務報告準則第9號初步應用日期(「初步應用日期」)存在的事實及情況而作出：

- 釐定持有的金融資產的業務模式；
- 指定及撤銷先前指定的若干金融資產及金融負債分類為按公平值計入損益計量；及
- 指定對按公平值計入其他全面收入且並非持有作買賣的股本投資的若干投資。

倘於債務投資的投資在初步應用日期具有較低的信貸風險，則本集團假設該資產的信貸風險自其初步確認起並無顯著增加。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### B. HKFRS – 15 Revenue from Contracts with Customers (“HKFRS 15”)

HKFRS 15 supersedes HKAS 11 – Construction Contracts and HKAS 18 – Revenue and related interpretations. HKFRS 15 has established a five-steps model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group has adopted HKFRS 15 using the cumulative effect method without practical expedients. The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue from sales of products.

##### C. Amendments HKFRS 15 – Revenue from Contracts with Customers (Clarifications to HKFRS 15)

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

##### D. Annual Improvements to HKFRSs 2014-2016 Cycle – Amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards, removing transition provision exemptions relating to accounting periods that had already passed and were therefore no longer applicable.

The adoption of these amendments has no impact on these financial statements as the periods to which the transition provision exemptions related have passed.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### B. 香港財務報告準則第15號客戶合約收益(「香港財務報告準則第15號」)

香港財務報告準則第15號取代香港會計準則第11號建築合約及香港會計準則第18號收入及相關詮釋。香港財務報告準則第15號已建立一個五步模式，以計算客戶合約收益。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務而有權在交換中獲得的代價金額確認。

本集團已採用累計影響法採納香港財務報告準則第15號(無可行權宜方法)。採納香港財務報告準則第15號不會於本集團確認銷售產品所得收益時產生重大影響。

##### C. 香港財務報告準則第15號的修訂 – 客戶合約收益(對香港財務報告準則第15號的澄清)

香港財務報告準則第15號的修訂載有關於確定履約責任；主事人與代理人的應用；知識產權授權；及過渡規定的澄清。

##### D. 香港財務報告準則二零一四年至二零一六年週期的年度改進 – 香港財務報告準則第1號的修訂，首次採納香港財務報告準則

根據年度改進過程頒佈的修訂對準則中現時尚不明確之處作出細微且非緊要變動，其中包括香港財務報告準則第1號的修訂，首次採納香港財務報告準則，該修訂刪除與已結束因而不再適用的會計期間有關之過渡條文豁免。

因與過渡條文豁免有關的期間已結束，故採納該等修訂對該等財務報表並無影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### E. *Annual Improvements to HKFRSs 2014-2016 Cycle – Amendments to HKAS 28, Investments in Associates and Joint Ventures*

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 28, Investments in Associates and Joint Ventures, clarifying that a Venture Capital organisation’s permissible election to measure its associates or joint ventures at fair value is made separately for each associate or joint venture.

The adoption of these amendments has no impact on these financial statements as the Group is not a venture capital organisation.

##### F. *Amendments to HKFRS 2 – Classification and Measurement of Share-Based Payment Transactions*

The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The adoption of these amendments has no impact on these financial statements as the Group does not have any cash-settled share-based payment transaction and has no share-based payment transaction with net settlement features for withholding tax.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### E. *香港財務報告準則二零一四至二零一六年週期的年度改進 – 香港會計準則第28號的修訂，於聯營公司及合營企業的投資*

根據年度改進過程頒佈的修訂對準則中現時尚不明確之處作出細微且非緊要變動，其中包括香港會計準則第28號的修訂，於聯營公司及合營企業的投資，該修訂本澄清風險資本機構為按公平值計量聯營公司或合營企業而獲准許作出的選擇乃就各聯營公司或合營企業分別作出。

因本集團並非風險資本機構，故採納該等修訂對該等財務報表並無影響。

##### F. *香港財務報告準則第2號的修訂 – 以股份為基礎的付款交易之分類及計量*

該等修訂訂明有關歸屬及非歸屬條件對現金結算以股份為基礎付款之計量的影響；就預扣稅責任具有淨額結算特徵之以股份為基礎付款交易；以及使交易類別由現金結算變更為權益結算以股份為基礎付款條款及條件之修訂之會計處理規定。

因本集團並無任何現金結算以股份為基礎付款之交易，且並無就預扣稅具有淨額結算特徵的以股份為基礎付款交易，故採納該等修訂對該等財務報表並無影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2018 – continued

##### G. Amendments to HKAS 40, Investment Property – Transfers of Investment Property

The amendments clarify that to transfer to or from investment properties there must be a change in use and provides guidance on making this determination. The clarification states that a change of use will occur when a property meets, or ceases to meet, the definition of investment property and there is supporting evidence that a change has occurred.

The amendments also re-characterise the list of evidence in the standard as a non-exhaustive list, thereby allowing for other forms of evidence to support a transfer.

The adoption of these amendments has no impact on these financial statements as the clarified treatment is consistent with the manner in which the Group has previously assessed transfers.

##### H. HK(IFRIC)–Int 22 – Foreign Currency Transactions and Advance Consideration

The Interpretation provides guidance on determining the date of the transaction for determining an exchange rate to use for transactions that involve advance consideration paid or received in a foreign currency and the recognition of a non-monetary asset or non-monetary liability. The Interpretations specifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part thereof) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The adoption of these amendments has no impact on these financial statements as the Group has not paid or received advance consideration in a foreign currency.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (A) 採納新訂／經修訂香港財務報告準則 – 自二零一八年一月一日起生效 – 續

##### G. 香港會計準則第40號的修訂，投資物業 – 投資物業轉撥

該等修訂澄清投資物業的轉入或轉出均必定涉及用途改變，並就作出有關釐定提供指引。該澄清列明，倘物業符合或不再符合投資物業之定義及有支持證據證明用途改變，即表示發生用途改變。

該等修訂亦將該準則中的憑證清單重新定性為非詳盡無遺清單，因此，其他形式的憑證亦可證明轉撥。

由於釐清後的處理與本集團先前評估轉撥的方式一致，故採納該等修訂對該等財務報表並無影響。

##### H. 香港(國際財務報告詮釋委員會) – 詮釋第22號 – 外幣交易及預付代價

該詮釋就為釐定用於涉及以外幣支付或收取預付代價之交易之匯率而釐定交易日期，以及確認非貨幣資產或非貨幣負債提供指引。該詮釋訂明，釐定初次確認相關資產、開支或收益(或當中部分)所使用之匯率之交易日期為實體初次確認支付或收取預付代價產生的非貨幣資產或非貨幣負債之日期。

由於本集團並無以外幣支付或收取預付代價，故採納該等修訂對該等財務報表並無影響。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (B) NEW/REVISED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

HKFRS 16  
香港財務報告準則第16號  
HK(IFRIC)-Int 23  
香港(國際財務報告詮釋委員會)  
— 詮釋第23號  
Amendments to HKFRS 9  
香港財務報告準則第9號的修訂  
Annual Improvements to HKFRSs  
2015-2017 Cycle  
香港財務報告準則二零一五年至  
二零一七年週期之年度改進

Leases<sup>1</sup>  
租賃<sup>1</sup>  
Uncertainty over Income Tax Treatments<sup>1</sup>  
所得稅處理的不確定性<sup>1</sup>

Prepayment Features with Negative Compensation<sup>1</sup>  
具負補償之提前還款特性<sup>1</sup>  
Amendments to HKAS 12, Income Taxes<sup>1</sup>

香港會計準則第12號的修訂，所得稅<sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2019

#### HKFRS 16 – Leases

HKFRS 16, which upon the effective date will supersede HKAS 17 Leases and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (B) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

本集團並無提前採納下列已頒佈但尚未生效且可能與本集團之財務報表相關之新訂／經修訂香港財務報告準則。本集團目前擬於有關準則生效當日應用該等變動。

Leases<sup>1</sup>  
租賃<sup>1</sup>  
Uncertainty over Income Tax Treatments<sup>1</sup>  
所得稅處理的不確定性<sup>1</sup>

Prepayment Features with Negative Compensation<sup>1</sup>  
具負補償之提前還款特性<sup>1</sup>  
Amendments to HKAS 12, Income Taxes<sup>1</sup>

香港會計準則第12號的修訂，所得稅<sup>1</sup>

<sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效

#### 香港財務報告準則第16號 – 租賃

香港財務報告準則第16號於生效日期起將取代香港會計準則第17號「租賃」及相關註釋，引入單一承租人會計處理模式並規定承租人就為期超過12個月的所有租賃確認資產及負債，除非相關資產價值較低。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產(表示其有權使用相關租賃資產)及租賃負債(表示其有責任支付租賃款項)。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債的現金還款分類為本金部分及利息部分，於現金流量表中呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可註銷租賃付款，亦包括如承租人合理肯定會行使選擇權延續租賃或不行使選擇權而終止租賃的情況下，將於選擇權期間內作出的付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據原準則香港會計準則第17號分類為經營租賃的租賃。

就出租人會計法而言，香港財務報告準則第16號大致轉承了香港會計準則第17號的出租人會計法規定。因此，出租人繼續將其租賃分類為經營租賃及融資租賃，並且對兩類租賃進行不同的會計處理。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (B) NEW/REVISED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE – continued *HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments*

The Interpretation supports the requirements of HKAS 12 Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

#### *Amendments to HKFRS 9 – Prepayment Features with Negative Compensation*

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met – instead of at fair value through profit or loss.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (B) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則 – 續 *香港(國際財務報告詮釋委員會) – 詮釋第23號 – 所得稅處理的不確定性*

該詮釋透過就如何反映所得稅會計處理涉及的不確定性因素提供指引，為香港會計準則第12號所得稅的規定提供支持。

根據該詮釋，實體須釐定分別或集中考慮各項不確定稅項處理，以更好預測不確定性因素的解決方式。實體亦須假設稅務機關將會檢討其有權檢討的金額，並在作出上述檢討時完全知識所有相關資料。如實體釐定稅務機關可能會接受一項不確定稅項處理，則實體應按與其稅務申報相同的方式計量即期及遞延稅項。否則，釐定稅項涉及的不確定性因素採用「最可能金額」或「預期值」法兩者中能更好預測不確定性因素解決方式的方法作出反映。

#### *香港財務報告準則第9號的修訂 – 具負補償之提前還款特性*

有關修訂澄清，倘符合指定條件，具負補償之可預付金融資產可按攤銷成本計量或按公平值計入其他全面收入之方式計量 – 而非按公平值計入損益之方式計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### (B) NEW/REVISED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE – continued *Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes*

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group’s accounting policies and financial statements.

### 3. BASIS OF PREPARATION

#### 3.1 STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

#### 3.2 BASIS OF MEASUREMENT

The consolidated financial statements have been prepared under the historical cost basis.

#### 3.3 FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency of the Company is Renminbi (“RMB”), which is same as the presentation currency of the consolidated financial statements.

### 2. 採納香港財務報告準則(「香港財務報告準則」) – 續

#### (B) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則 – 續 *香港財務報告準則二零一五年至二零一七年週期之年度改進 – 香港會計準則第12號的修訂，所得稅*

於年度改進過程中頒佈的修訂對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第12號的修訂，其闡明股息之所有所得稅後果與產生可分派溢利之交易採取一致的方式於損益、其他全面收入或直接於權益內確認。

本集團未能確定該等新修訂是否將導致本集團的會計政策及財務報表出現重大變動。

### 3. 編製基準

#### 3.1 合規聲明

綜合財務報表已根據所有適用的香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋(以下統稱「香港財務報告準則」)以及香港公司條例的披露規定編製。此外，財務報表載有香港聯合交易所有限公司證券上市規則規定的適用披露。

#### 3.2 計量基準

綜合財務報表按歷史成本基準編製。

#### 3.3 功能及呈列貨幣

本公司之功能貨幣為人民幣(「人民幣」)，而人民幣亦為綜合財務報表的呈列貨幣。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

#### 4.2 SUBSIDIARIES

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

#### 4.3 REVENUE RECOGNITION

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

### 4. 重大會計政策

#### 4.1 綜合基準

綜合財務報表包括本公司及其附屬公司的財務報表。集團公司之間的跨公司交易及結餘連同未變現溢利於編製綜合財務報表時悉數對銷。未變現虧損亦會予以對銷，除非有關交易於轉讓資產時有證據顯示減值，則會於損益內確認虧損。

#### 4.2 附屬公司

附屬公司為本公司可對其行使控制權之投資對象。倘下列全部三項因素均存在：有權控制投資對象；對來自投資對象之浮動回報承擔風險或擁有權利；及能運用對投資對象之權利以影響其浮動回報時，本公司即控制投資對象。當事實或情況表明任何該等控制權因素可能存在變動，控制權會獲重新評估。

於本公司的財務狀況表中，附屬公司投資按成本扣除減值虧損列賬(如有)。附屬公司的業績由本公司按已收及應收股息入賬。

#### 4.3 收益確認

客戶合約收益在貨物或服務控制權按本集團預期有權就該等貨物或服務獲取的代價(不包括代表第三方收取的該等金額)的金額轉讓予客戶時確認。收益不包括增值稅或其他銷售稅，並經扣減任何貿易折讓。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.3 REVENUE RECOGNITION – continued

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

### 4. 重大會計政策 – 續

#### 4.3 收益確認 – 續

視乎合約條款及適用於合約的法律，貨物或服務的控制權可隨時間或於某一時間點轉移。倘本集團在履約過程中滿足下列各項，則貨物或服務的控制權隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；
- 本集團履約時創建並提升客戶所控制的資產；或
- 並無創建對本集團有替代用途的資產，且本集團可強制執行其權利收回至今已完履約部分的款項。

倘貨物或服務的控制權隨時間轉移，收益會參考整個合約期間完成履約義務的進度進行確認。否則，收益於客戶獲得貨物或服務的控制權時的某一時間點確認。

倘合約中包含就向客戶轉讓貨物或服務提供資金而為客戶提供超過一年的重大融資利益的融資部分，則收益按應收金額的現值計量，並使用本集團與客戶於合約開始時訂立的單獨融資交易中反映的貼現率予以貼現。倘合約中包含為本集團提供重大融資利益的融資部分，則根據該合約確認的收入包括按實際利率法計算的合約負債所產生的利息開支。就付款與轉讓承諾貨物或服務相隔的期間為一年或以下的合約而言，通過使用香港財務報告準則第15號的可行權宜方法，交易價並不因重大融資部分的影響而予以調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.3 REVENUE RECOGNITION – continued

##### (i) Seafood and algae product

Customers obtain control of the seafood and algae products when the goods are delivered to and have been accepted. Revenue is thus recognised upon when the customers accepted the seafood and algae products. There is generally only one performance obligation. Invoices are usually payable within 30 - 90 days. In the comparative period, revenue from sales of goods is recognised on transfer of risks and rewards of ownership, which was taken as at the time of delivery and the title is passed to customer.

##### (ii) Other income

Rental income under operating leases is recognised on a straight-line basis over the term of the relevant lease.

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

##### Contract costs

The Group recognises an asset from the costs incurred to fulfil a contract when those costs meet all of the following criteria:

- (a) the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;
- (b) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (c) the costs are expected to be recovered. The asset recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the cost relate. The asset is subject to impairment review.

### 4. 重大會計政策－續

#### 4.3 收益確認－續

##### (i) 海產品及藻類產品

客戶於交付並已接納貨物時取得海產品及藻類產品的控制權。因此，收益於客戶接納海產品及藻類產品時予以確認。一般僅有一項履約責任。發票通常於30至90日內支付。於比較期間，貨物銷售的收益在交付時轉移擁有權的風險及報酬時確認，而所有權轉移予客戶。

##### (ii) 其他收入

經營租賃的租金收入於相關租賃期限按直線基準確認。

利息收入乃根據未償還本金按時間基準以適用利率累計。

##### 合約成本

本集團於成本符合以下所有標準的情況下方將履行合約所產生的成本確認為資產：

- (a) 有關成本與實體可明確識別之合約或預期訂立之合約有直接關係；
- (b) 有關成本令實體將用於履行(或持續履行)日後履約責任之資源得以產生或有所增加；及
- (c) 有關成本預期可收回。由此確認之資產其後按系統性基準(與向客戶轉讓資產相關的貨品或服務一致)於損益攤銷。該資產須進行減值審閱。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.4 PLANT AND EQUIPMENT

Plant and equipment including electric equipment, plant and machinery, motor vehicles, furniture and equipment and leasehold improvement in the production or supply of goods, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the financial period in which they are incurred.

Plant and equipment are depreciated so as to write off their costs net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Electric equipment	3 years
Plant and machinery	10 years
Motor vehicles	4 years
Furniture and equipment	5 years
Leasehold improvement	5 years

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

The gain or loss on disposal of an item of plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

### 4. 重大會計政策 – 續

#### 4.4 廠房及設備

廠房及設備包括用於生產及供應貨品或作行政用途的電力設備、廠房及機器、汽車、傢俱及設備以及租賃物業裝修，按成本減累計折舊及累計減值虧損(如有)列賬。

廠房及設備的成本包括其購入價及收購該等項目直接應佔的成本。

只有當項目相關的未來經濟利益有可能流入本集團，以及該項目的成本能可靠計量時，後續成本方計入資產的賬面值或確認為獨立資產(如適用)。被替換部分的賬面值會被終止確認。所有其他維修及保養在其產生的財政期間於損益內確認為開支。

廠房及設備採用直線法扣除其估計可使用年期內的預期剩餘價值以撇銷其成本。使用年期、剩餘價值及折舊方法於各報告期末檢討及於適當時予以調整。有關使用年期如下：

電力設備	3年
廠房及機器	10年
汽車	4年
傢俱及設備	5年
租賃物業裝修	5年

倘資產的賬面值高於其估計可收回金額，則資產會即時撇減至其可收回金額。

出售廠房及設備項目的收益或虧損按出售所得款項淨額與其賬面值的差額釐定，並於出售時於損益內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.5 LEASING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

##### *The Group as lessor*

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

##### *The Group as lessee*

The total rentals payable under the operating leases are recognised in profit or loss on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Lease incentives received are recognised as an integrated part of the total rental expense, over the term of the lease.

#### 4.6 INVENTORIES

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents 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.

#### 4.7 IMPAIRMENT OF OTHER THAN FINANCIAL ASSETS

At the end of each reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- Plant and equipment; and
- Prepaid lease payments
- Inventories

### 4. 重大會計政策 – 續

#### 4.5 租賃

當租賃條款實質上將所有權的絕大部分風險及回報轉移至承租人，則分類為融資租賃。所有其他租賃被分類為經營租賃。

##### *本集團作為出租人*

經營租賃租金收入於相關租約期間按直線法於損益確認。商討及安排經營租賃時產生的起始直接成本加入租賃資產的賬面值，並於租約期間按直線法確認為開支。

##### *本集團作為承租人*

根據經營租賃應付的租金總額於租約期間按直線法於損益確認，惟倘具另一有系統基準更能代表所消耗租賃資產經濟利益的時間模式則除外。已收租賃優惠於租約期間確認為租金開支總額的組成部分。

#### 4.6 存貨

存貨初步按成本確認，其後按成本及可變現淨值兩者中的較低者確認。成本包括所有採購成本、轉換成本及將存貨送至現有地點及達致現有狀況所需的其他成本。成本採用加權平均法計算。可變現淨值指日常業務過程中的估計售價減完成的估計成本及進行銷售必要的估計成本。

#### 4.7 其他金融資產減值

於各報告期末，本集團檢視以下資產的賬面值以決定有否迹象顯示該等資產出現減值虧損或之前確認的減值虧損不再存在或可能已減少：

- 廠房及設備；及
- 預付租賃款項
- 存貨



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.7 IMPAIRMENT OF OTHER THAN FINANCIAL ASSETS – continued

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the impairment loss is treated as a revaluation decrease under that HKFRS.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the reversal of the impairment loss is treated as a revaluation increase under that HKFRS.

Value in use is based on the estimated future cash flows expected to be derived from the asset, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

#### 4.8 RESEARCH EXPENDITURE

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

#### 4.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at banks and in hand.

#### 4.10 SHARE CAPITAL

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

### 4. 重大會計政策 – 續

#### 4.7 其他金融資產減值 – 續

倘資產的可收回金額(即公平值減出售成本與使用價值兩者中的較高者)估計低於其賬面值，則將該資產的賬面值減低至其可收回金額。減值虧損即時確認為開支，除非相關資產以另一項香港財務報告準則項下的重估金額入賬，在該情況下，減值虧損將被視為香港財務報告準則項下的重估減幅。

倘減值虧損於其後撥回，資產的賬面值增加至其可收回金額的經修訂估計值，惟增加後的賬面值不能超過倘該資產過往年度並無確認減值虧損而原應釐定的賬面值。減值虧損的撥回即時確認為收入，除非相關資產以另一項香港財務報告準則項下的重估金額入賬，在該情況下，減值虧損撥回將被視為香港財務報告準則項下的重估增幅。

使用價值乃根據預期將源自資產的估計未來現金流量釐定，按使用可反映金錢時間值的現行市場評估以及有關資產或現金產生單位的特定風險的稅前貼現率貼現。

#### 4.8 研究開支

研究活動開支於產生期間確認為開支。

#### 4.9 現金及現金等價物

現金及現金等價物包括銀行及手頭現金。

#### 4.10 股本

普通股分類列作權益。股本使用已發行股份之面值予以釐定。如與發行股份有關的任何交易成本為股權交易直接應佔的遞增成本，則任何該等成本乃從股份溢價中扣除(減去任何相關所得稅利益)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.A. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2018)

##### (a) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

##### Debt instruments

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

### 4. 重大會計政策 – 續

#### 4.11.A. 金融工具 (自二零一八年一月一日起應用的會計政策)

##### (a) 金融資產

按公平值計入損益(「按公平值計入損益」)的金融資產(並不包含重大融資部分的貿易應收款項除外)初步按公平值加上或與其收購或發行直接相關的交易成本計量。並無重大融資部分的貿易應收款項初步按交易價格計量。

所有常規方式買賣的金融資產概於交易日(即本集團承諾買賣該資產之日)予以確認。常規方式買賣乃指遵循一般法規或市場慣例在約定時間內交付資產的金融資產買賣。

確定具有嵌入衍生工具之金融資產之現金流量是否僅為支付本金及利息時，需從金融資產之整體進行考慮。

##### 債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及該項資產之現金流量特點。本集團將其債務工具分類為三種計量類別：

**攤銷成本：**為收取合約現金流量而持有，且現金流量僅為支付本金及利息之資產按攤銷成本計量。按攤銷成本計量的金融資產隨後使用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益中確認。終止確認的任何收益於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.A. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2018) – continued

##### (a) Financial assets – continued

###### Debt instruments – continued

Fair value through other comprehensive income (“FVOCI”): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at fair value through OCI. Debt investments at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Fair value through profit or loss (“FVTPL”): Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

### 4. 重大會計政策 – 續

#### 4.11.A. 金融工具 (自二零一八年一月一日起應用的會計政策) – 續

##### (a) 金融資產 – 續

###### 債務工具 – 續

按公平值計入其他全面收入 (「按公平值計入其他全面收入」): 持作收回合約現金流量及出售金融資產之資產，如該等資產現金流量僅指支付本金及利息，則按公平值計入其他全面收入計量。按公平值計入其他全面收入的債務工具隨後按公平值計量。使用實際利率法計算的利息收入、匯兌收益及虧損以及減值於損益中確認。其他收益及虧損淨額於其他全面收入中確認。於終止確認時，其他全面收入中累計的收益及虧損重新分類至損益。

按公平值計入損益 (「按公平值計入損益」): 按公平值計入損益的金融資產包括持作買賣的金融資產，於初步確認時指定按公平值計入損益的金融資產，或強制要求按公平值計量的金融資產。倘為於近期出售或購回而收購金融資產，則該等金融資產分類為持作買賣。衍生工具 (包括獨立嵌入式衍生工具) 亦分類為持作買賣，惟該等衍生工具被指定為有效對沖工具則除外。現金流量並非純粹支付本金及利息的金融資產，不論其業務模式如何，均按公平值計入損益分類及計量。儘管如上文所述債務工具可按攤銷成本或按公平值計入其他全面收入分類，但於初步確認時，倘能夠消除或顯著減少會計錯配，則債務工具可指定為按公平值計入損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.A. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2018) – continued

##### (a) Financial assets – continued

###### Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

##### (b) Impairment loss on financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on trade receivables, financial assets measured at amortised cost and debt investments measured at FVOCI. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

### 4. 重大會計政策 – 續

#### 4.11.A. 金融工具 (自二零一八年一月一日起應用的會計政策) – 續

##### (a) 金融資產 – 續

###### 股本工具

於初步確認並非持作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公平值的後續變動。該選擇乃按投資逐項作出。按公平值計入其他全面收入的股本投資按公平值計量。股息收入於損益內確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收入確認且不會重新分類至損益。所有其他股本工具分類為按公平值計入損益，據此，公平值、股息及利息收入的變動均於損益確認。

##### (b) 金融資產減值虧損

本集團就貿易應收款項、按攤銷成本計量的金融資產及按公平值計入其他全面收入計量的債務投資確認預期信貸虧損(「預期信貸虧損」)的虧損撥備。預期信貸虧損按以下方式之一計量：(1)12個月的預期信貸虧損：於報告日期後十二個月內可能發生的違約事件而導致的預期信貸虧損；及(2)整個存續期預期信貸虧損：金融工具在整個預計存續期內所有可能發生的違約事件而導致的預期信貸虧損。於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損根據合約應付本集團之所有合約現金流量與本集團預期將收取之所有現金流量間之差額計量。該差額其後按資產原有實際利率相近之比率貼現。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.A. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2018) – continued

##### (b) Impairment loss on financial assets – continued

The Group has elected to measure loss allowances for trade receivables and deposits paid to suppliers using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

### 4. 重大會計政策 – 續

#### 4.11.A. 金融工具 (自二零一八年一月一日起應用的會計政策) – 續

##### (b) 金融資產減值虧損 – 續

本集團已選擇使用香港財務報告準則第9號的簡化方法計量貿易應收款項及支付予供應商之按金的虧損撥備並根據整個存續期預期信貸虧損計算預期信貸虧損。本集團已根據本集團過往信貸虧損經歷而建立撥備模型，並因應債務人的特定前瞻性因素及經濟環境而作出調整。

對於其他債務金融資產，預期信貸虧損乃基於12個月的預期信貸虧損。然而，倘信貸風險自開始以來大幅增加，撥備將以整個存續期預期信貸虧損為基準。

當釐定金融資產之信貸風險自初步確認起是否顯著增加及於估計預期信貸虧損時，本集團會考慮相關及毋須付出過多成本或努力即可獲得的合理及有理據的資料。有關資料包括根據本集團過往經驗及已知信貸評估得出的定量及定性資料分析，並包括前瞻性資料。

本集團假定，金融資產如逾期超過30日，其信貸風險會顯著增加。

本集團認為金融資產於下列情況下屬信貸減值：(1) 借款人不可能在本集團無追索權採取行動(例如：變現抵押品(如持有))的情況下向本集團悉數履行其信貸義務；或(2) 該金融資產逾期超過90日。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.A. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2018) – continued

##### (c) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

### 4. 重大會計政策 – 續

#### 4.11.A. 金融工具 (自二零一八年一月一日起應用的會計政策) – 續

##### (c) 金融負債

本集團視乎金融負債產生的目的將其金融負債分類。按公平值計入損益的金融負債初步按公平值計量及按攤銷成本計量的金融負債初步按公平值減所產生的直接應佔成本計量。

按公平值計入損益的金融負債

按公平值計入損益的金融負債包括持作買賣的金融負債及於初步確認時指定按公平值計入損益的金融負債。

倘金融負債之收購目的為於短期內銷售，則分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，惟獲指定為有效對沖工具則除外。持作買賣負債收益或虧損於損益確認。

倘一份合約包含一項或多項嵌入式衍生工具，則整份混合合約或會指定為按公平值計入損益之金融負債，惟倘嵌入式衍生工具不會對現金流量造成重大變動或明確禁止將嵌入式衍生工具分開則除外。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.A. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2018) – continued

##### (c) *Financial liabilities – continued*

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

##### Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, borrowings, certain preference shares and the debt element of convertible loan note issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

### 4. 重大會計政策 – 續

#### 4.11.A. 金融工具 (自二零一八年一月一日起應用的會計政策) – 續

##### (c) *金融負債 – 續*

倘符合下列條件，金融負債或會於初步確認時指定為按公平值計入損益：(i)此舉將消除或大幅減少因按不同基準計量負債或確認其收益或虧損所產生之不一致處理方法；(ii)該等負債屬受管理且根據明文規定之風險管理策略按公平值基準評估表現之一組金融負債之一部分；或(iii)該金融負債包含須分開記錄之嵌入式衍生工具。

初步確認後，按公平值計入損益的金融資產按公平值計量，而公平值的變動則於出現變動期間於損益中確認，惟本集團本身信貸風險產生的於其他全面收入呈列且其後並無重新分類至損益表的收益及虧損除外。於損益表確認的公平值收益或虧損淨額並不包括任何向該等金融負債所扣除的任何利息。

##### 按攤銷成本計量的金融負債

按攤銷成本計量的金融負債包括貿易及其他應付款項、借款、若干優先股及本集團發行之可轉換貸款票據之債務部分，其後使用實際利率法按攤銷成本計量。有關利息開支於損益確認。

收益或虧損於終止確認負債時透過攤銷於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.A. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2018) – continued

##### (d) *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense for the year ended 31 December 2018 and 2017. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

##### (e) *Equity instruments*

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

The Hong Kong Companies Ordinance, Cap. 622, came into operation on 3 March 2014. Under the Ordinance shares of the Company do not have a nominal value. Consideration received or receivable for the issue of shares on or after 3 March 2014 is credited to share capital. Commissions and expenses are allowed to be deducted from share capital under s. 148 and s. 149 of the Ordinance.

### 4. 重大會計政策 – 續

#### 4.11.A. 金融工具 (自二零一八年一月一日起應用的會計政策) – 續

##### (d) *實際利息法*

實際利息法為計算金融資產或金融負債攤銷成本以及分配截至二零一八年及二零一七年十二月三十一日止年度的利息收入或利息開支的方法。實際利率為透過金融資產或負債預測年期或(如適用)較短期間準確折現估計未來現金收款或付款的利率。

##### (e) *股本工具*

本公司發行的股本工具按已收所得款項扣除直接發行成本記賬。

香港法例第622章香港公司條例於二零一四年三月三日生效。根據該條例，本公司之股份並無面值。於二零一四年三月三日或之後發行股份之已收或應收代價乃計入股本。根據該條例第148及149條，佣金及開支獲准自股本扣減。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.A. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2018) – continued

##### (f) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

### 4. 重大會計政策 – 續

#### 4.11.A. 金融工具 (自二零一八年一月一日起應用的會計政策) – 續

##### (f) 終止確認

當就金融資產之未來現金流量的合約權利屆滿時，或金融資產已轉讓且該轉讓符合香港會計準則第39號之終止確認規定，本集團會終止確認該項金融資產。

當相關合約中訂明之責任獲解除、註銷或到期時，會終止確認金融負債。

倘由於重新磋商金融負債之條款，本集團向債權人發行其自身股本工具以支付全部或部分之金融負債，則已發行之股本工具為已付代價並於抵銷金融負債或其部分日期按彼等之公平值初步確認及計量。倘已發行股本工具之公平值不能可靠計量，則股本工具將計量以反映所抵銷金融負債之公平值。所抵銷金融負債或其部分之賬面值與已付代價之差額於年內損益中確認。

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## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.B. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED UNTIL 31 DECEMBER 2017)

The group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. Accordingly, the comparative financial information provided continues to be accounted for in accordance with the group's previous accounting policy.

##### (a) Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. Financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on trade date basis. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

##### Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables) and also incorporate other types of contractual monetary asset. Subsequent to initial recognition, they are carried at amortised cost using effective interest method, less any identified impairment losses. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

### 4. 重大會計政策 – 續

#### 4.11.B. 金融工具 (自二零一七年十二月三十一日起應用的會計政策)

本集團已追溯應用香港財務報告準則第9號，但已決定比較資料不予重列。因此，所提供的比較財務資料繼續根據本集團先前的會計政策入賬。

##### (a) 金融資產

本集團於初步確認時按照收購資產目的對其金融資產進行分類。金融資產初步按公平值加收購該金融資產直接產生的交易成本計量。常規金融資產買賣於交易日確認或終止確認。常規買賣指其條款規定須於一般按有關市場的規例或慣例訂立的時限內交付資產的合約項下的金融資產買賣。

##### 貸款及應收款項

該等資產為並無於活躍市場報價且具固定或待定期付款的非衍生金融資產，主要透過向客戶提供貨品及服務產生(貿易應收款項)，當中亦包括其他類別合約貨幣資產。於初步確認後，會使用實際利率法按攤銷成本減任何已識別減值虧損列賬。攤銷成本於計及收購時的折讓或溢價後計算，並包括組成實際利率其中部分的費用及交易成本。

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## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.B. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED UNTIL 31 DECEMBER 2017) – continued

##### (b) Impairment loss on financial assets

The Group assesses, at the end of each reporting period, whether there is any objective evidence that financial asset is impaired. Financial asset is impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include:

- Significant financial difficulty of the debtor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- Significant changes in the technological market, economic or environment that have an adverse effect on the debtor.

### 4. 重大會計政策 – 續

#### 4.11.B. 金融工具 (自二零一七年十二月三十一日起應用的會計政策) – 續

##### (b) 金融資產減值虧損

本集團於各報告期末評估是否有任何客觀迹象顯示金融資產出現減值。倘有客觀證據顯示因初步確認資產後發生一項或多項事件而導致金融資產出現減值，而有關事件對金融資產估計未來現金流量的影響能够可靠地計量，則金融資產已出現減值。減值證據可能包括：

- 債務人面對重大財政困難；
- 違反合約，如未能償還或拖欠利息或本金付款；
- 債務人有可能破產或進行其他財務重組；及
- 科技、市場、經濟或法律環境出現重大變動，因而對債務人造成不利影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.B. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED UNTIL 31 DECEMBER 2017) – continued

##### (b) Impairment loss on financial assets – continued

For loans and receivables

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the original effective interest rate.

Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

##### (c) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred.

Financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost including bank borrowings, trade payables, other payables and accruals and deposits received and amount due to a director subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

### 4. 重大會計政策 – 續

#### 4.11.B. 金融工具 (自二零一七年十二月三十一日起應用的會計政策) – 續

##### (b) 金融資產減值虧損 – 續

貸款及應收款項

倘客觀證據顯示資產已減值，則於損益確認減值虧損，並按資產賬面值與按原本實際利率貼現的估計未來現金流量現值(不包括尚未產生的未來信貸虧損)之間的差額計量。

當資產的可收回金額增加在客觀而言與確認減值後所發生的事件有關時，減值虧損會於其後期間撥回，惟規定資產在撥回減值當日的賬面值不得超過如無確認減值的攤銷成本。

##### (c) 金融負債

本集團視乎金融負債產生的目的將其金融負債分類。

按攤銷成本計量的金融負債初步按公平值減所產生的直接應佔成本計量。

按攤銷成本計算的金融負債包括銀行借款、貿易應付款項、其他應付款項、應計費用和已收按金，以及應付一名董事款項，其後使用實際利息法按攤銷成本計量。有關利息開支於損益確認。

收益或虧損於終止確認負債時透過攤銷於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11.B. FINANCIAL INSTRUMENT (ACCOUNTING POLICIES APPLIED UNTIL 31 DECEMBER 2017) – continued

##### (d) *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense for the year ended 31 December 2018 and 2017. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

##### (e) *Equity instruments*

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

##### (f) *Derecognition*

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

### 4. 重大會計政策 – 續

#### 4.11.B. 金融工具 (自二零一七年十二月三十一日起應用的會計政策) – 續

##### (d) *實際利息法*

實際利息法為計算金融資產或金融負債攤銷成本以及分配截至二零一八年及二零一七年十二月三十一日止年度的利息收入或利息開支的方法。實際利率為透過金融資產或負債預測年期或(如適用)較短期間準確折現估計未來現金收款或付款的利率。

##### (e) *股本工具*

本公司發行的股本工具按已收所得款項扣除直接發行成本記賬。

##### (f) *終止確認*

凡收取金融資產所帶來的未來現金流量的合約權利屆滿，或金融資產經已轉讓，而轉讓符合香港會計準則第39號規定的終止確認準則，則本集團終止確認該金融資產。

當有關合約中訂明的責任獲解除、注銷或屆滿時，則會終止確認金融負債。

倘本集團於重新磋商金融負債條款後向債權人發行其本身的股本工具，以清償全部或部分金融負債，則所發行股本工具為已付代價，並於最初確認及按金融負債或其部分於消除當日的公平值計量。倘所發行股本工具的公平值不能可靠計量，則計量除股本工具，以反映所消除金融負債的公平值。所消除金融負債或其部分的賬面值與已付代價之間的差額於年內損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.12 FOREIGN CURRENCY

Transactions entered into by the group entities in currencies other than the currency of the primary economic environment in which they operate(s) (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

#### 4.13 INCOME TAXES

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognized assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

### 4. 重大會計政策 – 續

#### 4.12 外幣

集團實體以彼等經營業務所在主要經濟環境貨幣(「功能貨幣」)以外的貨幣進行的交易，按交易發生時的適用匯率入賬。外幣貨幣資產及負債則以報告期末的適用匯率換算。以外幣歷史成本計量的非貨幣項目毋須重新換算。

因結算貨幣項目及換算貨幣項目而產生的匯兌差額於產生期間在損益中確認。

#### 4.13 所得稅

所得稅包括即期稅項及遞延稅項。

即期稅項乃按已就毋須就所得稅課稅或不可扣減所得稅的項目作出調整的日常業務溢利或虧損，按報告期末已頒佈或實際頒佈的稅率計算。

遞延稅項乃就作財務報告的資產與負債賬面值，與就稅務所用相應數值間的暫時性差額確認。除不影響會計或應課稅溢利的商譽及已確認資產與負債外，會就所有應課稅暫時性差額確認遞延稅項負債。遞延稅項資產於有可能動用應課稅溢利抵銷可扣稅暫時性差額的情況下確認。遞延稅項乃按適用於資產或負債的賬面值獲變現或結算的預期方式及於報告期末已頒佈或大致上頒佈稅率計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.13 INCOME TAXES – continued

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognized directly in equity in which case the taxes are also recognised directly in equity.

#### 4.14 EMPLOYEE BENEFITS

##### (a) *Defined contribution retirement plan*

Pursuant to the relevant regulations of the PRC government, the Group participates in a central pension scheme operated by the local municipal government (the “Scheme”), whereby the subsidiary of the Company in the PRC is required to contribute a certain percentage of the basic salaries of its employees to the Scheme to fund their retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of the subsidiary of the Company. The only obligation of the Group with respect to the Scheme is to pay the ongoing required contributions under the Scheme. Contributions under the Scheme are charged to profit or loss as incurred. There are no provisions under the Scheme whereby forfeited contributions may be used to reduce future contributions.

### 4. 重大會計政策 – 續

#### 4.13 所得稅 – 續

遞延稅項負債會因源自於附屬公司的投資的應課稅暫時性差額確認，惟倘本集團能夠控制該暫時性差額的撥回且該暫時性差額於可見將來很可能不會撥回則另作別論。

所得稅乃於損益中確認，惟倘所得稅與其他全面收入確認的項目有關，在此情況下，稅項亦於其他全面收入確認，或倘所得稅與直接於權益確認的項目有關，在此情況下，稅項亦直接於權益確認。

#### 4.14 僱員福利

##### (a) *界定供款退休計劃*

根據中國政府的相關規例，本集團參與由地方市級政府運作的中央退休金計劃（「計劃」），據此，本公司的中國附屬公司須按僱員基本薪金的若干百分比向計劃作出供款，以提供退休福利的資金。地方市級政府承諾承擔本公司附屬公司所有現有及未來退休僱員的退休福利責任，本集團有關計劃的唯一責任是根據計劃持續作出所需供款。計劃的供款於產生時在損益中扣除。概無根據計劃作出撥備，已沒收的供款可用於減少未來供款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.14 EMPLOYEE BENEFITS – continued

##### (b) Short-term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

#### 4.15 SEGMENT REPORTING

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major product lines.

For the purposes of assessing segment performance and allocating resources between segments, the directors assess segment profit or loss by gross profit or loss as measured in Financial Information.

For the purpose of presenting geographical location of the Group's revenue from external customers and the Group's non-current assets, country of domicile is determined by reference to the country where the majority of the Company's subsidiaries operate.

#### 4.16 PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### 4. 重大會計政策 – 續

#### 4.14 僱員福利 – 續

##### (b) 短期僱員福利

短期僱員福利是指預計在僱員提供相關服務的年度報告期末後12個月以前將全數結付的僱員福利(離職福利除外)。短期僱員福利於僱員提供相關服務的年度確認。

#### 4.15 分部報告

本集團根據定期向執行董事報告以供彼等就本集團業務組成部分的資源分配作出決定及檢討該等組成部分表現的內部財務資料，識別經營分部及編製分部資料。內部財務資料中向執行董事報告的業務組成部分按本集團主要產品線釐定。

就評估分部表現及分部之間的資源分配而言，董事按財務資料中計量的損益總額評估分部損益。

就呈列本集團來自外界客戶的收益及本集團非流動資產的地域位置而言，業務註冊國家乃參考本公司大部分附屬公司經營所在的國家釐定。

#### 4.16 撥備及或然負債

當本集團因過去事項而須承擔法定或推定責任，而有關責任可能需要付出可合理地估計的經濟利益時，便為未確定時間或金額的負債確認撥備。

如果經濟利益需要外流的可能性不大，或不能對數額作出可靠估計，則有關責任會作為或然負債披露，惟若經濟利益外流的可能性極低則作別論。如有可能產生的責任，其存在僅能以一個或數個未來事項的發生或不發生來證實，亦披露為或然負債，除非經濟利益外流的可能性極低則作別論。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.17 RELATED PARTIES

For the purposes of the Financial Information, a party is considered to be related to the Group if:

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
  - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

### 4. 重大會計政策 – 續

#### 4.17 關連方

就財務資料而言，倘某一方屬以下任何一項，則被視為與本集團有關連：

- (a) 倘屬以下人士，即該人士或該人士的近親與本集團有關連：
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本公司母公司的主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
  - (i) 該實體與本集團屬同一集團的成員公司（即各自的母公司、附屬公司及同系附屬公司彼此間有關連）。
  - (ii) 一家實體為另一實體的聯營公司或合營企業（或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業）。
  - (iii) 兩間實體均為同一第三方的合營企業。
  - (iv) 一家實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.17 RELATED PARTIES – continued

(b) – continued

- (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

### 4. 重大會計政策 – 續

#### 4.17 關連方 – 續

(b) – 續

- (v) 實體為本集團或與本集團有關連的實體就僱員福利設立的離職後福利計劃。
- (vi) 實體受(a)所識別人士控制或受共同控制。
- (vii) (a)(i)中所識別的人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 實體或其所屬集團任何成員公司為本集團或本集團母公司提供主要管理人員服務。

某一人士的近親家屬成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家屬成員，包括：

- (i) 該名人士的子女及配偶或家庭伴侶；
- (ii) 該名人士的配偶或家庭伴侶的子女；及
- (iii) 該名人士或該名人士的配偶或家庭伴侶的受養人。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### DEPRECIATION

The Group depreciates the plant and equipment in accordance with the accounting policies stated in note 4.4. The estimated useful lives reflect the directors' estimates of the periods that the Group intends to derive future economic benefits from the use of these assets. The management reassesses the estimated useful lives at the end of each of the reporting date.

#### IMPAIRMENT OF RECEIVABLES

The management assesses impairment of receivables on a regular basis. This estimate is based on the credit history of the customers and debtors and current market conditions. The management reassesses the impairment of receivables at the end of each of the reporting date.

#### ESTIMATES OF CURRENT TAX AND DEFERRED TAX

Significant judgement is required in determining the amount of the provision for tax and the timing of payment of the related tax. Where the final tax outcomes are different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the periods in which such determination are made.

### 5. 重大會計估計及判斷

本集團根據以往經驗及其他因素，包括預期日後在合理情況下相信會出現的事件，對所作的會計估計和判斷持續進行評估。

本集團就未來作出估計和假設，按定義所得出的會計估計難免偏離實際結果。對下一財政年度的資產及負債賬面值有重大調整的重大風險的估計及判斷討論如下：

#### 折舊

本集團按附註4.4所列的會計政策將廠房及設備折舊。估計使用年期反映董事對本集團打算自使用該等資產獲取未來經濟利益的期間作出的估計，管理層於報告期間各期末重新評估估計使用年期。

#### 應收款項減值

管理層定期評估應收款項的減值，有關估計根據客戶及債務人的信貸記錄以及當期市況作出。管理層於報告期間各期末重新評估應收款項減值。

#### 當期稅項及遞延稅項估計

決定稅項撥備金額及支付相關稅項時間時須作出重大判斷，當最後稅務結果與最初記錄的金額不同時，有關差額將對作出決定的期間的所得稅及遞延稅項撥備構成影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 6. REVENUE AND SEGMENT INFORMATION

Revenue is measured based on the consideration specified in a contract with a customer, net of expected goods of returns, discounts and sales related taxes.

Revenue is recognised when performance obligation is satisfied. The Group's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer.

#### OPERATING SEGMENT INFORMATION

For management purpose, the Group operates in one business unit based on their products, and has one reportable and operating segment: packaging and sales of dried seafood, algae and fungi and seafood snacks. The board of directors of the Company, being the chief operating decision maker, reviews monthly sales reports to determine the selling price of their products and monitors the operating results of its business unit for the purpose of making decisions about resource allocation and performance assessment.

#### INFORMATION ABOUT MAJOR CUSTOMERS

No customer contributed 10% or more of the Group's revenue during the year ended 31 December 2018. (2017: Nil)

#### INFORMATION ABOUT GEOGRAPHICAL AREAS

The Group's sales by geographical areas, based on the delivery destination of the goods as requested by the customers, were all domestic and within the PRC.

The Group's non-current assets other than financial instruments mainly represent plant and equipment and prepaid lease payments are located in the PRC.

### 6. 收入及分部資料

收益乃基於與客戶訂立的合約所訂明的代價、預期貨物回報、折扣及銷售相關稅項淨值計量。

收益於履行履約責任時確認。本集團的收益來自銷售貨品，其收益於貨品控制權轉移至客戶時確認，通常為貨物交付於客戶時。

#### 經營分部資料

就管理而言，本集團根據產品經營一個業務單位，並有一個可呈報及經營分部：包裝及銷售乾海產品，藻類產品及菌類產品及海洋休閒產品。本公司董事會（即最高級經營決策者）每月審閱銷售報告，以釐定其產品售價及監察其業務單位的經營業績，藉此作出有關資源分配及表現評估的決定。

#### 有關主要客戶的資料

截至二零一八年十二月三十一日止年度，概無客戶貢獻本集團收益的10%或以上（二零一七年：零）。

#### 有關地區的資料

本集團根據客戶要求的送貨地點劃分地區，按地區分類的銷售均為本地銷售及位於中國境內。

本集團除金融工具以外的非流動資產主要為位於中國的廠房及設備和預付租賃款項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 7. OTHER INCOME AND OTHER GAINS/(LOSSES), NET 7. 其他收入及其他收益/(虧損)，淨額

		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
Interest income on bank deposits	銀行存款利息收入	1,069	575
Interest income on secured loan receivables (Note 19(ii))	應收有抵押貸款利息收入 (附註19(ii))	1,242	68
Loss on disposal of plant and equipment	出售廠房及設備的虧損	(3)	-
Rental income	租金收入	55	54
Exchange loss	匯兌虧損	-	(649)
Others	其他	-	147
Total	總計	<b>2,363</b>	195

### 8. EXPECTED CREDIT LOSSES ON FINANCIAL ASSETS 8. 金融資產的預期信貸虧損

		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
Impairment loss on trade receivables	貿易應收款項的減值虧損	(67)	-
Reversal of impairment loss on deposits paid to suppliers	支付予供應商的按金的減值 虧損撥回	145	-
Impairment loss on loan receivables	應收貸款的減值虧損	(150)	-
Total	總計	<b>(72)</b>	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 9. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

### 9. 除所得稅前溢利

除所得稅前溢利已扣除下列各項：

		<b>2018</b>	2017
		<b>二零一八年</b>	二零一七年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Auditors' remuneration	核數師酬金	<b>914</b>	934
Amortization of prepaid lease payments	預付租賃款項攤銷	<b>50</b>	50
Costs of sales (Note)	銷售成本(附註)	<b>498,864</b>	480,901
Research expenditure	研究開支	<b>789</b>	554
Depreciation of plant and equipment	廠房及設備折舊	<b>2,298</b>	101
Impairment loss on trade receivables	貿易應收款項減值虧損	<b>67</b>	-
Reversal of Impairment loss on deposits paid to suppliers	支付予供應商的按金的減值虧損撥回	<b>(145)</b>	-
Impairment loss on loan receivables	應收貸款減值虧損	<b>150</b>	-
Operating lease rental in respect of:	下列各項的經營租賃租金：		
– Rented premises	– 租用處所	<b>2,424</b>	1,842
Listing expenses	上市開支	<b>-</b>	16,669
Staff costs (including directors' emoluments – Note 12)	員工成本(包括董事酬金 – 附註12)		
– Salaries and wages	– 薪金及工資	<b>30,446</b>	19,500
– Bonus	– 花紅	<b>182</b>	9,515
– Retirement scheme contribution	– 退休計劃供款	<b>3,381</b>	2,562

Note: Cost of sales are mainly comprised of cost of inventories recognised as expenses, which amounting to approximately RMB471,546,000 (2017: approximately RMB450,954,000).

附註：銷售成本主要包括確認為開支的存貨成本約人民幣471,546,000元(二零一七年：約人民幣450,954,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 10. INCOME TAX EXPENSE

The amount of taxation in the consolidated statement of comprehensive income represents:

Current tax	當期稅項
Tax for the year	年度稅項
Under-provision in respect of prior year	過往年度撥備不足
Deferred tax	遞延稅項
Current year	本年度
Total	總計

Under the Law of the PRC on Enterprise Income Tax ("EIT") and Implementation Regulations of the EIT Law, the tax rate of the Company's PRC subsidiaries is 25%.

Provision for the PRC Enterprise Income Tax for the year ended 31 December 2018 and 2017 was made based on the estimated assessable profits calculated in accordance with the relevant income tax laws, and regulations applicable to the subsidiaries operated in the PRC.

No provision for Hong Kong Profits Tax has been made as the Group had no assessable income arising in Hong Kong for the year ended 31 December 2018 and 2017.

The income tax expense for the year can be reconciled to the profit before income tax per the consolidated statement of comprehensive income as follows:

### 10. 所得稅開支

綜合全面收益表中的稅項金額指：

	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
Current tax		
Tax for the year	27,384	33,516
Under-provision in respect of prior year	612	667
Deferred tax		
Current year	5	-
Total	28,001	34,183

根據《中國企業所得稅法》(「《企業所得稅法》」)及《企業所得稅法實施條例》，本公司中國附屬公司的稅率為25%。

截至二零一八年及二零一七年十二月三十一日止年度的中國企業所得稅撥備根據按適用於在中國經營的附屬公司的有關所得稅法例及規例計算所得的估計應課稅溢利作出。

由於本集團截至二零一八年及二零一七年十二月三十一日止年度並無在香港錄得應課稅溢利，因此並無就香港利得稅作出撥備。

年內的所得稅開支與綜合全面收益表所列的除所得稅前溢利對賬如下：

		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
Profit before income tax	除所得稅前溢利	104,415	104,385
Tax thereon at domestic rates applicable to profit or loss in the jurisdictions concerned	按適用於有關司法權區內損益的本地稅率計算的稅項	26,539	28,668
Under-provision in prior year	過往年度撥備不足	612	667
Tax effect of expenses not deductible for tax purposes	不可就稅項扣除的開支的稅務影響	794	4,993
Deferred taxation	遞延稅項	5	-
Others	其他	51	(145)
Income tax expense for the year	年內所得稅開支	28,001	34,183

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 11. BASIC AND DILUTED EARNINGS PER SHARE

### 11. 每股基本及攤薄盈利

		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
<b>Profits</b>	<b>溢利</b>		
Profit attributable to owners of the Company	本公司擁有人應佔溢利	<b>76,414</b>	70,202
		2018 二零一八年 Number'000 千股	2017 二零一七年 Number'000 千股
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares (note)	普通股加權平均數目 (附註)	<b>1,000,000</b>	864,375

Note: Diluted earnings per share were the same as the basic earnings per share as the Group had no dilutive potential shares during the years ended 31 December 2018 and 2017.

附註：由於本集團於截至二零一八年及二零一七年十二月三十一日止年度並無任何潛在攤薄股份，故每股攤薄盈利與每股基本盈利相同。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES

#### DIRECTORS' REMUNERATION

Directors' emoluments are as follows:

		Fees	Salaries	Bonuses	Allowances and other benefits in kind 津貼及其他實物福利	Retirement scheme contributions 退休計劃供款	Total emoluments
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Year ended 31 December 2018 截至二零一八年十二月三十一日止年度							
Executive directors:	執行董事：						
Mr. Liu Rongru	劉榮如先生	-	1,070	-	-	9	1,079
Mr. Jiang Dehua	蔣德華先生	-	1,016	-	-	9	1,025
Mr. Lin Jiangtang	林江棠先生	-	458	182	-	10	650
Mr. Cao Hongyu	曹洪宇先生	-	196	-	-	-	196
Mr. Chak Chi Shing	翟志勝先生	-	30	-	-	-	30
		-	2,770	182	-	28	2,980
Independent non-executive directors:	獨立非執行董事：						
Mr. Huang Xingluan	黃興學先生	87	-	-	-	-	87
Mr. Liu Dajin	劉大進先生	87	-	-	-	-	87
Ms. Cheng Shing Yan	鄭承欣女士	130	-	-	-	-	130
		304	-	-	-	-	304
Total	總計	304	2,770	182	-	28	3,284

### 12. 董事薪酬及僱員酬金

#### 董事薪酬

董事酬金如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES – continued DIRECTORS' REMUNERATION – continued

		Fees	Salaries	Bonuses	Allowances and other benefits in kind 津貼及其他實物福利	Retirement scheme contributions 退休計劃供款	Total emoluments 總酬金
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Year ended 31 December 2017 截至二零一七年十二月三十一日止年度							
Executive directors:	執行董事：						
Mr. Liu Rongru	劉榮如先生	-	655	4,325	-	9	4,989
Mr. Jiang Dehua	蔣德華先生	-	598	2,163	-	8	2,769
Mr. Lin Jiangtang	林江棠先生	-	486	1,298	-	10	1,794
		-	1,739	7,786	-	27	9,552
Independent non-executive directors:	獨立非執行董事：						
Mr. Huang Xingluan	黃興學先生	43	-	-	-	-	43
Mr. Liu Dajin	劉大進先生	43	-	-	-	-	43
Ms. Cheng Shing Yan	鄭承欣女士	65	-	-	-	-	65
		151	-	-	-	-	151
Total	總計	151	1,739	7,786	-	27	9,703

No director received any emoluments from Group as an inducement to join or upon joining the Group or as compensation for loss of office for the years ended 31 December 2018 and 2017. No director waived or agreed to waive any emoluments for the years ended 31 December 2018 and 2017.

#### THE FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group for the years ended 31 December 2018 and 2017 are analysed as followed:

### 12. 董事薪酬及僱員酬金 – 續

#### 董事薪酬 – 續

		Fees	Salaries	Bonuses	Allowances and other benefits in kind 津貼及其他實物福利	Retirement scheme contributions 退休計劃供款	Total emoluments 總酬金
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Year ended 31 December 2017 截至二零一七年十二月三十一日止年度							
Executive directors:	執行董事：						
Mr. Liu Rongru	劉榮如先生	-	655	4,325	-	9	4,989
Mr. Jiang Dehua	蔣德華先生	-	598	2,163	-	8	2,769
Mr. Lin Jiangtang	林江棠先生	-	486	1,298	-	10	1,794
		-	1,739	7,786	-	27	9,552
Independent non-executive directors:	獨立非執行董事：						
Mr. Huang Xingluan	黃興學先生	43	-	-	-	-	43
Mr. Liu Dajin	劉大進先生	43	-	-	-	-	43
Ms. Cheng Shing Yan	鄭承欣女士	65	-	-	-	-	65
		151	-	-	-	-	151
Total	總計	151	1,739	7,786	-	27	9,703

截至二零一八年及二零一七年十二月三十一日止年度，概無董事向本集團收取任何酬金作為邀請加入本集團或加入本集團後的獎勵，或作為辭去職位的補償。截至二零一八年及二零一七年十二月三十一日止年度，概無董事放棄或同意放棄收取任何酬金。

#### 五位最高薪人士

截至二零一八年及二零一七年十二月三十一日止年度本集團五位最高薪人士的分析如下：

		2018 二零一八年 Number of individuals 人數	2017 二零一七年 Number of individuals 人數
Directors	董事	3	3
Non-directors, the highest paid individual	最高薪非董事人士	2	2
		5	5

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES – continued

#### THE FIVE HIGHEST PAID INDIVIDUALS – continued

Details of the remuneration of the above non-directors, the highest paid individual for the year ended 31 December 2018 and 2017 are as follows:

Salaries and other emoluments	薪金及其他酬金
Retirement scheme contribution	退休計劃供款

<b>2018</b>	2017
<b>二零一八年</b>	二零一七年
<b>RMB'000</b>	RMB'000
<b>人民幣千元</b>	人民幣千元

<b>1,163</b>	2,809
<b>21</b>	24

<b>1,184</b>	2,833
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The number of the highest paid non-directors fell within the following emolument band:

Nil to RMB1,000,000	零至人民幣1,000,000元
RMB1,000,001 to RMB2,000,000	人民幣1,000,001元至 人民幣2,000,000元
RMB2,000,001 to RMB3,000,000	人民幣2,000,001元至 人民幣3,000,000元

<b>2018</b>	2017
<b>二零一八年</b>	二零一七年
<b>Number of</b>	Number of
<b>individuals</b>	individuals
<b>人數</b>	人數

<b>2</b>	1
<b>-</b>	-
<b>-</b>	1
<b>2</b>	2

For the years ended 31 December 2018 and 2017, no emoluments were paid by the Group to any director or any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office. There were no arrangements under which a director waived or agreed to waive any emoluments for the years ended 31 December 2018 and 2017.

### 12. 董事薪酬及僱員酬金 – 續

#### 五位最高薪人士 – 續

上述截至二零一八年及二零一七年十二月三十一日止年度的最高薪非董事人士的薪酬詳情如下：

酬金介乎以下級別的最高薪非董事人士人數：

截至二零一八年及二零一七年十二月三十一日止年度，本集團概無向任何董事或五位最高薪人士任何一人支付酬金，作為邀請加入本集團或加入本集團後的獎勵，或作為辭去職位的補償。截至二零一八年及二零一七年十二月三十一日止年度，概無董事放棄或同意放棄收取任何酬金的安排。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES – continued SENIOR MANAGEMENT EMOLUMENTS

Emoluments paid or payable to members of senior management who are not directors were within the following bands:

### 12. 董事薪酬及僱員酬金 – 續

高級管理層酬金  
已付或應付董事以外高級管理層成員的酬金介乎以下級別：

		2018 二零一八年 Number of individuals 人數	2017 二零一七年 Number of individuals 人數
Nil to RMB1,000,000	零至人民幣1,000,000元	6	3
RMB1,000,001 to RMB2,000,000	人民幣1,000,001元至 人民幣2,000,000元	-	-
RMB2,000,001 to RMB3,000,000	人民幣2,000,001元至 人民幣3,000,000元	-	1
		<b>6</b>	<b>4</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 13. PLANT AND EQUIPMENT

### 13. 廠房及設備

		Electric equipment 電力設備 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Furniture and equipment 傢俱及設備 RMB'000 人民幣千元	Leasehold improvement 租賃物業裝修 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>						
As at 1 January 2017	於二零一七年一月一日	118	70	320	241	-	749
Additions	添置	5	-	30	-	-	35
As at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	123	70	350	241	-	784
Additions	添置	7,036	24,769	-	3,879	1,400	37,084
Disposal	出售	-	-	-	(77)	-	(77)
As at 31 December 2018	於二零一八年十二月三十一日	7,159	24,839	350	4,043	1,400	37,791
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>						
As at 1 January 2017	於二零一七年一月一日	99	28	236	190	-	553
Charge for the year	年內計提	8	6	67	20	-	101
As at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	107	34	303	210	-	654
Charge for the year	年內計提	1,024	945	14	198	117	2,298
Eliminated on disposals	出售時對銷	-	-	-	(74)	-	(74)
As at 31 December 2018	於二零一八年十二月三十一日	1,131	979	317	334	117	2,878
<b>Net book value:</b>	<b>賬面淨值：</b>						
As at 31 December 2018	於二零一八年十二月三十一日	6,028	23,860	33	3,709	1,283	34,913
As at 31 December 2017	於二零一七年十二月三十一日	16	36	47	31	-	130

The above items of plant and equipment are depreciated on a straight-line basis over their estimated useful lives and after taking into account of their estimated residual values.

上述廠房及設備項目於計及其估計剩餘價值後按直線法於估計使用年期折舊。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 14. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments represented prepaid operating lease payments for tidal flats in PRC. The lease prepayments expensed in the profit or loss amounted to approximately RMB50,000 for the years ended 31 December 2018 and 2017.

### 15. DEPOSITS PAID TO SUPPLIERS

The balance represents the earnest money paid to the fishermen for securing their long term supply of the raw materials. The deposits are unsecured, interest-free and the balances were subject to a repayable on demand clause once the contracts are being terminated.

### 16. PREPAYMENT FOR ACQUISITION OF PLANT AND EQUIPMENT

The balance represents prepayments for leasehold improvement and acquisition of equipment and machinery.

### 17. INVENTORIES

Raw materials	原材料
Finished goods	製成品

At 31 December 2018, the carrying amount of inventories carried at the lower of cost and net realisable value amounted to approximately RMB70,306,000 (2017: approximately RMB41,575,000). During the year, no impairment losses has been recognised (2017: Nil).

### 14. 預付租賃款項

本集團的預付租賃款項指中國灘塗的預付經營租賃付款。截至二零一八年及二零一七年十二月三十一日止年度，於損益中列作開支的租賃預付款項約為人民幣50,000元。

### 15. 支付予供應商之按金

結餘指支付予漁民而獲得長期原材料供應的誠意金。有關按金為無抵押及免息，而結餘須於合約終止時按要求條款即時償還。

### 16. 購置廠房及設備的預付款項

結餘指租賃物業裝修和購置廠房及設備的預付款項。

### 17. 存貨

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
13,752	20,927
56,554	20,648
<b>70,306</b>	41,575

於二零一八年十二月三十一日，按成本與可變現淨值兩者中的較低者計值的賬面值為約人民幣70,306,000元(二零一七年：約人民幣41,575,000元)。年內，並無確認任何減值虧損(二零一七：零)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 18. TRADE RECEIVABLES

Trade receivables	貿易應收款項
Less: impairment loss	減：減值虧損

### 18. 貿易應收款項

	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
	<b>110,379</b>	97,914
	<b>(437)</b>	-
	<b>109,942</b>	97,914

Based on the invoice dates, the ageing analysis of the Group's trade receivables net of impairment provision is as follows:

根據票據日期，本集團的貿易應收款項（扣除減值撥備）賬齡分析如下：

		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
0 – 30 days	0至30日	<b>73,329</b>	68,384
31 – 60 days	31至60日	<b>34,245</b>	28,168
61 – 90 days	61至90日	<b>2,368</b>	1,362
		<b>109,942</b>	97,914

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 18. TRADE RECEIVABLES – continued

The credit term granted by the Group to its trade customers is normally 30 days to 90 days. The ageing analysis of the Group's trade receivables that are neither individually nor collectively considered to be impaired is as follows:

Neither past due nor impaired	尚未到期或減值
Past due for less than 3 months	逾期少於三個月

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
-----------------------------------	-----------------------------------

109,942 97,914

- -

109,942 97,914

The movement in the allowance for impairment of trade receivables is as follows:

Carrying amount as at 1 January	於一月一日的賬面值	-	-
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	370	-
Carrying amount as at 1 January (restated)	於一月一日的賬面值(重列)	370	-
Impairment losses recognised	已確認減值虧損	67	-
Carrying amount as at 31 December	於十二月三十一日的賬面值	437	-

The directors consider that the carrying amounts of trade receivables approximate their fair values.

### 18. 貿易應收款項－續

本集團向其貿易客戶授出的信貸期一般為期30至90日。本集團並無個別或集體視為已減值的貿易應收款項的賬齡分析如下：

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
-----------------------------------	-----------------------------------

109,942 97,914

- -

109,942 97,914

貿易應收款項減值撥備的變動如下：

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
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- -

370 -

370 -

67 -

437 -

董事認為貿易應收款項的賬面值與其公平值相若。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 19. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

### 19. 按金、預付款項及其他應收款項

		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
Secured loan receivable – Note (i)	應收有抵押貸款—附註(i)	7,532	12,604
Amount due from a related party – Note (ii)	應收關連方款項—附註(ii)	236	234
Others	其他	4,945	1,129
		<b>12,713</b>	<b>13,967</b>

(i) The balance represents a loan receivable and accrued interest income from the loan receivable. On 12 December 2017, the Company has lent HK\$15 million (equivalent to approximately RMB12,975,000) to an independent third party at 10% interest per annum for a two-month period. The Company has interest income on the secured loan of HK\$78,082 (equivalent to approximately RMB67,541) for the year end 31 December 2017.

On 2 February 2018 and 26 March 2018, the secured loan has been further extended and the balance has been settled on 28 March 2018.

On 6 April 2018, the Company has lent HK\$15 million (equivalent to approximately RMB12,048,450) to an independent third party at 10% interest per annum for a three-month period.

On 4 July 2018, 11 October 2018 and 7 January 2019, the secured loan has been further extended to June 2019. And the interest rate increased to 12% per annum since 1 June 2018. Also, the balance has been subsequently partly-settled on 14 March 2019 and 20 March 2019 of HK\$2,291,000 and HK\$2,709,000 (equivalent to approximately RMB1,938,000 and approximately RMB2,292,000 respectively).

At 31 December 2018, the gross principal and interest of loan receivable are HK\$8,980,000 (equivalent to RMB7,869,000) and HK\$142,000 (equivalent to approximately RMB124,000) respectively. The Company has interest income on the secured loan of HK\$1,468,000 (equivalent to approximately RMB1,242,000) for the year ended 31 December 2018.

After the deduction of the ECL provided for loan receivables as at 31 December 2018 of RMB461,000, the net loan receivables is approximately RMB7,532,000.

(ii) The balance represents a rental deposit and rental prepayment paid to a company, which was controlled by the major shareholder's spouse. The balance was unsecured, interest-free, and will be repayable upon the end of lease term.

(i) 有關結餘指應收貸款及應收貸款的應計利息開支。於二零一七年十二月十二日，本公司按年利率10%向獨立第三方借出為期兩個月的15百萬港元(相當於約人民幣12,975,000元)。截至二零一七年十二月三十一日止年度，本公司有抵押貸款的利息收入為78,082港元(相當於約人民幣67,541元)。

於二零一八年二月二日及二零一八年三月二十六日，有抵押貸款已再延長而結餘隨後於二零一八年三月二十八日已清還。

於二零一八年四月六日，本公司按年利率10%向獨立第三方借出為期三個月15百萬港元(相當於約人民幣12,048,450元)。

於二零一八年七月四日、二零一八年十月十一日及二零一九年一月七日，有抵押貸款已再延長至二零一九年六月，利率自二零一八年六月一日起增加至年利率12%，部分結餘2,291,000港元及2,709,000港元(分別相當於約人民幣1,938,000元及約人民幣2,292,000元)其後於二零一九年三月十四日及二零一九年三月二十日清還。

於二零一八年十二月三十一日，應收貸款的本金總額及利息分別為8,980,000港元(相當於人民幣7,869,000元)及142,000港元(相當於約人民幣124,000元)。截至二零一八年十二月三十一日止年度，本公司有抵押貸款的利息收入為1,468,000港元(相當於約人民幣1,242,000元)。

扣除二零一八年十二月三十一日的應收貸款預期信貸虧損撥備人民幣461,000元後，應收貸款淨額為約人民幣7,532,000元。

(ii) 有關結餘指向一間由主要股東配偶控制的公司支付的租金按金及租金預付款項。該項結餘為無抵押、免息及須於租期屆滿時償還。

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### 20. CASH AND CASH EQUIVALENTS

At 31 December 2018, cash and cash equivalents in the amount of approximately RMB2,813,000 (2017: approximately RMB2,641,000) and approximately RMB231,440,000 (2017: approximately RMB282,602,000) are denominated in HK\$ and RMB respectively. The cash and cash equivalent denominated in RMB are deposited in the PRC in the ordinary course of business. RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

### 21. TRADE PAYABLES

The credit terms of trade payables vary according to the terms agreed with different suppliers, normally 30 days. Based on the receipt of services and goods, which normally coincided with the invoice dates, the ageing analysis of the Group's trade payables as at 31 December 2018 and 2017 are as follows:

		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
Trade payables	貿易應付款項	<b>39,910</b>	61,056

The trade payables are short-term and hence the carrying values of the Group's trade payables are considered a reasonable approximate of fair value.

### 22. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

		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
Payable for acquisition of plant and equipment	購置廠房及設備的應付款項	<b>1,790</b>	-
Others	其他	<b>5,481</b>	3,602
		<b>7,271</b>	3,602

### 20. 現金及現金等價物

於二零一八年十二月三十一日，金額為約人民幣2,813,000元（二零一七年：約人民幣2,641,000元）及約人民幣231,440,000元（二零一七年：約人民幣282,602,000元）的現金及等價物分別以港元及人民幣計值。在日常業務過程中，以人民幣計值的現金及現金等價物存放於中國。人民幣並非可自由兌換的貨幣及將資金匯出中國境外受中國政府頒佈之相關外匯管制的規則及法規所規限。

### 21. 貿易應付款項

貿易應付款項的信貸期視乎與不同供應商協定的條款而有所不同，一般為期30日。根據一般與票據日期相同的服務及貨品接收日期，本集團於二零一八年及二零一七年十二月三十一日的貿易應付款項的賬齡分析如下：

貿易應付款項為短期款項，因此本集團貿易應付款項的賬面值被視為公平值的合理近似值。

### 22. 應計費用、已收按金及其他應付款項

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### 23. RETIREMENT BENEFIT SCHEMES

The employees of the Group in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The Group's PRC companies are required to contribute certain percentage of their payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

### 24. DEFERRED TAX ASSETS

The deferred tax assets of RMB281,000 recognised in respect of the impairment loss of financial assets (including trade receivables, deposits paid to suppliers and loan receivables) (note 2A(ii)) in the statement of financial position as at 31 December 2018. The deferred tax assets of RMB276,000 recognised upon the adoption of HKFRS 9 as at 1 January 2018.

No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against the deductible temporary difference can be utilised.

### 25. CAPITAL AND RESERVE

### 23. 退休福利計劃

本集團於中國的僱員為中國政府運作的國家管理退休福利計劃的成員。本集團的中國公司須按僱員薪酬的若干百分比向退休福利計劃供款，以提供有關福利的資金。本集團有關退休福利計劃的唯一責任是根據計劃作出所需供款。

### 24. 遞延稅項資產

於二零一八年十二月三十一日，財務狀況表中就金融資產(包括貿易應收款項、支付予供應商之按金及應收貸款)(附註2A(ii))的減值虧損確認遞延稅項資產人民幣281,000元。於二零一八年一月一日，採納香港財務報告準則第9號後確認遞延稅項資產人民幣276,000元。

由於不可能動用應課稅溢利抵銷可扣稅暫時性差額，因此並無就該等可扣稅暫時性差額確認遞延稅項資產。

### 25. 股本及儲備

	Notes 附註	2018 二零一八年		2017 二零一七年	
		Number 數目 '000 千股	Amount 金額 RMB'000 人民幣千元	Number 數目 '000 千股	Amount 金額 RMB'000 人民幣千元
Authorised:					
As at 1 January		10,000,000	87,412	3,800	322
Subdivision of share capital	(c)	-	-	34,200	-
Increase in share capital upon capitalisation	(d)	-	-	9,962,000	87,090
As at 31 December		10,000,000	87,412	10,000,000	87,412
Issued and fully paid:					
As at 1 January		1,000,000	8,723	-	-
Subdivision of shares	(c)	-	-	1	-
Issue of ordinary shares upon capitalisation of shareholders' loan	(e)	-	-	200	2
Issue of ordinary shares upon capitalisation	(f)	-	-	749,799	6,555
Issue of ordinary shares upon placing of shares	(g)	-	-	250,000	2,166
As at 31 December		1,000,000	8,723	1,000,000	8,723

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### 25. CAPITAL AND RESERVE – continued

- (a) The Company was incorporated on 8 January 2016 in the Cayman Islands with an authorised share capital of HK\$380,000 (equivalent to approximately RMB321,636) divided into 3,800,000 ordinary shares of HK\$0.01 each. Upon incorporation, one share of par value HK\$0.1 was allotted and issued fully-paid to a subscriber, which was then transferred to a shareholder at par.
- (b) On 8 January 2016, 99 shares were allotted and issued all credited as fully-paid to shareholders.
- (c) On 21 June 2017, each share of HK\$0.1 was subdivided into 10 shares of HK\$0.01 each. The number of authorized share capital has been increased from 3,800,000 to 38,000,000 while the number of issued and fully paid share capital has been increased from 100 to 1,000.
- (d) On 21 June 2017, the authorised share capital of the Company was increased from HK\$380,000 (equivalent to approximately RMB321,636) to HK\$100,000,000 (equivalent to approximately RMB87,411,432) by the creation of 9,962,000,000 ordinary shares of par value HK\$0.01 each.
- (e) On 22 June 2017, 200,000 shares were allotted and issued all credited as fully-paid to shareholders in consideration of the capitalisation of loans in the amount of HK\$22,807,000 (equivalent to approximately RMB19,940,474) owing by the shareholders. The sum of HK\$2,000 (equivalent to approximately RMB1,749) representing the par value of the ordinary shares of the Company, were credited to the Company's share capital. The remaining sum of HK\$22,805,000 (equivalent to approximately RMB19,938,725) were credited to share premium account.
- (f) Pursuant to written resolutions passed on 22 June 2017, conditional upon the share premium account of the Company having sufficient balance, or otherwise being credited by way of global offering, the directors were authorised to allot and issue a total of 749,799,000 shares credited as fully paid at par by way of capitalisation of the sum of HK\$7,497,990 (equivalent to approximately RMB6,555,492) standing to the credit of the share premium account of the Company.
- (g) On 18 July 2017, 250,000,000 ordinary shares of HK\$0.01 each of the Company were issued at a price of HK\$0.66 by way of placing. On the same date, the Company's ordinary shares were listed on the Stock Exchange. The proceeds of HK\$2,500,000 (equivalent to approximately RMB2,166,075) representing the par value of the ordinary shares of the Company, were credited to the Company's share capital. The remaining proceeds of HK\$162,500,000 (equivalent to approximately RMB140,794,875), before issuing expenses of approximately HK\$18,458,529 (equivalent to approximately RMB15,993,023), were credited to share premium account.
- (h) The aggregate amounts of reserves available for distribution to equity shareholders of the Company were approximately RMB96,029,000 (2017: approximately RMB98,308,000).

### 25. 股本及儲備一續

- (a) 本公司於二零一六年一月八日在開曼群島註冊成立，法定股本為380,000港元(相當於約人民幣321,636元)，分為3,800,000股每股面值0.01港元的普通股。於註冊成立後，一股面值為0.1港元的股份以繳足股款形式獲配發及發行予一名認購人，隨後按面值轉讓予一名股東。
- (b) 於二零一六年一月八日，99股股份以入賬列作繳足方式獲配發及發行予股東。
- (c) 於二零一七年六月二十一日，每股面值0.1港元的股份分為10股每股面值0.01港元的股份。法定股本的數目由3,800,000股增至38,000,000股，而已發行及繳足股本的數目亦由100股增至1,000股。
- (d) 於二零一七年六月二十一日，本公司透過增設9,962,000,000股每股面值0.01港元的普通股將法定股本由380,000港元(相當於約人民幣321,636元)增加至100,000,000港元(相當於約人民幣87,411,432元)。
- (e) 於二零一七年六月二十二日，股東獲配發及發行200,000股入賬列作繳足的股份，代價為將欠付股東之22,807,000港元(相當於約人民幣19,940,474元)的貸款資本化。2,000港元(相當於約人民幣1,749元)之款項指計入本公司股本的本公司普通股面值。餘下22,805,000港元(相當於約人民幣19,938,725元)計入股份溢價賬。
- (f) 根據於二零一七年六月二十二日通過的書面決議案，待本公司股份溢價賬結餘充足或透過全球發售而取得進賬額後，董事獲授權透過將本公司股份溢價賬的進賬額7,497,990港元(相當於約人民幣6,555,492元)資本化，配發及發行合共749,799,000股按面值入賬列作繳足股份。
- (g) 於二零一七年七月十八日，本公司250,000,000股每股面值0.01港元的普通股透過配售按0.66港元的價格發行。同日，本公司的普通股於聯交所上市。所得款項2,500,000港元(相當於約人民幣2,166,075元)指計入本公司股本的本公司普通股面值。扣除發行開支約18,458,529港元(相當於約人民幣15,993,023元)前的餘下所得款項162,500,000港元(相當於約人民幣140,794,875元)計入股份溢價賬。
- (h) 本公司權益股東的可供分派儲備總額為約人民幣96,029,000元(二零一七年：約人民幣98,308,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 26. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

### 26. 控股公司之財務狀況表

		Notes 附註	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
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Investment in subsidiary	於附屬公司的投資		694	–
Deferred tax assets	遞延稅項資產		76	–
			<b>770</b>	–
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Prepayment and other receivables	預付款項及其他應收款項		7,771	12,622
Amounts due from subsidiaries	應收附屬公司款項		105,183	104,386
Cash and cash equivalents	現金及現金等價物		2,744	2,571
			<b>115,698</b>	119,579
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項		1,263	1,052
Amounts due to subsidiaries	應付附屬公司款項		9,725	11,496
			<b>10,988</b>	12,548
<b>NET CURRENT ASSETS</b>	<b>淨流動資產</b>		<b>104,710</b>	107,031
<b>NET ASSETS</b>	<b>淨資產</b>		<b>105,480</b>	107,031
<b>CAPITAL AND RESERVE</b>	<b>資本及儲備</b>			
Share capital	股本	25	8,723	8,723
Reserves	儲備		96,757	98,308
<b>TOTAL EQUITY</b>	<b>總股權</b>		<b>105,480</b>	107,031

On the behalf of the directors

代表董事

**Mr. Liu Rongru**  
劉榮如先生  
Director  
董事

**Mr. Jiang Dehua**  
蔣德華先生  
Director  
董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 27. INTERESTS IN SUBSIDIARIES

The following list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of the group. The class of shares held is ordinary unless otherwise stated.

### 27. 於附屬公司的投資

下表載列對本集團業績、資產或負債有重大影響的附屬公司詳情。除另有指明外，所持股份屬普通股。

Name of subsidiary 附屬公司名稱	Place of incorporation and operation 註冊成立及經營地點	Issued and fully paid share capital 已發行及繳足股本	% of ownership interest 擁有權益		Principal activities 主要業務
			2018 二零一八年	2017 二零一七年	
Xiamen Wofan Foodstuff Company Limited (廈門沃豐食品有限公司)	The People's Republic of China	RMB91,066,872	<b>Indirectly 100%</b>	Indirectly 100%	Packaging and sale of seafood products
廈門沃豐食品有限公司	中華人民共和國	人民幣91,066,872元	<b>間接持有 100%</b>	間接持有 100%	包裝及銷售海產品
Fujian Wofan Foodstuff Company Limited (福建省沃豐食品有限公司)	The People's Republic of China	RMB10,000,000	<b>Indirectly 100%</b>	Indirectly 100%	Packaging and sale of seafood products
福建省沃豐食品有限公司	中華人民共和國	人民幣10,000,000元	<b>間接持有 100%</b>	間接持有 100%	包裝及銷售海產品

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 28. RELATED PARTY TRANSACTIONS

(A) Saved as disclosed elsewhere in these financial statements, during the year, the Group entered into the following transactions with related parties.

### 28. 關連方交易

(A) 除該等財務報表另有披露者外，於年內，本集團與關連方訂立以下交易。

Related party identity and relationship 關連方身份及關係	Type of transaction 交易類型	Transaction amount 交易金額		Balance owed/(owing) 拖欠結餘	
		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	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
Xiamen Yehong Foodstuffs Company Limited* (廈門葉紅食品有限公司), A company, which was controlled by the major shareholder's spouse 廈門葉紅食品有限公司 一間由主要股東的配偶控制的公司	Rental deposit 租賃按金	-	-	36	36
	Rental expense – cost of sales 租賃開支 – 銷售成本	119	119	119	119
	Rental expenses – administrative expenses 租賃開支 – 行政開支	79	79	79	79
		<b>198</b>	198	<b>234</b>	234
Mr. Liu Rongjian* (劉榮建), Cousin of Mr. Liu Rongru 劉榮建先生 劉榮如先生的堂兄弟	Purchase – cost of sales (Note) 採購 – 銷售成本(附註)	262	747	-	(184)
Mr. Liu Rongzhong* (劉榮忠) Cousin of Mr. Liu Rongru 劉榮忠先生 劉榮如先生的堂兄弟	Purchase – cost of sales (Note) 採購 – 銷售成本(附註)	405	1,013	-	(193)

\* The English name is translated for identification purpose only.

Note: The directors confirm that the above purchase transactions are entered into with trading terms similar to those with third parties.

附註：董事確認上述採購交易乃按與第三方訂立的類似交易條款訂立。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 28. RELATED PARTY TRANSACTIONS – continued (B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors for the year are set out below:

		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Short-term benefits	短期福利	<b>3,256</b>	9,676
Contribution to retirement benefit scheme	退休福利計劃供款	<b>28</b>	27
<b>Total</b>	<b>總計</b>	<b>3,284</b>	9,703

The emoluments of senior management for the year are set out below:

		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Short-term benefits	短期福利	<b>1,416</b>	2,949
Contribution to retirement benefit scheme	退休福利計劃供款	<b>39</b>	41
<b>Total</b>	<b>總計</b>	<b>1,455</b>	2,990

### 28. 關連方交易－續 (B) 主要管理人員薪酬

董事於本年度薪酬載列如下：

		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Short-term benefits	短期福利	<b>3,256</b>	9,676
Contribution to retirement benefit scheme	退休福利計劃供款	<b>28</b>	27
<b>Total</b>	<b>總計</b>	<b>3,284</b>	9,703

高級管理層於本年度薪酬如下：

		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Short-term benefits	短期福利	<b>1,416</b>	2,949
Contribution to retirement benefit scheme	退休福利計劃供款	<b>39</b>	41
<b>Total</b>	<b>總計</b>	<b>1,455</b>	2,990



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 29. OPERATING LEASE COMMITMENTS

#### THE GROUP AS LESSEE

Future minimum lease payments under non-cancellable operating leases in respect of rented premises are payable as follows:

		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
Within one year	一年內	2,554	217
In the second to fifth year, inclusive	第二至五年(包括首尾兩年)	4,656	-
		<b>7,210</b>	217

The Group leases a number of premises under operating leases. The leases run for an initial period of one (2017: one) year.

#### THE GROUP AS LESSOR

During the years ended 31 December 2017 and 2018 rental income were RMB54,000 and RMB55,000 respectively.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		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
Within one year	一年內	55	54
In the second to fifth year, inclusive	第二至五年(包括首尾兩年)	86	143
		<b>141</b>	197

### 30. COMMITMENTS

The Group has no capital commitments as at 31 December 2017 and 2018.

### 29. 經營租賃承擔

本集團作為承租人  
就租賃物業之不可撤回經營租約之未來應付的最低租賃付款如下：

	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
一年內	2,554	217
第二至五年(包括首尾兩年)	4,656	-
	<b>7,210</b>	217

本集團根據經營租約租賃一系列物業。該等租約初步為期一年(二零一七年：一年)。

#### 本集團作為出租人

截至二零一七年及二零一八年十二月三十一日止年度，租金收入分別為人民幣54,000元及人民幣55,000元。

於本報告期末，本集團與租戶訂立合約，以下為未來最低租賃付款：

	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
一年內	55	54
第二至五年(包括首尾兩年)	86	143
	<b>141</b>	197

### 30. 承擔

於二零一七年及二零一八年十二月三十一日，本集團並無資本承擔。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 31. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits, respectively.

The directors of the Company reviews the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through the payment of dividends, new shares issue and share buy-back as well as the issue of new debts or redemption of existing debt, if necessary

Management regards total equity as capital. The amount of capital as at 31 December 2017 and 2018 amounted to approximately RMB370,977,000 and approximately RMB447,004,000, respectively, which the management considers as optimal having considered the projected capital expenditures and the projected strategic investment opportunities.

### 31. 資本管理政策及程序

本集團管理其資本以確保本集團內的實體能繼續持續經營，同時透過優化債務及股權結餘以盡量提高股東回報。

本集團的資本結構包括債務淨額(扣除現金及現金等價物)及本公司擁有人應佔股權(分別包括已發行股本、儲備及保留溢利)。

本公司董事持續考慮資本成本及與資本有關的風險，以檢討其資本結構。本集團將透過派付股息、發行新股份及購回股份，以及發行新債項或贖回現有債項(如有需要)，以平衡其整體資本結構。

管理層將股權總額視為資本。於二零一七年及二零一八年十二月三十一日，資本金額分別約人民幣370,977,000元及約人民幣447,004,000元，管理層經考慮預測資本開支及預測策略投資機會後，認為資本金額的水平適當。

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## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 32. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The following table shows the carrying amount of financial assets and liabilities:

		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
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables	貸款及應收款項		
– Cash and cash equivalents	– 現金及現金等價物	234,253	285,243
– Trade and other receivables	– 貿易及其他應收款項	123,787	117,042
		<b>358,040</b>	<b>402,285</b>
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本		
– Trade and other payables	– 貿易及其他應付款項	47,100	64,614

#### (A) FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

Financial instruments not measured at fair value include bank deposits, cash and cash equivalents, trade and other receivables, trade and other payables and interest-bearing borrowings.

Due to their short term nature, the carrying value of bank deposits, cash and cash equivalents, trade and other receivables, trade and other payables approximates fair value.

### 32. 按類別劃分的金融資產及金融負債概要

下表載列金融資產及負債的賬面值：

		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
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables	貸款及應收款項		
– Cash and cash equivalents	– 現金及現金等價物	234,253	285,243
– Trade and other receivables	– 貿易及其他應收款項	123,787	117,042
		<b>358,040</b>	<b>402,285</b>
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本		
– Trade and other payables	– 貿易及其他應付款項	47,100	64,614

#### (A) 並非按公平值計量的金融工具

並非按公平值計量的金融工具包括銀行存款、現金及現金等價物、貿易及其他應收款項、貿易及其他應付款項及計息借貸。

由於其性質屬短期，銀行存款、現金及現金等價物、貿易及其他應收款項、貿易及其他應付款項的賬面值均與彼等各自的公平值相若。

### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade receivables, other receivables, bank balances and cash, trade payables and other payables.

Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include interest rate risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The directors of the Company manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 33. 財務風險管理目的及政策

本集團的主要金融工具包括貿易應收款項、其他應收款項、銀行結餘及現金、貿易應付款項及其他應付款項。

該等金融工具的詳情於各附註內披露。與該等金融工具有關的風險包括利率風險、信貸風險及流動資金風險，有關如何減低該等風險的政策載列如下。本公司董事管理及監察該等風險，以確保及時並有效實施適當措施。

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(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (A) INTEREST RATE RISK

As the Group has no significant interest-bearing assets and liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rate.

#### (B) CREDIT RISK

At the end of reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statements of financial position.

In order to minimise the credit risk, the directors of the Company have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action are taken to recover overdue debts. In addition, the directors of the Company review the recoverable amount of each individual trade receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the credit risk of the Group is significantly reduced.

The credit risk of the Group is concentrated on trade receivables from the Group's five largest customers as at 31 December 2017 and 2018 amounting to approximately RMB37,516,000 and approximately RMB43,817,000, respectively, and accounted for approximately 38% and approximately 40% of the Group's total trade receivables. In order to minimise the credit risk, the directors of the Company continuously monitor the level of exposure by frequent review of the credit evaluation of the financial condition and credit quality of its customers to ensure that prompt actions will be taken to lower exposure.

### 33. 財務風險管理目的及政策 – 續

#### (A) 利率風險

由於本集團並無重大計息資產及負債，本集團的收入及經營現金流量基本上不受市場利率變動影響。

#### (B) 信貸風險

於報告期末，本集團因對約方未能履行責任而對本集團構成財務損失的最大信貸風險來自綜合財務狀況表所列各項已確認金融資產的賬面值。

為盡量減低信貸風險，本公司董事已指定團隊負責釐定信貸限額、信貸批核及其他監察程序，以確保採取跟進行動收回逾期債項。此外，本公司董事檢視各項貿易應收款項於報告期末的可收回金額，以確保就不可收回金額作出充分減值虧損。就此，本公司董事認為得以大幅減低本集團的信貸風險。

於二零一七年及二零一八年十二月三十一日，本集團的信貸風險集中於本集團五大客戶的貿易應收款項，分別為約人民幣37,516,000元及約人民幣43,817,000元，佔本集團貿易應收款項總額的約38%及約40%。為盡量減低信貸風險，本公司董事頻密檢討財務狀況的信貸評估及客戶的信貸質量，以確保迅速採取行動減低風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (B) CREDIT RISK – continued

The Group measures loss allowances for trade receivables and deposits paid to suppliers at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience indicate different loss patterns for different subsidiaries, the loss allowance based on past due status is further distinguished between the Group's different subsidiaries.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and deposits paid to suppliers as at 31 December 2018:

#### (i) Trade receivables

		Expected loss rate (%) 預期虧損率(%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
0-30 days past due	逾期0至30日	0.19%	73,467	(138)
31-60 days past due	逾期31至60日	0.75%	34,504	(259)
61-90 days past due	逾期61至90日	1.68%	2,408	(40)
			110,379	(437)

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the group's view of economic conditions over the expected lives of the receivables.

At 31 December 2017, the ageing analysis of trade debtors that were not considered to be impaired was as follows:

		2017 二零一七年 RMB'000 人民幣千元
0-30 days past due	逾期0至30日	68,384
31-60 days past due	逾期31至60日	28,168
61-90 days past due	逾期61至90日	1,362
		97,914

### 33. 財務風險管理目的及政策－續

#### (B) 信貸風險－續

本集團按等同於整個有效期的預期信貸虧損(以使用提列矩陣計算)的金額計量貿易應收款項的虧損撥備。由於本集團的歷史信貸虧損經驗顯示不同附屬公司的不同虧損模式，根據逾期狀況的虧損撥備在本集團不同附屬公司之間進一步區別。

下表提供有關於二零一八年十二月三十一日本集團信貸風險範圍和貿易應收款項及支付予供應商的按金的預期信貸虧損的資料：

#### (i) 貿易應收款項

預期虧損率根據過去5年的實際虧損經驗計算。該等比率經調整以反映收集歷史數據期間的經濟狀況、目前狀況與本集團對應收款項預期年期經濟狀況的看法之間的差異。

於二零一七年十二月三十一日，本集團並無視為已減值的貿易應收款項的賬齡分析如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (B) CREDIT RISK – continued

Receivables that were past due but not impaired related to a number of independent customers that had a good track record with the group. Based on past experience, management believed that no impairment allowance was necessary in respect of these balances as there had been no significant change in credit quality and the balances were still considered fully recoverable.

#### (ii) Deposits paid to suppliers

2 – 4 years to maturity	離到期2至4年	6.4%
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Expected loss rates are based on the number of years to maturity. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the group's view of economic conditions over the expected lives of the deposits paid to suppliers.

Movement in the loss allowance account in respect of trade receivables, loan receivables and deposits paid to suppliers during the year is as follows:

		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
Balance as at 31 December under HKAS 39	根據香港會計準則第39號的十二月三十一日結餘	–	–
Impact of initial application of HKFRS 9 (note 2A(A))	初始應用香港財務報告準則第9號的影響(附註2A(A))	1,210	–
Adjusted balance as at 1 January	於一月一日的經調整結餘	1,210	–
Amounts written off during the year	年內撇銷的金額	(145)	–
Impairment losses recognised during the year	年內確認的減值虧損	217	–
Balance as at 31 December	於十二月三十一日的結餘	1,282	–

### 33. 財務風險管理目的及政策 – 續

#### (B) 信貸風險 – 續

並無減值的逾期應收款項與多個與本集團往績記錄良好的獨立客戶有關。根據過往經驗，管理層相信，由於信貸品質並無重大變動，而且認為仍可全數追回該等結餘，因此無須就該等結餘計提減值撥備。

#### (ii) 支付予供應商的按金

Expected loss rate (%) 預期虧損率(%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
6.4%	6,000	(384)

預期虧損率根據離到期的年數計算。該等比率經調整以反映收集歷史數據期間的經濟狀況、目前狀況與本集團對支付予供應商的按金預期年期經濟狀況的看法之間的差異。

年內就貿易應收款項、應收貸款及支付予供應商的按金計提的虧損撥備賬變動如下：



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### 33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (C) LIQUIDITY RISK – continued

2017

		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand
	非衍生工具	賬面值	合約未貼現現金流量總額	須於一年內或按要求清償
	貿易應付款項	RMB'000	RMB'000	RMB'000
	應計款項、已收按金及其他應付款項	人民幣千元	人民幣千元	人民幣千元
Non-derivatives:				
Trade payables		61,056	61,056	61,056
Accruals, deposits received and other payables		3,558	3,558	3,558
		64,614	64,614	64,614

#### (D) CURRENCY RISK

The Group mainly operated in the PRC with most of the transactions settled in RMB and did not have significant exposure to risk resulting from changes in foreign currency exchange rates.

### 34. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 22 March 2019.

### 33. 財務風險管理目的及政策 – 續

#### (C) 流動資金風險 – 續

二零一七年

	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand
	賬面值	合約未貼現現金流量總額	須於一年內或按要求清償
	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元
Non-derivatives:			
Trade payables	61,056	61,056	61,056
Accruals, deposits received and other payables	3,558	3,558	3,558
	64,614	64,614	64,614

#### (D) 貨幣風險

本集團主要於中國經營，大多數交易以人民幣結算，且並無面臨因外幣匯率變動導致的重大風險。

### 34. 批准綜合財務報表

綜合財務報表由董事會於二零一九年三月二十二日批准及授權刊發。



## FIVE-YEAR FINANCIAL SUMMARY

### 五年財務摘要

A summary of the results and assets, liabilities and equity of the Group for the last five financial years is depicted below:

本集團最近五個財政年度之業績與資產、負債及權益概要列示如下：

#### RESULTS

#### 業績

		Year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
<b>Revenue</b>	收入	<b>667,958</b>	644,407	468,039	366,968	204,847
Cost of sales	銷售成本	<b>(498,864)</b>	(480,901)	(349,642)	(272,862)	(156,944)
<b>Gross profit</b>	毛利	<b>169,094</b>	163,506	118,397	94,106	47,903
Other income and other gains	其他收入及其他收益	<b>2,363</b>	195	435	411	(157)
Selling and distribution expenses	銷售及分銷費用	<b>(54,575)</b>	(23,806)	(17,838)	(14,547)	(8,536)
Administrative expenses	行政費用	<b>(11,553)</b>	(34,912)	(14,039)	(2,707)	(1,851)
Expected credit losses on financial assets	金融資產的預期信貸虧損	<b>(72)</b>	-	-	-	-
Other expenses	其他費用	<b>(842)</b>	(598)	(1,320)	(1,012)	(274)
Finance costs	融資成本	<b>-</b>	-	(219)	(1,028)	(1,313)
<b>Profit before income tax</b>	除所得稅前溢利	<b>104,415</b>	104,385	85,416	75,223	35,772
Income tax expense	所得稅開支	<b>(28,001)</b>	(34,183)	(24,264)	(19,379)	(9,031)
<b>Profit for the year attributable to owners of the Company</b>	本公司擁有人應佔年內溢利	<b>76,414</b>	70,202	61,152	55,844	26,471
<b>Other comprehensive income</b>	其他全面收入					
<i>Items that may be classified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>					
- Exchange differences arising from translation of foreign operations	- 換算海外業務產生的匯兌差額	<b>547</b>	(1,719)	(804)	-	-
Other comprehensive income for the year	年內其他全面收入	<b>547</b>	(1,719)	(804)	-	-
<b>Profit and total comprehensive income for the year attributable to owners of the Company</b>	本公司擁有人應佔年內溢利及全面收入總額	<b>76,961</b>	68,483	60,348	55,844	26,471
Earnings per share	每股盈利					
- basic and diluted (RMB)	- 基本及攤薄(人民幣)	<b>0.0764</b>	0.0812	0.0815	0.0745	0.0353

#### ASSETS, LIABILITIES AND EQUITY

#### 資產、負債及權益

		As at 31 December 於十二月三十一日				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
Total Assets	資產總額	<b>503,103</b>	444,958	222,630	156,967	131,625
Total Liabilities	負債總額	<b>56,099</b>	73,981	67,044	55,929	66,431
Total Equity	權益總額	<b>447,004</b>	370,977	155,586	101,038	65,194



**China Shenghai Food Holdings Company Limited**  
中國升海食品控股有限公司