



CHINA GREENFRESH GROUP CO., LTD.

中國綠寶集團有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

(Stock code 股份代號: 6183)

TRANSFORMATION AND UPGRADE 轉型升級

ANNUAL REPORT 2018 年報



* For identification purposes only 僅供識別

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CORPORATE PROFILE

公司簡介

CHINA GREENFRESH GROUP CO., LTD. (the “**Company**”) and its subsidiaries (the “**Group**” or “**we**” or “**our**”) was founded in 1995 and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in June 2015 (stock code: 6183).

As a leading enterprise in the edible fungi industry of the People’s Republic of China (“**China**” or the “**PRC**”), the Group is principally engaged in the cultivation and sales of fresh edible fungi, primarily food processing (canned vegetables, canned fruits, canned edible fungi and snacks), production and sales of processed fungi products, as well as research and development, production and sales of edible fungi products for general healthcare. The Group has set up trial bases in several provinces and cities of the PRC for the cultivation of mushrooms such as king trumpet mushroom and is proactively conducting research and development on environmental friendly, pollution-free edible fungi products, and has extensive nation-wide distribution and sales network.

After two decades of development, the Group has become a consolidated supplier of edible fungi products which operates under an integrated model covering scientific research, cultivation, processing and sales. With outstanding performance, the Group has been granted many honours and awards, including “National Key Leading Enterprise for Agriculture Industrialization” (農業產業化國家重點龍頭企業), “National Leading Enterprise in Edible Fungi Industry With Excellent Performance” (全國食用菌行業優秀龍頭企業), “Top Ten Canned Food (For Exports) Enterprise in China” (中國罐頭(出口)十強企業), etc. Our product brand is also rewarded “Renowned Trademark of China” (中國馳名商標).

The Group adopts the “Building up of a Comprehensive Industrial Chain for Life Healthcare in China” as its corporate vision, while consolidating its leading position in the industry of edible fungi and promoting the industry of products for general healthcare. Adhering to our mission of providing healthy and qualified food and generating maximum value to our shareholders, customers and employees, the Group will try its best endeavor to achieve the sustainable development of the Company, society and the environment.

中國綠寶集團有限公司(簡稱「本公司」)連同其附屬公司(統稱「本集團」或「集團」或「我們」)創立於1995年，並於2015年6月在香港聯合交易所有限公司(「聯交所」)主板上市(股份代號：6183)。

本集團是中華人民共和國(「中國」)食用菌行業的領先企業，主營新鮮食用菌的種植與銷售、初級食品加工(蔬菜罐頭、水果罐頭、食用菌罐頭以及休閒食品)，食用菌加工產品的生產與銷售，食用菌大健康產品的研發、生產及銷售。集團在中國多個省、市建立杏鮑菇等菇類種植試驗基地，積極研發綠色無公害食用菌食品，並擁有覆蓋中國的龐大的經銷及銷售網絡。

經過20多年的發展，集團已成為集科研、培育、加工、銷售為一體的食用菌產品綜合供應商。由於表現卓著，集團獲得了眾多榮譽與獎項，主要有：「農業產業化國家重點龍頭企業」、「全國食用菌行業優秀龍頭企業」、「中國罐頭(出口)十強企業」等。我們的產品品牌亦被評為「中國馳名商標」。

本集團以「打造中國生命健康產業鏈」為企業願景，在鞏固食用菌行業龍頭地位的同時，全力推進大健康保健食品產業，以奉獻健康優質的食品，使股東、客戶、員工價值最大化為使命，實現本公司、社會與環境的可持續發展。

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Zheng Songhui (*Chairman and chief executive officer*)
Zheng Tianming

Non-executive Directors

Zhang Lin
Zheng Kangbin

Independent Non-executive Directors

Li Wai Kwan
Lou Robert Hsiu-sung
Cheng Hiu Yung

JOINT COMPANY SECRETARIES

Ke Weibin
Ng Wing Shan

AUTHORISED REPRESENTATIVES

Zheng Songhui
Ng Wing Shan

AUDIT COMMITTEE

Li Wai Kwan (*Committee Chairman*)
Lou Robert Hsiu-sung
Cheng Hiu Yung

NOMINATION COMMITTEE

Zheng Songhui (*Committee Chairman*)
Lou Robert Hsiu-sung
Cheng Hiu Yung

REMUNERATION COMMITTEE

Cheng Hiu Yung (*Committee Chairman*)
Zheng Songhui
Li Wai Kwan

董事會

執行董事

鄭松輝 (*主席兼行政總裁*)
鄭天明

非執行董事

張琳
鄭康彬

獨立非執行董事

李偉君
樓秀嵩
鄭曉勇

聯席公司秘書

柯葳彬
吳詠珊

授權代表

鄭松輝
吳詠珊

審核委員會

李偉君 (*委員會主席*)
樓秀嵩
鄭曉勇

提名委員會

鄭松輝 (*委員會主席*)
樓秀嵩
鄭曉勇

薪酬委員會

鄭曉勇 (*委員會主席*)
鄭松輝
李偉君

CORPORATE INFORMATION

公司資料

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKER

Agricultural Bank of China (Longhai Branch)
13/F, Gong Shang Building
No. 45 Ziguang Road, Shima Town, Longhai
Fujian Province, the PRC

REGISTERED OFFICE

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

8th Floor, Building No. 10
Guanyinshan Business Center
Siming District, Xiamen
the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Sunlight Tower
No. 248 Queen's Road East
Wan Chai
Hong Kong

STOCK CODE

6183

WEBSITE ADDRESS

www.china-greenfresh.com

主要股份過戶登記總處

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心
22樓

主要往來銀行

中國農業銀行(龍海分行)
中國福建省
龍海市石碼鎮紫光路45號
工商大廈13層

註冊辦事處

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

中國總辦事處及主要營業地點

中國
廈門思明區
觀音山運營中心
10號樓8樓

香港主要營業地點

香港
灣仔
皇后大道東248號
陽光中心40樓

股份代號

6183

網址

www.china-greenfresh.com

CHAIRMAN'S STATEMENT

主席報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of CHINA GREENFRESH GROUP CO., LTD. (the “**Company**”), I am pleased to present the annual results of the Company and its subsidiaries (the “**Group**” or “**We**”) for the financial year ended 31 December 2018 (the “**Year**”).

In 2018, albeit the intensified atmosphere of the international economic situation, the edible fungi industry remained ideal growth. With the consumers in the society becoming more conscious in healthy diet, the edible fungi industry will still enjoy an enormous room for marketing and development. Meanwhile, industry integration and elimination of the edible fungi industry expedited, causing edible fungi enterprises with obsolete technology and low product competitiveness being phased out, while enterprises with a considerable scale of industry chain obtaining opportunities for further growth. After industry integration and accelerated development, the preliminary manifestation of the scale of economy was seen.

During the Year, the Group executed strategic plan laid down by the management at the beginning of the Year and adjusted the industrial structure so as to further promote business transformation and realize a leapfrog in its development. The Group recorded revenue of approximately RMB1,007.05 million during the year, while the gross profit after fair value adjustment on biological assets was approximately RMB171.90 million (before sales related tax, other taxes and auxiliary charges).

本人僅代表中國綠寶集團有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然提呈本公司及其附屬公司(「集團」、「本集團」或「我們」)截至2018年12月31日止財政年度(「本年」或「本年度」)的業績。

2018年，食用菌行業在國際經濟形勢日趨緊張的情況下仍然處於良好發展的狀態。伴隨社會消費者對健康飲食意識的逐步提升，食用菌行業在未來仍然會有廣闊的市場空間和發展潛力。與此同時，食用菌行業整合與淘汰的腳步在逐步加快，對於技術陳舊以及產品競爭力低下的食用菌企業將會遭受市場的淘汰，而具有一定產業鏈廣度和深度的企業則會迎來發展契機，在歷經產業整合與加速發展之後，已經初步顯現規模效益。

回顧年內，集團執行了年初管理層制定的戰略規劃，進行產業結構調整，進一步推進企業轉型升級力度，實現跨越式發展。年內，集團實現營業收入約人民幣1,007.05百萬元；生物資產公允價值調整後毛利約為人民幣171.90百萬元(未扣除銷售相關稅、其他稅金及附加)。



CHAIRMAN'S STATEMENT

主席報告

In 2018, in addition to securing the healthy growth of the existing high potential business, the Group eliminated certain obsolete plants and equipment, as well as outdated technology capacity. Although the results of the Group for the Year was affected accordingly, the stable operation in other business segments and the positive return from the healthcare products business offset the impact to a certain extent, which assisted the Group to pass through the critical period of transformation and upgrading.

Food industry impacts human health and interest. We insist to put food safety and ecological environmental protection as the top priority of our corporate development. Proper execution of the requirements under the national environmental policies helps promoting the enhancement of the enterprises' own production skills; meanwhile, it is also the social responsibility for all enterprises.

In 2019, persistently upholding its vision of "building a healthy industry chain for China", the Group devotes all effort to develop the business segment of edible fungi products for general healthcare, while at the same time strives to consolidate its leading position in the edible fungi industry. Led by directions of modern agriculture and general health care, the Group will set up its target of developing the segment of edible fungi products for general healthcare by leveraging on the special resources and favourable policies of China. Driven by the Chinese culture of edible fungi and technological innovations, the Group produce healthcare products with high added value to consumers and realize sustainable development of the Group.

Lastly, on behalf of the Board, I hereby express my wholehearted gratitude to the shareholders for their trust and great support to the Group, and again to every one of my colleagues across the business for their hard work and contribution to the Group. I would also like to thank my fellow Board members for their continued guidance and support.

Zheng Songhui
Chairman

28 March 2019

2018年，集團在保障原有優質業務得到健康發展的同時，淘汰了一部分陳舊廠房、設備以及技術落後的產能。這雖然導致集團本年度業績受到影響，但集團其他業務分部的穩定經營以及保健產品業務取得的良好收益，在一定程度上彌補了集團的業績缺失，有效助力集團度過轉型升級的關鍵時期。

食品行業事關人類健康利益，我們始終把食品安全以及生態環境保護作為企業發展的第一前提。更好的執行國家下達的環保政策要求，有助於促進企業自身生產工藝的提高，也是企業所應當履行的社會責任。

在2019年，集團將始終以「打造中國生命健康產業鏈」為企業願景，在鞏固食用菌行業龍頭地位的同時，全力發展食用菌大健康產業。集團將會以現代農業和大健康產業的需求為導向，樹立發展食用菌大健康保健產業的思維理念，依托我國特色資源和政策優勢，以中國特色的食用菌文化和科技創新作為動力，生產具有高質量健康食品提供給消費者，實現企業長遠發展！

最後，本人謹代表董事會向過去一年給予集團信任及大力支持的股東以及再次向不懈努力和為集團進步作出貢獻的每一位員工表示衷心感謝！最後，向一直指導和支持我的各位董事會成員表示衷心感謝！

主席
鄭松輝

2019年3月28日

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

SUMMARY AND OVERVIEW

The Group is a leading integrated service provider of comprehensive edible fungi industrial chain in China, and the first Chinese edible fungi enterprise listed in the Stock Exchange. After 24 years of development, the Group accumulated extensive experience in industrialized production of edible fungi, primary and intensive processing of edible fungi products, domestic and overseas sales platform as well as research, development production and sales of edible fungi healthcare products.

In 2018, albeit the intensified atmosphere of the international economic situation, the edible fungi industry of China remained ideal growth, which was benefited from China's position of being the world's largest country of edible fungi production and output, as well as the increasing demand for healthy edible fungi food products from the domestic consumers. With the consumers becoming more conscious in healthy diet, the edible fungi industry will still enjoy an enormous room for marketing and development. Meanwhile, industry integration and elimination of the edible fungi industry expedited, causing edible fungi enterprises with obsolete technology and low product competitiveness being phased out, while enterprises with a considerable scale of industry chain obtaining opportunities for further growth. Some enterprises with stronger integrated capability grasped quality resources in the industry through mergers and acquisition. Their insistence in technological research and development while expanding business scale had enhanced the core competitive strengths of the industry.

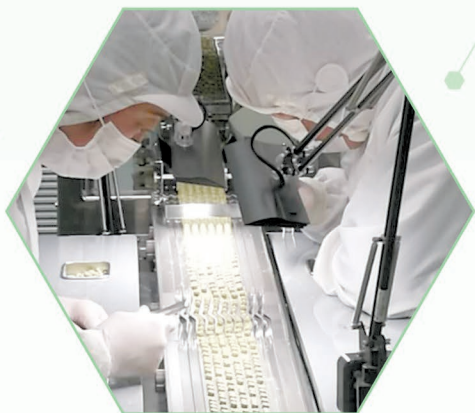
The Group executed the strategic plan laid down by the management at the beginning of the Year to further promote business transformation. During the Year, in addition to securing the healthy growth of the existing high potential businesses, the Group eliminated obsolete technology facilities and outdated technology capacity and strived to focus on the research and development, production and sales of edible fungi healthcare products. (Due to the capacity reduction during the first half of the Year, the results of the Group for the Year was affected. However, the stable operation in other business segments and the positive return from the healthcare products business offset the impact to a certain extent, which assisted the Group to pass through the critical period of transformation and upgrading.)

簡介及概覽

本集團是中國領先的食用菌全產業鏈綜合服務商，亦是首家在聯交所成功上市的中國食用菌企業。經過24年的發展，集團在食用菌工廠化生產及初深加工食用菌食品、國內外銷售渠道的建設以及食用菌保健食品的研發、生產及銷售領域積累了豐富經驗。

2018年，中國食用菌行業在國際經濟形勢日趨緊張的情況下依然處於良好發展的狀態，這得益於中國依然是全球最大的食用菌生產國與輸出國以及國內消費者對食用菌健康食品需求日益增長的原因。伴隨消費者對健康飲食意識的逐步提升，食用菌行業在未來仍然會有廣闊的市場空間和發展潛力。與此同時，食用菌行業整合與淘汰的腳步加快，技術陳舊以及產品競爭力低下的食用菌企業逐步遭受市場的淘汰，而具有一定產業鏈廣度和深度的企業則得到了發展機遇，一些綜合實力較強的企業對行業的優質資源進行收購兼併，在擴大企業規模的同時，始終堅持對技術研發的投入力度，努力提升行業核心競爭力。

本集團執行了年初管理層制定的戰略規劃，進一步推進企業轉型升級。本年，本集團在保障原有優質業務得到健康發展的同時，淘汰陳舊設施以及技術落後的產能，並且大力發展食用菌保健產品的研發、生產及銷售。（由於受上半年淘汰產能的原因，導致集團本年度業績受到影響，但本年度集團其他業務分部的穩定經營以及保健產品業務取得的良好收益，在一定程度上彌補了集團的業績缺失，有效助力集團度過轉型升級的關鍵時期。）



MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

The edible fungi healthcare products of the Group performed well during the Year. Up till now, the Group has 10 kinds of products under two product series, which are distributed to different areas for sales. During the Year, the "520 International" (520國際) series of product had officially launched in Hong Kong market. By signing a cooperation agreement with Tasty Group Limited, the Tasty Group Limited has commenced promotion and sales on our healthcare products in its large scale retail chain shops "Tastymart" (品味1+1).

The Group achieved some results in the expansion of its sales channels during the Year, with a revenue of RMB142.06 million. To accomplish the management's target of expanding domestic sales channels and facilitating business transformation and upgrade, the Group acquired 100% equity interests in four companies engaging in sales of fresh edible fungi and fresh vegetables and located in Xi'an, Nanchang, Foshan and Changsha in the PRC, respectively, where such companies and the vendors of such equity interests are all third parties independent from the Group and from each other. The acquisition of these four companies broadened our sales network by tapping into unoccupied areas and achieve business complement to a certain extent. Such acquisitions would also help the Group successfully pass through the key period of transformation and upgrading.

SPECIFIC BUSINESS ANALYSIS

King Trumpet Mushrooms

During the Year, the segment of king trumpet mushrooms maintained seamless production throughout the Year under the premises of quality and safety guarantee, which led to satisfaction of the customers' demands of "stable quality" and "stable production volume" of fresh edible fungi. Currently, the king trumpet mushrooms remains the largest contributor to the Group's revenue. During the Year, the segment of king trumpet mushrooms recorded a sales revenue of approximately RMB352.90 million, representing approximately 35.04% of the annual revenue of the Group.

年內，本集團食用菌保健產品業務發展良好。截至目前，本集團已經擁有兩大系列共10款成熟產品投放在不同銷售地區。本年，本集團旗下「520國際」系列保健產品正式入駐香港市場，與一品集團有限公司簽署合作協議，透過一品集團有限公司旗下的大型連鎖零售機構——「品味1+1」對本公司的保健產品進行了推廣與銷售。

年內，本集團的銷售渠道拓展亦取得成效實現人民幣142.06百萬元收入。為貫徹管理層制定的拓展國內銷售渠道，推動業務轉型升級的目標要求，本集團分別收購位於中國西安、南昌、佛山以及長沙的四家新鮮食用菌及蔬菜貿易公司的100%股權，該等公司及該等股權的賣方均為本集團及其彼此之間的獨立第三方。集團對此四家公司的收購案，實現了集團在銷售網絡空白區域的覆蓋及一定程度的業務補充，有效幫助本集團度過轉型升級的關鍵時期。

具體業務分析

杏鮑菇

年內，本集團杏鮑菇業務在保證質量和安全的前提下，實現了全年不間斷生產，滿足客戶對於新鮮食用菌「穩定的質量」和「穩定的產量」的需求。目前，杏鮑菇業務仍是本集團收入的最大組成部分。年內，集團杏鮑菇業務實現銷售收入約為人民幣352.90百萬元，約佔集團全年收入的35.04%。



MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

Button Mushroom, Straw Mushroom and Shiitake Mushrooms

During the Year, to comply with the higher standard of requirement in environmental protection from the national and local government and fully enhance production skills, the Group phased out obsolete production facilities for button mushroom and straw mushroom, resulting in halt in all button mushroom and straw mushroom production and sale. The Group set up a modern cultivation plant for shiitake mushroom in Pingquan County, Hebei in 2016, which introduced business of industrialized cultivation of shiitake mushroom. During the Year, the segment of shiitake mushrooms recorded a sales revenue of approximately RMB26.07 million, representing approximately 2.59% of the annual revenue of the Group.

Healthcare Products

Edible fungi healthcare products is an important step of the Group towards extension of industry chain and has also represented a milestone of the business transformation and upgrading in 2018. Up to date, the Group has 10 kinds of products under two product series of its own brands, namely, four kinds of products under the Kangbao series including ECONB (康益寶), FUSION (福祿仙), COLLAGEN ESSENCE (膠原精華) and LACTOBACILLUS (素然), and the six kinds of products under the 520 International series including “宜延壽”, “植元”, “益延禧”, “冉然”, “西妃寶” and “鎖二喬”. All products are produced and processed in Japan and sold to Singapore, Japan and Hong Kong. During the Year, the segment of edible fungi products for general healthcare achieved a sales revenue of approximately RMB142.06 million, accounting for approximately 14.10% of the annual revenue of the Group.

Canned Food

Being one of the earliest developed business of the Group, the canned food segment mainly includes production and sales and overseas distribution of canned fruits, canned vegetables and canned edible fungi. During the Year, the segment of canned food achieved a sales revenue of approximately RMB79.12 million, accounting for approximately 7.86% of the annual revenue of the Group.

Other Processed Food Products

Segment of other processed food products primarily involves sales of edible fungi dried goods and instant meals. During the Year, the sales revenue from the segment of other processed food products was approximately RMB19.35 million, accounting for approximately 1.92% of the annual revenue of the Group.

Trading through Domestic Network

Through the merge and acquisitions of four fresh edible fungi companies during the Year, the Group had realized a nation wide sales network (other than Xinjiang and Tibet), which generated new momentum for the expansion of sales channels. During the Year, the sales revenue from trading through domestic network was approximately RMB299.16 million, representing approximately 29.71% of the annual revenue of the Group.

蘑菇、草菇及香菇

年內，本集團為適應國家及地方政府更高標準的環保要求，也為全面提升本集團生產工藝，並淘汰了蘑菇及草菇的落後生產設備，導致此項業務全面停產銷售；本集團於2016年在河北平泉縣設立現代化香菇種植工廠，引入香菇工廠化種植業務，年內，本集團香菇業務實現銷售收入約為人民幣26.07百萬元，約佔集團全年收入的2.59%。

保健品

食用菌保健產品業務是集團食用菌產業鏈的重要延伸，是集團在2018年實現轉型升級過程中的重要標誌。截至目前，集團已經擁有兩大自有品牌系列共計10款成熟的保健產品，分別是「康寶」系列的康益寶、福祿仙、膠原精華及素然四款產品以及「520國際」系列的宜延壽、植元、益延禧、冉然、西妃寶及鎖二喬六款產品。所有產品均在日本進行生產和加工，主要銷往新加坡、日本、及香港地區。年內，集團食用菌大健康保健食品業務實現銷售收入約人民幣142.06百萬元，約佔集團全年收入的14.10%。

罐頭食品

本集團罐頭食品加工業務是本集團最早發展的業務之一，主要包括水果罐頭、蔬菜罐頭及食用菌罐頭的生產與銷售，產品銷往海外。年內，集團罐頭食品業務實現銷售收入約為人民幣79.12百萬元，約佔集團全年收入的7.86%。

其他加工食品

本集團其他加工食品業務主要包括食用菌乾貨及速食料理包銷售業務。年內，集團其他加工食品業務實現銷售收入約為人民幣19.35百萬元，約佔集團全年收入的1.92%。

國內渠道銷售

本集團年內對四家食用菌生鮮銷售公司的併購，基本實現了除新疆、西藏以外的全國銷售網絡佈局，為集團國內的銷售渠道業務注入了新的動力。年內，集團國內銷售渠道業務實現銷售收入約為人民幣299.16百萬元，約佔集團全年收入的29.71%。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

International Trading of Food

International trading of food business represents cross-border trading of edible fungi, vegetables, canned food and frozen food, etc. During the Year, the segment of international trading of food achieved a sales revenue of approximately RMB88.39 million, accounting for approximately 8.78% of the annual revenue of the Group.

OUTLOOK

For production and research and development, the Group maintains its continuous efforts in research and development, and focuses on optimizing production skills and procedures, with an aim to enhance the product quality and production efficiency. The Group will continue to explore the plantation technique for new species of edible fungi that are suitable for industrialized cultivation and expand the operating scope of industrialized production in various types of edible fungi. The Group will strengthen its effort in research and development in the research and development center in Japan, promoting the upgrade and transformation of existing healthcare products and launching new products.

Our Group will construct its own factory and carry strategic acquisitions as and when appropriate based on its own needs, so as to rapidly expand its production capacity. It will also bring immediate benefits in the aspects of the conversion of technical achievements, enhancement of production skills and channel coverage through synergy effect arising from the business combination.

Looking forward, persistently upholding its vision of "building a healthy industry chain for China", the Group devotes all effort to develop the business segment of edible fungi products for general healthcare, while at the same time strives to consolidate its leading position in the edible fungi industry. Led by directions of modern agriculture and general health care, the Group will set up its target of developing the segment of edible fungi products for general healthcare by leveraging on the special resources and favourable policies of China. Driven by the Chinese culture of edible fungi and technological innovations, the Group focuses on the cultivation of various kinds of edible fungi and the precise processing of edible fungi products for general healthcare to produce healthcare products with high added value to consumers and realize sustainable development of the Group.

國際食品貿易

本集團國際食品貿易業務主要包括跨境食用菌、蔬菜、罐頭食品、速凍食品等貿易業務。年內，集團國際食品貿易實現銷售收入約為人民幣88.39百萬元，約佔集團全年收入的8.78%。

展望

在生產及研發方面，本集團將繼續保持研發的投入力度，重點優化生產工藝及生產流程，提高產品質量和生產效率。本集團將繼續探索適合工廠化種植的食用菌新品種栽培技術，擴大食用菌多品種工廠化生產的經營範疇。本集團將加大日本研發中心的研發力度，推動原有保健產品的更新換代和新產品的問世。

本集團將會根據自身需要，適時進行自建工廠和策略性收購。這不僅能夠實現產能的迅速擴張，亦會通過企業合併所帶來的協同效應，在技術成果轉換、生產工藝的提升、以及渠道覆蓋等方面帶來快速的收穫。

集團未來將持續以「打造中國生命健康產業鏈」為企業願景，在鞏固食用菌行業龍頭地位的同時，全力發展食用菌大健康產業。本集團將會以現代農業和大健康產業的需求為導向，樹立發展食用菌大健康保健產業的思維理念，依託我國特色資源和政策優勢，以中國特色的食用菌文化和科技創新作為動力，致力於食用菌多品種培育和食用菌大健康產業的精深加工發展，生產具有高附加值的健康食品提供給消費者，實現企業可持續發展。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

The shares of the Company were listed on the Main Board of the Stock Exchange on 18 June 2015, and the net proceeds from the global offering were approximately RMB444.99 million (net of underwriting commission and relevant expenses). The net proceeds are used as follow:

		Percentage	Proceeds	Amounts utilised as of 31 December 2018 截至2018年 12月31日 已使用金額 (RMB million) (人民幣 百萬元)	Amounts unutilised as of 31 December 2018 於2018年 12月31日 未被使用金額 (RMB million) (人民幣 百萬元)
		佔比 (%) (%)	籌集款項 (RMB million) (人民幣 百萬元)		
Developing the Guangxi Biological Technology Food Industry Park	發展廣西生物技術食品工業園	31.1	138.39	—	138.39
Developing the Zhangzhou Biological Technology Food Industry Park	發展漳州生物技術食品工業園	37.7	167.76	—	167.76
Acquiring two king trumpet mushroom cultivation facilities in China	收購兩處位於中國的杏鮑菇種植基地	25.7	114.36	114.36	—
Acquiring laboratory and testing equipment	收購實驗室及檢測設備	1.1	4.90	—	4.90
Construction of mushroom garden	興建菇類種植園	1.1	4.90	—	4.90
Working capital and other general corporate purpose	營運資金及其他一般公司用途	3.3	14.68	—	14.68
		100	444.99	114.36	330.63

首次公開發售所得款項用途

本公司股份於2015年6月18日在聯交所主板上市，全球發售時發行新籌集的所得款項淨額約為人民幣444.99百萬元（扣除包銷佣金及相關開支）。該等所得款項淨額使用情況如下：

FINANCIAL REVIEW

Revenue and gross profit

The Group recorded revenue of approximately RMB1,007.05 million during the Year (2017: RMB1,064.25 million), representing a decrease of approximately 5.38%. In which, sales of (i) king trumpet mushroom; (ii) button mushroom, straw mushroom and shiitake mushroom; (iii) healthcare products; (iv) canned food; (v) other processed food; (vi) trading through domestic network; and (vii) international trading of food were approximately RMB352.90 million, RMB26.07 million, RMB142.06 million, RMB79.12 million, RMB19.35 million, RMB299.16 million and RMB88.39 million, respectively, representing approximately 35.04%, 2.59%, 14.10%, 7.86%, 1.92%, 29.71% and 8.78% of the revenue of the Group, respectively (revenue of approximately RMB1,064.25 million for the year ended 31 December 2017). In which, sales of (i) king trumpet mushroom; (ii) button mushroom, straw mushroom and shiitake mushroom; (iii) canned food; (iv) other processed food; (v) trading through domestic network; and (vi) international trading of food were approximately RMB372.73 million, RMB176.37 million, RMB65.45 million, RMB33.69 million, RMB160.81 million and RMB255.20 million respectively, representing approximately 35.02%, 16.57%, 6.15%, 3.17%, 15.11% and 23.98% of the revenue of the Group, respectively).

財務回顧

收入及毛利

年內，本集團營業收入約為人民幣1,007.05百萬元（2017年：人民幣1,064.25百萬元），下降約5.38%。其中，(i)杏鮑菇；(ii)蘑菇、草菇及香菇；(iii)保健品；(iv)罐頭食品；(v)其他加工食品；(vi)國內渠道銷售；及(vii)國際食品貿易銷售額分別約為人民幣352.90百萬元、人民幣26.07百萬元、人民幣142.06百萬元、人民幣79.12百萬元、人民幣19.35百萬元、人民幣299.16百萬元及人民幣88.39百萬元。分別佔本集團收入約35.04%、2.59%、14.10%、7.86%、1.92%、29.71%及8.78%（截至2017年12月31日止年度營業收入約為人民幣1,064.25百萬元。其中(i)杏鮑菇；(ii)蘑菇、草菇及香菇；(iii)罐頭食品；(iv)其他加工食品；(v)國內渠道銷售；及(vi)國際食品貿易銷售額分別約為：人民幣372.73百萬元、人民幣176.37百萬元、人民幣65.45百萬元、人民幣33.69百萬元、人民幣160.81百萬元及人民幣255.20百萬元，分別佔本集團收入約35.02%、16.57%、6.15%、3.17%、15.11%及23.98%）。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

The decrease in revenue during the Year was mainly because (1) the Group phased out mushroom houses with obsolete production facilities, which caused complete halt in button mushroom and straw mushroom production in Fujian Province, the PRC and recorded no sale revenue of button mushroom and straw mushroom; (2) the production halt in the unqualified production and planting areas such as Nos. 2, 3 and 4 factories in Shiliu and a factory in Hengshan and a branch company in Changzhou due to the implementation of more stringent review as approval measures for environment protection by the local government, resulting in the decrease in sales revenue of king trumpet mushroom; (3) sales of canned vegetables and fruits decreased as it was affected by the international market.

本年內收入的下降主要由於(1)本集團淘汰了生產設施陳舊的菇房，導致在中國福建省內蘑菇及草菇的種植全面停產，因此蘑菇及草菇無銷售收入；(2)由於各地政府加大環保審核審批措施，本集團對不符合要求的生產種植廠區，全面停產(石榴二、三、四、橫山廠及常州分公司)，導致杏鮑菇銷售收入減少；(3)受國際市場影響減少了罐裝蔬菜及水果的銷售。

The following table sets forth the Group's revenue and the percentage of revenue by product categories:

下表載列本集團按產品類別劃分之收入及佔比：

Product categories 產品類別	For the year ended 31 December 2018 截至2018年12月31日止年度		For the year ended 31 December 2017 截至2017年12月31日止年度	
	Revenue 收入 RMB'000 人民幣千元	Percentage of sales revenue 佔銷售 收入百分比 (%)	Revenue 收入 RMB'000 人民幣千元	Percentage of sales revenue 佔銷售 收入百分比 (%)
King trumpet mushroom 杏鮑菇	352,903	35.04	372,734	35.02
Button mushroom, straw mushroom and shiitake mushroom 蘑菇、草菇及香菇	26,067	2.59	176,371	16.57
Healthcare products 保健品	142,063	14.10	—	—
Canned food 罐頭食品	79,123	7.86	65,448	6.15
Other processed food products 其他加工食品	19,345	1.92	33,692	3.17
Trading through domestic network 國內渠道銷售	299,157	29.71	160,812	15.11
International trading of food 國際食品貿易	88,388	8.78	255,197	23.98
Total 合計	1,007,046		1,064,254	

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

The following table sets forth the Group's gross profit (before sales related tax, other taxes and auxiliary charges) and gross profit margin by product categories before and after fair value adjustment on biological assets:

下表載列本集團按產品分類劃分生物資產公允價值調整前及生物資產公允價值調整後之毛利(未扣除銷售相關稅、其他稅金及附加)及毛利率：

		For the year ended 31 December 2018 截至2018年12月31日止年度				For the year ended 31 December 2017 截至2017年12月31日止年度			
		After fair value adjustment 公允價值調整後		Before fair value adjustment 公允價值調整前		After fair value adjustment 公允價值調整後		Before fair value adjustment 公允價值調整前	
Product categories 產品類別		Gross profit 毛利	Gross Profit margin 毛利率	Gross profit 毛利	Gross Profit margin 毛利率	Gross profit 毛利	Gross Profit margin 毛利率	Gross profit 毛利	Gross Profit margin 毛利率
		RMB'000	(%)	RMB'000	(%)	RMB'000	(%)	RMB'000	(%)
		人民幣千元	(%)	人民幣千元	(%)	人民幣千元	(%)	人民幣千元	(%)
King trumpet mushroom	杏鮑菇	85,710	24.29	91,807	26.01	106,869	28.67	110,278	29.59
Button mushroom, straw mushroom and shiitake mushroom	蘑菇、草菇及香菇	158	0.61	(3,805)	(14.60)	69,860	39.61	81,429	46.17
Healthcare products	保健品	59,206	41.68	59,206	41.68	-	-	-	-
Canned food	罐頭食品	13,443	16.99	13,443	16.99	15,068	23.02	15,068	23.02
Other processed food products	其他加工食品	3,749	19.38	3,749	19.38	5,879	17.45	5,879	17.45
Trading through domestic network	國內渠道銷售	7,083	2.37	7,083	2.37	12,224	7.60	12,224	7.60
International trading of food	國際食品貿易	2,554	2.89	2,554	2.89	20,249	7.93	20,249	7.93
Total	合計	171,903	17.07	174,037	17.28	230,149	21.63	245,127	23.03

The following table sets forth the Group's sales volume and average selling price by product categories:

下表載列按產品類別劃分之銷量及平均售價：

		For the year ended 31 December 2018 截至2018年12月31日止年度		For the year ended 31 December 2017 截至2017年12月31日止年度	
		Sales volume 銷量 (kilogram) (公斤)	Average selling price 平均售價 (RMB) (人民幣)	Sales volume 銷量 (kilogram) (公斤)	Average selling price 平均售價 (RMB) (人民幣)
Fresh edible fungi	新鮮食用菌產品				
King trumpet mushroom	杏鮑菇	51,792,913	6.81	52,555,898	7.09
Button mushroom, straw mushroom and shiitake mushroom	蘑菇、草菇及香菇	1,466,012	7.07	19,233,453	8.61
Processed food	加工食品				
Canned food	罐頭食品	9,261,293	8.54	8,041,918	8.14
Other processed food products	其他加工食品	528,895	36.58	2,016,549	16.71
Trading of food	食品貿易				
Trading through domestic network	國內渠道銷售	43,094,177	6.94	15,098,544	10.65
International trading of food	國際食品貿易	8,047,023	10.98	23,202,917	11.00
Healthcare products	保健品	39,754	3,573.47	-	-

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

Analysis of the changes in revenue

The revenue of the Group decreased by approximately RMB57.21 million or 5.38% from approximately RMB1,064.25 million for the year ended 31 December 2017 to approximately RMB1,007.05 million for the Year, primarily due to: (I) the drop of sales revenue from king trumpet mushroom of approximately RMB19.83 million or 5.32%; (II) the increase in sales of canned food of approximately RMB13.68 million or 20.89%; (III) sales of other processed food products decreased by approximately RMB14.35 million or 42.58%; (IV) the decrease in revenue from international trading of food of approximately RMB166.81 million or 65.36%; (V) the increase in revenue from trading through domestic network of approximately RMB138.35 million or 86.03%; and (VI) there were newly added segment of healthcare product which generated sales revenue of approximately RMB142.06 million or 100%; (VII) sales revenue from button mushroom, straw mushrooms and shiitake mushroom dropped by RMB150.30 million or 85.22%.

The Group's king trumpet mushroom segment consists of two business models, namely self-owned cultivation and contract farming. The self-owned cultivation represents the production and sales model of cultivating king trumpet mushroom with the self-built factories and employees of the Group, whereas the contract farming represents the agricultural production and sales model where, when the Group receives sales orders and expects that the production capacity of its self-own cultivation is not able to satisfy the demand, the Group enters into contracts with qualified farmers for the arrangement of their production and cultivation technology support, pursuant to which the Group undergoes unified acquisition of the high quality king trumpet mushrooms after harvest.

The sales volume of king trumpet mushroom during the Year decreased by approximately 763 tonnes as a result of the imbalanced demand and supply of the market, coupled with the Group's halt in the operation, i.e. production and planting areas such as Nos. 2, 3 and 4 factories in Shiliu, a factory in Hengshan and a branch company in Changzhou, the sales revenue from king trumpet mushrooms declined by RMB0.28 in terms of the average unit selling price per kilogram, which also dragged down the overall gross profit margin of king trumpet mushrooms during the Year. As both the sales volume and unit selling price decreases, the sales revenue from king trumpet mushroom for the Year dropped by approximately RMB19.83 million as compared to that of the corresponding period last year, while the gross profit margin dropped to 24.29% this Year from 28.67% of the corresponding period last year.

收入變動分析

本集團收入由截至2017年12月31日止年度約人民幣1,064.25百萬元下降約人民幣57.21百萬元或5.38%至年內約人民幣1,007.05百萬元，主要由於(I)杏鮑菇銷售收入下降約人民幣19.83百萬元或5.32%，(II)罐頭食品銷售上升約人民幣13.68百萬元或20.89%，(III)其他加工食品銷售下降約人民幣14.35百萬元或42.58%，(IV)國際食品貿易銷售收入下降約人民幣166.81百萬元或65.36%，(V)國內渠道銷售收入增長約人民幣138.35百萬元或86.03%，(VI)新增保健品業務，銷售收入約人民幣142.06百萬元或100%，(VII)蘑菇、草菇及香菇銷售收入下降約人民幣150.30百萬元或85.22%。

本集團杏鮑菇業務包含兩種模式，即自有種植模式與訂單式農業模式。自有種植模式是指本集團自建廠房，自行僱傭工人種植杏鮑菇的產銷模式；訂單式農業是指本集團收到銷售訂單後，預計自有種植的產能無法滿足需求，因此與符合資格的農戶簽訂合約，組織安排農戶進行生產並給予種植技術指導，在農戶收成後根據合約對優質的杏鮑菇產品進行統一收購的一種農業產銷模式。

年內杏鮑菇銷量減少約763噸，主要是由於市場供求失衡影響，且本集團全面停產(石榴二、三、四、橫山廠及常州分公司)的經營業務，導致年內杏鮑菇銷售收入下降；平均每公斤銷售單價下降人民幣0.28元，致使年內杏鮑菇整體毛利率降低。由於銷量下降及銷售單價下降，致使2018年杏鮑菇銷售收入比去年同期減少約人民幣19.83百萬元(毛利率由去年同期的28.67%下降為年內的24.29%)。

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Sales of button mushrooms and straw mushrooms was zero tonne during the Year, which was primarily due to the elimination of mushroom houses with obsolete production facilities, resulting to complete halt in all button mushroom and straw mushroom production in Fujian Province, the PRC. As such, there was no sales revenue from button mushrooms and straw mushrooms. Affected by the market supply and demand during the year, the average unit selling price per kilogram of shiitake mushrooms rose by RMB0.29. Due to the fluctuation of selling price in the market, sales volume of shiitake mushroom decreased by approximately 454 tonnes as compared to that of the corresponding period, while the average unit selling price per stick of mushroom sticks under the shiitake mushroom series decreased by approximately RMB0.11 as compared to that of the corresponding period, resulting in an increase of revenue from shiitake mushroom of approximately RMB2.19 million.

The sales volume of canned food for the Year increased by approximately 1,219 tonnes, which was primarily attributable to the impact of the international market. The increase in demands for edible fungi canned food products drove the rise in sales. The average selling price per kilogram for the Year increased by RMB0.40 as compared to that of 2017, mainly due to the improved product quality which pushed up selling price. Due to the increase in sales volume and increase in selling price, the revenue from canned food products in 2018 climbed up by approximately RMB13.68 million as compared to that of 2017.

The sales volume of other processed food products for the Year dropped by approximately 1,488 tonnes as compared to that of 2017, primarily due to decrease in sales during the Year as a result of the reduce of the sales of brined mushrooms. Therefore, the sales revenue from other processed food products in 2018 declined by approximately RMB14.35 million over that of 2017.

During the Year, the Group placed much effort in building up domestic channels and conducted mergers and acquisition of companies with sales channel in different areas such as Guangdong, Shaanxi and Hunan based on the development of the subsidiaries in Jiangxi and Fujian, the PRC. The Group purchased button mushrooms and straw mushrooms and various kinds of vegetables from qualified farmers directly, and sold them all over the country after primary processing. During the Year, the sales volume from trading through domestic network was approximately 43,094 tonnes (2017: approximately 15,099 tonnes), representing an increase of approximately 27,996 tonnes as compared to that of 2017; the revenue amounted to approximately RMB299.16 million (2017: RMB160.81 million), representing an increase of approximately RMB138.34 million as compared to that of 2017.

年內蘑菇、草菇銷量為0噸，主要由於本集團淘汰生產設施陳舊的菇房，導致於中國福建省內蘑菇及草菇的種植全面停產，因此蘑菇及草菇無銷售收入。年內受銷售市場供求關係影響，香菇每公斤平均銷售單價上升人民幣0.29元，因為銷售市場價格波動影響，香菇銷售量同期對比下降約454噸，但香菇產品中的菌棒平均每棒銷售單價較2017年同期對比下降約人民幣0.11元，致使香菇收入增加約人民幣2.19百萬元。

年內罐頭食品銷量增加約1,219噸，主要是由於受國際市場影響，食用菌類罐頭食品需求量增加，銷量增加；年內每公斤平均價格較2017年上升人民幣0.40元，主要是由於優化了產品品質，產品價格上升。由於銷量上升及銷售價格上升，致使2018年罐頭食品銷售收入較2017年增加約人民幣13.68百萬元。

年內其他加工食品較2017年銷量下降約1,488噸，主要原因於年內減少了鹽水菇的銷售，因此銷量下降，致使2018年其他加工食品銷售收入較2017年下降人民幣約14.35百萬元。

年內，本集團加大國內渠道建設力度，在中國江西、福建等附屬公司的基礎上，於廣東、陝西、湖南等地併購銷售渠道公司，本集團直接向合格農戶收購蘑菇及草菇以及多品類的蔬菜經過初級加工以後，直接銷往國內；年內國內渠道銷售業務的銷量為約43,094噸（2017年銷量約15,099噸），較2017年銷量增加約27,996噸；收入約為人民幣299.16百萬元（2017年收入人民幣160.81百萬元），較2017年收入上升約人民幣138.34百萬元。

MANAGEMENT'S DISCUSSION AND ANALYSIS

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During the Year, the international food trading business mainly involves sales of edible fungi products, canned food and frozen food. The products sold during the Year excluded vegetables and fruits with lower selling price as compared to that of the corresponding period of 2017. For the corresponding period of 2017, fruits accounted for a larger proportion of the sales volume of international trading of food. During the Year, sales volume of international food trading segment decreased by approximately 15,156 tonnes over that of last year, resulting in a drop of sales revenue from international food trading by approximately RMB166.81 million as compared with that of 2017.

During the Year, the sales of healthcare products segment was newly-added. Such products were our newly-developed products during the Year. Upon the launch of new products, they gained enormous popularity among consumers. As a result, the Group achieved a sale revenue of approximately RMB142.06 million for the Year.

Analysis of gross profit and gross profit margin

During the Year, gross profit of the Group (before sales related tax, other taxes and auxiliary charges) was approximately RMB171.90 million (2017: RMB230.15 million), and gross profit margin was 17.07% (2017: 21.63%). In particular, gross profit margin of (i) king trumpet mushroom; (ii) button mushroom, straw mushroom and shiitake mushrooms; (iii) healthcare products; (iv) canned food; (v) other processed food products; (vi) trading through domestic network; and (vii) international trading of food were approximately 24.29%, 0.61%, 41.68%, 16.99%, 19.38%, 2.37% and 2.89%, respectively (2017: 28.67%, 39.61%, N/A, 23.02%, 17.45%, 7.60% and 7.93%).

The sales volume of king trumpet mushroom for the Year declined by approximately 763 tonnes as compared to that of 2017, and the average unit selling price of king trumpet mushroom per kilogram went down by RMB0.28 from that of 2017. As a result of the decrease in the sales volume and the unit selling price, the gross profit from sales of king trumpet mushroom for the Year dropped by approximately RMB21.16 million as compared to that of 2017. The decline in the gross profit margin of king trumpet mushroom for the Year was mainly attributable to the drop of sale volume and unit selling price as a result of the change in market demand and supply, which dragged down the gross profit margin of king trumpet mushroom in general, leading to a decrease in the gross profit margin from approximately 28.67% in 2017 to approximately 24.29% for the Year.

年內，國際食品貿易主要是銷售食用菌、罐頭食品及速凍食品，於年內銷售的產品與2017年同期對比減少了售價較低的蔬菜及水果，2017年同期該部分水果佔國際食品貿易銷量佔比較大；年內國際食品貿易銷量相比去年同期減少約15,156噸；由於銷量的下降，致使國際食品貿易的銷售收入較2017年減少約人民幣166.81百萬元。

年內新增了保健品業務的銷售，該產品是年內新開發的產品，新產品上市後，得到廣大消費者的青睞，年內實現銷售收入約人民幣142.06百萬元。

毛利及毛利率分析

年內，本集團毛利(未扣除銷售相關稅、其他稅金及附加)約為人民幣171.90百萬元(2017年：人民幣230.15百萬元)，而毛利率則為17.07%(2017年：21.63%)，其中(i)杏鮑菇；(ii)蘑菇、草菇及香菇；(iii)保健品；(iv)罐頭食品；(v)其他加工食品；(vi)國內渠道銷售；及(vii)國際食品貿易毛利率分別約為24.29%，0.61%，41.68%，16.99%，19.38%，2.37%及2.89%(2017年：28.67%，39.61%，不適用，23.02%，17.45%，7.60%及7.93%)。

年內杏鮑菇銷量較2017年減少約763噸，杏鮑菇平均銷售單價較2017年下降人民幣0.28元每公斤。由於銷量及單價的下降，致使年內杏鮑菇銷售毛利較2017年減少約人民幣21.16百萬元。年內杏鮑菇毛利率下降，主要是由於年內杏鮑菇市場供需變化影響年內的銷售量及銷售單價下降，從而拉低了整體杏鮑菇的毛利率，致使毛利率由2017年的約28.67%下降至本年的約24.29%。

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The sales volume of button mushroom, straw mushroom and shiitake mushroom for the Year decreased by approximately 17,267 tonnes as compared to that of 2017. The Company adjusted its production and operation model during the Year to temporarily halt in the production of button mushroom and straw mushroom during the Year, which resulted in temporarily no sales revenue from self-owned button mushroom and straw mushroom recorded during the Year. The unit cost of shiitake mushroom for the Year increased by approximately RMB4.41 per kilogram as compared to that of the corresponding period of last year, while the sales volume of shiitake mushroom for the year decreased by approximately 454 tonnes as compared to that of last year, due to the decrease in sales volume and increase in unit cost, the gross profit margin decreased from approximately 12% for the corresponding period of 2017 to approximately 0.61% for the Year.

During the Year, we achieved satisfactory results from the general healthcare product business, in which the sales of healthcare products was newly added, the gross profit was approximately RMB59.21 million and the gross profit margin was approximately 41.68%.

Sales volume of the canned food for the Year increased by approximately 1,219 tonnes as compared to that of 2017, while the cost per kilogram climbed up by approximately RMB0.83 over that of 2017, which was mainly attributable to the slight increase in the cost of raw materials. As the increase in unit selling price and unit cost offset each other, while the sales volume increased, the gross profit of canned food dropped by approximately RMB1.63 million during the Year as compared to that of 2017, leading to the decrease in the gross profit margin from approximately 23.02% in 2017 to approximately 16.99% in 2018.

The sales volume of other processed food products (including dried goods and instant meals packages) for the Year dropped by approximately 1,488 tonnes as compared to that of 2017, which was mainly attributable to the decrease in sales volume of products such as dried goods and brined mushroom and the average unit cost increase, leading to the drop of the gross profit by approximately RMB2.13 million in 2018 over that of 2017, while the gross profit margin increased from approximately 17.45% in 2017 to approximately 19.38% in this Year.

The sales volume of trading through domestic network for the Year rose by approximately 27,996 tonnes as compared to that of 2017, which was mainly attributable different proportion of the variety of fresh edible fungi which could be purchased through our domestic channels as compared to those of the same period of last year and the lower unit selling price of certain fungi products. The cost per kilogram declined by approximately RMB3.06 during the Year as compared to that of 2017, and the unit selling price per kilogram decreased by approximately RMB3.71. As both the selling price and the unit cost decreased, the gross profit from the trading through domestic network for the Year decline by RMB5.14 million over that of 2017. The gross profit margin from trading through domestic network dropped from approximately 7.60% in 2017 to approximately 2.37% in 2018.

本年蘑菇、草菇及香菇銷量較2017年減少約17,267噸，年內公司生產經營模式的調整，在年內暫時全面停止了蘑菇及草菇的生產，致使自有種植蘑菇及草菇年內暫無銷售收入。年內香菇成本單價較去年同期上升約人民幣4.41元每公斤，年內香菇銷量同期對比下降約454噸，由於銷售量下降及單位成本上升致使毛利率由2017年同期的約12%下降至年內的約0.61%。

年內大健康產品業務方面亦取得了喜人的成果，新增了保健品的銷售，毛利約人民幣59.21百萬元，毛利率約41.68%。

年內罐頭食品的銷量較2017年增加約1,219噸，每公斤成本較2017年上升約人民幣0.83元，主要由於原材料的成本略有上升導致。由於銷售單價上升與單位成本上升相抵，且銷量上升，致使年內罐頭食品銷售毛利較2017年下降約人民幣1.63百萬元。致使毛利率由2017年的約23.02%下降至2018年的約16.99%。

年內其他加工食品（含乾貨、速食料理包等）的銷量較2017年減少約1,488噸，主要由於乾貨及鹽水菇等產品銷售減少，且平均單位成本增加，致使2018年其他加工食品的銷售毛利較2017年下降約人民幣2.13百萬元。毛利率由2017年的約17.45%上升至本年的約19.38%。

年內國內渠道銷售業務的銷量較2017年增加約27,996噸，主要由於國內渠道採購的新鮮食用菌種類及佔比與去年同期不同，部分菌類銷售單價較低，且年內每公斤成本較2017年減少約人民幣3.06元，銷售單價下降約人民幣3.71元每公斤，銷售價下降與單位成本下降，致使年內國內渠道銷售業務銷售毛利較2017年減少人民幣5.14百萬元，2018年國內渠道銷售業務毛利率由2017年的約7.60%下降至本年的約2.37%。

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The sales volume of international trading of food for the Year went down by approximately 15,156 tonnes as compared to that of 2017, which was mainly due to the decrease in sales of fresh fruits and vegetables in international trading of food, and the increase in cost per kilogram by approximately RMB0.54 as compared to that of 2017. Due to the change of product sales structure, the gross profit margin dropped from approximately 7.93% in 2017 to approximately 2.89% in 2018.

年內國際食品貿易的銷量較2017年減少約15,156噸，主要是本年國際食品貿易銷售產品中的新鮮水果、蔬菜銷售減少，每公斤成本較2017年上升約人民幣0.54元，由於銷售產品結構發生改變，致使毛利率由2017年的約7.93%下降至2018年的約2.89%。

Cost of sales

銷售成本

Cost of sales primarily consists of costs of raw materials, direct labour and the manufacturing overheads. Direct labour cost includes wages and other compensation payable to workers, while the manufacturing overheads include depreciation, transportation cost, packaging and utilities charges. Cost of raw materials constitutes the majority of the cost of sales and it represented approximately 76.29% of the cost of sales for the Year (2017: 73.97%).

銷售成本主要為原材料成本、直接勞工及製造間接成本。直接勞工包括支付予生產工人的工資及其他補償。製造間接成本包括折舊、運輸成本、包裝、水電開支。原材料成本構成銷售成本最大部分，並佔年內銷售成本約76.29%（2017年：73.97%）。

The following table sets forth the breakdown of our cost of sales for business operation for the years indicated:

下表載列我們於所示年度經營業務銷售成本的明細：

		2018 2018年		2017 2017年	
		RMB'000	% of cost of sales	RMB'000	% of cost of sales
		人民幣千元	佔銷售成本 百分比(%)	人民幣千元	佔銷售成本 百分比(%)
Raw materials	原材料				
– Cultivation materials	– 種植材料	153,391	16.94	101,736	10.26
– Fresh fruit and vegetables	– 新鮮水果及蔬菜	520,168	57.42	620,414	62.55
– Packaging materials	– 包裝材料	17,471	1.93	11,513	1.16
Direct labour	直接勞工	25,504	2.82	23,347	2.35
Labour subcontracting fee	勞務承包費	–	–	16,268	1.64
Cultivation overheads	種植經常性開支	27,387	3.02	44,492	4.49
Manufacturing overheads	生產經常性開支	7,592	0.84	1,358	0.14
Change in fair value of biological assets	生物資產公允價值變動	154,228	17.03	172,680	17.41
Total	總計	905,741		991,808	

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The following table sets forth our cost of sales by product categories for the years indicated:

下表載列我們於所示年度的產品類別劃分的銷售成本：

		For the year ended 31 December 截至12月31日止年度			
		2018 2018年	% of cost of sales 佔銷售成本 百分比(%)	2017 2017年	% of cost of sales 佔銷售成本 百分比(%)
		RMB'000 人民幣千元		RMB'000 人民幣千元	
Fresh edible fungi products	新鮮食用菌產品				
King trumpet mushroom	杏鮑菇	333,070	36.77	345,608	34.85
Button mushroom, straw mushroom and shiitake mushroom	蘑菇、草菇及香菇	30,630	3.38	184,471	18.60
Healthcare products	保健品	82,856	9.15	—	—
Processed food products	加工食品				
Canned food	罐頭食品	65,680	7.25	50,380	5.08
Other processed food products	其他加工食品	15,597	1.72	27,813	2.80
Trading through domestic network	國內渠道銷售	292,074	32.25	148,588	14.98
International Trading of food	國際食品貿易	85,834	9.48	234,948	23.69
Total	總計	905,741		991,808	

Other income

Other income for the Year was approximately RMB24.65 million (2017: RMB12.85 million) which mainly included (I) interest income; (II) gain from foreign exchange; (III) government subsidies and rewards; (IV) gain on disposal of property, plant and equipment; (V) rental income; (VI) income from sales of scrap; and (VII) others.

The interest income for the Year increased by approximately RMB25,000 as compared to that of 2017, primarily due to the increase in time deposit. The gain from foreign exchange, net of the Group in 2018 was approximately RMB8.32 million (losses in 2017: RMB7.37 million). The increase was primarily caused by the appreciation of exchange rate at the end of the reporting period, which led to the gain from foreign exchange, net upon translation. Government subsidies and rewards was RMB nil (2017: RMB1.00 million), representing a decreased of approximately RMB1.00 million as compared to that of 2017, which was mainly attributable to the decrease in government subsidies during the Year as compared to last year.

其他收入

本年其他收入約為人民幣24.65百萬元(2017年：人民幣12.85百萬元)，主要包括(I)利息收入、(II)匯兌收益、(III)政府補貼及獎勵、(IV)出售物業、廠房及設備收益、(V)租金收入、(VI)銷售廢包收入及(VII)其他收入。

本年利息收入較2017年增加約人民幣2.5萬元，主要是因為定期存款增加所致；2018年本集團淨匯兌收益為約人民幣8.32百萬元(2017年損失：人民幣7.37百萬元)，主要是因為本集團報告期末的外幣之間結算時匯率上升，因此調匯時產生的淨匯兌收益；政府補貼及獎勵為人民幣零(2017年為人民幣1.00百萬元)，較2017年減少約人民幣1.00百萬元，主要是由於本年較去年政府補貼減少所致。

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Finance costs

The Group's financial costs represented the interest on bank borrowing repayable in full within a year. The Group's financial costs amounted to approximately RMB1.54 million in 2018 (2017: RMB0.56 million), representing an increase of approximately RMB0.98 million as compared to that of 2017. The main reason for the increase was the higher average bank loans balances as compared to 2017.

Income tax expense

The Group's income tax expense increased by 44.25% from approximately RMB3.59 million in 2017 to RMB5.18 million in 2018. The increase was mainly due to the decline in the proportion of revenue contributed by the Group's subsidiaries in the PRC which enjoy preferential tax treatment. Whereas the increase in revenue from canned food resulted in increase in the tax expense.

Selling expenses

Selling expenses for the Year mainly included (i) advertising and promotion expenses; (ii) wages; and (iii) transportation costs, which increased to approximately RMB11.03 million for the Year from approximately RMB6.15 million for the year ended 31 December 2017. The increase was mainly caused by the newly added segment of healthcare products by the Group during the Year, which resulted in increase in the advertising and promotion expenses.

Administrative expenses

Administrative expenses of the Group for the Year were approximately RMB50.77 million (for the year ended 31 December 2017: approximately RMB46.36 million), which mainly included (i) wages; (ii) depreciation charge; (iii) agency service fees; and (iv) office expenses. The administrative expenses increased by approximately RMB4.41 million, as compared to that of the same period of 2017, was mainly due to the professional fee of the Company incurred for the Year (excluding audit fee) amounting to approximately RMB1.03 million, as compared to approximately RMB3.38 million of the same period of 2017, representing a decrease of approximately RMB2.35 million.

The increase in administrative expenses for the Year as compared to that of 2017 was mainly caused by the recognition of equity-settled share-based payment of RMB16.35 million (2017: RMB7.43 million), representing an increase of approximately RMB8.92 million as compared to that of last year.

Profit before tax and profit attributable to owners of the Company

During the Year, the Group recorded profit before tax of approximately RMB152.42 million (2017: RMB187.62 million), representing a slide down of approximately 18.76%. The Group's profit for the Year attributable to owners of the Company was approximately RMB143.70 million (2017: RMB184.55 million), representing a decrease of approximately 22.14%.

財務成本

本集團的財務成本是指需於一年內悉數償還的銀行借貸利息。2018年本集團財務成本約為人民幣1.54百萬元(2017年：人民幣0.56百萬元)，相比2017年度增加約人民幣0.98百萬元。該增加主要是因為銀行貸款平均餘額較2017年度為高所致。

所得稅開支

本集團的所得稅開支由2017年度的約人民幣3.59百萬元上升44.25%至2018年度的人民幣5.18百萬元。所得稅開支上升主要由於本集團享有稅務優惠政策的中國附屬公司所貢獻的收入比例降低，而罐頭食品收入則上升，導致了稅收增加。

銷售開支

本年銷售開支主要包括(i)廣告宣傳費；(ii)工資；及(iii)運費等，由截至2017年12月31日止年度約人民幣6.15百萬元上升至年內的約人民幣11.03百萬元，主要由於本集團年內新增了保健品的業務，致使廣告宣傳費用支出增加。

行政開支

年內本集團行政費用約為人民幣50.77百萬元(截至2017年12月31日止年度：約人民幣46.36百萬元)，主要為(i)工資；(ii)折舊費用；(iii)中介服務費用；及(iv)辦公費。行政費用較2017年同期增加約人民幣4.41百萬元，主要是因為年內本公司發生的專業費用(審計費除外)約人民幣1.03百萬元，而2017年同期約為人民幣3.38百萬元，減少了約人民幣2.35百萬元。

本年的行政開支較2017年增加，主要是因為確認以權益結算股份為基礎之付款人民幣16.35百萬元(2017年：人民幣7.43百萬元)，較上年上升約人民幣8.92百萬元。

稅前利潤及本公司擁有人應佔溢利

年內本集團稅前利潤約為人民幣152.42百萬元(2017年：人民幣187.62百萬元)，下降約18.76%。本公司擁有人應佔本集團本年利潤約為人民幣143.70百萬元(2017年：人民幣184.55百萬元)，下降約22.14%。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

During the Year, net profit of the Group decreased by approximately RMB36.78 million to approximately RMB147.24 million (2017: RMB184.03 million); net profit margin was approximately 14.62% (2017: 17.29%), representing a drop of approximately 2.67%. It was primarily due to the equity-settled share-based payments of approximately RMB16.35 million (2017: RMB7.43 million). Excluding the said payment, net profit of the Group for the Year would be approximately RMB163.59 million, representing a decrease of approximately 14.56% as compared to that of 2017, and net profit margin would be approximately 16.24%.

Basic earnings per share attributable to owners of the Company for the Year was approximately RMB12.88 cents (2017: RMB17.19 cents).

Trade receivables

As at 31 December 2018, trade receivables of the Group were approximately RMB181.27 million (2017: RMB151.26 million). The increase was mainly the Company properly extended the time of collection of the receivables from the trading through domestic channels and sales of king trumpet mushrooms, resulting in increase in the balance of trade receivables.

Deposits, prepayments and other receivables

As at 31 December 2018, deposits, prepayments and other receivables of the Group were approximately RMB172.49 million (2017: RMB147.47 million), which mainly included (i) land prepayments; (ii) deposits; and (iii) prepayments. The overall increase for the Year was mainly attributable to the increase in other receivables of approximately RMB6.00 million and the increase in prepayment for goods of approximately RMB5.80 million.

CAPITAL STRUCTURE

As at 31 December 2018, the issued share capital of the Company was US\$11.49 million (approximately RMB75.05 million), divided into 1,149,383,921 shares with nominal value of US\$0.01 each. Gearing ratio (calculated by dividing total borrowings by total equity) was 1.32% (2017: 0.53%) as at 31 December 2018. Current ratio (calculated by dividing current assets by current liabilities) was 12.8 times (2017: 23.1 times) as at 31 December 2018. The Group will continue to stringently monitor the policy of debt recovery to minimise the risk of credit sale and ensure timely recovery of capital.

Liquidity and financial resources

As at 31 December 2018, the total bank and cash balances of the Group were approximately RMB1,026.83 million (2017: RMB1,056.63 million). The Shares were listed on the Main Board of the Stock Exchange on 18 June 2015 and the net proceeds raised (net of underwriting commission and the relevant listing expenses) was approximately RMB444.99 million. As at 31 December 2018, interest-bearing bank borrowings of the Group amounted to approximately RMB27.60 million.

年內本集團淨利潤約為人民幣147.24百萬元(2017年：人民幣184.03百萬元)，下降約人民幣36.78百萬元；淨利潤率約為14.62%(2017年：17.29%)，下降約2.67%，主要原因為以權益結算股份為基礎之付款約人民幣16.35百萬元(2017年：人民幣7.43百萬元)。若剔除上述開支，本集團年內淨利潤約為人民幣163.59百萬元，較2017年下降約14.56%，淨利潤率約為16.24%。

年內本公司擁有人應佔每股基本盈利約為人民幣12.88分(2017年：人民幣17.19分)。

應收貿易款項

於2018年12月31日，本集團應收貿易款項約為人民幣181.27百萬元(2017年：人民幣151.26百萬元)。增加的主要原因為公司適當延長了國內食品貿易銷售及杏鮑菇銷售的貨款回收時間，而導致應收貿易款項餘額增加。

按金、預付款項及其他應收款

於2018年12月31日，本集團按金、預付款項及其他應收款約為人民幣172.49百萬元(2017年：人民幣147.47百萬元)，主要包括：(i)土地預付金、(ii)訂金及(iii)預付款項。年內整體增加主要是其他應收款增加約人民幣6.00百萬元及同期對比多預付貨款約人民幣5.80百萬元。

股本架構

於2018年12月31日，本公司已發行股本為11.49百萬美元(約人民幣75.05百萬元)，分為1,149,383,921股每股面值0.01美元之股份。於2018年12月31日之資產負債比率(按總借款除以權益總額計算)為1.32%(2017年：0.53%)。於2018年12月31日之流動比率(按流動資產除以流動負債計算)為12.8倍(2017年：23.1倍)。本集團繼續嚴密監察債務回收政策，以將信貸銷售之風險減至最低，並確保及時收回資金。

流動資金及財務資源

於2018年12月31日，本集團銀行與現金結餘總額約為人民幣1,026.83百萬元(2017年：人民幣1,056.63百萬元)，股份於2015年6月18日在聯交所主板上市，募集資金淨額約為人民幣444.99百萬元(扣除包銷佣金及相關上市費用)；於2018年12月31日，本集團之計息銀行借款約為人民幣27.60百萬元。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

Exposure to exchange rate risk and related hedge

The subsidiaries of the Group incorporated in the PRC are mainly engaged in business using RMB as their denominating currency, while the Hong Kong subsidiary of the Group is engaged in business mainly denominated in USD. The presentation currency of the Group is RMB and the majority of cash and bank deposits of the Group are denominated in RMB. The interest-bearing bank borrowings of the Group are in RMB. In terms of declaration of dividends, the Company will distribute them in Hong Kong dollars. The Directors are of the opinion that the exchange rates between RMB and other currencies are relatively stable and the Group will closely monitor the exposure to changes in exchange rates, and therefore, it is not necessary to adopt hedging policy at the moment.

Pledge on the Group's assets

As at 31 December 2018, machineries and facilities with a net value of approximately RMB3.88 million had been pledged as a security of a bank loan (2017: RMB19.33 million).

Capital commitments and operating leases commitments

As at 31 December 2018, capital commitments of the Group contracted but not provided were approximately RMB79.60 million (2017: RMB72.85 million). As at 31 December 2018, operating leases commitments of the Group in respect of lands, buildings and other properties were approximately RMB6.73 million (2017: RMB13.10 million).

Employee benefits and remuneration policy

As at 31 December 2018, the Group had 651 employees in total (2017: 641). The remunerations of employees of the Group were determined according to their experience and qualifications, operating results of the Group and the market condition. During the Year, staff costs, including directors' emoluments, were approximately RMB49.17 million (2017: RMB44.09 million). During the Year, staff costs accounted for approximately 4.88% of the Group's revenue (2017: 4.14%).

The Group adopted a pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") and a share option scheme (the "Share Option Scheme") on 27 May 2015. On 13 June 2018, the Company granted share options to certain eligible individuals to subscribe for 50,000,000 ordinary shares of US\$0.01 each of the Company pursuant to the Share Option Scheme. On 21 November 2018, the Company granted share options to certain eligible individuals to subscribe for 60,000,000 ordinary shares of US\$0.01 each of the Company pursuant to the Share Option Scheme. The Directors believe that salary packages that the Group provided to the employees were competitive as compared to the market standard and practice.

匯率波動風險及有關對沖

本集團項下中國境內的公司主要從事的業務以人民幣為本位幣進行結算，本集團下屬香港公司進行的業務以美元結算。本集團之呈報貨幣為人民幣。本集團大部分現金及銀行存款為人民幣。本集團之計息銀行借款為人民幣。倘本公司宣派股息，則將會以港元派付股息。董事認為，人民幣與其他貨幣之匯率相對穩定，本集團密切關注匯率變動趨勢，因而認為現時毋須進行對沖。

本集團資產抵押

於2018年12月31日，機器設備淨值約為人民幣3.88百萬元用於銀行貸款抵押擔保（2017年：人民幣19.33百萬元）。

資本承擔及經營租賃承擔

於2018年12月31日，本集團之已訂約但未撥備資本承擔約為人民幣79.60百萬元（2017年：人民幣72.85百萬元）。於2018年12月31日，本集團有關土地、樓宇及其他物業之經營租賃承擔約為人民幣6.73百萬元（2017年：人民幣13.10百萬元）。

僱員福利及酬金政策

於2018年12月31日，本集團共有651名僱員（2017年：641名）。本集團僱員之薪酬根據其經驗、資格、本集團經營業績及市場狀況釐定。本年內，員工成本（包括董事酬金）約為人民幣49.17百萬元（2017年：人民幣44.09百萬元）。年內，員工成本佔本集團收入約4.88%（2017年：4.14%）。

本集團於2015年5月27日採納一項首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）及一項購股權計劃（「購股權計劃」）。於2018年6月13日，本公司根據購股權計劃向若干合資格人士授出可認購本公司50,000,000股每股面值0.01美元的普通股購股權。於2018年11月21日，本公司根據購股權計劃向若干合資格人士授出可認購本公司60,000,000股每股面值0.01美元的普通股購股權。董事相信，相比市場標準及慣例，本集團向員工提供具競爭力之薪酬組合。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論與分析

Pursuant to the PRC's social security regulations, the Group participated in the social security scheme operated by the related local government authority which oversees pensions, medical insurance, unemployment insurance, work injury insurance and maternity insurance.

Directors' rights to subscribe for shares or debentures

Apart from the share options for ordinary shares granted to certain Directors of the Company under the Pre-IPO Share Option Scheme, the Company or any of its subsidiaries did not have any arrangements which enabled the Directors to gain profit by purchasing the shares or debt securities, including debentures, of the Company or of any other legal entities.

Material acquisition and disposal

On 5 November 2018, (i) Empire Foods Limited, a wholly-owned subsidiary of the Company, entered into an equity transfer agreement with Guangxi Minhui Agricultural Technology Co., Ltd.; (ii) Fujian Greenfresh Foods, a wholly-owned subsidiary of the Company, entered into a fund interest transfer agreement with Beijing Palm Dimension Technology CO., Ltd. and Guizhou Science and Technology Venture Capital Co., Ltd.; and (iii) Guizhou Dingxin Kunyuan Investment Management Partnership (Limited Partnership) entered into an equity transfer agreement with Guangxi Minhui. Pursuant to such agreements and upon the completion of the transactions contemplated thereunder, Guangxi Jiabao Food Group Co., Ltd. will become a wholly-owned subsidiary of the Company. For further details, please refer to the announcements of the Company dated 5 November 2018 and 14 November 2018. As of the date of this announcement, the abovementioned transactions are subject to the shareholders' approval of the Company and have not been completed.

Save as the above, the Group has no material acquisition and/or disposal during the Year.

Significant investment held

Save as disclosed in this annual report, the Company did not hold or intend to hold any significant investment during the Year.

Contingent liabilities

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

根據中國社保法規，本集團參與相關地方政府部門營運之社保計劃，涵蓋養老保險、醫療保險、失業保險、工傷保險及生育保險。

董事認購股份或債券之權利

除本公司根據首次公開發售前購股權計劃授出若干普通股的購股權予本公司若干董事外，本公司或其任何附屬公司並無參與任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債務證券(包括債券)而獲利。

重大收購事項及出售事項

於2018年11月5日，(i) Empire Foods Limited(本公司之全資附屬公司)與廣西閩輝簽訂股權轉讓協議；(ii) 福建綠寶食品(本公司之全資附屬公司)與北京掌上維度及貴州科技風投簽訂基金權益轉讓協議；及(iii) 貴州鼎信坤元投資管理合夥企業(有限合夥)與廣西閩輝簽訂股權轉讓協議，根據該協議及於項下擬進行之交易完成後，廣西嘉寶食品集團有限公司將成為本公司之全資附屬公司。有關進一步詳情，請參閱本公司日期為2018年11月5日及2018年11月14日之公告。截至本公告日期，上述交易須待本公司股東批准後，方告作實，且該交易尚未完成。

除上述者外，本集團於年內並無重大收購事項及／或出售事項。

所持重大投資

除於本年報所披露者外，本公司於年內並無持有或計劃持有重大投資。

或然負債

於2018年12月31日，本集團並無重大或然負債。

PROFILE OF EDIBLE FUNGI PRODUCTS FOR GENERAL HEALTHCARE 食用菌大健康保健產品簡介

CAMBO SERIES:

康寶系列：

ECONB • 康益寶

Zero burden on livers

ECONB adopts the most sophisticated ultrafine powder technology to crush ganoderma amboinense into powders of 3 micrometers and thus enables full release of active ingredients such as β -D-glucan and ganoderma lucidum polysaccharide, which are easier to be absorbed into human bodies. In particular, the perfect combination of ganoderma lucidum polysaccharide powders and ginsenoside RH-2 can gently supplement human bodies with necessary nutrition to effectively detoxify livers, reduce fat and stress, improve sleeping quality and boost metabolism.

呵護肝臟0負擔

康益寶採用最尖端的超微粉末技術，將鹿角靈芝微粉至3微米，充分釋放 β -D-葡聚糖，靈芝多糖等有效成分，更易於人體吸收。其中，鹿角靈芝粉末和西洋參皂苷RH-2的完美搭配，溫和補充人體所需營養，能有效護肝排毒，降脂減壓，改善睡眠，提高人體代謝機能。



FUSION • 福祿仙

An elixir that activates cells and strengthens immune system

FUSION adopts advanced 3-step technologies to concentrate six biological essences, namely top-grade original ganoderma amboinense, royal jelly, lycium chinense essence, Chinese yam, yeast and ophiocordyceps sinensis cultivated with black ants that are exclusive in Japan, with golden ratios. Adhering to the principle of "a major medicine supported by complementary medicines" in Chinese medicine, FUSION can be slowly released and dissolved into human bodies.

Continuous taking of it can strengthen immune system, improve metabolism and activate cells.

激活細胞強化免疫，福澤仙物

福祿仙，採用了六大生物黃金配比，臻選頂級原木種植鹿角靈芝，加入蜂王漿，枸杞精華，山藥，酵母菌及由日本獨有黑螞蟻培育的冬蟲夏草，融合先進科技三部曲技術，秉承中醫學“君臣佐使”的原理，令福祿仙在人體中能緩慢釋放溶解。

堅持服用能增強人體免疫力，平衡新陳代謝，活化細胞。



COLLAGEN ESSENCE • 膠原精華

Wipes out wrinkles and other aging signs to make your skin like a baby's

- Improves skin conditions: promotes regeneration and synthesis of aging cells to help skin renewal.
- Strengthens joints: increases bone density and alleviates osteoarthritis to stay young.
- Elastic blood vessels: accelerates the metabolism of and increases the elasticity of blood vessel walls, and prevents arteriosclerosis.

Each granule of COLLAGEN ESSENCE contains 95% of fish scale collagen. Studies have shown that 70% of collagen fibers in human blood vessel walls are composed of collagen. Supplementing sufficient collagen can delay aging, improve skin elasticity, repair damaged blood vessels and boost metabolism.

破除歲月「皺」語，童顏重現

- 改善膚質：促進老化細胞新生與合成，煥活新肌。
- 強化關節：增加骨密度，緩解退化性關節炎，保持年輕狀態。
- 彈力血管：加快血管壁新陳代謝，增強血管壁彈性，預防血管、動脈硬化等。

每粒膠原精華富含95%魚鱗膠原蛋白。研究證明，人體血管壁中膠原纖維70%由膠原蛋白組成，補充足量的膠原蛋白能延緩衰老，補充肌膚彈性，修復受損血管，促進新陳代謝。



LACTOBACILLUS • 素然

The first lactic acid bacterium collagen in the world

After 1,120 days of research experiments, our team of authoritative experts from all over the world proved that fermenting lactic acid bacteria in collagen can produce collagen peptides, which can activate and double the activity of lactic acid bacteria and facilitate the absorption of collagen into human bodies. Each tablet of LACTOBACILLUS contains 3.18 billion lactic acid bacteria molecules. Over 95% of good bacteria can survive after entering the intestine, which can excrete intestinal toxins and stimulate gastrointestinal motility to maintain intestinal health.

全球首款乳酸菌膠原蛋白

全球權威專家團隊，歷經1,120天的科研實驗，令乳酸菌在膠原蛋白中發酵，形成的膠原蛋白肽，成倍激活乳酸菌活性，同時促進人體對膠原蛋白的吸收。每一片素然含有31.8億個乳酸菌分子，進入人體腸道後有益菌存活率可達到95%以上，排除腸道毒素，促進胃腸蠕動，保持腸道健康。



PROFILE OF EDIBLE FUNGI PRODUCTS FOR GENERAL HEALTHCARE

食用菌大健康保健產品簡介

520 INTERNATIONAL SERIES:

520國際系列：

宜延壽

Activates cells and strengthens the immune system

It contains the concentrates of six nutritional ingredients, namely ganoderma amboinense essence, ophiocordyceps sinensis, lycium chinense fruits, Chinese yam, yeast and royal jelly, which help enhance immunity and activate body functions, such as strengthening the killing mechanism of NK cells, facilitating the proliferation and activation of macrophages, and enhancing immunity.

激活細胞 強化免疫

濃縮六大營養原料精華(鹿角靈芝精華、冬蟲夏草、枸杞子、山藥、酵母菌、蜂王漿)，增強免疫活化作用，包括增強NK細胞殺傷力，促進巨噬細胞增殖及活化，提高人體免疫力。



植元

Safe and reliable active lactic acid bacteria

It contains scale collagen of fishes from selected pure water, which is pure, unpolluted, fat-free and decomposable. It injects vitality into human bodies and stimulates the growth of gastrointestinal probiotics to cure intestinal problems and rejuvenate the skin by facilitating detoxification.

活性乳酸菌 安全可靠

精選純淨水質的魚鱗膠原蛋白，純淨，無污染、零脂肪、易分解。植入原動力，增強腸胃益生菌群，告別腸道問題，排毒養顏，方得初新。



益延禧

The best and the most considerate prescription for your liver

It is a kind of plant capsules containing ganoderma amboinense and is shelled with 100% corn endosperm to protect stomach from irritation. It helps relieve psychological and physical stress by soothing the nerves and improving sleeping quality, and is effective in alleviation of alcoholic liver injury by liver detoxification, regulating body metabolism and restoring liver's vitality.

護肝金方 更懂得你的肝

鹿角靈芝植物膠囊，100%玉米胚乳膠囊外衣，保護腸胃不受刺激。緩解心理及身體壓力，鎮靜安神，改善睡眠。改善飲酒傷肝，護肝排毒，調節身體代謝，提高肝臟活力。



PROFILE OF EDIBLE FUNGI PRODUCTS FOR GENERAL HEALTHCARE

食用菌大健康保健產品簡介

冉然

A hydra booster to rejuvenate your skin

It contains plant collagen extracted with the latest technologies, which is more pure and easier to absorb than animal collagen. It helps people stay young by promoting the regeneration of collagen in human bodies and strengthening joints. Continuous taking of it can result in smooth and translucent skin like a baby's.

水潤彈滑 肌齡逆轉

採用最新技術提取，比動物蛋白更純淨，易吸收。促進人體膠原蛋白再生，強化關節，保持年輕狀態。持續服用，皮膚透亮光滑，守護Baby肌。



西妃寶

Get rid of exhaustion and look beautiful

It helps reduce fatigue and is effective in improving skin conditions by preventing skin aging, fading facial spots and pigments, enhancing the quality of sexual life as well as preventing colds and flus.

美麗蛻變 向透支說再見

減輕疲勞，改善和預防皮膚的老化、消除面部的斑點和色素、提高性生活質量、預防感冒和流感。



鎖二喬

Activates cells and supplements daily energy needs

It helps reduce work fatigue so that a man does not feel powerless night and day. It is designed for reducing sexual exhaustion, enhancing the quality of sexual life as well as improving concentration and work intensity.

激活能量 補充日常精力

減輕工作疲勞、解決白天和夜間都力不從心的問題、特別針對性疲勞具有特效、提高性生活質量、提高集中力和工作力度。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

DIRECTORS

Executive Directors

Mr. Zheng Songhui (鄭松輝), aged 56, is the founder of the Group. Mr. Zheng is the chairman of the Board, the chief executive officer and an executive Director of the Company. Mr. Zheng was appointed as a Director of the Company on 28 March 2011. Mr. Zheng also currently holds directorship in each of the subsidiaries of the Company. Mr. Zheng is the chairman of the nomination committee and a member of the remuneration committee of the Company. Mr. Zheng is in charge of the overall operations and development strategy and overseeing internal control of the Group. Mr. Zheng founded the Group in November 1995 when he established our first operating subsidiary, Fujian Greenfresh Foods Group Co., Ltd. Mr. Zheng has around 20 years of experience in fresh and processed food industry. Mr. Zheng was awarded Asia Top 10 Innovation Personality (亞洲品牌十大創新人物) by Asia Brand Ceremony (亞洲品牌盛典) in September 2009; China Outstanding Innovation Entrepreneur (中國優秀創新企業家) jointly by China Private Entrepreneur Association (中國民營企業家協會) and China Academy of Science Information Consulting Center (中國科學院信息諮詢中心) in August 2010; Outstanding Entrepreneur in the PRC (中國傑出企業家) by China Economy And Trade Promotion Association (中國經濟貿易促進會) in January 2011; and was recognised as an intermediate engineer of food processing by the Office of Human Resources Development of Fujian Province (福建省人力資源開發辦公室) and the Public Servant Bureau of Fujian Province (福建省公務員局) in July 2011. Moreover, Mr. Zheng was awarded Outstanding Talent (優秀人才) by the government of Zhangzhou (漳州市人民政府) in 2012; was elected as the vice chairperson of Industrial Sub-committee of China Edible Fungi Association (中國食用菌協會工廠化專業委員會) in 2013; was appointed as the leading talent of technology entrepreneurship of Fujian province (福建省科技創業領軍人才) by the talent working committee of Fujian Provincial Committee of Communist Party of the PRC (中共福建省委人才工組領導小組) in October 2014; and was awarded the Outstanding Entrepreneur of the Seventeenth Session of the Outstanding Entrepreneur of Fujian Province (福建省優秀企業家) in March 2018. In addition, Mr. Zheng is also a member of the China Edible Fungi Association (中國食用菌協會), vice director of China Canned Food Association (中國罐頭協會), vice chairman of Fujian Edible Fungi Industry Association (福建省食用菌行業協會), standing member of Fujian Edible Fungi Institute (福建省食用菌學會) and standing director of Fujian Food Industry Association (福建省食品工業協會). Mr. Zheng graduated with a bachelor degree in earth study from Fujian Agriculture and Forestry University (福建農林大學) (formerly known as Fujian Agriculture Institute (福建農學院)) in July 1984. Mr. Zheng obtained a master degree in business administration from Xiamen University in December 2017.

Mr. Zheng Tianming (鄭天明), aged 50, is an executive Director of the Company. Mr. Zheng was appointed as a Director of the Company on 4 February 2013. Mr. Zheng has joined the Group since its inception in November 1995 and has since then been assisting Mr. Zheng Songhui in the development of the Group by taking an active part in the production and operation of the Group. Mr. Zheng graduated from the Open University of China (中央廣播電視大學) in July 2013 with a certificate in Business Administration (majoring in sales and marketing).

董事

執行董事

鄭松輝先生，56歲，本集團創辦人。鄭先生乃本公司董事會主席、行政總裁及執行董事。鄭先生於2011年3月28日獲委任為本公司董事。鄭先生目前亦於本公司各附屬公司擔任董事職務。鄭先生為本公司提名委員會主席及薪酬委員會成員。鄭先生負責本集團的整體運營、發展策略及監督內部監控。鄭先生於1995年11月創辦本集團，成立集團第一間營運附屬公司，福建綠寶食品集團有限公司。鄭先生於新鮮及加工食品行業擁有約20年的經驗。鄭先生於2009年9月獲「亞洲品牌盛典」授予「亞洲品牌十大創新人物」稱號；於2010年8月獲中國民營企業家協會及中國科學院信息諮詢中心聯合授予「中國優秀創新企業家」稱號；於2011年1月獲中國經濟貿易促進會授予「中國傑出企業家」稱號，同年7月獲福建省人力資源開發辦公室及福建省公務員局認可為「食品加工中級工程師」；於2012年獲漳州市人民政府授予「優秀人才」稱號；於2013年獲選為中國食用菌協會工廠化專業委員會副會長；於2014年10月獲中共福建省委人才工組領導小組任命為「福建省科技創業領軍人才」；及於2018年3月獲「第十七屆福建省優秀企業家」的「優秀企業家」稱號。此外，鄭先生亦是中國食用菌協會理事、中國罐頭協會副理事長、福建省食用菌行業協會副會長、福建省食用菌學會常務理事及福建省食品工業協會常務理事。鄭先生1984年7月畢業於福建農林大學(前稱為「福建農學院」)，取得土壤農業化學學士學位；於2017年12月取得廈門大學工商管理碩士學位。

鄭天明先生，50歲，本公司執行董事。鄭先生於2013年2月4日獲委任為本公司董事。自本集團於1995年11月成立後，鄭先生加入本集團，自此之後，鄭先生透過積極參與本集團的生產及營運協助鄭松輝先生發展本集團。鄭先生於2013年7月畢業於中央廣播電視大學，持有工商管理(主修銷售及行銷)證書。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Non-executive Directors

Ms. Zhang Lin (張琳), aged 50, is a non-executive Director of the Company. Ms. Zhang was appointed as a Director of the Company on 4 February 2013. Ms. Zhang is currently the deputy general manager of COFCO Agricultural Industrial Investment Fund Management Co., Ltd. and continues to serve as the secretary of the board and the general legal counsel of COFCO Agricultural Industrial Investment Fund Management Co., Ltd.. She has been working in China Oil & Foodstuffs Corporation and its affiliated companies for more than 24 years since April 1994. Ms. Zhang graduated from Shanghai Maritime University (上海海事大學) with a bachelor degree and a master degree, both of international economics law, in July 1991 and April 1994 respectively.

Mr. Zheng Kangbin (鄭康彬), a citizen of the United States, aged 55, is a non-executive Director of the Company appointed on 19 October 2018. Mr. Zheng is currently serves as the managing director of Beijing Huakang Yunda Technology Company Limited and the director of Farmmi, Inc. (a company listed on NASDAQ, the United States of America, stock code: FAMI). Mr. Zheng has served as a senior economist of World Bank, focusing on planning of corporate strategies, risk management and development of new business; Mr. Zheng also has served as a senior investment specialist of Asian Development Bank, and head of the private sector operations department of the China Resident Mission of Asian Development Bank. From 2003 to 2012, he served as a professor of EMBA in the School of Management of Zhejiang University and a visiting professor in the School of Economics and Management of Wuhan University. From 2010 to 2014, he served as the director of Xiamen International Bank Co., Ltd., and the director of Bank of Hangzhou Co. Ltd. Mr. Zheng obtained a bachelor degree in mathematics from Hubei University in 1982, a master degree in management from Wuhan University in 1985, a doctorate degree in economics from Georgetown University in the United States of America in 1992. From 1992 to 1995, he completed a doctorate program in operations research in George Washington University in the United States of America.

Mr. Zheng is an international financial expert with strong theoretical foundation, rich practical experiences, and has been practicing in the world's top banks for nearly thirty years. Mr. Zheng has led and participated in dozens of large-scale projects relating to corporate development strategy planning, project financing, fund investment, asset acquisition and management, bond issuance, risk control and financial engineering. He has directed and assisted governments, enterprises and clients in more than twenty countries to obtain structured financing, establish equity investment funds, or get listed on domestic or foreign stock markets. Mr. Zheng also has extensive experience in introducing, transforming and upgrading international advanced technologies focusing on comprehensive agriculture, environmental protection and healthcare.

非執行董事

張琳女士，50歲，本公司非執行董事。張女士於2013年2月4日獲委任為本公司董事，張女士現時為中糧農業產業基金管理有限責任公司副總經理並同時繼續兼任中糧農業產業基金管理有限責任公司董事會秘書和總法律顧問職位。自1994年4月起，彼一直於中糧集團有限公司及其聯屬公司工作，至今已超過24年。張女士分別於1991年7月及1994年4月取得上海海事大學國際經濟法學士及碩士學位。

鄭康彬先生，美國國籍，55歲，於2018年10月19日獲委任為本公司非執行董事。現任北京華康雲達科技有限公司董事總經理及Farmmi Inc. (於美利堅合眾國納斯達克上市之公司，股份代號：FAMI) 董事。鄭先生曾任世界銀行高級經濟學家，專注於公司戰略規劃、風險管理和新業務開發；鄭先生曾任亞洲開發銀行高級投資專家及駐中國代表處私營業務部主任。自2003年至2012年，擔任浙江大學管理學院EMBA教授、武漢大學經濟與管理學院客座教授。2010年至2014年，擔任廈門國際銀行股份有限公司董事及杭州銀行股份有限公司董事。鄭先生於1982年獲湖北大學數學學士學位；於1985年獲武漢大學管理學碩士學位；於1992年獲美國喬治敦大學經濟學博士學位；並於1992年至1995年期間，完成美國喬治華盛頓大學運籌學博士課程的學習。

鄭先生是理論基礎雄厚、實踐經驗豐富、在世界頂級銀行從業近30年的國際金融專家。鄭先生在企業發展戰略規劃、項目融資、基金投資、資產購併與管理、債券發行、風險控制和金融工程等方面主導和參與過數10個大型項目，曾指導和協助20多個國家的政府、企業和客戶獲得結構性融資、建立股權投資基金或在國內外股市上市。鄭先生在國際先進技術的引進、轉化和升級方面亦有豐富經驗，主要涉及大農業、大環保及大健康領域。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Independent Non-executive Directors

Mr. Li Wai Kwan (李偉君), aged 46, is an independent non-executive Director of the Company appointed on 20 July 2018. Mr. Li is the chairman of the audit committee and a member of the remuneration committee of the Company. Mr. Li has many years of experience in accounting, finance and investment management. Mr. Li is the chief financial officer of Crystal International Group Limited (a company listed on the Stock Exchange, stock code: 2232), which is principally engaged in manufacturing of fashion products since November 2018, while he is responsible for finance management for the such group. From March 2005 to September 2006, he worked for Esprit Holdings Limited (a company listed on the Stock Exchange, stock code: 330), principally engaged in manufacturing, retail and wholesale distribution of fashion products, and he served as a vice president of operational finance and a vice president of finance in Asia Pacific region from March 2005 to September 2006, while he was responsible for finance and operational matters. From October 2006 to September 2010, he was a vice president of COFCO China Agri-Industries Holdings Limited, (a company listed on the Stock Exchange, stock code: 606), principally engaged in trading on agricultural raw materials, manufacturing and distributing food products, while he was responsible for finance, investment and company secretarial matters. Mr. Li was a managing director and director of the board of COFCO Agricultural Investment Fund Management Company Limited, which is principally engaged in asset management, from September 2010 to October 2011, and he was responsible for managing overall business and investment matters. Mr. Li was a managing director of Origo Partners PLC, whose shares are listed on the London Stock Exchange and principal business is private equity investment, from November 2011 to January 2013, and he was responsible for investment matters. Mr. Li was the chief financial officer of Zhuhai Dahengqin Company Limited, which is principally engaged in primary land development, real estate development, theme park construction and operation, city operational management, and asset management in Hengqin Free Trade Zone, from December 2013 to October 2018, while he was responsible for finance, investment and fund management matters.

Mr. Li is an executive committee member and honorary treasurer of the Hong Kong-ASEAN Economics Cooperation Foundation since 2015, a director of the board of Chartered Professional Accountants of Canada-Hong Kong & Macau Chapter since 2017 and a Honorary President of the Institute of Certified Management Accountants-Hong Kong & Macau Branch since 2018.

獨立非執行董事

李偉君先生，46歲，於2018年7月20日獲委任為本公司獨立非執行董事。李先生為本公司審核委員會主席及薪酬委員會成員。李先生於會計、財務和投資管理有多年經驗。李先生自2018年11月起在晶苑國際集團有限公司（於聯交所上市，股份代號：2232）擔任首席財務官，該公司主要業務為時裝製造，彼負責該集團財務管理工作。李先生於2005年3月至2006年9月在思捷環球控股有限公司（於聯交所上市，股份代號：330）擔任營運財務副總裁及亞太區財務副總裁，公司主要業務為時裝製造、零售和批發，彼負責財務和營運工作。於2006年10月至2010年9月在中國糧油控股有限公司（於聯交所上市，股份代號：606）擔任副總裁，公司主要業務為農產品貿易、食品製造及銷售，彼負責財務、投資和公司秘書工作。於2010年9月至2011年10月在中糧農業產業投資基金管理有限責任公司擔任董事總經理和董事會董事，公司主要業務為資產管理，彼負責整體管理和投資工作。於2011年11月至2013年1月在Origo投資基金管理公司（於倫敦交易所上市）擔任董事總經理，公司主要業務為私募股權投資，彼負責投資工作。李先生於2013年12月至2018年10月在珠海大橫琴公司擔任首席財務官，公司主要業務為橫琴自貿區的土地一級、房地產開發、產業園建設及營運、城市營運管理和資產管理，彼負責財務、資產投資和基金管理工作。

李先生由2015年起擔任香港—東盟經濟合作基金會執行委員會委員兼義務司庫，由2017年起擔任加拿大特許專業會計師公會香港及澳門分會之董事會董事及由2018年起擔任澳洲管理會計師協會香港及澳門分會之名譽會長。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Li was the chairman of Investor Relations Committee of the Chamber of Hong Kong Listed Companies from 2008 to 2010, the honorary vice chairman of China Enterprise Reputation and Credibility Association (Overseas) in 2009, the chairman of Partnership and Promotion Committee of the Hong Kong Investor Relations Association from 2009 to 2010, a member of the Organizing Committee of Directors of the Year Awards 2010 organized by the Hong Kong Institute of Directors, a committee member of the PRC committee of the Hong Kong Venture Capital and Private Equity Association in 2011, and a committee member of Public Awareness Committee of Hong Kong Society of Financial Analysts in 2016. Mr. Li was a member of Finance Committee of the Hong Kong Housing Authority from 2010 to 2012. Mr. Li was the guest lecturer of the Macau University of Science and Technology in 2016.

Mr. Li graduated from University of Toronto in Canada with a bachelor of commerce degree with distinction in November 1995. He further obtained a master of business administration degree from Schulich School of Business, York University in Canada in November 1996.

Mr. Li was admitted as a chartered financial analyst of the Chartered Financial Analysts Institute in September 2001, a certified general accountant of the Certified General Accountants of Canada in October 2002, a certified public accountant of the Hong Kong Institute of Certified Public Accountants in October 2004, a fellow chartered certified accountant of the Association of Chartered Certified Accountants in June 2010, a chartered professional accountant of the Chartered Professional Accountants of British Columbia, Canada in June 2015, a member of Hong Kong Business Accountants Association in December 2015, a fellow certified management accountant of the Institute of Certified Management Accountants in April 2016, and a fellow chartered accountant of the Institute of Chartered Accountant in England & Wales in June 2018.

Mr. Li is the independent non-executive director of K W Nelson Interior Design and Contracting Group Limited (a company listed on the Stock Exchange, stock code: 8411) since 18 November 2016, the independent non-executive director of Miricor Enterprises Holdings Limited (a company listed on the Stock Exchange, stock code: 8358 and transfer of listing from GEM of Stock Exchange to Main Board of Stock Exchange on 18 February 2019, stock code:1827) since 19 December 2016, the independent non-executive director of Enterprise Development Holdings Limited (a company listed on the Stock Exchange, stock code: 1808) since 27 April 2017, the independent non-executive director of China Graphene Group Limited (a company listed on the Stock Exchange, stock code: 63) from 1 February 2018 to 30 November 2018, the independent non-executive director of TL Natural Gas Holdings Limited (a company listed on the Stock Exchange, stock code: 8536) since 18 May 2018.

李先生於2008年至2010年擔任香港上市公司商會之投資者關係委員會主席，於2009年擔任中華（海外）企業信譽協會名譽副會長，於2009年至2010年擔任香港投資者關係協會合作及推廣委員會主席，於2010年擔任香港董事學會2010年度董事獎籌委會委員，於2011年擔任香港創業及私募投資協會中國委員會委員，及於2016年擔任香港金融分析師協會之公眾意識委員會委員。李先生於2010年至2012年擔任香港房屋委員會之財務委員會委員。李先生於2016年擔任澳門科技大學客座講師。

李先生於1995年11月畢業於加拿大多倫多大學，獲取一級榮譽商學士學位，並於1996年11月畢業於加拿大約克大學舒力克商學院，獲取工商管理碩士學位。

李先生於2001年9月獲特許財務分析師公會認可為特許財務分析師，於2002年10月獲加拿大註冊會計師公會認可為加拿大註冊會計師，於2004年10月獲香港會計師公會認可為香港註冊會計師，於2010年6月獲英國特許公認會計師公會認可為資深特許公認會計師，於2015年6月獲加拿大特許專業會計師公會認可為特許專業會計師，於2015年12月獲香港商界會計師會認可為會員，於2016年4月獲澳洲註冊管理會計師公會認可為資深註冊管理會計師，於2018年6月獲英格蘭及威爾斯特許會計師公會認可為資深特許會計師。

李先生自2016年11月18日起為K W Nelson Interior Design and Contracting Group Limited（於聯交所上市，股份代號：8411）的獨立非執行董事；自2016年12月19日起為卓珈控股集團有限公司（於聯交所上市，股份代號：8358及於2019年2月18日由聯交所GEM轉為聯交所主板上市；股份代號：1827）的獨立非執行董事；自2017年4月27日起為企展控股有限公司（於聯交所上市，股份代號：1808）的獨立非執行董事；自2018年2月1日至2018年11月30日為中國烯谷集團有限公司（於聯交所上市，股份代號：63）的獨立非執行董事；自2018年5月18日起為TL Natural Gas Holdings Limited（於聯交所上市，股份代號：8536）的獨立非執行董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Lou Robert Hsiu-sung (樓秀嵩), aged 45, is an independent non-executive Director of the Company appointed on 27 May 2015. Mr. Lou is a member of the audit committee and nomination committee of the Company. Mr. Lou is qualified as a solicitor in Hong Kong in December 2002 and has over 15 years of experience in legal field. From August 2012 to November 2013, Mr. Lou was the legal manager of Acer Incorporated (宏碁股份有限公司). Mr. Lou was the chief legal officer of TransAsia Airways Corporation (復興航空運輸股份有限公司) from December 2013 to April 2016. Mr. Lou was appointed as the senior consultant of Lin & Partners, Attorneys-at-Law in Taipei, Taiwan, since 1 June 2016. Mr. Lou obtained a bachelor degree in foreign languages and literature from National Taiwan University (台灣大學) in June 1995 and a bachelor of arts in jurisprudence from Oxford University in August 2000. Mr. Lou obtained a Postgraduate Certificate in Laws from the City University of Hong Kong in July 2000 and a master of laws from Northwestern University School of Law (西北大學) in June 2004.

Mr. Cheng Hiu Yung (鄭曉勇), aged 42, is an independent non-executive Director of the Company appointed on 27 May 2015. Mr. Cheng is the chairman of the remuneration committee and a member of the audit committee and nomination committee of the Company. Mr. Cheng is currently a production manager of Hong Kong Rainigrace Agricultural Science Group Holding Company Limited (香港澤雨農科集團控股有限公司) which he has joined since November 2014. He worked as production manager in Epicurean and Company (Hong Kong) Limited from April 2013 to October 2014, production manager of City Super Limited from September 2009 to March 2013, assistant production manager in Original Taste Workshop Ltd (原味家作有限公司) from February 2007 to June 2009. From April 2004 to November 2006, Mr. Cheng worked in the Hung Fook Tong (China) Development Limited, which was a subsidiary company of Hung Fook Tong Holdings (鴻福堂集團). Mr. Cheng has over 10 years of experience in food testing and quality control industry. Mr. Cheng obtained “basic food hygiene certificate for hygiene managers” by School of Continuing and Professional Education, City University of Hong Kong in October 2008, and was awarded “level 2 award in food safety in catering” by Chartered Institute of Environmental Health in September 2008. Mr. Cheng completed food safety management systems auditor – lead auditor training course in April 2008. Mr. Cheng obtained a bachelor degree of science majoring in applied chemistry from Hong Kong Baptist University in December 2000.

樓秀嵩先生，45歲，於2015年5月27日獲委任為本公司獨立非執行董事。樓先生為本公司審核委員會及提名委員會成員，樓先生於2002年12月取得香港執業律師資格，且於法律方面擁有逾15年經驗。自2012年8月至2013年11月間，樓先生擔任宏碁股份有限公司的法務經理。樓先生自2013年12月至2016年4月擔任復興航空運輸股份有限公司的法務長，樓先生於2016年6月1日起擔任台灣台北恒業法律事務所資深顧問職位。樓先生於1995年6月取得台灣大學外國語文學士學位，並於2000年8月取得牛津大學法學學士學位。樓先生於2000年7月取得香港城市大學法學專業證書，及於2004年6月取得西北大學法律碩士學位。

鄭曉勇先生，42歲，於2015年5月27日獲委任為本公司獨立非執行董事。鄭先生為本公司薪酬委員會主席兼審核委員會及提名委員會成員。鄭先生於2014年11月加入香港澤雨農科集團控股有限公司，目前為該公司的生產經理。彼自2013年4月至2014年10月間擔任惟膳(香港)有限公司的生產經理，自2009年9月至2013年3月間擔任City Super Limited的生產經理，自2007年2月至2009年6月間擔任原味家作有限公司的助理生產經理。自2004年4月至2006年11月間任職於鴻福堂集團的附屬公司鴻福堂(中國)發展有限公司。鄭先生於食品測試及品質控制行業擁有逾10年經驗。鄭先生於2008年10月取得香港城市大學專業進修學院的「基礎食品衛生經理證書」，並2008年9月獲英國環境衛生協會頒發「二級食物安全證書」。鄭先生於2008年4月完成食品安全管理體系—「主任審核員證書」培訓課程。鄭先生於2000年12月自香港浸會大學取得理學士學位，主修應用化學。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Wei Hao (危昊), aged 40, is the vice president of the Company. Mr. Wei joined the Group in January 2016, who is responsible for businesses such as strategic planning, marketing planning, investment analysis. Before joining the Group, Mr. Wei served as a reporter at Xiamen TV from 1999 to 2009 and was engaged in reporting “three-dimensional rural issues” in a long term. He was an assistant to the president of Fujian Minneng Group (福建閩能集團) from 2009 to 2011 and the general manager of Xiamen Bohui Financial Guarantee Limited (廈門博匯融資擔保有限公司) from 2011 to 2013. He has accumulated experiences of operation management, investment planning and marketing advertisement.

JOINT COMPANY SECRETARIES

Mr. Ke Weibin (柯葳彬), aged 30, was appointed as the joint company secretary of the Company on 19 October 2018. Mr. Ke obtained a bachelor's degree in accounting from Xiamen University. He is a member of the Hong Kong Securities and Investment Institute. He has obtained the qualification of board secretary of the Shenzhen Stock Exchange, the qualification of certified M&A dealmaker of China and the qualification of securities practitioner in China. He has over eight years of experience in the fields of corporate governance, information disclosure and investment in listed companies. From January 2010 to January 2013, Mr. Ke served as an assistant on securities affairs of Xiamen 35.Com Technology Co., Ltd (a company listed on the Shenzhen Stock Exchange, stock code: 300051), and was responsible for investor relations and information disclosure. Mr. Ke joined the Group in January 2013, and successively served as an assistant of vice president, assistant of Chairman and the director of the capital market department. Mr. Ke participated in the initial public offering of the Company, investor relations, investment and financing of the Group, etc.

Ms. Ng Wing Shan (吳詠珊), was appointed as the joint company secretary of the Company on 28 November 2014. Ms. Ng is an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited, formerly known as SW Corporate Services Group Limited and is responsible for assisting listed companies in professional company secretarial work. She has over 10 years of professional experience in the company secretarial field. Ms. Ng is a fellow member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom.

高級管理層

危昊先生，40歲，本公司副總裁。危先生於2016年1月加入本集團，負責集團的戰略規劃、市場企劃、投資分析等業務。加入本集團前，危先生於1999年至2009年擔任廈門電視台記者，並長期從事三農問題報導。2009年至2011年擔任福建閩能集團總裁助理，2011年至2013年擔任廈門博匯融資擔保有限公司總經理，積累了豐富的運營管理、投資策劃、市場宣導等經驗。

聯席公司秘書

柯葳彬先生，30歲，於2018年10月19日獲委任為本公司聯席公司秘書。柯先生獲廈門大學會計學學士學位。彼為香港證券及投資學會會員，及獲深圳證券交易所董事會秘書資格、中國併購交易師資格及中國證券從業資格，在上市公司公司治理、信息披露以及投資領域已超過八年經驗。柯先生於2010年1月至2013年1月，任廈門三五互聯科技股份有限公司（一家於深圳證券交易所上市公司，股份代號：300051）證券事務助理，負責投資者關係及信息披露工作；2013年1月加入本集團，歷任副總裁助理、董事長助理以及資本市場部董事，參與本公司首次公開發售、本集團投資者關係、投融資等工作。

吳詠珊女士，於2014年11月28日獲委任為本公司聯席公司秘書。彼為方圓企業服務集團（香港）有限公司，前稱信永方圓企業服務集團有限公司副總監，負責協助上市公司的專業公司秘書工作。彼於公司秘書領域擁有逾10年專業經驗。彼為香港特許秘書公會及英國特許秘書及行政人員公會資深會員。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules as its own code on corporate governance practices. The Board will review the corporate governance practices from time to time and update as appropriate to align with the CG Code. Continuous efforts are made to review and enhance the Group’s risk management and internal control systems and procedures in light of changes in regulations and developments in best practices. During the Year, the Company has complied with the code provisions in the CG Code except for the deviation from code provision A.2.1 explained below.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as the code of conduct governing Directors’ securities transactions. All Directors, following specific enquiry by the Company, have confirmed that they have complied with the required standard set out in the Model Code during the Year.

BOARD OF DIRECTORS

Composition of the Board

The members of the Board during the Year and up to the date of this report are set out in the Directors’ Report on page 73. Each of the Directors, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years, as stipulated by the CG Code. As such, the Company considers that such provisions are sufficient to meet the intent of the relevant provisions of the CG Code.

At each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years in accordance with the Company’s articles of association. Mr. Cheng Hiu Yung and Mr. Lou Robert Hsiu-sung, who are Directors, will retire by rotation and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Pursuant to the Company’s articles of association, any Director so appointed to fill a casual vacancy by the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election. Any Director so appointed as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Mr. Li Wai Kwan and Mr. Zheng Kangbin, were appointed as Directors of the Company on 20 July 2018 and 19 October 2018 respectively. Mr. Li Wai Kwan and Mr. Zheng Kangbin will retire at the forthcoming annual general meeting and being eligible, have offered themselves for re-election at such meeting.

企業管治常規

本公司已採納上市規則附錄十四所載之企業管治守則(「**企業管治守則**」)所列之條文作為其企業管治常規守則。董事會將不時檢討企業管治常規及如有需要作適當的更新以與企業管治守則保持一致。為配合有關規則之改變及最佳常規之發展，本集團不斷致力檢討及優化本集團的風險管理及內部監控的系統與程序。本年度內，本公司一直遵守企業管治守則中的守則條文，除下文所闡釋偏離守則條文第A.2.1條之情況外。

董事證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「**標準守則**」)，作為董事進行證券交易之操守守則。經本公司作出具體查詢，全體董事確認，彼等本年度內一直遵守標準守則所載之規定標準。

董事會

董事會組成

於本年度內及直到本報告日期，董事會成員已載於第73頁董事會報告內。根據企業管治守則之規定，每名董事(包括有指定任期的董事)應輪席退任，至少每三年一次。因此，本公司認為其已符合企業管治守則有關條文之宗旨。

根據本公司組織章程細則之規定，於每屆股東週年大會上，當時為數三分之一的董事(或如董事人數並非三(3)的倍數，則須為最近但不少於三分之一的董事人數)均須輪席退任，而每名董事須至少每三年輪席退任一次。董事鄭曉勇先生及樓秀嵩先生均將於應屆股東週年大會上輪席退任，彼等均符合資格並願意膺選連任。

根據本公司組織章程細則之規定，任何獲董事會委任為填補臨時空缺的董事，任期僅至彼獲委任以後緊接的股東大會為止，屆時將符合資格膺選連任。任何獲委任為現有董事會新增的董事，任期僅至彼獲委任以後緊接的本公司股東週年大會為止，屆時將符合資格膺選連任。

李偉君先生及鄭康彬先生分別於2018年7月20日及2018年10月19日獲委任為本公司董事。李偉君先生及鄭康彬先生將於應屆股東週年大會上退任，彼等均符合資格並願意膺選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Meetings and General Meetings

During the Year, the Company held four Board meetings and one general meeting. Details of attendance of Directors at the general meeting and Board meetings during the Year are set out in the table below:

董事會會議及股東大會

於本年度內，本公司共舉行四次董事會會議，及一次股東大會，各董事於本年度內出席股東大會及董事會會議之詳情載於下表：

		General Meeting 股東大會		Board Meeting 董事會會議	
		Number of meetings held		Number of meetings held	
Name of Director	董事姓名	Attendance 出席次數	會議舉行次數	Attendance 出席次數	會議舉行次數
Executive Directors		執行董事			
Mr. Zheng Songhui (Chairman)	鄭松輝先生(主席)	1	1	4	4
Mr. Zheng Tianming	鄭天明先生	1	1	4	4
Ms. Zheng Ruyan (Resigned on 19 October 2018)	鄭如燕女士(於2018年 10月19日辭任)	1	1	4	4
Non-executive Directors		非執行董事			
Ms. Zhang Lin	張琳女士	1	1	4	4
Mr. Zheng Kangbin (Appointed on 19 October 2018)	鄭康彬先生(於2018年 10月19日獲委任)	0	1	2	4
Independent Non-executive Directors		獨立非執行董事			
Mr. Li Wai Kwan (Appointed on 20 July 2018)	李偉君先生(於2018年 7月20日獲委任)	0	1	2	4
Mr. Lou Robert Hsiu-sung	樓秀嵩先生	1	1	4	4
Mr. Cheng Hiu Yung	鄭曉勇先生	1	1	4	4
Mr. Mak Hing Keung Thomas (Resigned on 20 July 2018)	麥興強先生(於2018年 7月20日辭任)	0	1	1	4

SEPARATE ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the CG Code requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Zheng Songhui, the chairman of the Board, is also acting as the chief executive officer of the Company. The Board believes that vesting Mr. Zheng Songhui's roles of both chairman and chief executive officer has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by current Board which comprises experienced and high calibre individuals with sufficient number thereof being independent non-executive Directors.

主席與行政總裁之區分

企業管治守則之守則條文第A.2.1條規定，主席與行政總裁之角色應有區分，且不應由同一人擔任。董事會主席鄭松輝先生亦擔任本公司行政總裁。董事會相信由鄭松輝先生一人擔任主席兼行政總裁，有助確保本集團之貫徹領導，並能為本集團作更有效及具效率之整體策略規劃。董事會相信，現時安排將無損權力及授權之均衡，且現時之董事會(由經驗豐富及具才幹之人士組成，且具有充足數目之獨立非執行董事)亦足以確保權力及授權均衡。

CORPORATE GOVERNANCE REPORT

企業管治報告

OPERATIONS OF THE BOARD

The Board determines the mission and broad strategies of the Company, monitors and controls operating and financial performance and sets appropriate policies to manage risks in pursuit of the Group's strategic objectives. Decisions involving financial statements, dividend policy, material contracts and major investments and divestments are reviewed and subject to approval by the Board. Other main roles of the Board are to review the Company's policies and practices on corporate governance and to ensure that adequate risk management and internal control systems and management information systems are in place, including being in compliance with every aspect of the provisions of applicable laws, regulations, rules, directives and guidelines to create value for the Shareholders and to ensure that the Company has adequate management to achieve the Company's strategic objectives.

The Board has delegated the day-to-day management and operation of the Group's businesses to management of the Company and its subsidiaries.

Where appropriate, decisions are also taken by way of circulated resolutions. Regular meetings of the Board shall be held at least four times per year. Notice of at least fourteen days should be given of a regular Board meeting to all Directors. For all other Board meetings, reasonable notice should be given. Agenda and all appropriate, complete and reliable information are sent to all Directors at least three days before each Board meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions.

All Directors have access to the advice and services of the joint company secretaries and internal auditors of the Company, and upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

Independence of the Independent Non-Executive Directors

During the Year, the Board at all times met the requirements of Rules 3.10 and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors, representing at least one-third of the Board, with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise. The Company received confirmation of independence from each of the independent non-executive Directors (the "INEDs") pursuant to Rule 3.13 of the Listing Rules. The Company considers that the INEDs continue to be independent.

董事會運作

董事會制定本公司使命及整體策略，監察和監控營運及財務表現以及訂立適當之政策管理風險，以達成本集團之策略目標。有關財務報表，股息政策，重要合同及重大投資及撤資之決定，均由董事會審閱及審批。董事會其他主要角色包括審閱本公司有關企業管治之政策及守則，以及確保備有合乎需要之風險管理及內部監控系統及管理資訊系統，其中包括遵守適用之法例、條例、規則、指令及指引之每項條文，以為股東創造財富及確保本公司有足夠管理人員達成本公司之策略目標。

董事會已授權本公司及其附屬公司之管理層負責本集團業務之日常管理及營運。

於適當時，董事會亦會以傳閱決議案之方式作決定。董事會每年至少召開四次定期會議。於舉行定期董事會會議前最少十四天向所有董事發出通告。其他董事會會議，則一般須給予合理時間通知。於董事會會議召開前至少三天，向全體董事寄發董事會議程連同所有適用、完整及可靠資料，以供董事知悉本公司最新發展及財務狀況，從而令彼等可作出知情決定。

所有董事均可獲得本公司之聯席公司秘書及內部核數師之意見及服務，以及在合理要求下，可於適當情況下尋求獨立專業意見，有關費用概由本公司負責。

獨立非執行董事之獨立性

於本年度內，董事會一直遵守上市規則第3.10條及3.10A條有關委任至少三名獨立非執行董事（佔董事會人數至少三分之一），且其中一名獨立非執行董事具備適當專業資格或會計或相關財務管理專業知識的規定。本公司已接獲各獨立非執行董事（「獨立非執行董事」）根據上市規則第3.13條就其獨立性發出之獨立性確認書。本公司認同獨立非執行董事之獨立性。

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Relationship Among Members of the Board

There is no relationship among members of the Board in respect of financial, business, family or other material relationship.

Directors' Training and Continuous Professional Development

Each of the Directors has adhered to his or her responsibilities as a Director of the Company and keeps pace with the operation, business activities and development of the Company. Directors are provided with the latest information on regulatory and governance developments ongoingly. Directors are encouraged to participate in professional development courses and seminars to develop and refresh their knowledge and skills.

During the Year, all Directors namely, Mr. Zheng Songhui, Mr. Zheng Tianming, Ms. Zhang Lin, Mr. Zheng Kangbin, Mr. Li Wai Kwan, Mr. Lou Robert Hsiu-sung and Mr. Cheng Hiu Yung received regular briefings and updates on the Group's business, operations, risk management and corporate governance matters. Materials on new or changes to salient laws and regulations applicable to the Group were provided to the Directors. They also attended regulatory update sessions and seminars on relevant topics. All Directors are requested to provide the Company with their respective training record pursuant to the CG Code.

In compliance with the code provision A.6.5 of the CG Code, during the Year, each of Directors has attended continuous professional development programmes as follows:

董事會成員之間的關係

各董事會成員之間並無財政、業務、家族或其他重要關係。

董事培訓及持續專業發展

每名董事均遵守作為本公司董事之責任，並與本公司之經營、業務活動及發展緊貼並進。董事持續得到規管及管治發展之最新資訊。本公司鼓勵董事參與專業發展課程及研討會，以發展及更新其知識及技能。

於本年度內，全體董事（即鄭松輝先生、鄭天明先生、張琳女士、鄭康彬先生、李偉君先生、樓秀嵩先生、鄭曉勇先生）已接獲有關本集團業務、營運、風險管理及企業管治事宜之定期簡報及更新。董事亦獲提供適用於本集團的新修訂法律及條例或重要法律及條例之變動。彼等亦出席有關最新監管議題的課程及研討會。根據企業管治守則，所有董事須向本公司提供彼等各自之培訓記錄。

根據企業管治守則之守則條文第A.6.5條，於年度內，各董事已按下列方式參與持續發展專業：

Name of Director	董事姓名	Type of Training 培訓類型
Executive Directors	執行董事	
Mr. Zheng Songhui	鄭松輝先生	A、B
Mr. Zheng Tianming	鄭天明先生	A、B
Non-executive Directors	非執行董事	
Ms. Zhang Lin	張琳女士	A、B
Mr. Zheng Kangbin	鄭康彬先生	A、B
Independent Non-executive Directors	獨立非執行董事	
Mr. Li Wai Kwan	李偉君先生	A、B
Mr. Lou Robert Hsiu-sung	樓秀嵩先生	A、B
Mr. Cheng Hiu Yung	鄭曉勇先生	A、B

A: Attending seminars/courses/conferences and developing professional skills and knowledge
B: Reading the latest regulatory information

A: 出席研討會／課程／會議及發展專業技能及知識
B: 閱讀最新監管資料

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NON-EXECUTIVE DIRECTORS

Each of the non-executive Directors (including INEDs) has entered into a letter of appointment with the Company for a term of three years, which may be terminated by not less than three months' notice in writing served by either party on the other. They are subject to retirement by rotation at the annual general meeting pursuant to the articles of association of the Company and the CG Code.

BOARD COMMITTEES

During the Year, three Board committees, namely, the Remuneration Committee, the Nomination Committee and the Audit Committee oversaw particular aspects of the Company's affairs pursuant to the Listing Rules and the CG Code. The majority of members of Board committees are INEDs.

These three committees are established by the Company with defined written terms of reference, approved by the Board, which set out these committees' major duties. The terms of reference of these committees are available on the websites of the Stock Exchange and the Company.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

BOARD DIVERSITY POLICY

The Company recognizes and embraces the benefits of Board member diversification to enhance the quality of its performance. With a view to achieving a sustainable and balanced development, the Company is of the view that increasing diversity at the Board level as one of the essential elements in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The Nomination Committee is delegated by the Board to review the structure, size and composition of the Board annually, and make recommendations on any proposed changes to the Board to ensure its effectiveness.

非執行董事

各非執行董事(包括獨立非執行董事)已與本公司訂立一份委任書,為期三年,可由任何一方另 一方發出不少於三個月書面之通知予以終止。根據本公司組織章程細則及企業管治守則,彼等須於股東週年大會上輪席退任。

董事委員會

於本年度內,三個董事委員會,即薪酬委員會、提名委員會及審核委員會,均已根據上市規則及企業管治守則監察本公司之特定事宜。各董事委員會之大部分成員均為獨立非執行董事。

本公司所成立之三個委員會均設有董事會批准之特定書面職權範圍,當中載有該等委員會之主要職責。該等委員會職權範圍現時上載於聯交所及本公司網站。

董事委員會獲提供充足資源,以履行彼等之職責,並在有合理要求時,能夠於適當情況下尋求獨立專業意見,有關費用概由本公司負責。

董事會多元化政策

本公司理解並深信董事會成員多元化有利於提升本公司的表現。為實現可持續的均衡發展,本公司認為董事會層面日益多元化為支持其達到戰略目標及維持可持續發展的關鍵因素之一。本公司在設定董事會成員構成時會從多個方面考慮董事會成員多元化,包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務任期。董事會所有提名均以用人唯才為原則,並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。董事會委派提名委員會負責每年檢討董事會的結構、規模和組成,並向董事會提出有所變動的建議以確保其成效。

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REMUNERATION COMMITTEE

The Remuneration Committee was established by the Company pursuant to a resolution of the Board on 27 May 2015 with specific written terms of reference in accordance with the requirements of the CG Code which deal clearly with its authority and duties.

The principal role and functions of the Remuneration Committee are to make recommendations to the Board on its policy and structure for the remuneration of Directors and senior management, as well as to recommend the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. During the Year, the Remuneration Committee comprises the INEDs Mr. Cheng Hiu Yung and Mr. Li Wai Kwan, and the executive Director Mr. Zheng Songhui. The INED, Mr. Cheng Hiu Yung, is the chairman of the Remuneration Committee. Mr. Mak Hing Keung Thomas ceased as a member of the Remuneration Committee with effect from 20 July 2018.

The Remuneration Committee has adopted the approach under code provision B.1.2(c)(ii) of the CG Code to recommend to the Board, with delegated responsibility and authorisation by the Board, the remuneration packages of individual executive Directors and senior management of the Company.

During the Year, one Remuneration Committee meeting was held by the Company. The individual attendance of each member was as follows:

		Number of meetings held/ attendance 舉行會議次數／出席次數
Name of committee members	委員會成員姓名	
Mr. Cheng Hiu Yung (Chairman)	鄭曉勇先生(主席)	1/1
Mr. Li Wai Kwan (Appointed on 20 July 2018)	李偉君先生(於2018年7月20日獲委任)	1/1
Mr. Zheng Songhui	鄭松輝先生	1/1
Mr. Mak Hing Keung Thomas (Ceased on 20 July 2018)	麥興強先生(於2018年7月20日辭任)	0/0

The following is a summary of the work performed by the Remuneration Committee during the Year:

- recommended to the Board the Directors' fees for the year ended 31 December 2018 for the approval of Shareholders;
- reviewed the Share Option Scheme; and
- reviewed the employee's remuneration policy.

薪酬委員會

本公司於2015年5月27日根據董事會的決議案成立薪酬委員會，並設有符合企業管治守則規定之具體書面職權範圍，當中訂明其權力及職責。

薪酬委員會之主要角色及職能包括就有關各董事及高級管理層之薪酬政策及架構向董事會作出建議，以及就全體執行董事及高級管理層之具體酬金待遇，包括非金錢利益、退休金權利及賠償金額（設有喪失或終止職務或委任之賠償）作出建議。於本年度內，薪酬委員會成員包括獨立非執行董事鄭曉勇先生及李偉君先生及執行董事鄭松輝先生。獨立非執行董事鄭曉勇先生為薪酬委員會主席。麥興強先生於2018年7月20日辭任薪酬委員會成員。

薪酬委員會已獲董事會授予職責及權力，採納企業管治守則守則條文第B.1.2(c)(ii)條之方法，向董事會建議本公司個別執行董事及高級管理人員之薪酬待遇。

於本年度內，本公司舉行一次薪酬委員會會議，個別成員出席之情況載列如下：

下列為薪酬委員會於本年度之工作摘要：

- 就截至2018年12月31日止年度之董事之袍金向董事會作出建議，以供股東批准；
- 檢討購股權計劃；及
- 檢討員工之薪酬政策。

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企業管治報告

Level and Make-up of Remuneration

The Group's remuneration scheme for executive Directors and senior management is established based on performance, service seniority, experience and scope of responsibility, which are reviewed from time to time to align with requirements under the Group's human resource manual and market/industry practices.

The level of remuneration of non-executive Directors reflects the level of responsibilities undertaken by them.

The fees of Directors, including non-executive Directors, are recommended by the Board and approved by Shareholders at the Company's annual general meeting.

COMPENSATION OF THE DIRECTORS AND SENIOR MANAGEMENT

The Directors and senior management of the Company receive compensation in the form of salaries, benefits in kind and discretionary bonuses related to the performance of the Company. The Company also reimburse them for expenses which are necessarily and reasonably incurred for providing services to the Company or executing their functions in relation to the operations of the Company.

During the Year, the details of the emoluments of the Directors are set out in note 14 to the consolidated financial statements.

During the Year, the remuneration of the senior management of the Company (excluding Directors) is within the following ranges:

薪酬水平及釐定

本集團對執行董事及高層管理層之薪酬計劃按表現、服務年資、經驗及職權範圍釐定，並根據本集團人力資源手冊內之條文，並不時按照市場／行業慣例，作出檢討。

非執行董事之薪酬水平反映其責任水平。

董事(包括非執行董事)之袍金由董事會建議，並由股東於本公司股東週年大會上批准。

董事及高級管理層薪酬

本公司的董事及高級管理層以薪金、實物福利及有關本公司表現的酌情花紅形式收取報酬。本公司就彼等向本公司提供服務或就本公司運營執行彼等職務所產生的必要合理開支做出償付。

於本年度內，董事酬金之詳情列載於綜合財務報表附註14。

於本年度內，本公司高級管理層(不包括董事)薪酬金額介乎以下範圍：

		Number of people 人數
Nil to HK\$1,000,000 (approximately RMB852,878)	零至1,000,000港幣(約人民幣852,878元)	1

NOMINATION COMMITTEE

The Nomination Committee was established by the Company pursuant to a resolution of the Board on 27 May 2015 with specific written terms of reference in accordance with the requirement of the CG Code which deal clearly with its authority and duties.

The principal role and functions of the Nomination Committee are to review the structure, size and composition of the Board and make recommendations to the Board, and to review the independence of INEDs, the suitability of Directors who will stand for re-election and Directors' continuous training and development programme. During the Year, the Nomination Committee comprises the executive Director Mr. Zheng Songhui, the INEDs Mr. Cheng Hiu Yung and Mr. Lou Robert Hsiung. The executive Director Mr. Zheng Songhui, is the chairman of the Nomination Committee.

提名委員會

本公司於2015年5月27日根據董事會的決議案成立提名委員會，並設有符合企業管治守則規定之具體書面職權範圍，當中訂明其權力及職責。

提名委員會的主要角色及職能包括就董事會之架構、規模及組成進行檢討並向董事會作出建議，審閱獨立非執行董事的獨立性，將參與重選之董事是否合適，以及董事之持續培訓及發展項目。於本年度內，提名委員會成員包括執行董事鄭松輝先生、獨立非執行董事鄭曉勇先生及樓秀嵩先生。執行董事鄭松輝先生為提名委員會主席。

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As at the date of this annual report, the Nomination Committee had met and proposed the re-election of retiring Directors Mr. Zheng Songhui, Mr. Cheng Hiu Yung, Mr. Lou Robert Hsiu-sung, Mr. Li Wai Kwan and Mr. Zheng Kangbin at the forthcoming annual general meeting of the Company.

During the Year, one Nomination Committee meeting was held by the Company. The individual attendance of each member is as follows:

		Number of meetings held/ attendance 舉行會議次數／出席次數
Name of committee members	委員會成員姓名	
Mr. Zheng Songhui (<i>Chairman</i>)	鄭松輝先生(主席)	1/1
Mr. Cheng Hiu Yung	鄭曉勇先生	1/1
Mr. Lou Robert Hsiu-sung	樓秀嵩先生	1/1

於本年報日期，提名委員會已舉行會議並建議於應屆本公司股東週年大會上重選退任董事鄭松輝先生、鄭曉勇先生、樓秀嵩先生、李偉君先生及鄭康彬先生。

於本年度內，本公司共舉行了一次提名委員會會議，個別成員出席之情況載列如下：

The following is a summary of the work performed by the Nomination Committee during the Year:

- reviewed the structure, size and composition as well as diversity policy for the Board members (including without limitation, gender, age, cultural and educational background, ethnicity, skills, knowledge, professional experience, competences, length of service, and the balance between executive, non-executive and independent non-executive Directors) and is of the view that there is an appropriate and diverse mix of skills and experience;
- reviewed the independence of INEDs; it also confirmed that all INEDs are considered independent;
- reviewed the continuous training and development programs undertaken by Directors and confirmed that an appropriate program is in place; and
- made recommendations on the re-election of the retiring Directors at the 2018 annual general meeting of the Company.

下列為提名委員會於本年度之工作摘要：

- 檢討董事會之架構、規模及組成，及董事會成員多元化政策(包括但不限於性別、年齡、文化及教育背景、種族、技能、知識、專業經驗、能力、服務任期以及執行、非執行及獨立非執行董事間之平衡)，並認為董事會成員具備適當而多元化之技能及經驗；
- 提名委員會已審閱獨立非執行董事之獨立性；並確認全體獨立非執行董事均屬獨立；
- 檢討董事負責之持續培訓及發展項目，並確認已具備適合之項目；及
- 就於本公司2018年股東週年大會上重選退任董事提出建議。

BOARD NOMINATION POLICY

The Company adopted a nomination policy on 21 November 2018 in compliance with the CG Code with effect from 1 January 2019, which establishes written guidelines to Nomination Committee to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorships with reference to the formulated criteria. The Board is ultimately responsible for selection and appointment of new Directors.

The Company shall review and reassess the nomination policy and its effectiveness on a regular basis or as required.

董事會提名政策

本公司於2018年11月21日遵照企業管治守則採納一項提名政策，由2019年1月1日生效。提名政策為提名委員會制定書面指引，以物色合資格出任董事會成員的合適人士，並參展已訂標準就獲選提名出任董事的人士向董事會提出建議。董事會進行最終負責甄選及委任新董事。

本公司須定期或在有需要時檢討及重新評估提名政策及其成效。

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NOMINATION PROCESS

The recruitment, identification, evaluation, recommendation, nomination, selection and new appointment of each proposed Director shall be assessed and considered by the Nomination Committee and the Board against the selection criteria as set out in this policy.

In the context of appointment of any proposed candidate to the Board:

the Nomination Committee may take such measures that it considers appropriate in connection with its identification and evaluation of candidates, including, amongst others, considering referrals from the Directors, shareholders, management and advisors of the Company;

the Nomination Committee shall identify and ascertain the character, qualification, knowledge and experience of the candidate and undertake adequate due diligence in respect of such candidate;

the Nomination Committee shall make recommendations by submitting the candidate's personal profile to the Board for its consideration;

in the context of re-appointment of any existing member of the Board, the Nomination Committee shall make recommendations to the Board for its consideration and recommendation for the candidate to stand for re-election at a general meeting;

for each proposed new appointment or re-appointment of a Director, the Nomination Committee shall appoint as required under the laws of the Cayman Islands and the Listing Rules including its amendment from time to time;

in the case of a nomination for the position of an independent non-executive Director, the Nomination Committee shall ensure that relevant candidate meets the independence criteria as prescribed under the Listing Rules;

the Board shall have the final decision on all matters relating to the recommendation of candidates to stand for election (and re-election) at a general meeting.

BOARD DIVERSITY POLICY

The composition of the Board is reviewed on an annual basis by the Nomination Committee to ensure that the Board has the appropriate expertise and combination, and collectively possesses the necessary core competence for informed decision-making and effective functioning. After assessing the suitability of each Directors' skills and experience to the Company's business, the Nomination Committee confirmed that the existing Board was appropriately structured and no change was required.

提名程序

每擬委任董事的招聘、物色、評估、推薦、提名、甄選及新委任均由提名委員會及董事會根據本政策中載列的甄選標準進行評估及考慮。

就委任任何董事會候選人而言：

提名委員會可採取其認為合適的措施以物色及評估候選人，包括，但不限於，考慮董事、本公司股東、管理層及顧問的推薦；

提名委員會辨識並確定候選人的品格、資格、知識和經驗，並就該候選人進行充分的盡職審查；

提名委員會須就有關候選人的個人簡歷交予董事會考慮；

就重新委任任何現有董事會成員而言，提名委員會須提交建議供董事會考慮及推薦候選人在股東大會上參與重選；

就每擬委任董事的新委任或重新委任而言，提名委員會應根據開曼群島法例及上市規則包括其不時做出的任何修訂；

在提名獨立非執行董事的情況下，提名委員會須確保相關候選人符合上市規則所載之獨立性標準；

對推薦候選人於股東週年大會上參選（及重選）的所有事宜，董事會擁有最終決定權。

董事會成員多元化政策

董事會的成員組成每年由提名委員會檢討，確保董事會具備適當的專業及組合，共同構成作出執行決定及有效運作的必要核心實力。在就各董事的技能和經驗對本公司業務的適合度作出評估後，提名委員會確認，現有董事架構合理，毋須作出調整。

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AUDIT COMMITTEE

The Audit Committee was established by the Company pursuant to a resolution of the Board on 27 May 2015 with specific written terms of reference in accordance with the requirement of the CG Code which deal clearly with its authority and duties.

The principal roles and functions of the Audit Committee comprises overseeing the financial reporting process and assessing the adequacy and effectiveness of the risk management and internal control systems of the Company. The Audit Committee meets with the Company's external and internal auditors, and reviews their audit plans, the internal audit programmes, and the results of their examinations as well as their evaluations of the risk management and internal control systems. It also reviews Directors' interests in contracts and connected transactions. The Audit Committee reviews the Group's and the Company's financial statements and the auditor's report thereon and submits its views to the Board. During the Year, the Audit Committee comprises Mr. Li Wai Kwan, Mr. Cheng Hiu Yung and Mr. Lou Robert Hsiu-sung, all of whom are INEDs. The INED, Mr. Li Wai Kwan, is the chairman of the Audit Committee. Mr. Mak Hing Keung Thomas ceased as the member of the Audit Committee with effect from 20 July 2018.

During the Year, two Audit Committee meetings were held by the Company. The individual attendance of each member was as follows:

Name of committee members	委員會成員姓名	Number of meetings held/ attendance
		舉行會議次數／出席次數
Mr. Li Wai Kwan (<i>Appointed on 20 July 2018</i>)	李偉君先生(於2018年7月20日獲委任)	2/2
Mr. Cheng Hiu Yung	鄭曉勇先生	2/2
Mr. Lou Robert Hsiu-sung	樓秀嵩先生	2/2
Mr. Mak Hing Keung Thomas (<i>Resigned on 20 July 2018</i>)	麥興強先生(於2018年7月20日辭任)	0/0

The following is a summary of the work performed by the Audit Committee during the Year:

- reviewed the audited annual results, consolidated financial statements and the independent auditor's report of the Group for the year ended 31 December 2017;
- reviewed the adequacy and effectiveness of the risk management and internal control systems of the Group;
- reviewed the unaudited interim results of the Group for the six months ended 30 June 2018;
- reviewed the appropriateness of the Group's accounting policies;

審核委員會

本公司於2015年5月27日根據董事會的決議案成立審核委員會，並設有符合企業管治守則之具體書面職權範圍，當中訂明其權力及職責。

審核委員會的主要角色及職能包括監察財務報告程序以及評估本公司風險管理及內部監控系統是否合乎需要及有效。審核委員會會見本公司之外聘核數師及內部核數師，以審閱彼等之審核方案、內部審核項目、彼等審核之結果以及彼等對風險管理及內部監控系統之評價。審核委員會亦審閱董事於合同及關連交易之利益關係。審核委員會審閱本集團及本公司之財務報表以及相關之核數師報告書，並向董事會提交意見。於本年度內，審核委員會由獨立非執行董事李偉君先生、鄭曉勇先生和樓秀嵩先生組成。獨立非執行董事李偉君先生為審核委員會主席。麥興強先生於2018年7月20日辭任審核委員會成員。

於本年度內，本公司共舉行兩次審核委員會會議，個別成員出席之情況載列如下：

下列為審核委員會於本年度之工作摘要：

- 審閱本集團截至2017年12月31日止年度經審核年度業績、綜合財務報表及附載其內之獨立核數師報告書；
- 檢討本集團風險管理及內部監控系統是否合乎需要及有效；
- 審閱本集團截至2018年6月30日止六個月未經審核中期業績；
- 檢討本集團會計政策是否合適；

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- reviewed at various times the potential impact of the generally accepted accounting principles in Hong Kong on the Company's accounts;
- reviewed the nature and scope of external audit and approved the external audit fee;
- reviewed adequacy of resources, qualifications and experiences of staff of the Company's accounting and financial reporting function, and their training programmes; and
- reviewed connected transactions entered into by the Group or subsisting during the Year.
- 不時審閱香港普遍採納之會計準則對本公司賬目之潛在影響；
- 審閱外部核數之性質及範圍及批准外部核數費用；
- 檢討本公司在會計及財務匯報職能方面之資源、員工資歷及經驗之完善性，以及員工之培訓課程之足夠性；及
- 審閱於本年度由本集團訂立或仍存續之關連交易。

DIRECTORS' RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS

The Directors have acknowledged their responsibility for preparing the financial statements for the Year. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 96 to 196 of this annual report.

JOINT COMPANY SECRETARIES

The Company has appointed Ms. Ng Wing Shan, the assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited, as its joint company secretary. Her primary corporate contact person at the Company is Mr. Ke Weibin, the other joint company secretary of the Company. Ms. Ng Wing Shan and Mr. Ke Weibin had taken the relevant professional trainings for no less than 15 hours during the Year in accordance with the Rule 3.29 of the Listing Rules.

AUDITOR'S REMUNERATION

During the Year, the remuneration reviewed and approved by the Audit Committee of the Group on the audit and non-audit scope, paid or payable to the auditor in respect of audit and non-audit services provided by the auditor of the Group, RSM Hong Kong, were as follows:

– audit service	RMB1,080,000
– non-audit services ¹	RMB480,000

1: The non-audit service mainly included the review service of the Group's 2018 interim financial information.

董事有關編製財務報表之責任

董事均已承認彼等對編製本年度財務報表之責任。目前概無涉及可對本公司持續經營能力構成重大疑慮之事件或情況之重大不明朗因素。

本公司外聘核數師就其對財務報表申報責任發出之聲明載於本年報第96至196頁之獨立核數師報告內。

聯席公司秘書

本公司委聘方圓企業服務集團(香港)有限公司的副總監吳詠珊女士擔任其聯席公司秘書。彼在本公司的主要公司聯絡人為另一名本公司聯席公司秘書柯葳彬先生。吳詠珊女士及柯葳彬先生均已遵照上市規則第3.29條，於本年度內接受了不少於十五小時的相關專業培訓。

核數師酬金

本年度內，經由本集團審核委員會審閱及核准作支付或應付予本集團核數師，羅申美會計師事務所，有關其提供予本集團的審計和非審計範圍服務的酬金如下：

– 審計服務	人民幣1,080,000元
– 非審計服務 ¹	人民幣480,000元

1: 非審計服務主要包括審閱本集團2018年中期財務資料的服務。

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CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing corporate governance functions, which primarily includes the followings:

- a. developing and reviewing the Company's policies and practices on corporate governance, and make recommendations to the Board;
- b. reviewing and monitoring the training and continuous professional development of Directors and senior management;
- c. reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- d. developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- e. reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report in the annual report of the Company.

During the Year, the Board has performed the above corporate governance functions.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility on maintaining sound risk management and internal control systems to protect the Shareholders' interest. The internal control system of the Group was established for enhancing the effectiveness and efficiency in operations, safeguarding assets against any unauthorised use and disposition and ensuring the maintenance of proper accounting records and the truth and fairness of the financial statements as well as the compliance with relevant legislation and regulations.

企業管治職能

董事會負責履行企業管治職能，主要包括以下幾個方面如下：

- a. 制定及檢討本公司的企業管治政策及常規，並向董事會作出推薦建議；
- b. 檢討及監察董事及高級管理層的培訓及持續專業發展；
- c. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- d. 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊(如有)；及
- e. 檢討本公司遵守企業管治守則的情況及在本公司年報中的企業管治報告的披露。

於本年度內，董事會已履行上述企業管治職能。

風險管理及內部監控

董事會確認其有責任保持健全之風險管理及內部監控系統以保障股東利益。本集團所訂立之內部監控制度，目的旨在提升營運之成效及效率、保護資產以免在未經授權下被挪用及處理、確保有保存恰當之會計記錄以及財務報表之真實性及公平性，並確保遵守相關法規及條例。

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The key risk management and internal control procedures of the Company are as follows:

- (1) determine the scope, identify the risks and compile a list of such risks;
- (2) evaluate and prioritise the risks based on the probability of, the attention from the management of the Group drawn by, and the possible financial loss and impact on operating efficiency, sustainability and reputation resulting from, each potential risk;
- (3) identify the risk control measures against major risks, conduct internal control assessments of the design and implementation of such measures, and formulate measures to improve any defect;
- (4) review and evaluate the risk management and internal control systems of the Group regularly and ensure the effectiveness and constant improvement of the risk management system through internal control assessments of major risks and improvements implemented by the management;
- (5) report the findings of the regular review and evaluation of the risk management and internal control systems conducted during the reporting period, major risk factors and respective response to the Audit Committee by the management and auditor, if necessary.

KEY CHARACTERISTICS OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Integrating risk management, internal control and procedure management with risk orientation and control as main focus, a strong comprehensive risk management and internal control system has been built.

INTERNAL AUDIT

The Company has adopted a whistleblowing policy setting out principles and procedures for the Directors, employees of the Company and other persons having business relationships with the Company to report suspected improprieties and misconducts in a fair and proper manner. Pursuant to which, employees may raise their concerns either verbally or in writing to the chairman of the Audit Committee or the chairman of the Board. Upon receipt of disclosure, the chairman of the Board or such other persons as designated by the chairman of Audit Committee or the Audit Committee shall discuss the reporting matters with the Audit Committee and determine whether any further investigation is needed. If it is considered necessary, the chairman of the Audit Committee or such other persons as designated by the Audit Committee shall be in charge to conduct such investigation for misconduct and the results of which shall be reported to the Audit Committee. The Audit Committee shall make recommendations to the Board on the necessary actions to be taken based on the investigation results. In the event that the Audit Committee is involved in the investigation, results of such investigation shall be reported to the chairman of the Board. Such reporting matters shall be passed to the relevant authorities for further actions if there is evidence of possible criminal offences.

本公司的風險管理及內部監控程序主要包括：

- (1) 確立範圍、識別風險，形成風險清單；
- (2) 依據各類潛在風險發生的可能性以及本集團管理層關注度，結合風險可能造成的財務損失，對運營效率、持續發展能力和聲譽的影響開展風險評估工作，並進行優次排序；
- (3) 識別重大的風險管理措施，對風險管理措施的設計和執行方面進行內部監控評估，對不足之處制定措施進行改善；
- (4) 通過對重大風險開展內部監控評估和管理層落實整改措施等，定期對本集團風險管理和內部監控制度進行檢討和總結，實現風險管理的成效發揮和持續提升；
- (5) 管理層及審計師(如需要)已就報告期內對風險管理及內部監控制度的定期檢討及評估結果，重大風險因素及相關應對措施向審核委員會報告。

風險管理及內部監控系統的主要特點

以風險為導向、以控制為主線，將風險管理、內部控制和流程管理融合，建立健全的全面風險管理和內部控制體系。

內部審核

本公司已採納檢舉政策，列出本公司董事、僱員及與本公司有業務往來的人士以公平正確方式舉報可能存在的不當及違規行為的原則及程序。按照檢舉政策，僱員可以口頭或者以書面形式向審核委員會主席或董事會主席舉報。接到舉報後，董事會主席或審核委員會主席或審核委員會指定的其他人士會與審核委員會討論舉報事宜，評定是否需要展開調查。如認為必需進行調查的，審核委員會主席或審核委員會指定的其他人士將主管調查工作以查清到底是否存在任何不當行為。審核委員會主席或審核委員會指定的其他人士應向審核委員會匯報調查結果。審核委員會以調查結果為基礎，向董事會建議採取必要的行動。如果調查涉及審核委員會，調查結果應向董事會主席匯報。如有證據指向可能有刑事罪行，應將有關事宜轉交給有關當局採取進一步行動。

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The Board undertakes its responsibility for the risk management and internal control systems and has delegated the Audit Committee to be in charge of reviewing the effectiveness of the Group's risk management and internal control systems.

In performing relevant duties, the Audit Committee, with the assistance of the Group's Internal Audit Department (the "**Internal Audit Department**"), ensures that the management are immediately informed regarding the new risks of the Group; assesses whether the action plans and control systems established for such risks are necessary; and oversees the implementation of action plans and the effectiveness of the control systems. These procedures have been in place and will be carried out on an on-going basis with a regular review by the Audit Committee.

During the Year, the Internal Audit Department has conducted reviews on internal control of various important areas, including financial control, operational control and compliance control so as to minimise the overall business and operational exposure of the Group. In addition, crisis management plans have been created for timely and proper responses to any sudden event affecting consumers' confidence in the Group. The Internal Audit Department submitted the report on internal control to the Audit Committee for review, the audit results and recommendations therein were discussed at the Audit Committee meetings and Board meetings. During the Year, the Audit Committee reviewed the internal review comments made for the risks associated with internal control and the effectiveness of risk management of the Company every half year and reported major issues to the Board.

During the Year, the Board, with the assistance of the Audit Committee, has conducted the annual review on the Group's risk management and internal control systems and considers that such systems are necessary and effective. The Board and the Audit Committee believes that the Group's risk management and internal control systems are reasonably and effectively implemented in the key areas. The Board also explains that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

PROCEDURES AND INTERNAL CONTROLS FOR HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Group complies with requirements of Securities and Futures Ordinance ("**SFO**") and the Listing Rules. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public.

董事會承認其對風險管理及內部監控系統負責，並已授權審核委員會負責檢討本集團風險管理及內部監控系統之有效性。

於履行有關責任時，審核委員會在本集團內部審核部門(「**內審部**」)協助下，確保管理層可立即得知與本集團有關之新風險；評估為管理有關風險而制訂之行動計劃及監控制度是否合乎需要；及監察行動計劃之執行及監控制度之成效及是否合乎需要。此等持續程序已設立，並由審核委員會定期檢討。

內審部於本年度內就多個重要的內部監控層面進行了檢討，包括財務監控、運作監控及合規監控方面，旨在減低本集團整體業務及營運風險。此外，內審部亦設立了一套危機應變處理程序，以在遇有任何可能導致影響消費者對本集團信心的突發事故能迅速正確回應。內審部向審核委員會呈交內部報告以作審閱，當中之內部審核結果及建議已在審核委員會及董事會會議上討論。每半年審核委員會年內審閱就本公司內部監控風險及風險管理的有效性而作出的檢討內部意見，並向董事會匯報重大事項。

於本年度內，董事會透過審核委員會的協助下就本集團之風險管理及內部監控制度進行年度檢討，並認為有關制度合乎需要及有效。董事會及審核委員會認為本集團風險管理及內部監控系統之重要範疇已合理及有效地運作。董事會亦表明該等系統旨在管理而非消除未能達到業務目標的風險，而只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

處理及傳播內幕消息的程序及內部監控

本集團遵循證券及期貨條例(「**證券及期貨條例**」)及上市規則規定。本集團會儘快在合理可行的情況下向公眾披露內幕消息，惟資料屬證券及期貨條例所規定的任何安全保障除外。在資料全面向公眾披露前，本集團確保資料維持高度機密。倘本集團相信不能維持必要之機密程度或已可能已泄露機密，則本集團會即時向公眾披露資料。

SHAREHOLDERS' RIGHTS

Convening an Extraordinary General Meeting

The Directors may, whenever they think fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the head office or the Office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up share capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the head office or the Office. The written requisition must (i) specify the objects of the extraordinary general meeting and (ii) be signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up share capital of the Company which carries the right of voting at general meetings of the Company. If the Directors do not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all expenses reasonably incurred by the requisitionist(s) as a result of the failure of the Board of Directors shall be reimbursed to them by the Company.

Putting Forward Proposals at General meetings

There are no provisions allowing the Shareholders to put forward proposals at the general meeting under the memorandum and articles of association of the Company or under the Companies Law of the Cayman Islands. If the Shareholders wish to do so, they may follow the procedures set out above to convene an extraordinary general meeting.

The procedure for a shareholder of the Company to propose a person for election as a Director is posted on the website of the Company.

股東權利

召開股東特別大會

董事可於其認為適當的任何時候召開特別股東大會。股東大會的召開亦須由本公司任何兩名或以上股東提出書面要求，該要求須存入本公司香港主要辦事處，或本公司不再使用該等主要辦事處，則其總辦事處或辦事處。該等書面請求須詳細指明召開會議之目的，並由申請人簽署。惟該等申請人於交存書面要求之日持有不少於本公司已繳的並於本公司股東大會上有投票權的股本的十分之一。股東大會亦可由作為本公司股東的一間被認可結算所（或其代名人）書面要求而召開，該要求須存入本公司香港主要辦事處，或如本公司不再使用該等主要辦事處，則其總辦事處或辦事處。該等書面請求須(i)詳細指明召開股東特別大會之目的，及(ii)由申請人簽署。惟該等申請人於交存書面要求之日持有不少於本公司已繳的並於本公司股東大會上有投票權的股本的十分之一。如果董事從書面要求交存日起21天內不正式召開須於緊隨之21日內召開的會議，則申請人或持有彼等所持投票權總數超過一半的任何人可以同樣方式召開股東大會，與董事召開的情況盡可能接近，惟如此召開的會議不得於前述書面請求交存三個月期滿之後召開，以及因董事未能召開該等會議而導致申請人發生的全部合理費用須由本公司賠償。

於股東大會上提呈建議

本公司組織章程大綱及細則或開曼群島公司法並無條文允許股東於股東大會上提呈建議。倘股東有此意圖，彼等可按上文所述要求召開股東特別大會。

本公司股東提名人選參選董事之程序已刊登於本公司網站。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

The Company uses a range of communication tools to ensure Shareholders are kept well informed of key business imperatives. These include annual general meeting, annual report, interim report, various notices, announcements and circulars.

The Company shall communicate other information to Shareholders on a need basis by way of announcement which will be posted on the websites of the Stock Exchange and the Company. Other than annual general meeting, extraordinary general meeting shall be held pursuant to relevant laws and regulations if required. Shareholders shall receive explanatory circulars and proxy forms relating to the general meetings. Proxy arrangements for the general meetings are in place for shareholders who are unable to attend the meetings in person.

Shareholders and the investment community may make a request for the Company's information to the extent such information is publicly available or send their enquiries to the Board in writing or by email to service@greenfresh.com or by addressing their enquiries to the Board in the following manners: The Board of China Greenfresh Group Co., Ltd. at 40/F, Sunlight Tower, 248 Queen's Road East, Wanchai, Hong Kong or 8th Floor, Building No. 10, Guanyinshan Business Center, Siming District, Xiamen, China.

AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATIONS

The Company did not make any amendments to its memorandum and articles of association during the Year.

INVESTOR RELATIONS

In order to enhance communication between the Company and investors/analysts, senior management will hold meetings with investors/analysts upon request as and when the need arises.

Investors are welcome to send email directly to the Company's email at service@greenfresh.com or browse the Company's website for the latest release and financial information.

與股東之溝通

本公司採用多種通訊工具，以確保股東可獲得有關主要業務事宜的充份資料，包括股東週年大會、年報、中期報告、各類通告、公佈及通函。

本公司須於必要時以公告之方式向股東傳達其他資料，有關公告將於聯交所及本公司之網站登載。除股東週年大會外，如要求召開股東特別大會，則須根據相關法律及法規進行。股東可收取有關股東大會之通函及代表委任表格。本公司已為無法親身出席股東大會之股東作出有關會議之受委代表安排。

股東及投資人士可索取本公司可公開之資料或以書面形式或透過電郵(service@greenfresh.com)向董事會發出彼等的查詢請求或按以下方式向董事會提出查詢請求：中國綠寶集團有限公司董事會（地址為香港灣仔皇后大道東248號陽光中心40樓或中國廈門思明區觀音山運營中心10號樓八樓）。

組織章程大綱及細則修訂

於本年度內，本公司並無對其組織章程大綱及細則作出任何修訂。

投資者關係

為加強本公司與投資者／分析員之間的溝通，高級管理層會應要求或於必要時與投資者／分析員召開會議。

本公司歡迎投資者直接向公司寄送電子郵件(service@greenfresh.com)或瀏覽本公司網站，以獲取最新消息及財務資料。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

1 CORPORATE PROFILE

China Greenfresh Company Limited (hereafter referred to “China Greenfresh” or the “Group”) has been engaged in the industrial production of edible fungi and production and sale of primarily and intensively processed food products of edible fungi, and has maintained a leading position in the industry since 1995.

While reinforcing its edible fungi production and sales business, the Group has also been continuously exploring the healthcare products to develop the markets and attract more customers. The Group has collaborated with renowned universities and research institutions in Japan (including Kumamoto University, Japan Oriental Medical Research Centre, etc.), and successfully developed two healthcare product series named “Kangbao” (康寶) and “520 International” (520國際), which included a total of ten featured products. Through research and development, China Greenfresh hoped to gradually expand the scope of its business and transform and upgrade the operations and products.

The Group’s service and product quality have been recognised and praised by relevant departments and a wide range of customers. During the reporting period, the Group was awarded the “2018 Outstanding Brand Image Award” by the organising committee of the 7th China Finance Summit.

1 集團簡介

中國綠寶集團有限公司(下稱「中國綠寶」或「集團」)自1995年來一直致力於食用菌工廠化生產及食用菌初深加工食品生產及銷售，並處於行業領先地位。

在鞏固食用菌生產及銷售產業的同時，本集團亦不斷探索保健產品，以開拓市場及吸引更多客戶。本集團與日本知名學府及科研機構(包括熊本大學、東陽醫學研究所等機構)合作，並成功開發出「康寶」及「520國際」兩大健康產品系列共十款產品。中國綠寶希望通過研發，逐步擴大經營範圍，對運營及產品進行轉型升級。

本集團的業務及產品品質已得到相關部門和廣大消費者的認可和好評。在報告期間，榮獲第七屆中國財經峰會組委會頒發的「2018傑出品牌形象獎」。



2018 Outstanding Brand Image Award
2018傑出品牌形象獎

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

2 ABOUT THIS REPORT

2.1 REPORTING STANDING, PERIOD AND SCOPE

This Environmental, Social and Governance (“ESG”) Report was prepared in accordance with the ESG Reporting Guide set out in Appendix 27 to the Listing Rules of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This report adhered to the Reporting Principles of materiality, quantitative, balance and consistency to disclose the Group’s ESG related initiatives and performance from 1 January to 31 December 2018 (the “reporting period”). The information relating to corporate governance of the Group was discussed in the corporate governance section of the annual report according to the Corporate Governance Code, Appendix 14 of the Listing Rules.

This report covered the business scope of China Greenfresh’s manufacturing plants and planting bases in China, which were (i) Headquarter of China Greenfresh in Fujian, (ii) two manufacturing plants in Fujian and (iii) four planting bases located in Fujian, Hebei, Jiangsu respectively (two of them are in Fujian Province). Since the Group’s overseas’ sales business had relatively insignificant environmental and social impacts, it was not included in this report.

2.2 REPORTING THEME AND SUSTAINABILITY STRATEGY

Upholding the mission of delivering healthy and high-quality food products, creating maximum values for its stakeholders and achieving sustainable development, the Group has adopted “circular economy” as its business model.

Circular economy is a renewable industrial system that utilises resources and minimises waste generation by reducing the use of resource (“Reduce”), reusing resources (“Reuse”) and product recycling (“Recycle”) (i.e. “3R”). The theme of this report is “fostering community wellbeing through circular economy”, which describes the Group and its employees’ practices and contributions to the environment and the society under the framework of circular economy.

2 關於本報告

2.1 報告標準、時期以及範圍

本環境、社會及管治(「ESG」)報告根據香港聯合交易所有限公司(「聯交所」)上市規則附錄二十七所載的「環境、社會及管治報告指引」(「ESG指引」)，界定報告內容。本報告遵循重要性、量化、平衡和一致性的原則披露本集團2018年1月1日至2018年12月31日(「報告期」)的ESG相關措施和業績。有關本集團企業管治的資訊將根據聯交所主板上市規則附錄十四的「企業管治守則」，載於年報的企業管治報告部分。

本報告涵蓋的業務範圍包括中國綠寶國內的生產和種植基地，即(i)位於福建的中國綠寶總部，(ii)位於福建的兩間加工廠以及(iii)分別位於福建、河北、江蘇的四處種植基地(其中兩處位於福建)。由於本集團海外的銷售業務對環境及社會的影響相對較小，故此不被納入報告範圍內。

2.2 報告主題以及可持續發展方針

秉承提供健康優質食用產品、為持份者創造最大價值及實現可持續發展的使命，本集團已採用「循環經濟」作為其商業模式。

循環經濟是一個可再生的產業體系，透過減少資源的使用(「Reduce」)、重複利用資源(「Reuse」)及產品回收再利用(「Recycle」)的方式(即「3R」)，提高資源利用率及減少廢棄物產生。本報告的主題為「以循環經濟培育幸福社區」，闡述集團及其員工在循環經濟的框架下，在環境及社會方面做出的舉措及貢獻。

3 A CIRCULAR OPERATIONAL MODEL

As a food production and processing manufacturer, China Greenfresh has paid particular attention to the health and safety of food and product liability. Upholding the circular concept of using green agricultural by-products to produce healthy products, the Group selected clean agricultural by-products to minimise the use of fertilisers and pesticides at source. In addition, at each production stage, the Group strived to conserve energy and reduce emissions, and carried out quality control procedures to ensure product quality. The Group also collected the agricultural wastes generated from its own operations and reused them for mushroom cultivation. Through a series of circular operation practices, the Group has efficiently used resources and achieved “zero” waste generation.

3 循環運營模式

作為食品生產加工製造商，中國綠寶尤其重視食品的健康安全及產品責任。秉持著用綠色農副產品打造健康產品的循環理念，本集團選用清潔的農副產品，從源頭將化肥及農藥的使用量最小化。此外，本集團在各生產環節中盡可能節能減排，並執行質量管控程序，以確保產品的質量。本集團亦收集自身生產中的養殖廢料，再次用於菌菇生產。透過一系列循環運營操作，本集團高效利用資源，並實現「零」廢棄物的產生。



3.1 RAW MATERIAL SELECTION

The traditional mushroom cultivation medium was composed with wood sawdust and nutrients, which required the use of a large amount of wood. Under the framework of circular economy, China Greenfresh used agricultural by-products such as corncob, cornhusk and sweet potato peels as the nutrients for planting mushrooms, in order to optimise resource consumption.

The Group prioritised the use of its own agricultural products and agricultural by-products to ensure the stability of raw material quality. For raw material purchasing, the Group has established the "Raw Material Inspection Procedures" to provide guidance on conducting tests on product appearance and pesticide residues during the material selection to ensure the end product quality and avoid food contamination.

Furthermore, the Group required all suppliers to meet the environmental regulations and local emission standards that the business subscribed, and evaluated their quality, cost, delivery and production capacity regularly. Each production plant selected the nearest possible suppliers and farmers in order to reduce the environmental footprint during transportation.

Through its stringent raw material procurement initiatives, the Group has improved the efficiency of agricultural waste material consumption whilst ensured health and safety of raw materials, and reduced the overall environmental impacts during the production.

3.1 原材料的選購

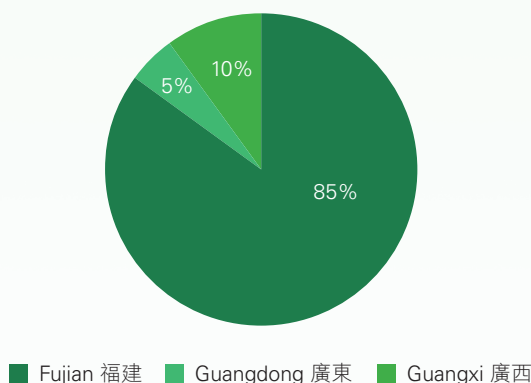
傳統菌菇種植的養料，由木屑及其他營養品混合而成，需要使用大量木材。而在循環經濟的模式下，中國綠寶使用玉米芯、玉米渣及地瓜皮等農副產品，作為種植菌菇的養料，以優化資源使用。

本集團優先使用自己生產的農產品及農副產品，以確保原材料品質的穩定性。在原材料選購方面，本集團已製定《原料進廠檢驗規程》，為材料選擇過程中的產品外觀和農藥殘留檢測提供指導，以保障成品質量並避免食品污染。

此外，本集團要求所有供應商達到各項與其運營相關的環保法規及當地排放標準，並定期對其質量、成本、交貨及生產能力進行評估。各生產基地盡可能選擇就近的供應商及農戶，以減少運輸的環境足跡。

通過其嚴謹的原材料選購措施，集團提升養殖廢料的利用率，並確保原材料的安全與健康，總體減少了生產對環境產生的影響。

2018 Number of Suppliers by Location
2018按地區劃分之供貨商數目



3.2 RESPONSIBLE OPERATIONS

Utilising Water Resource

Food production required the use of large amount of water, and the Group's mushroom production was not an exception: water was consumed during cultivation medium creation and mushroom nurturing process. Therefore, the Group treasured water resources and strived to consume water efficiently during the operation.

The water consumed by the Group was mainly from municipal water supply and underground water. China Greenfresh recognised the underground water resources were limited, and committed to recycling water and improving water consumption efficiency in order to reduce overall water withdrawals. Wastewater generated from pre-wetting raw materials, cleaning empty tanks and equipment, and sterilisation was treated by the inhouse sewage treatment facilities and reused as cooling and cleaning water. During the reporting period, most of the water was reused throughout the production. The small amount of discharged wastewater was treated and tested to ensure the compliance with China's "Integrated Wastewater Discharge Standard".

Saving Energy and Reducing Emissions

Climate change and air quality were among the biggest challenges to China and the world nowadays. As a responsible corporate, the Group adhered to the environmental standards and operated in an energy-saving and low-carbon manner.

Coal, natural gas and fuelwood and natural gas used for combustion for boilers during heat sterilisation were the main source of the Group's direct greenhouse gases ("GHG") emissions. The Group's indirect GHG emissions were mainly from the municipally supplied electricity and steam used for maintaining appropriate temperature and humidity for mushroom cultivation, operating high-power production machines and general office activities.

The Group has been gradually eliminating the production lines that did not meet the environmental requirements, and replaced coal and fuelwood boilers with natural gas boilers which are cleaner and more energy. High-power equipment, such as mixers and water pumps, were equipped with variable speed drives to reduce energy consumption. In order to reduce air pollutants emissions from fuel combustion, one of the manufacturing plants in Fujian has installed a wet dust scrubber at the chimney to capture the air pollutants including particulate matters ("PM"), sulphur dioxide ("SO₂") and nitrogen oxides ("NO_x") and ensure the pollutants emitted were much lower than the local environmental protection department's requirements.

3.2 負責任的生產

善用水資源

食品生產需要使用大量的水，而本集團的菌菇種植也不例外：在培養基的製作以及培育菌菇的過程中，均需使用水資源。因此，本集團珍惜水資源並努力在運營中高效用水。

本集團所使用的水主要來自市政供水以及地下水。中國綠寶瞭解地下水資源有限，致力於通過循環用水及提高水資源利用率，以總體降低水資源的提取量。預濕原材料、清洗空罐以及設備，和殺菌產生的污水，經廠內污水處理設施處理後，用作冷卻水以及生產清潔。報告期間，絕大部分污水已於生產中重複使用。僅有的少量廢水，在排出前經過處理及檢測，確保其符合中國的「污水綜合排放標準」。

節能減排

氣候變化及空氣質量是當今中國乃至世界的最大挑戰之一。作為富有責任心的企業，本集團堅持各項環境要求的達標及節能低碳的運營。

在加熱消毒過程中使用的鍋爐所燃燒的煤、天然氣和薪柴是本集團溫室氣體（「GHG」）排放的主要來源。本集團的間接溫室氣體排放主要來自市政供應的電力及蒸汽，用於維持蘑菇種植的適當溫度和濕度，運作大功率生產機器及一般辦公活動。

本集團逐漸淘汰不符合環境要求的生產線，並用更高效、清潔的天然氣鍋爐替代煤炭及薪柴鍋爐。大功率設備，如攪拌機以及抽水機，均安裝變頻設備，以減少能源的使用。為減少燃燒燃料所產生的大氣污染物排放，福建一生產基地在鍋爐的煙口處安裝了濕式除塵器，以捕獲顆粒物（「PM」）、二氧化硫（「SO₂」）、氮氧化物（「NO_x」）等空氣污染物，並確保排放遠低於當地環保部門的要求。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Product Responsibility

The Group realised the importance of quality management to product health and safety, and endeavoured to strictly control product quality through establishing the Quality Control ("QC") Team which is responsible for product quality testing. The QC Team carried out tests on the size, appearance, weight, and pesticides and heavy metal residues of the mushrooms to ensure they have met the national food safety standards. After packing the products, QC Team reviewed the printed labels on the packaging to ensure the label descriptions were accurate.

China Greenfresh also valued customers' feedbacks, and believed that the constructive suggestions could drive the Group to provide better products and services. To this end, the Group has established effective customer feedback handling procedures to collect customers' opinions through email and telephone. The Group's Customer Service Department was responsible for following up customers' feedbacks or product return requests in a timely manner, and provide prevention measures. During the reporting period, the Group has achieved "zero" complaints and product returns through good quality management throughout the operations, and there were no products recalled due to health and/or safety issues.

In order to protect customers' privacy and its own intellectual properties, China Greenfresh has established a confidential agreement with employees, which required all employees to keep the confidentiality of customer data and the Group's intellectual properties during or after the period of their employment, and ensure that information collected was used only for its intended purpose. The Group has complied with relevant regulations on information confidentiality and intellectual property rights.

3.3 BY-PRODUCT RECYCLING

The wastes generated during the production, including removed mushroom root and stipe, and the remaining nutrients, were made into agricultural fertiliser and reused in mushrooms cultivation. The remaining by-products were sold to local farmers at a lower price as agricultural raw materials. The sludge generated from sewage treatment was also reused as a fuel for boilers.

Through the resource recycling measures, the Group has utilised agricultural by-products, lowered the resource consumption, and has achieved "zero" waste throughout the operation. During the reporting period, the Group has reused 35,724 tons (18,496 tons in 2017) of agricultural by-products, nearly doubled the amount of the recycled agricultural by-products in previous reporting period.

產品責任

本集團認識到質量管理對產品健康和安全的的重要性，並通過建立負責產品質量測試的質量控制（「品控」）團隊，努力嚴格控制產品質量。品控團隊對菌菇大小、外觀、重量、農藥及重金屬殘留進行檢測，以確保其符合國家食品安全標準。在將產品包裝後，品控團隊對包裝上所印標籤進行查看，確保標籤的描述準確無誤。

中國綠寶亦重視客戶的反饋，且相信建樹性的建議能夠推動本集團提供更好的產品及服務。為此，本集團設立有效的客戶反饋處理程序，通過郵件及電話，收集客戶意見。本集團的客戶服務部門負責及時跟進客戶的反饋或退換貨需求，並提出預防措施。報告期間，集團通過運營中良好的質量管理，實現「零」投訴、退貨事件，亦無因安全或健康問題而回收的產品。

為保護客戶的隱私及其自身的知識產權，中國綠寶與員工訂立保密協議，要求在所有員工受聘期間及之後保守客戶資料隱私，並保證收到的信息僅用於其預期目的。本集團已遵守信息保密和知識產權的相關法規。

3.3 副產品的回收

生產所產生的廢料，如被切除的菇根、菌柄及剩餘養料，會製成農業中的肥料，再次用於菌菇種植。剩餘的副產品則低價銷售給當地農戶作種植原材料。處理污水所產生的污泥，亦作為鍋爐燃料重新利用。

通過循環資源的舉措，本集團已善用農副產品，減少資源使用，並在運營中實現「零」廢棄物。在報告期間，本集團共重新利用35,724噸（2017年為18,496噸）的農副產品，同上一報告期間的農副產品回收量相比，增加近一倍。

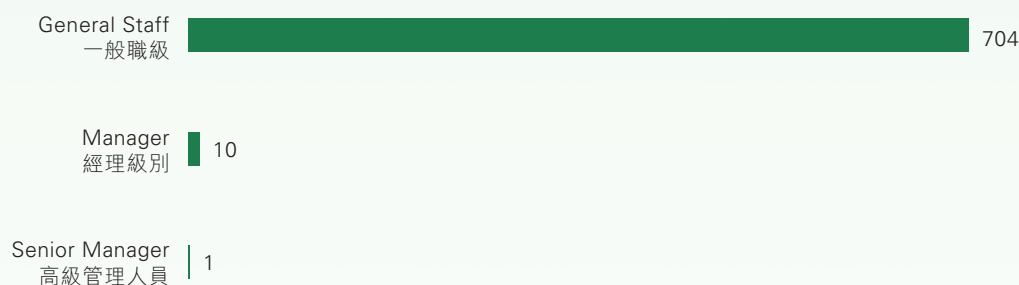
4 CARING FOR EMPLOYEES

The Group's success on promoting the circular economy depended on the efforts of its professional team. Therefore, China Greenfresh paid attention to talent selection and development, and sought to acquire and gather professionals to drive business's sustainable development together.

4.1 ACQUIRING TALENTS

The Group endeavoured to provide employees with an equal and diverse working environment and complied with relevant regulations. According to its established employment policy, the Group selected employees based on their quality, and strictly prohibited any kinds of discriminations, including gender, religion, ethnicity or other similar factors. In addition, the Group respected human rights, and prohibited the employment of child and forced labour, and appointed the Human Resource ("HR") Department to conduct a rigorous review of candidates' background information during the recruitment process to ensure the legitimacy of employment.

2018 Employees by Position 2018按僱員類別劃分之員工人數



4.2 TALENT DEVELOPMENT AND TRAINING

China Greenfresh believed that supporting employees to improve their working skills helped to enhance the Group's operational efficiency. Therefore, the Group has established "Employee Training and Development Management Regulations" to guide the management of employee trainings and development, and standardise the training arrangement.

4 關愛員工

本集團推行循環經濟的成功，有賴其專業團隊的努力。因此，中國綠寶看重人才的選拔及發展，務求選拔及匯聚專業人才，共同推動業務的可持續發展。

4.1 招納人才

本集團致力於為員工提供平等、多元化的工作環境，並遵守相關法規。根據其制定的僱傭政策，本集團在招聘過程中以員工的能力作為錄用標準，嚴禁一切歧視，包括性別、宗教信仰、種族或其他相類似因素。另外，本集團尊重人權，禁止僱用童工或強制勞工，並委派人力資源（「人資」）部門在招聘過程中，對應聘者的背景資料進行嚴格審查，以確保僱傭的合法性。

4.2 人才發展與培訓

中國綠寶相信，幫助員工提升工作技能，有助於提高本集團的運作效率。因此，本集團已制定《員工培訓發展管理規定》，以指導員工培訓發展的管理，並規範培訓安排。

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The management of departments were responsible to formulate specific training plans in accordance with employees' needs on professional development. Based on the training plans, HR Department allocated training resources, arranged the trainings and followed up the effectiveness of trainings. Furthermore, upholding the principle of training employees according to their aptitude, the Group has set up the "Annual Employees Training Strategy" in accordance with employees' annual performance assessment results and the Group's business development direction. The practice has improved employees' professional knowledge and the efficiency in allocating training resource.

To further develop an outstanding and cohesive team, the Group has established the "Greenfresh Business School" for employees since 2011, and designed diverse training programmes based on the Group's business strategy, culture and required professional skills. During the reporting period, the Group has organised various trainings and camps, which allowed employees to discover their potential capability and enhance the cohesiveness of the team. China Greenfresh has organised a total of 3,330 hours of training during the reporting period, with an average of 5 hours per employee.

各部門管理人員負責針對員工的職業發展需求，制定具體的培訓計劃。根據此等培訓計劃，人資部分配培訓資源、安排培訓計劃並跟蹤培訓效果。此外，本集團依據因材施教的原則，結合年度員工績效評估結果及集團的業務發展計劃，為員工策劃「年度員工培訓計劃」。此舉提升了員工的專業知識及培訓資源分配效率。

為進一步自主培養傑出及具有凝聚力的團隊，自2011年以來，本集團為員工設立「綠寶商學院」，以本集團的戰略、文化及職業技能需求為基礎，設計各類培訓課程。在報告期間，本集團舉辦了各類培訓及訓練營，讓員工發現潛能，並加強團隊凝聚力。中國綠寶於報告期間內已組織共3,330小時培訓，平均每位員工培訓5小時。



Training to enhance team cohesiveness
提升團隊凝聚力之培訓



Camp to support employees discovering their potentials
幫助員工發現自我潛能之訓練營



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4.3 HEALTH AND SAFETY

To ensure the safety of employees' working environment, the Group has complied with the laws and regulations relating to occupational health and safety, and developed a safety management system. The Group has established safety management measures to provide detailed guidelines for the following safety practices:

- addressing the safety issues in each department;
- investigating and reporting accidents;
- implementing protection and remedial measures; and
- arranging health check-ups for employees and establishing occupational health records.

Besides, the Group has set up first aid kits and fire prevention equipment at the manufacturing plants, and provided escape route maps in case any emergencies. To further prevent occupational injuries and accidents, the Group has conducted regular safety inspections at the manufacturing plants. Through these safety measures, China Greenfresh has achieved "zero" injuries and fatalities during the reporting period.

4.4 ANTI-CORRUPTION

The Group adhered to ethics and integrity principles, and strictly prohibited any activities relating to bribery, extortion, fraud and money laundering. To ensure that employees understood and complied with the Group's Code of Conduct, the Group promoted relevant laws and regulations to employees through various communication channels, including employee handbooks, posters and relevant trainings. These initiatives have raised employees' awareness on anti-corruption and prevented unethical behaviours. The Group has also established anti-corruption policies and designated the Audit Department to investigate and follow up on any corruption and inappropriate behaviours. In the case where violations were formally identified, the Group would take the necessary disciplinary actions. The anti-corruption policy and initiatives were evaluated regularly on the quarterly meetings held by the Auditing Department. No concluded legal cases relating to violation of anticorruption policy have been noticed in the Group over the reporting period.

4.3 健康與安全

為確保員工工作環境的安全，本集團遵守工作健康與安全的相關法律，並制定安全管理體系。本集團已設定安全管理方法，為以下安全實踐提供詳細指引：

- 各部門對安全問題的處理；
- 調查及通報事故；
- 實施保護及補救措施；以及
- 安排員工健康檢查並建立職業健康記錄。

另外，集團在廠區當眼處設置了急救箱、防火設備，並提供逃生路線圖，以應對任何突發事件。為進一步避免工傷意外，本集團在廠區進行定期的安全巡查。通過此等安全措施，中國綠寶在報告期間實現「零」傷亡事件。

4.4 反貪污

本集團遵守誠信道德規範，並嚴格禁止任何賄賂、勒索、欺詐及洗黑錢活動。為確保員工瞭解並遵守本集團的行為準則，本集團通過各類溝通渠道，其中包括員工手冊、宣傳海報及相關培訓等，向員工宣傳相關法律及規例。此等舉措提升員工的反腐敗意識，遏制了非道德的行為。本集團亦設置反貪污政策，並指定稽核部門對貪污及不恰當行為進行調查及跟進。一旦發現違規事件屬實，本集團將依法追究。反貪污的政策及舉措會在稽核部門每季度舉行的例會上進行定期檢討。本年度本集團未發現任何有關違反貪污條例的訴訟案件。

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5 COMMUNITY INVESTMENT

The Group has put its efforts in paying the society forward through using circular economy model to benefit local farmers, environment and community. The cooperation between China Greenfresh and local farmers in raw materials and agricultural by-products has helped farmers on handling agricultural by-products and promoted local agricultural development.

In addition, the Group focused on caring the elderlies and children, and actively supported community outreach programmes to provide help to those in need. During the reporting period, the Group partnered with Zhangzhou Social Welfare Institute to organise a summer camp for the elderlies and orphans with disabilities. The Group and its employees also went to Xiamen One Heart Children's Home and carried out condolence activities and donated goods. The Group contributed a total of 380 hours of volunteer services throughout the reporting period.

6 LOOKING FORWARD

Under the framework of circular economy, the Group has increased production resources efficiency and cooperated with local farmers to turn wastes into gem in order to implement green operation. The Group is entering a critical moment of strategic transformation and upgrading, and will continue to take "building up a comprehensive industrial chain for life healthcare in China" as its corporate vision. While maintaining its leading position in the edible fungi industry, the Group will promote the development, production and sale of edible fungi health care products, with a focus on producing healthier and better-quality food products. In areas of employee capacity building and community contribution, the Group will continue to seek improvement measures in order to create more values for the society as a whole.

5 社區投資

本集團通過循環經濟模式，為當地農戶、環境和社區造福，並致力於推動社會前進。中國綠寶與當地農戶在原材料及農副產品方面的合作，在幫助農戶處理農副產品並推動本土農業發展。

此外，本集團著眼於關愛老人及兒童，與員工一同積極支持公益事業，為有需要的群體提供援助。在報告期間，本集團聯合漳州市社會福利院，組織院內特困老人及孤殘兒童夏游。本集團亦與員工一同赴廈門同心兒童院開展慰問活動，並捐獻物資。本集團在報告期間共貢獻了380小時義工服務。

6 展望未來

在循環經濟的框架下，本集團提升生產資源效率，並與當地農戶合作，變廢為寶，以落實綠色生產。本集團正進入戰略轉型升級的關鍵時刻，並將持續以「打造中國生命健康產業鏈」作為企業願景，在維持其食用菌行業領先地位的同時，推動食用菌大健康保健產品的開發、生產及銷售，將重點放在生產更健康、更優質的食品上。在員工能力建設及社區貢獻方面，本集團亦將持續尋求提升方案，以為整體社會創造更多價值。

7 ENVIRONMENTAL PERFORMANCE SUMMARY

環境表現摘要

Environmental Performance Table

環境績效表

Indicator 指標	Unit 單位	2018 2018年	2017 2017年
Water Consumption 用水情況			
Total water consumption	m ³	246,220	147,245
總用水量	立方米		
Water intensity	m ³ /RMB m'Revenue ¹	244	138
用水強度	立方米／百萬人民幣收入 ¹		
Energy Consumption 能源使用量			
Electricity	kWh	20,285,743	18,903,576
電	千瓦時		
Natural Gas	kWh	30,867,047	46,142,054
天然氣	千瓦時		
Coal	kWh	4,866,176	25,059,767
煤炭	千瓦時		
Petrol	kWh	—	251,665
汽油	千瓦時		
Fuelwood	kWh	2,727,815,702	18,956,233
薪柴	千瓦時		
Total energy consumption	kWh	2,783,834,668	109,313,295
總能源用量	千瓦時		
Energy Intensity	kWh/RMB m'Revenue	2,764,346	102,738
能源強度	千瓦時／百萬人民幣收入		
GHG Emissions 溫室氣體排放			
Scope 1: direct GHG emissions ²	tonnes of CO ₂ equivalent (tCO ₂ e)	28,166,018	18,108
範圍一：直接溫室氣體排放 ²	噸(二氧化碳當量)		
Scope 2: Indirect GHG emissions ³	tCO ₂ e	13,841	12,872
範圍二：間接溫室氣體排放 ³	噸(二氧化碳當量)		
Total GHG emissions	tCO ₂ e	28,179,859	30,980
總溫室氣體排放量	噸(二氧化碳當量)		
GHG emission intensity	tCO ₂ e/RMB m'Revenue	27,983	29
溫室氣體排放強度	噸(二氧化碳當量)／百萬人民幣收入		
Air Pollutants Emissions 空氣污染物排放			
NO _x	tonnes	576	24
	噸		
PM	tonnes	3,934	87
	噸		
Packaging Materials 包裝材料			
Weight of packaging materials	tonnes	4,588	1,658
包裝材料重量	噸		

¹ The Group's total revenue for 2017 was RMB1,064.25 million, and the total revenue for the year of 2018 (ie, the reporting period) was RMB1,007.05 million.

² Scope 1 GHG emissions refer to GHG directly emitted by sources owned or controlled by the Group, such as the use of boilers.

³ Scope 2 GHG emissions refer to indirect GHG emissions generated by the electricity purchased by the Group.

¹ 本集團2017年總收入為1,064.25百萬人民幣，2018年(即本報告年內)總收入為1,007.05百萬人民幣。

² 範圍一溫室氣體排放是指集團擁有或控制的來源下所直接排放的溫室氣體，如鍋爐的使用。

³ 範圍二溫室氣體排放是指集團購買的電力所產生的間接溫室氣體排放。

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8 ESG CONTENT INDEX

8 ESG內容索引

Aspect 層面	KPI 關鍵績效指標	Description 描述	Statement/Section 聲明／章節	Page No. 頁數
SUBJECT AREA (A) ENVIRONMENT				
A.環境				
A1: EMISSIONS				
層面A1：排放物				
A1	General disclosure 一般披露	Information on: (a) the policies; and (b) compliance 相關法律的資料。	(a) 3 A Circular Operational Model 3循環運營模式 (b) The Group has complied with all relevant laws and regulations including Law of the People's Republic of China on Prevention and Control of Water Pollution, Law of the People's Republic of China on the Prevention and Control of Environment Pollution by Solid Wastes and Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution. 本集團已遵守所有相關法律規例，包括中華人民共和國水污染防治法、中華人民共和國固體廢物污染環境防治法及中華人民共和國大氣污染防治法。	53-56
A1.1		The types of emissions and respective emissions data. 排放物種類及相關排放數據。	3.2 Responsible Operations 3.2 負責任的生產 3.3 By-product Recycling 3.3 副產品的回收 7 Environmental Performance Summary 7 環境表現摘要	55-56 56 61
A1.2		Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	3.2 Responsible Operations 3.2 負責任的生產 7 Environmental Performance Summary 7 環境表現摘要	55-56 61
A1.3		Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	3.2 Responsible Operations 3.2 負責任的生產 7 Environmental Performance Summary 7 環境表現摘要	55-56 61
A1.4		Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	3.2 Responsible Operations 3.2 負責任的生產 7 Environmental Performance Summary 7 環境表現摘要	55-56 61

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Aspect 層面	KPI 關鍵績效指標	Description 描述	Statement/Section 聲明／章節	Page No. 頁數
	A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	3.2 Responsible Operations 3.2 負責任的生產	55-56
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	3.2 Responsible Operations 3.2 負責任的生產 7 Environmental Performance Summary 7 環境表現摘要	55-56 61
A2: USE OF RESOURCES				
層面A2：資源使用				
A2	General disclosure 一般披露	Policies 政策	3 A Circular Operational Model 3 循環運營模式	53-56
A2.1		Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源（如電、氣或油）總耗量（以千個千瓦時計算）及密度（如以每產量單位、每項設施計算）。	3.2 Responsible Operations 3.2 負責任的生產 7 Environmental Performance Summary 7 環境表現摘要	55-56 61
A2.2		Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度（如以每產量單位、每項設施計算）。	3.2 Responsible Operations 3.2 負責任的生產 7 Environmental Performance Summary 7 環境表現摘要	55-56 61
A2.3		Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	3.2 Responsible Operations 3.2 負責任的生產	55-56
A2.4		Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	3.2 Responsible Operations 3.2 負責任的生產	55-56
A2.5		Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量（以噸計算）及（如適用）每生產單位佔量。	The Group generated 4,588 tonnes packaging materials during the reporting period (2017: 1,658 tonnes). 報告期內，本集團產生了4,588噸包裝材料（2017：1,658噸）	

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Aspect 層面	KPI 關鍵績效指標	Description 描述	Statement/Section 聲明／章節	Page No. 頁數
A3: THE ENVIRONMENT AND NATURAL RESOURCES				
層面A3：環境及天然資源				
A3	General disclosure 一般披露	Policies 政策	3 A Circular Operational Model 3 循環運營模式	53-56
A3.1		Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	3.2 Responsible Operations 3.2 負責任的生產	55-56
SUBJECT AREA (B) SOCIAL				
B. 社會				
B1: EMPLOYMENT				
層面B1：僱傭				
B1	General disclosure 一般披露	Information on: (a) the policies; and 政策；及 (b) compliance 相關法律的資料。	(a) 4.1 Acquiring Talents 4.1 招納人才 (b) The Group has complied with all relevant laws and regulations including Labour Contract Law of the People's Republic of China and Labour Law of the People's Republic of China of the People's Republic of China on Labour-dispute Mediation and Arbitration. 本集團已遵守所有相關的法律規例，包括中華人民共和國勞動合同法、中華人民共和國勞動法及中華人民共和國勞動爭議調解仲裁法。	57
B1.1		Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	4.1 Acquiring Talents 4.1 招納人才	57
B1.2		Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	Not disclosed 不披露	

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Aspect 層面	KPI 關鍵績效指標	Description 描述	Statement/Section 聲明／章節	Page No. 頁數
B2: HEALTH AND SAFETY				
層面B2：健康與安全				
B2	General disclosure 一般披露	Information on: (a) the policies; and (b) compliance 相關法律的資料。	(a) 4.3 Health and Safety 4.3 健康與安全 (b) The Group has complied with all relevant laws and regulations including Law of the People's Republic of China on Work Safety, Law of the People's Republic of China on Prevention and Control of Occupational Diseases and Provisions of the State Council on Investigation for Administrative Responsibility for Extraordinarily Serious Safety Accidents. 本集團已遵守所有相關法律規例，包括中華人民共和國安全生產法、中華人民共和國職業病防治法及國務院關於特大安全事故行政責任追究的規定。	59
B2.1		Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	4.3 Health and Safety 4.3 健康與安全	59
B2.2		Lost days due to work injury. 因工傷損失工作日數。	4.3 Health and Safety 4.3 健康與安全	59
B2.3		Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	4.3 Health and Safety 4.3 健康與安全	59
B3: DEVELOPMENT AND TRAINING				
層面B3：發展及培訓				
B3	General disclosure 一般披露	Policies 政策	4.2 Talent Development and Training 4.2 人才發展與培訓	57-58
B3.1		The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。	Not disclosed 不披露	
B3.2		The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	4.2 Talent Development and Training 4.2 人才發展與培訓	57-58

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect 層面	KPI 關鍵績效指標	Description 描述	Statement/Section 聲明／章節	Page No. 頁數
B4: LABOUR STANDARDS				
層面B4：勞工準則				
B4	General disclosure 一般披露	Information on: (a) the policies; and (b) compliance 相關法律的資料。	(a) 4.1 Acquiring Talents 4.1 招納人才 (b) The Group has complied with all relevant laws and regulations including Provisions on Prohibition of Child Labour. 本集團已遵守所有相關法律規例，包括禁止使用童工規定。	57
	B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	4.1 Acquiring Talents 4.1 招納人才	57
	B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	4.1 Acquiring Talents 4.1 招納人才	57
B5: SUPPLY CHAIN MANAGEMENT				
層面B5：供應鏈管理				
B5	General disclosure 一般披露	Policies 政策	3.1 Raw Material Selection 3.1 原材料的選購	54
	B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	Not disclosed 不披露	
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	Not disclosed 不披露	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect 層面	KPI 關鍵績效指標	Description 描述	Statement/Section 聲明／章節	Page No. 頁數
B6: PRODUCT RESPONSIBILITY				
層面B6：產品責任				
B6	General disclosure 一般披露	Information on: (a) the policies; and (b) compliance 相關法律的資料。	(a) 3.2 Responsible Operations 3.2 負責任的生產 (b) The Group has complied with all relevant laws and regulations including Law of the People's Republic of China on Product Quality, Law of the People's Republic of China on the Protection of Consumer Rights and Interests, Law of the People's Republic of China on Import and Export Commodity Inspection, Advertisement Law of the People's Republic of China and Contract Law of the People's Republic of China. 本集團已遵守所有相關法律規例，包括中華人民共和國產品品質法、中華人民共和國消費者權益保護法、中華人民共和國進出口商品檢驗法、中華人民共和國廣告法及中華人民共和國合同法。	55
B6.1		Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	3.2 Responsible Operations 3.2 負責任的生產	55
B6.2		Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	3.2 Responsible Operations 3.2 負責任的生產	55
B6.3		Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	3.2 Responsible Operations 3.2 負責任的生產	55
B6.4		Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	3.2 Responsible Operations 3.2 負責任的生產	55
B6.5		Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	3.2 Responsible Operations 3.2 負責任的生產	55

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect 層面	KPI 關鍵績效指標	Description 描述	Statement/Section 聲明／章節	Page No. 頁數
B7: ANTI-CORRUPTION				
層面B7：反貪污				
B7	General disclosure 一般披露	Information on: (a) the policies; and (b) compliance 相關法律的資料。	(a) 4.4 Anti-corruption 4.4 反貪污 (b) The Group has complied with all relevant laws and regulations including Anti-Unfair Competition Law of the People's Republic of China and Anti-Money Laundering Law of the People's Republic of China. 本集團已遵守所有相關法律規例，包括中華人民共和國反不正當競爭法及中華人民共和國反洗錢法。	59
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	4.4 Anti-corruption 4.4 反貪污	59
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	4.4 Anti-corruption 4.4 反貪污	59
B8: COMMUNITY INVESTMENT				
層面B8：社區投資				
B8	General disclosure 一般披露	Policies 政策	5 Community Investment 5 社區投資	60
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	5 Community Investment 5 社區投資	60
	B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	5 Community Investment 5 社區投資	60

DIRECTORS' REPORT

董事會報告

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

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in mushroom plantation, production of canned food and other processed food, trading of food and other products, domestic and overseas sales platform for edible fungi and its processed products as well as research, development and sales of edible fungi products for general healthcare.

PARTICULARS OF SUBSIDIARIES AND ASSOCIATES

All subsidiaries incorporated in the PRC are wholly owned enterprises established in the PRC (except for Pingquan County Lvhe Biotechnology Co., Limited, which is a joint venture and is owned as to 60% by the Company, and Zhangzhou Changfeng Edible Fungi Co., Limited, which is owned as to 86% by the Company). As at 31 December 2018, the bank and cash balances of the Group's subsidiaries in the PRC denominated in RMB amounted to RMB948,218,000 (2017: RMB1,002,512,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations. Detailed analysis of the subsidiaries of the Company are set out in note 40 to the consolidated financial statements.

BUSINESS REVIEW

Discussion and analysis of the significant factors relevant to the Group's review performance, results and financial conditions and the business prospect of the Group during the Year are set out in the "Chairman's Statement" and "Management's Discussion and Analysis" of this annual report, respectively.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial position, results of operations, and business prospects may be affected, directly or indirectly, by risks and uncertainties pertaining to the Group's businesses. The principal risks and uncertainties identified by the Group are set out below. There may be other risks and uncertainties in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future.

Market Risk

Market risk represents the risk that affects profitability or ability to meet business objectives arising from the movement in market prices. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

董事謹提呈截至2018年12月31日止年度之本集團的年度報告及經審核綜合財務報表。

主要業務

本公司為投資控股公司。其附屬公司之主要業務活動為菇類種植、製造罐頭食品及其他加工食品、買賣食品及其他產品、國內外食用菌及其加工產品銷售平台、食用菌大健康保健產品研發及銷售等。

附屬公司、聯營公司詳情

所有於中國註冊成立的附屬公司均為於中國成立的全資擁有企業(平泉縣綠河生物科技有限公司乃合資企業,其中,本公司股權佔比60%及漳州市長豐食用菌有限公司,其中,本公司股權佔比86%)。於2018年12月31日,本集團於中國的附屬公司的銀行及現金結餘(以人民幣列值)為人民幣948,218,000元(2017年:人民幣1,002,512,000元)。將人民幣兌換為外幣須按中國《外匯管理條例》及《結匯、售匯及付匯管理規定》。本公司附屬公司之詳情分析列載於綜合財務報表附註40。

業務審視

有關本年度內本集團的回顧表現、業績、財務狀況相關重要因素的探討和分析及本集團業務的前景,分別列載於本年報的「主席報告書」及「管理層討論與分析」章節中。

主要風險及不確定因素

本集團的財務狀況、營運業績及業務前景受與本集團業務有關的多項風險及不確定因素直接及間接影響。以下為本集團所識別的主要風險及不確定因素。除下文所示者外,可能有本集團未知或現時未必屬重大但日後可能變成重大的其他風險及不確定因素。

市場風險

市場風險乃因市場價格變動而使盈利能力受損或影響達成業務目標的能力的風險。本集團管理層對該等風險進行管理及監控,以確保能及時有效採取適當措施。

DIRECTORS' REPORT

董事會報告

Foreign Exchange Risk

The Group's principal business is located in the PRC and its major transactions are conducted in Renminbi.

The Renminbi is not freely convertible. The Group is subject to the risk that the PRC government may take certain actions which may affect exchange rates and in turn result in material adverse effects on the Group's net assets, earnings and any declared dividends, if such dividends are to be exchanged or translated into foreign exchange. The Group has not entered into any hedging transactions to manage the potential fluctuation in foreign currencies.

Liquidity Risk

Liquidity risk represents the risk that the Group may fall short of its obligations at maturity due to the failure to obtain adequate funding or liquidate assets. In managing liquidity risk, the Group monitors cash flows and maintains an adequate level of cash and cash equivalents to ensure the ability to finance the Group's operations and reduce the impacts of fluctuation in cash flows.

Operational Risk

Operational risk represents the risk of loss resulting from any fault or deficiency in internal processes, staff and systems or from external events. The responsibilities with respects to managing operational risks are basically shared by divisions and departments of various functions.

Key functions in the Group are guided by their own standard operating procedures, limits of authority and reporting framework. The management will identify and assess the principal operational exposures regularly so as to respond with appropriate measures.

FINANCIAL REVIEW AND ANALYSIS OF FINANCIAL KEY PERFORMANCE INDICATORS

For details of the financial review and analysis of the use of financial key performance indicators for the Year, please refer to the "Management's Discussion and Analysis" of this annual report.

FUTURE DEVELOPMENT PLANS

Details of the Company's future development plans are provided in the "Management's Discussion and Analysis" of this annual report.

外匯風險

本集團主要業務位於中國，其主要交易以人民幣進行。

人民幣不可自由兌換。本集團須承受中國政府可能會採取影響匯率行動的風險，該等行動可能會對本集團的資產淨值、盈利以及任何所宣派股息（倘若有關股息須兌換或換算為外幣）構成重大不利影響。此外，本集團並無訂立任何對沖交易以管理外幣的潛在波動。

流動性風險

流動性風險指本集團因未能取得充足資金或流動資產而在責任到期時不能履約的風險。管理流動性風險時，本集團監察現金流量，並維持充足水準的現金及現金等價物，以確保為本集團營運提供資金的能力，並減低現金流量波動的影響。

營運風險

營運風險指因內部程序、人員或制度不足或缺失，或因外部事件導致之損失風險。管理營運風險之責任基本上由各個功能之分部及部門肩負。

本集團之主要功能經由本身之標準營運程序、權限及匯報框架作出指引。管理層將會定期識別及評估主要之營運風險，以便採取適當風險應對。

財務回顧及財務關鍵表現指標之分析

本年度的財務回顧及有關運用財務關鍵表現指標之分析，請參閱本年報「管理層討論與分析」一節。

未來發展計劃

本公司未來發展計劃詳情載列於本年報「管理層討論與分析」章節。

DIRECTORS' REPORT

董事會報告

DIVIDEND POLICY

The Company has approved and adopted a dividend policy during the Year, which summarized the aims, procedures and general principles used when the Company determined and declared dividends or distributed dividend to its Shareholders. The Board shall consider the following factors before declaring dividends:

- (a) the Company's current and future operations, actual and expected financial performance;
- (b) the Group's liquidity position, working capital and capital expenditure requirements and future expected capital needs;
- (c) any corporate development plans;
- (d) any restrictions on payments of dividends that may be imposed by the Group's lenders or other third parties;
- (e) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (f) general economic conditions, the business cycle of the Group's business and other internal and external factors that may have an impact on the business or financial performance and position of the Company; and
- (g) any other factor that the Board deems appropriate and relevant.

The declaration and payment of dividends by the Company is also subject to any restrictions under the Laws of the Cayman Islands, the Articles of Association and any applicable laws, rules and regulations.

DIVIDENDS

The Board has decided not to declare any final dividend for the year ended 31 December 2018.

ENVIRONMENTAL POLICY AND PERFORMANCE

As a responsible enterprise, the Group is committed to environmental protection and strives to minimise the environmental impact of its production and business activities. The Group has adopted the concept of system-wide food safety and environmental design in providing infrastructures for its factories. Our production base had obtained the approval of the local government prior to its operation and received the approval on the environmental impact report. The Group promoted clean production review mechanism and implemented recycling economy on the basis of the established and operated ISO14001 environmental management system. No major irregularities of discharge limits of sewage, smoke and dusts had been noted in the past years according to the real time monitoring system of the environmental bureau of the place where the Group is located and no major irregularities of waste treatment was found under the periodic audit of environmental management system.

股息政策

年內，董事會已批准及採納一項股息政策，概述本公司向其股東釐定及派付股息或分派股息時所用的目標、程序及一般原則。董事會於宣派股息前，應考慮下列因素：

- (a) 本公司當前及未來營運、實際及預期財務表現；
- (b) 本集團之流動性、營運資金及資本開支需要以及未來預期資本需要；
- (c) 任何公司發展計劃；
- (d) 本集團貸款人或其他第三方可能施加之任何派息限制；
- (e) 本公司及本集團各成員公司之保留盈利及可供分派儲備；
- (f) 整體經濟環境、本集團財務之業務週期以及可能對本公司之業務或財務表現及狀況構成影響之其他內外因素；及
- (g) 董事會視為適當及相關之任何其他因素。

本公司於宣派及派付股息時亦須遵循開曼群島法律之組織章程細則以及任何適用法律、規則及法規下之所有限制。

股息

董事會已決定不宣派截至2018年12月31日止的年度末期股息。

環境政策及表現

作為一家有責任的企業，本集團致力推動環境保護、盡最大努力減低生產及業務活動對環境造成的影響。本集團的基礎設施以全體系的食物安全理念與生產環保理念建設工廠，本集團生產基地在投產前得到當地政府的批准，並取得環境影響報告的批文，在建立、運行ISO14001環境管理體系的基礎上，推行清潔生產審核機制、實施循環經濟，近年來本集團所在地的環境保護管理局實時在綫監測未出現污水、煙塵排放超標等重大違規現象，同時經過環境管理體系定期審核也未出現任何廢棄物處理重大違規等現象。

DIRECTORS' REPORT

董事會報告

COMPLIANCE WITH LAWS AND REGULATIONS THAT HAVE SIGNIFICANT IMPACTS ON THE GROUP

Compliance procedures of the Group are in place to ensure compliance with the applicable laws, rules and regulations which in particular, have significant impacts on the Group. The Audit Committee is delegated by the Board to review and monitor the Group's compliance with the policies and practices on corporate governance and regulatory requirements and such policies are regularly reviewed. The relevant employees and operation units are kept informed from time to time of any change to the applicable laws, rules and regulations. To the knowledge of the Company, the Company has complied with relevant laws and regulations during the Year which have significant impacts on its business and operation.

RELATIONSHIP WITH EMPLOYEES

Working environment

The Group provides its employees in the mainland China with nice workplace in a greening factory, reasonable remuneration, sound incentive mechanism, broad career advancement and other benefits such as relevant insurance, housing provident fund and retirement benefit. We are committed to improving working environment for our staff.

In addition, the Group always cares its staff who have hardship in living and has set up a charity fund to help staff who have difficulties in living.

Staff training and career development

The Group values the importance of staff training. We organised an in-house business school and developed training programmes for specific operating business covering various aspects such as personnel, finance, administration, quality control, marketing and management to enhance knowledge of managerial and professional staff of the Group.

RELATIONSHIP WITH CUSTOMERS

We highly value our customers as important partners for the Group's sustainability and development. We require our staff to be committed to both the principle and practice of sincere service.

RELATIONSHIP WITH SUPPLIERS

As the supply resources of the company, suppliers achieved business integrity and mutual benefits. The Group established an incentive mechanism for distributors and signed agreements with them to regulate our business and to ensure that the interests of the Group and customers are protected by law.

對本集團有重大影響的法律及法規的遵守

本集團已制定合規程序，以確保遵守(尤其是)對其產生重大影響之適用法律，規則及法規。董事會授權審核委員會檢討及監管本集團在遵守企業管治及監管規定方面的政策及常規，並對此定期作出審閱。相關員工及相關經營單位會不時獲知悉適用法律、規則及法規之任何變動。據本公司所知，本公司於本年已遵守對其業務及營運有重大影響的相關法律及法規。

與員工的關係

工作環境

本集團為國內員工提供綠化的工廠環境、合理的薪酬待遇、良好的激勵機制與廣闊的職業發展空間，並提供相關保險、住房公積金、離職退休等福利，並致力於改善員工工作所需之環境。

同時，本集團一向關注生活困難的員工，並建立慈善基金，以幫助在生活上遇到困難的員工。

僱員培訓與職業發展

本集團非常重視員工的培養。在本集團內部設立商學院，並開發了針對特定業務的管理培訓課程，培訓類型涵蓋人事、財務、行政、品管、營銷及管理等多個方面，以提升本集團管理人員和專業人員的水平。

與客戶的關係

客戶作為企業賴以生存與發展的重要合作夥伴，本集團一直重視與客戶的合作關係，要求員工必須具備用心服務的理念與誠懇的態度。

與供應商關係

供應商作為企業供應的資源，做到誠信經營，互惠互利，本集團針對經銷商制定了激勵機制，並簽訂相關合同，以規範業務，確保企業利益與顧客利益受到法律保護。

DIRECTORS' REPORT

董事會報告

CONSOLIDATED FINANCIAL STATEMENTS

The profit of the Group for the Year, the financial position of the Group as at 31 December 2018 and the Group's cash flows and statement of changes in equity for the Year are set out in the consolidated financial statements on pages 98 to 103.

SHARE CAPITAL

The Group has completed the acquisitions of the entire equity interest in Mega Rainbow International Limited ("Zhao Hong") and Lucky Max Developments Limited ("Lucky Max"), at the consideration of RMB180.2 million and RMB194.2 million, respectively. The consideration of Zhao Hong of RMB180.2 million shall be settled by a combination of cash consideration of RMB170.6 million and the issue of 8,889,568 shares at the issue price of HK\$1.33 (being the closing price of the date of the transaction approved by the Board), calculated based on the average exchange rate of RMB0.8458 to 1 Hong Kong dollars at the People's Bank of China on the date of the transaction approved by the Board; the consideration of Lucky Max of RMB194.2 million shall be settled by a combination of cash consideration of RMB179.8 million and the issue of 13,334,353 shares at the issue price of HK\$1.33 (being the closing price of the date of the transaction approved by the Board), calculated based on the average exchange rate of RMB0.8458 to 1 Hong Kong dollars at the People's Bank of China on the date of the transaction approved by the Board. The aforesaid shares were issued on 9 January 2018.

Details of the movements in share capital of the Company during the Year are set out in note 27 to the consolidated financial statements.

BONDS

The Group did not issue any bonds during the Year.

PROPERTY, PLANT AND EQUIPMENT

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

綜合財務報表

本集團於本年度的溢利、本集團於2018年12月31日的財務狀況，以及本年度本集團的現金流量及權益變動表，均載列於第98頁至103頁的綜合財務報表內。

股本

本集團以人民幣1.802億元代價完成收購兆虹國際有限公司(「兆虹」)全部股本權益，及以人民幣1.942億元代價完成收購Lucky Max Developments Limited(「Lucky Max」)全部股本權益事項。兆虹代價人民幣1.802億元則以現金代價人民幣1.706億元及按發行價1.33港元(為董事會批准該項交易之日股票收盤價)發行8,889,568股股份(乃根據董事會批准該項交易之日中國人民銀行之平均匯率人民幣0.8458元兌1港元折算股份數)兩者結合之方式結付；Lucky Max代價為人民幣1.942億元則以現金代價人民幣1.798億元及按發行價1.33港元(為董事會批准該項交易之日股票收盤價)發行13,334,353股股份(乃根據董事會批准該項交易之日中國人民銀行之平均匯率人民幣0.8458元兌1港元折算股份數)兩者結合之方式結付。上述股份已於2018年1月9日發行。

本公司於本年度股本的變動詳列於綜合財務報表附註27。

債券

本集團本年度並無發行任何債券。

物業廠房及設備

本集團物業、廠房及設備的年內變動詳情載於綜合財務報表附註17。

DIRECTORS' REPORT

董事會報告

BANK LOANS

Particulars of bank loans of the Group as at 31 December 2018 are set out in note 32 to the consolidated financial statements.

DIRECTORS

The Directors during the Year and up to the date of this annual report are:

Executive Directors:

Mr. Zheng Songhui
Mr. Zheng Tianming
Ms. Zheng Ruyan (*Resigned on 19 October 2018*)

Non-executive Directors:

Ms. Zhang Lin
Mr. Zheng Kangbin (*Appointed on 19 October 2018*)

Independent Non-executive Directors:

Mr. Li Wai Kwan (*Appointed on 20 July 2018*)
Mr. Lou Robert Hsiu-sung
Mr. Cheng Hiu Yung
Mr. Mak Hing Keung Thomas (*Resigned on 20 July 2018*)

Mr. Mak Hing Keung Thomas resigned as an independent non-executive Director with effect from 20 July 2018 due to his intention to devote more time to his personal and other business commitments. Ms. Zheng Ruyan resigned as an executive Director with effect from 19 October 2018 due to her personal development and pursuing further education.

For details of the retirement and re-election of directors at the forthcoming annual general meeting, please refer to "Corporate Governance Report" of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company for a term of three years, which may be terminated by not less than three months' notice in writing served by either party on the other.

Each of the non-executive Directors (including the independent non-executive Directors) has entered into a letter of appointment with the Company for a term of three years, which may be terminated by not less than one months' notice in writing served by either party on the other.

None of the Directors has a service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

銀行貸款

本集團於2018年12月31日的銀行貸款詳情載於綜合財務報表附註32。

董事

本年度及直至本年度報告日期之董事如下：

執行董事：

鄭松輝先生
鄭天明先生
鄭如燕女士(於2018年10月19日辭任)

非執行董事：

張琳女士
鄭康彬先生(於2018年10月19日獲委任)

獨立非執行董事：

李偉君先生(於2018年7月20日獲委任)
樓秀嵩先生
鄭曉勇先生
麥興強先生(於2018年7月20日辭任)

麥興強先生因擬投入更多時間處理彼之私人及其他事務辭任獨立非執行董事，自2018年7月20日生效。鄭如燕女士因個人發展及繼續學業原因辭任執行董事，自2018年10月19日起生效。

有關將於應屆股東週年大會上董事退任及重選的詳情，請參閱本年報「企業管治報告」一節。

董事的服務合約

各執行董事已與本公司訂立服務合約，為期三年，可由任何一方向另一方發出不少於三個月書面通知予終止。

各非執行董事(包括獨立非執行董事)，已與本公司訂立委任書，為期三年，可由任何一方向另一方發出不少於一個月書面通知予終止。

概無董事與本公司或本公司附屬公司訂立不可於一年內由本公司終止而毋須支付賠償(法定賠償除外)的服務合約。

DIRECTORS' REPORT

董事會報告

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Company's Directors and the senior management are set out in "Biographical Details of Directors and Senior Management" of this annual report.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENT OR CONTRACTS OF SIGNIFICANCE

Save as disclosed under the section headed "Connected Transactions" and note 39 "Related Party Transactions" to the consolidated financial statements, no transaction, arrangement or contract of significance to which the Company or any of its holding companies, subsidiaries, or fellow subsidiaries was a party, and in which a Director or a connected entity of a Director had a material interest, either directly or indirectly, subsisted at the end of the Year or at any time during the Year.

PRE-EMPTIVE RIGHTS

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

PERMITTED INDEMNITY

Pursuant to the Articles of Association, each of Directors shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company maintains liability insurance for its Directors and officers, which gives appropriate cover for any legal action brought against its Directors and officers. The level of the coverage is reviewed annually.

REMUNERATION OF DIRECTORS

At the annual general meeting, the Shareholders authorised the Board to determine the remuneration of the Directors. The remuneration of the Directors are determined by the Board base on the recommendation made by the Remuneration Committee with reference to their job complexity, workload and responsibilities and the Company's remuneration policy. Details of the remuneration of the Directors during the Year are set out in note 14 to the consolidated financial statements.

FIVE HIGHEST PAID INDIVIDUALS

Details of the remuneration of the five highest paid individuals of the Group during the Year are set out in note 13 to the consolidated financial statements.

董事及高層管理層之履歷

本公司董事及高級管理層之履歷載於本年報「董事及高級管理層履歷」一節。

董事在重大交易、安排或合約的權益

除「關連交易」一節及綜合財務報表附註39「關連方交易」所披露外，在本年度末或在本年度任何時間內，本公司或其任何控股公司、附屬公司或同系附屬公司概無簽訂任何董事或董事之關連實體直接或間接擁有重大權益之重大交易、安排或合約。

優先購股權

組織章程細則或開曼群島法例並無有關優先購股權之規定，要求本公司須按比例向本公司的現有股東發售新股份。

獲准許的彌償保證

根據組織章程細則，各董事有權就履行其職務或在其他有關方面蒙受或產生之所有損失或責任自本公司之資產中獲得賠償。本公司已就本公司董事及高級人員投購責任保險，就針對董事及高級人員的任何法律訴訟提供適當保障，保障範圍每年檢討一次。

董事酬金

於股東週年大會上，股東授權董事會釐定董事酬金。董事酬金乃由董事會根據薪酬委員會的建議並參照他們的工作複雜度、工作量及職責以及本公司的薪酬政策而釐定。於本年度內，董事酬金之詳情列載於綜合財務報表附註14。

五名最高薪酬人士

於本年度內，本集團五名最高薪酬人士的薪酬詳情載於綜合財務報表附註13。

DIRECTORS' REPORT

董事會報告

DISTRIBUTABLE RESERVE

As at 31 December 2018, the distributable reserve of the Group amounted to approximately RMB534.86 million.

CHARITABLE DONATIONS

During the Year, the Company made charitable donations totalling to RMB0.01 million.

CONNECTED TRANSACTIONS

Exempt Continuing Connected Transaction

Ms. Zheng Ying, the daughter of Mr. Zheng Songhui, the chairman, chief executive officer, executive Director and a controlling Shareholder of the Company, is a connected person of the Company under Rule 14A.07(4) of the Listing Rules.

On 25 March 2015, the Company entered into the following lease agreements (the “**Lease Agreements**”) with Ms. Zheng Ying with respect to the land and properties (the “**Properties**”) located at Longhai Yancuo Town Qiaoshan Village Jin Pu, Fujian Province, PRC (中國福建省龍海市顏厝鎮巧山村錦浦):

Lease Agreements 租賃協議	Lessor 出租人	Lessee 承租人	Term 租期	Annual Rental 年租金	Description of Leased Properties 租賃物業描述
Property A Lease Agreement	Ms. Zheng Ying	Fujian Greenfresh Foods	Commencing from 18 March 2015 and expiring on 17 March 2018	RMB77,280 payable in arrear annually	Buildings of total gross floor area of 1,287.88 sq.m. used for production base, warehouse and office purpose (“ Property A ”)
物業甲租賃協議	鄭瀾女士	福建綠寶食品	自2015年3月18日開始並於2018年3月17日到期	每年以後付形式支付人民幣77,280元	總樓面面積1,287.88平方米的樓宇，作生產基地、倉庫及辦公室用途(「物業甲」)
Property B Lease Agreement	Ms. Zheng Ying	Fujian Greenfresh Foods	Commencing from 18 March 2015 and expiring on 17 March 2018	RMB114,564 payable in arrear annually	Buildings of total gross floor area of 1,363.98 sq.m. used for office purpose (“ Property B ”)
物業乙租賃協議	鄭瀾女士	福建綠寶食品	自2015年3月18日開始並於2018年3月17日到期	每年以後付形式支付人民幣114,564元	總樓面面積1,363.98平方米的樓宇，作辦公室用途(「物業乙」)

The Company are entitled to terminate each of the Lease Agreements by giving a 30-day prior notice. Upon its expiration, the Company will have the priority in leasing the Properties under each of the Lease Agreements from Ms. Zheng Ying upon negotiation of the rentals and signing of the renewed lease agreements.

可供分配儲蓄

於2018年12月31日，本集團可供分配儲備合共約人民幣534.86百萬元。

慈善捐款

本年度內，本公司做出的慈善捐款合計人民幣0.01百萬元。

關連交易

豁免持續關連交易

鄭瀾女士為本公司主席、行政總裁、執行董事及控股股東鄭松輝先生的女兒，根據上市規則第14A.07(4)條為本公司的關連人士。

於2015年3月25日，本公司與鄭瀾女士就位於中國福建省龍海市顏厝鎮巧山村錦浦的土地及物業(「該等物業」)訂立以下租賃協議(「該等租賃協議」)：

本公司有權提前30日發出通知以終止各租賃協議。各租賃協議到期後，經磋商租金及簽定經重訂租賃協議，本公司將根據各租賃協議有權優先向鄭瀾女士承租該等物業。

DIRECTORS' REPORT

董事會報告

The Properties were originally leased by the Company from Fujian Minhui Packaging Group Company Limited (福建閩輝包裝集團有限公司) (“**Minhui Packaging**”), an independent third party. The lease agreements with Minhui Packaging were terminated upon Ms. Zheng Ying acquired the Properties from Minhui Packaging in November 2014.

The Directors confirm that the terms of the Lease Agreements are on normal commercial terms and are determined by the Group and Ms. Zheng Ying on arm's length basis with reference to the historical annual rentals paid to Minhui Packaging for leasing of the Properties.

In view of the fact that Ms. Zheng Ying is a connected person of the Company, the transactions under the Lease Agreements constitute continuing connected transactions of the Company (“**Lease Transactions**”) under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.81 of the Listing Rules, the considerations payable under each of the Lease Agreements are considered on an aggregate basis for the purpose of classification of the continuing connected transactions.

該等物業原由本公司向獨立第三方福建閩輝包裝集團有限公司(「閩輝包裝」)承租。本公司與閩輝包裝訂立的租賃協議於鄭瀅女士在2014年11月自閩輝包裝收購該等物業後終止。

董事確認該等租賃協議條款乃屬正常商業條款並由本集團及鄭瀅女士經參考就租賃該等物業向閩輝包裝支付的過往年租金後公平磋商而釐定。

鑒於鄭瀅女士乃本公司關連人士，根據上市規則第14A章，該等租賃協議項下的交易構成本公司持續關連交易(「該等租賃交易」)。根據上市規則第14A.81條，按各租賃協議應付的代價已就持續關連交易分類作合併考慮。

		For the year ended 31 December 截至12月31日止年度	
		2017 2017年	2018 2018年
Lease Agreements	租賃協議		
Property A Lease Agreement	物業甲租賃協議	RMB77,280 人民幣77,280元	RMB77,280 人民幣77,280元
Property B Lease Agreement	物業乙租賃協議	RMB114,564 人民幣114,564元	RMB114,564 人民幣114,564元
Total	總計	RMB191,844 人民幣191,844元	RMB191,844 人民幣191,844元

Based on the above annual cap for each of the three years ending 31 December 2016, 2017 and 2018, each of the applicable percentage ratios under the Listing Rules will be less than 5.0% and less than HK\$3,000,000.

Given that each of the Lease Agreements is on normal commercial terms, according to Rule 14A.76(1)(c) of the Listing Rules, the Lease Transactions will be exempt from the reporting, announcement and the independent shareholders' approval requirements under the Listing Rules.

按上述截至2016年、2017年及2018年12月31日止三個年度各年的年度上限，根據上市規則的各適用百分比比率將少於5.0%且少於3,000,000港元。

由於各該等租賃協議乃按正常商業條款訂立，根據上市規則第14A.76(1)(c)條，該等租賃交易將獲豁免遵守上市規則所載申報、公布及獨立股東批准的規定。

RELATED PARTY TRANSACTIONS

Details of the related party transactions during the Year are set out in note 39 to the consolidated financial statements. Save as disclosed in the section headed “Connected Transactions” above, no other related party transactions set out in note 39 to the consolidated financial statements constitute discloseable connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules in respect of its connected transactions and continuing connected transactions.

關聯方交易

本集團於本年度內的關聯方交易詳情列載於綜合財務報表附註39。除上述於「關連交易」一節之披露外，沒有任何其他載列於綜合財務報表附註39的關聯方交易屬於上市規則第14A章項下須予披露的關連交易或持續性關連交易。本公司就其關連交易和持續性關連交易已符合上市規則第14A章的披露規定。

DIRECTORS' REPORT

董事會報告

NON-COMPETITION DEED

The Company has received the written confirmation provided by each of the controlling Shareholders, confirming that each of the controlling Shareholders have not breached the Deed of Non-Competition dated 27 May 2015 entered into between the Company and the controlling Shareholders during the Year.

The independent non-executive Directors had reviewed the status of compliance and received confirmation by the controlling Shareholders and, on the basis of such confirmation, are of the view that the controlling Shareholders have complied with the deed of non-competition and such deed of non-competition has been enforced by the Company in accordance with its terms during the Year.

PRE-IPO SHARE OPTION SCHEME

The Company's pre-IPO share option scheme was adopted by written resolutions of the then Shareholders on 27 May 2015 (the "**Pre-IPO Share Option Scheme**") and a summary of the principal terms are set out as follows:

(i) Purpose of the scheme

The purpose of the Pre-IPO Share Option Scheme is to provide incentive or reward to Eligible Persons (as mentioned in paragraph (i) below) for their contribution to, and continuing efforts to promote the interests of, the Company and to enable the Group to recruit and retain high-calibre employees.

(ii) Grantee

The Pre-IPO Share Option Scheme is available to the directors and employees (whether full time or part time) of any member of the Group.

(iii) Maximum number of shares to be allotted

The maximum number of the Shares with respect to which options may be granted under the Pre-IPO Share Option Scheme shall be 25,000,000 Shares representing approximately 5% of the Company's issued share capital immediately after completion of the global offering and the capitalisation issue (assuming the over-allotment option, options granted under the Pre-IPO Share Option Scheme and any options which may be granted under the Share Option Scheme and are not exercised).

不競爭契約

本公司已收到各控股股東的書面確認，確認各控股股東於本年度內並無違反本公司與各控股股東在2015年5月27日訂立的不競爭契據。

獨立非執行董事已審閱有關遵守情況，並已得到控股股東的確認，按此確認基準，彼等認為控股股東已於本年度遵守不競爭契據，且此等不競爭契據亦已由本公司根據其條款強制執行。

首次公開發售前購股權計劃

本公司的首次公開發售前購股權計劃乃於2015年5月27日由當時股東以書面決議案採納（「首次公開發售前購股權計劃」），主要條款概述如下：

(i) 計劃目的

首次公開發售前購股權計劃的目的，乃為合資格人士（誠如下文第(ii)段所述）提供激勵或回報，以獎勵他們為本公司的利益作出貢獻和持續效力，並讓本集團得以招聘和挽留優質的僱員。

(ii) 承授人

首次公開發售前購股權計劃可供本集團任何成員公司的董事及僱員（不論全職或兼職）參與。

(iii) 將予配發的最高股份數目

根據首次公開發售前購股權計劃可能授出的購股權涉及的最高股份數目為25,000,000股，相當於緊隨全球發售及資本化發行完成後（假設超額配股權、根據首次公開發售前購股權計劃授出的任何購股權及根據購股權計劃可能授出的任何購股權不獲行使）本公司已發行股本約5%。

(iv) Maximum number of options to any individual

No option shall be granted to any Eligible Person (the “**Relevant Eligible Person**”) if, at the relevant time of grant, the number of Shares issued and to be issued upon exercise of all Options (granted and proposed to be granted, whether exercised, cancelled or outstanding) to the Relevant Eligible Person in the 12-month period expiring on the date on which an offer of the grant of an option under the Share Option Scheme is made to the Relevant Eligible Person would exceed 1% of the total number of shares of the Company in issue at such time, unless:

- such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by ordinary resolution of the Shareholders in general meeting, at which the Relevant Eligible Person and his associates abstained from voting;
- a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules; and
- the number and terms (including the subscription price) of such options are fixed before the general meeting of the Company at which the same are approved.

(v) Subscription price

The subscription price in respect of each share issued pursuant to the exercise of options granted hereunder shall be determined by the Board at its own discretion and set out in the relevant offer letter(s), provided that it shall not be less than the nominal value of the shares. The subscription price in respect of each share under the Pre-IPO Share Option Scheme is HK\$2.0.

(vi) Remaining term of the scheme

After the Latest Practicable Date, no further options will be offered or granted under the Pre-IPO Share Option Scheme but in other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the Pre-IPO Share Option Scheme, and options which are granted on or before the Latest Practicable Date may continue to be exercisable in accordance with their terms of issue. No option may be granted more than 10 years after the date of approval of the Pre-IPO Share Option Scheme.

(iv) 向任何個別人士授出購股權的數目上限

倘若於授出購股權的相關時間，因行使所有購股權（已授出及建議授出，且不論是否已行使、註銷或未行使）而向合資格人士（「**有關合資格人士**」）發行及將發行的股份數目，在截至向有關合資格人士提呈根據購股權計劃授出購股權當日止12個月期間，會超過當時本公司已發行股份總數的1%，則不得向任何有關合資格人士授出購股權，除非：

- 股東於股東大會上（有關合資格人士及其聯繫人士放棄投票）已通過普通決議案，正式批准按上市規則第17章的相關條文規定的方式進行該授出；
- 已遵照上市規則第17章的相關條文所註明的方式，向股東寄發有關該授出的通函（當中載有遵照該等條文註明的資料）；及
- 於本公司的股東大會（會上批准該等購股權的數目及條款）前，已確定該等購股權的數目及條款（包括認購價）。

(v) 認購價

根據本文授出的購股權獲行使而發行的每股股份的認購價由董事會自行釐定，並載於相關要約函件，惟不得低於股份的面值。有關首次公開發售前購股權計劃項下每股股份的認購價為2.0港元。

(vi) 計劃的剩餘年期

於最後實際可行日期後，將不會再根據首次公開發售前購股權計劃提呈或授出購股權，但首次公開發售前購股權計劃的條文在其他方面將仍具十足效力及有效，以使在此之前授出的任何購股權有效行使，或在根據首次公開發售前購股權計劃的條文可能另有規定的範圍內仍具有十足效力和生效，而於最後實際可行日期或之前授出的購股權仍可根據其發行條款予以行使。首次公開發售前購股權計劃獲批准當日起計10年屆滿後不得再授出購股權。

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(vii) The minimum period for which an option must be held before it can be exercised

There is no minimum period for which an option must be held before it can be exercised under the Pre-IPO Share Option Scheme, provide that in granting options under the Pre-IPO Share Option Scheme, the Board can determine whether there is any minimum holding period.

(viii) Exercise period and vesting period and expiry date of exercise period

Unless otherwise provided in the offer letter(s), options granted under the Pre-IPO Share Option Scheme are to be vested and exercised during the three years after the shares of the Company listed on the Main Board of the Stock Exchange on 18 June 2015 (the "Listing Date") in the following manner:

- (1) a grantee is entitled to exercise 40% of the total number of options granted after six months from the Listing Date;
- (2) a grantee is entitled to exercise an additional 30% of the total number of options granted after eighteen months from the Listing Date; and
- (3) a grantee is entitled to exercise a further additional 30% of the total number of options granted after thirty months from the Listing Date.

(ix) Exercise of options

Any exercise of an option granted under the Pre-IPO Share Option Scheme is conditional upon:

- (1) the Listing Committee granting approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any options granted under the Pre-IPO Share Option Scheme;
- (2) the commencement of dealings in the Shares on the Stock Exchange;
- (3) any such conditions as may be specified in the offer letter in respect of the grant of options. The expiry date of the exercise period of any such options shall be set out more particularly in the relevant offer letter in respect of the grant of options.

(x) Rights personal to grantees

The option shall be personal to the grantee and shall not be assignable nor transferable, and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option.

(vii) 購股權行使之前必須持有的最短期限

行使首次公開發售前購股權計劃項下的購股權，毋須遵守任何最短持有期間，惟當根據首次公開發售前購股權計劃授出購股權時，董事會可決定任何最短持有期間。

(viii) 行使期及歸屬期及行使期屆滿日

除非要約函件另有規定者外，否則根據首次公開發售前購股權計劃於本公司股份於2015年6月18日在聯交所主板上市（「上市日期」）3年內授出的購股權按以下方式歸屬及行使：

- (1) 承授人可於上市日期六個月後行使購股權總數的40%；
- (2) 承授人可於上市日期十八個月後行使購股權總數的額外30%；及
- (3) 承授人可於上市日期三十個月後行使購股權總數的再額外30%。

(ix) 購股權的行使

行使根據首次公開發售前購股權計劃授出的購股權須以下條件達成後，方可行使：

- (1) 上市委員會批准因行使根據首次公開發售前購股權計劃授出的任何購股權而可能發行的任何股份上市及買賣；
- (2) 股份開始在聯交所買賣；
- (3) 授出購股權的要約函內可能列明的任何該等條件。授出購股權的有關要約函將更詳細地載列任何該等購股權的行使期的屆滿日期。

(x) 承授人個人的權利

購股權將為承授人個人所有，不得轉讓或轉授，承授人概不得以任何方式就任何購股權以任何第三方人士為受益人出售、轉讓、抵押、按揭、增設產權負擔或任何權益（法定或實益）。

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Details of the outstanding share options granted under the Pre-IPO Share Option Scheme during the Year are as follows:

本年度內，根據首次公開發售前購股權計劃所授出的尚未行使購股權之詳情如下：

Name of grantees	Date of grant	Vesting period	On 1 January 2018 於 2018年 1月1日	Exercised	Cancelled	Lapsed	On 31 December 2018 於 2018年 12月31日	Exercise price (Note 1) (HK\$) (港元)	Exercise period
承授人名稱	授出日期	有效期		已行使	已註銷	已失效		行使價 (附註1) (HK\$) (港元)	行使期
Directors 董事									
Zheng Songhui 鄭松輝	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	1,200,000	1,200,000	-	-	-	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
Zheng Tianming 鄭天明	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	900,000	900,000	-	-	-	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
Zheng Ruyan 鄭如燕 (Resigned on 19 October 2018) (於2018年10月19日辭任)	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	900,000	900,000	-	-	-	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
Senior Management 高級管理層									
Chen Wei 陳偉	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	900,000	900,000	-	-	-	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
Employee's in aggregate 僱員合共	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	10,260,000	10,260,000	-	-	-	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
			14,160,000	14,160,000 (Note 5) (附註5)	-	-	-		

Notes:

- Pursuant to the terms of the Pre-IPO Share Option Scheme, adjustments are required to be made to the exercise price of and the number of shares entitled to be subscribed for under the outstanding share options granted under the Pre-IPO Share Option Scheme as a result of the completion of the bonus issue on 12 June 2017. Details of which is set out in the announcement of the Company dated 12 June 2017.
- The grantee is entitled to exercise 40% of the total number of share options after 6 months from the Listing Date.
- The grantee is entitled to exercise an additional 30% of the total number of share options after 18 months from the Listing Date.
- The grantee is entitled to exercise a further additional 30% of the total number of share options 30 months from the Listing Date.
- The weighted average closing price of the shares of the Company immediately before the exercise date of share option was HK\$1.31.

附註：

- 根據首次公開發售前購股權計劃之條款，由於紅股發行於2017年6月12日完成，故根據首次公開發售前購股權計劃授出之尚未行使購股權項下有權認購之股份之行使價及數目須作出調整。有關詳情載於本公司日期為2017年6月12日之公告。
- 承授人可於上市日期6個月後行使購股權總數的40%。
- 承授人可於上市日期18個月後行使購股權總數的額外30%。
- 承授人可於上市日期30個月後行使購股權總數的再額外30%。
- 本公司股份緊接購股權行使日期前的加權平均收市價為1.31港元。

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The estimated fair value of the options on this date is approximately RMB52,680,000, details of which are provided in note 34 to consolidated financial statements. The value of the options is of subjectivity and unpredictability. It depends on various assumptions used in estimate and is subject to the limitation of the model.

SHARE OPTION SCHEME

The Company's share option scheme was adopted by written resolutions of the then Shareholders on 27 May 2015 (the "**Share Option Scheme**") and a summary of the principal terms are set out as follows:

(i) Purpose of the scheme

The purpose of the Share Option Scheme is to provide incentive or reward to Eligible Persons (as defined in the paragraph below) for their contribution to, and continuing efforts to promote the interests of, our Group and for such other purposes as the Board may approve from time to time.

(ii) Grantee

The Board may, at its absolute discretion, offer eligible persons (being any director or employee (whether full time or part time), consultant or advisor of the Group who in the sole discretion of the Board has contributed to and/or will contribute to the Group) (the "**Eligible Persons**") the options to subscribe for such number of shares in accordance with the terms of the Share Option Scheme.

(iii) Maximum number of shares to be allotted

The maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company, must not, in aggregate, exceed 30% of the total number of shares of the Company in issue from time to time. No options may be granted under the Share Option Scheme and any other share option schemes of the Company if this will result in such limit being exceeded.

At the time of adoption by the Company of the Share Option Scheme or any new share option scheme (the "**New Scheme**"), the aggregate number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, the New Scheme and all schemes existing at such time (the "**Existing Schemes**") of the Company must not in aggregate exceed 10% of the total number of the shares of the Company in issue as at the Listing Date (the "**Scheme Mandate Limit**"), representing a maximum of 50,000,000 shares. The Scheme Mandate Limit may be refreshed by the Shareholders in general meeting by ordinary resolutions.

購股權於該日期的估計公允價值約為人民幣52,680,000元，具體詳細列載於綜合財務報表附註34。該購股權的價值相當主觀和難以預計，要視乎所用的多項假設，也受計算模式的限制。

購股權計劃

本公司的購股權計劃乃於2015年5月27日由當時股東以書面決議案採納(「**購股權計劃**」)，主要條款概述如下：

(i) 計劃目的

購股權計劃旨在獎勵或酬謝為本集團作出貢獻及努力不懈地促進本集團利益的合資格人士(定義見下文)，以及用於董事會不時批准的其他用途。

(ii) 承授人

董事會可絕對酌情決定向合資格人士(董事會全權酌情認為曾經及／或將會對本集團有貢獻的任何董事或僱員(無論全職或兼職)、顧問或專業顧問)(「**合資格人士**」)授出購股權，以按購股權計劃條款釐定相關數目的股份。

(iii) 將予配發的最高股份數目

於行使根據購股權計劃及本公司任何其他購股權計劃授出但尚待行使的所有未行使購股權而可能發行的股份數目總額上限，合共不得超過不時本公司已發行股份總數的30%。倘若根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權會導致該限額被超出，則不會授出購股權。

於本公司採納購股權計劃或任何新購股權計劃(「**新計劃**」)時，因根據購股權計劃、新計劃及當時存在的本公司所有計劃(「**現有計劃**」)將予授出的所有購股權獲行使而可能發行的股份總數，合共不得超過於上市日期本公司已發行股份總數的10%(「**計劃授權限額**」)。即上限為50,000,000股股份。計劃授權限額可由股東於股東大會上通過普通決議案予以更新。

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(iv) Maximum number of options to any individual

No option shall be granted to any Eligible Person (the “**Relevant Eligible Person**”) if, at the relevant time of grant, the number of Shares issued and to be issued upon exercise of all options (granted and proposed to be granted, whether exercised, cancelled or outstanding) to the Relevant Eligible Person in the 12-month period expiring on the date on which an offer of the grant of an option under the Share Option Scheme is made to the Relevant Eligible Person would exceed 1% of the total number of shares of the Company in issue at such time, unless:

- such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by ordinary resolution of the Shareholders in general meeting, at which the Relevant Eligible Person and his associates abstained from voting;
- a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules; and
- the number and terms (including the subscription price) of such options are fixed before the general meeting of the Company at which the same are approved.

(v) Remaining term of the scheme

No option may be granted more than 10 years after the date of approval of the Share Option Scheme.

(vi) Subscription price

The subscription price for a share in respect of any particular share option granted under the Share Option Scheme (which shall be payable upon exercise of the share option) shall be a price solely determined by the Board and notified to the Eligible Person and shall be at least the highest of (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of granting option, which must be a business day; (ii) the average of the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of offer to grant option (“**Offer Date**”) (provided that the new issue price shall be used as the closing price of the shares of the Company for any business day falling within the period before the listing of the Company where the Company has been listed for less than five business days as at the Offer Date); and (iii) the nominal value of the shares. A consideration of RMB1 is payable on acceptance of the offer of an option.

(iv) 向任何個別人士授出購股權的數目上限

倘若於授出購股權的相關時間，因行使所有購股權（已授出及建議授出，且不論是否已行使、註銷或未行使）而向合資格人士（「**有關合資格人士**」）發行及將發行的股份數目，在截至向有關合資格人士提呈根據購股權計劃授出購股權當日止12個月期間，會超過當時本公司已發行股份總數的1%，則不得向任何有關合資格人士授出購股權，除非：

- 股東於股東大會上（有關合資格人士及其聯繫人士放棄投票）已通過普通決議案，正式批准按上市規則第17章的相關條文規定的方式進行該授出；
- 已遵照上市規則第17章的相關條文所註明的方式，向股東寄發有關該授出的通函（當中載有遵照該等條文註明的資料）；及
- 於本公司的股東大會（會上批准該等購股權的數目及條款）前，已確定該等購股權的數目及條款（包括認購價）。

(v) 計劃的剩餘年期

購股權計劃獲批准當日起計十年屆滿後不得再授出購股權。

(vi) 認購價

就根據購股權計劃授出的任何特定購股權而言，股份的認購價（須於行使購股權時支付）須為董事會全權釐定，並知會所有合資格人士的價格，惟該價格最少相等於下列各項的最高者：(i)於購股權授出日期（須為營業日）聯交所每日報價表所列本公司股份收市價；(ii)緊接購股權提呈授出日期（「**提呈日期**」）前五個營業日聯交所每日報價表所列本公司股份平均收市價（惟倘本公司於要約日期已上市不足五個營業日，則須以新發行價作為本公司上市前任何營業日的本公司股份收市價）；及(iii)股份面值。接納一份購股權的要約的應付代價為人民幣1元。

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(vii) The minimum period for which an option must be held before it can be exercised

There is no minimum period for which an option must be held before it can be exercised under the Share Option Scheme, provide that in granting options under the Share Option Scheme, the Board can determine whether there is any minimum holding period.

The existing scheme mandate limit in respect of the granting of options to subscribe for shares of the Company under the Share Option Scheme has been refreshed at the annual general meeting held on 28 May 2018 which the total number of shares of the Company may be allotted and issued pursuant to the grant or exercises of the options under the Share Option Scheme shall not be exceed 10% of the shares of the Company in issue as at 28 May 2018 (ie. 111,138,392 share options).

Details of the outstanding share options granted on 31 March 2016 under the Share Option Scheme during the Year are as follows:

(vii) 購股權行使之前必須持有的最短期限

行使購股權計劃項下的購股權，毋須遵守任何最短持有期間，惟當根據購股權計劃授出購股權時，董事會可決定任何最短持有期間。

有關根據購股權計劃授出購股權以認購本公司股份的現有計劃授權限額已於2018年5月28日舉行的股東週年大會上更新，根據授出或行使購股權計劃項下的購股權而或會予以配發及發行的本公司股份總數不得超過於2018年5月28日已發行本公司股份的10%（即111,138,392股購股權）。

於本年度內，根據購股權計劃於2016年3月31日所授出的尚未行使購股權之詳情如下：

Name of grantees	Date of grant	Vesting period	On 1 January 2018 於 2018年 1月1日	Exercised	Cancelled	Lapsed	On 31 December 2018 於 2018年 12月31日	Exercise price (Note 1) 行使價 (附註1) (HK\$) (港元)	Exercise period 行使期
Employee's in aggregate 僱員合共	31 March 2016 2016年3月31日	31 March 2016 to 30 March 2019 2016年3月31日至 2019年3月30日	9,320,000	-	-	-	9,320,000	1.86 Notes (5) 附註(5)	Notes (2)(3)(4) 附註(2)(3)(4)

Notes:

- Pursuant to the terms of the Share Option Scheme, adjustments are required to be made to the exercise price of and the number of shares entitled to be subscribed for under the outstanding share options granted under the Share Option Scheme as a result of the completion of the bonus issue on 12 June 2017. Details of which is set out in the announcement of the Company dated 12 June 2017.
- The grantee is entitled to exercise 40% of the total number of share options after the date of grant.
- The grantee is entitled to exercise an additional 40% of the total number of share options after 6 months from the date of grant.
- The grantee is entitled to exercise a further additional 20% of the total number of share options after 12 months from the date of grant.
- The closing price of the shares of the Company immediately before the date of grant of the share options was HK\$1.89.

附註：

- 根據購股權計劃之條款，由於紅股發行於2017年6月12日完成，故根據購股權計劃授出之尚未行使購股權項下有權認購之股份之行使價及數目須作出調整。有關詳情載於本公司日期為2017年6月12日之公告。
- 承授人可於授出日期後行使購股權總數的40%。
- 承授人可於授出日期6個月後行使購股權總數的額外40%。
- 承授人可於授出日期12個月後行使購股權總數的再額外20%。
- 本公司股份於緊接購股權授出日期之前一天收市價為1.89港元。

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The estimated fair value of the options on this date is approximately HK\$19,698,000, details are provided in note 34 to consolidated financial statements. The value of the options is of subjectivity and unpredictability. It depends on various assumptions used in estimate and is subject to the limitation of the model.

購股權於該日期的估計公允價值約為19,698,000港元，具體詳細列載於綜合財務報表附註34。該購股權的價值相當主觀和難以預計，要視乎所用的多項假設，也受計算模式的限制。

Details of the outstanding share options granted on 13 June 2018 under the Share Option Scheme during the Year are as follows:

於本年度內，根據購股權計劃於2018年6月13日所授出的尚未行使購股權之詳情如下：

Name of grantees	Date of grant	Vesting period	On 1 January 2018 於2018年 1月1日	Granted	Exercised	Cancelled	Lapsed	On 31 December 2018 於2018年12月31日	Exercise price (HK\$)	Exercise period
承授人名稱	授出日期	有效期		已授出	已行使	已註銷	已失效		行使價 (港元)	行使期
Employee's in aggregate 僱員合共	13 June 2018 2018年6月13日	13 June 2018 to 12 June 2021 2018年6月13日至 2021年6月12日	-	50,000,000	20,000,000 Note (5) 附註(5)	-	-	30,000,000	1.19 Note (4) 附註 (4)	Notes (1)(2)(3) 附註(1)(2)(3)

Notes:

- (1) The grantee is entitled to exercise 40% of the total number of share options after the date of grant.
- (2) The grantee is entitled to exercise an additional of 40% of the total number of share options after 6 months from the date of grant.
- (3) The grantee is entitled to exercise a further additional of 20% of the total number of share options after 12 months from the date of grant.
- (4) The closing price of the shares of the Company on the date immediately before the date of grant of share options was HK\$1.18.
- (5) The weighted average closing price of the shares of the Company immediately before the exercise date of the share options was HK\$1.14.

附註：

- (1) 承授人可於授出日期後行使購股權總數的40%。
- (2) 承授人可於授出日期6個月後行使購股權總數的額外40%。
- (3) 承授人可於授出日期12個月後行使購股權總數的再額外20%。
- (4) 本公司股份於緊接購股權授出日期之前一天收市價為1.18港元。
- (5) 本公司股份於緊接購股權行使日期的加權平均收市價為1.14港元。

The estimated fair value of the options on this date is approximately HK\$11,519,000, details are provided in note 34 to consolidated financial statements. The value of the options is of subjectivity and unpredictability. It depends on various assumptions used in estimate and is subject to the limitation of the model.

購股權於該日期的估計公允價值約為11,519,000港元，具體詳細列載於綜合財務報表附註34。該購股權的價值相當主觀和難以預計，要視乎所用的多項假設，也受計算模式的限制。

DIRECTORS' REPORT

董事會報告

Details of the outstanding share options granted on 21 November 2018 under the Share Option Scheme during the Year are as follows:

於本年度內，根據購股權計劃於2018年11月21日所授出的尚未行使購股權之詳情如下：

Name of grantees	Date of grant	Vesting period	On 1 January 2018	Granted	Exercised	Cancelled	Lapsed	On 31 December 2018	Exercise price	Exercise period
承授人名稱	授出日期	有效期	於2018年1月1日	已授出	已行使	已註銷	已失效	於2018年12月31日	行使價 (HK\$) (港元)	行使期
Employee's in aggregate 僱員合共	21 November 2018 2018年11月21日	21 November 2018 to 20 November 2021 2018年11月21日至 2021年11月20日	-	60,000,000	18,000,000 Note (3) 附註(3)	-	-	42,000,000	1.012 Note (2) 附註(2)	Notes(1) 附註(1)

Notes:

- (1) The grantee is entitled to exercise 100% of the total number of share options after the date of grant.
- (2) The closing price of the shares of the Company on the date immediately before the date of grant of share option was HK\$1.012.
- (3) The weighted average closing price of the shares of the Company immediately before the exercise date of the share options was HK\$1.

附註：

- (1) 承授人可於授出日期後行使購股權總數的100%。
- (2) 本公司股份於緊接購股權授出日期之前一天收市價為1.012港元。
- (3) 本公司股份緊接購股權行使日期的加權平均收市價為1港元。

The estimated fair value of the options on this date is approximately HK\$8,590,000, details are provided in note 34 to consolidated financial statements. The value of the options is of subjectivity and unpredictability. It depends on various assumptions used in estimate and is subject to the limitation of the model.

購股權於該日期的估計公允價值約為8,590,000港元，具體詳細列載於綜合財務報表附註34。該購股權的價值相當主觀和難以預計，要視乎所用的多項假設，也受計算模式的限制。

MANAGEMENT CONTRACTS

Save as the section of "Connected Transactions" disclosed above, no contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or subsisted during the Year.

管理合約

除上文「關連交易」一節所披露外，於本年度內概無訂立或存在任何有關本集團整體業務或任何重要業務之管理及行政工作的合約。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save as the section of "Non-competition deed" disclosed above, during the Year, none of the Directors is interested in any business apart from the Group's business, which is likely to compete, either directly or indirectly, with the business of the Group.

董事於競爭業務之權益

除上文「不競爭契據」一節所披露外，於本年度內概無董事於與本集團業務有直接或間接競爭關係的非本集團業務中擁有任何權益。

DIRECTORS' REPORT

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2018, the Directors and chief executives of the Company have the following interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), Chapter 571 of the Laws of Hong Kong) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange:

董事及最高行政人員於股份、相關股份及債券證之權益

於2018年12月31日，本公司董事或最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券證中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的任何權益或淡倉，或根據證券及期貨條例第352條記錄於該條例所述的登記冊內任何權益或淡倉，或根據標準守則須知會本公司及聯交所的任何權益或淡倉如下：

Name of directors 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 所持股份／相關股份數目	Approximate percentage of shareholding in the Company (Note 1) 本公司持股之 概約百分比 (附註1)
Mr. Zheng Songhui 鄭松輝先生	Interests in controlled corporations 於受控法團的權益 Beneficial owner 實益擁有人	561,717,554 (Note 2) (附註2) 4,580,000	
	Total 總數	566,297,554	49.27%
Mr. Zheng Tianming 鄭天明先生	Interests in controlled corporations 於受控法團的權益 Beneficial owner 實益擁有人	12,620,610 (Note 3) (附註3) 1,560,000	
	Total 總數	14,180,610	1.23%

DIRECTORS' REPORT

董事會報告

Notes:

- (1) As at 31 December 2018, the Company has issued 1,149,383,921 shares.
- (2) Held by Mr. Zheng Songhui through his wholly owned Song Rising Co., Ltd ("Song Rising") and Grand Ample Limited ("Grand Ample"), and Song Rising and Grand Ample owned 527,027,320 and 34,690,234 shares respectively. Consequently, Mr. Zheng Songhui was deemed to be interested in an aggregate of 561,717,554 shares held by Song Rising and Grand Ample.
- (3) Held by Mr. Zheng Tianming through his wholly owned Sunny Foods Co., Ltd ("Sunny Foods") and Sunny Foods owned 12,620,610 shares. Consequently, Mr. Zheng Tianming was deemed to be interested in the 12,620,610 shares held by Sunny Foods.

Save from disclosed above, as at 31 December 2018, none of the Directors nor chief executive of the Company had interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 December 2018, to the best knowledge of the Directors, as indicated by the register recording share interests and short positions required to be kept under Section 336 of Part XV of the SFO, the persons (not being Directors or chief executives of the Company) listed in the following table had interest and/or short positions in the shares or underlying shares of the Company:

Name 姓名／名稱	Nature of interest 權益性質	Number of ordinary shares/ underlying shares held 所持普通股／相關股份數目	Approximate percentage of shareholding in the Company (Note 1) 本公司持股之 概約百分比 (附註1)
Song Rising	Beneficial owner 實益擁有人	527,027,320 (Long positions) (好倉)	45.85%

Note:

- (1) As at 31 December 2018, the Company has issued 1,149,383,921 shares.

附註：

- (1) 於2018年12月31日，本公司已發行1,149,383,921股股份。
- (2) 鄭松輝先生透過其全資擁有Song Rising Co., Ltd(「Song Rising」)與Grand Ample Limited(「Grand Ample」)持有，而Song Rising與Grand Ample則分別擁有527,027,320及34,690,234股股份。因此，鄭松輝先生被視為於Song Rising與Grand Ample合計持有的561,717,554股股份中擁有權益。
- (3) 鄭天明先生透過其全資擁有Sunny Foods Co., Ltd(「Sunny Foods」)持有，而Sunny Foods則擁有12,620,610股股份。因此，鄭天明先生被視為於Sunny Foods持有的12,620,610股股份中擁有權益。

除上文所披露者外，於2018年12月31日，本公司董事或最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券證中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的任何權益或淡倉，或根據證券及期貨條例第352條記錄於該條例所述的登記冊內的任何權益或淡倉，或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

主要股東之持股權益

於2018年12月31日，據董事所知，根據證券及期貨條例第XV部第336條規定須存置之股份權益及淡倉登記冊所示，下表所列人士(並非本公司董事或最高行政人員)擁有本公司股份或相關股份的權益及／或淡倉：

DIRECTORS' REPORT

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Save from disclosed above, as at 31 December 2018, the Directors were not aware of any other persons (not being Directors or chief executives of the Company) who had any interests or short positions in the shares or underlying shares of the Company 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 would be recorded in the register required to be kept under Section 336 of the SFO.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

Other than the Pre-IPO Share Option Scheme and the Share Option Scheme as set out in this annual report, the Company had no other outstanding convertible securities, options, warrants or similar rights as at 31 December 2018.

EQUITY-LINKED AGREEMENTS

Details of the share options granted in prior years and the Year are set out in note 34 of the consolidated financial statements and "Pre-IPO Share Option Scheme" and "Share Options Scheme" contained in this Directors' Report. Except as disclosed above, the Company has not entered into any equity-linked agreements during the Year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Year, neither did the Company nor any of its subsidiaries purchase, sell or redeem any of the Company's listed securities.

MAJOR CUSTOMERS AND SUPPLIERS

Total revenue from the Group's five largest customers accounted for approximately 31.74% of the Group's sales for the Year, in which the sales to the largest customer accounted for approximately 8.95% of the Group's total sales for the Year.

Total purchases from the Group's five largest suppliers accounted for approximately 51.02% of the Group's purchases for the Year, in which the purchases from the largest supplier accounted for approximately 24.2% of the Group's total purchases for the Year.

To the knowledge of the Directors, none of the Directors, their associates or any Shareholders who own more than 5% of the Company's share capital has any interest in the Group's five largest customers or suppliers.

SUFFICIENCY OF PUBLIC FLOAT

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

除上文所披露者外，於2018年12月31日，就董事所知，概無任何其他人士（並非本公司董事或最高行政人員）擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露或須記錄於須根據證券及期貨條例第336條存置的登記冊的本公司股份或相關股份的任何權益或淡倉。

可換股證券、購股權、認股權證或類似權利

除本年報所載首次公開發售前購股權計劃及購股權計劃外，本公司於2018年12月31日並無其他尚未行使可換股證券、購股權、認股權證或類似權利。

股權掛鈎協議

於過往年度及年內授出的購股權詳情載列於綜合財務報表附註34及本董事會報告內「首次公開發售前購股權計劃」及「購股權計劃」。除上文披露者外，本公司於年內尚未訂立任何股權掛鈎協議。

購買、出售或贖回本公司之上市證券

於本年度內，本公司或其他任何附屬公司均無購買、出售及贖回任何本公司上市證券。

主要客戶及供應商

本集團最大的首五位客戶的收入共佔本集團本年度銷售額約29.83%，其中，最大客戶的銷售額佔本集團本年度銷售總額約14.11%。

本集團購自最大的首五位供應商的購貨額共佔本集團本年度購貨總額約28.54%。其中，最大供應商的購貨額佔本集團本年度購貨總額約7.40%。

就董事所知，概無董事、彼等的聯繫人士或任何股東擁有本公司股本5%以上擁有首五位客戶或供應商之任何權益。

足夠之公眾持股量

根據截止本年報刊發前的最後實際可行日及本公司可查閱之公開資料且就董事所知，本公司已維持上市規則規定之足夠公眾持股量。

DIRECTORS' REPORT

董事會報告

PROFESSIONAL TAX ADVICE RECOMMENDED

If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or the exercise of any rights in relation to the shares of the Company, they are advised to consult an expert.

AUDITOR

RSM Hong Kong (their Chinese practice name changed on 22 November 2018) has audited the consolidated financial statements of the Group for the year ended 31 December 2018. RSM Hong Kong will retire, being eligible, and is willing to offer itself for re-appointment as auditor of the Company at the AGM.

The Company did not change its auditor in the past three years.

CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company for the year ended 31 December 2018 will be held on 28 May 2019 (Tuesday). For the purpose to determine the entitlements of the shareholders to attend and vote at the annual general meeting, the register of members of the Company will be closed from 18 May 2019 (Saturday) to 28 May 2019 (Tuesday) (both days inclusive), during which no transfer of share will be carried out. Shareholders whose names appeared on the register of members of the Company on 28 May 2019 (Tuesday) will be entitled to attend and vote at the annual general meeting. In order to qualify for attending and voting at the annual general meeting, shareholders should ensure that all transfer documents, accompanied with relevant share certificates, must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 17 May 2019 (Friday).

EVENTS AFTER THE REPORTING PERIOD

As of the date of this annual report, the Group had no significant events after the reporting period.

By the order of the Board
CHINA GREENFRESH GROUP CO., LTD.

Zheng Songhui
Chairman

Hong Kong, 28 March 2019

建議的專業稅務意見

如股東未能確定購買、持有、出售、處理或行使有關本公司股份的任何權利的稅務影響，謹請彼等諮詢專業人士。

核數師

羅申美會計師事務所(RSM Hong Kong)(其中文執業名稱於2018年11月22日從中瑞岳華(香港)會計師事務所(RSM Hong Kong)變更為羅申美會計師事務所(RSM Hong Kong))已審核本集團截至2018年12月31日止年度之綜合財務報表。羅申美會計師事務所將於股東週年大會上退任並符合資格及願意續聘為本公司核數師。

本公司過往三年並沒有更換核數師。

暫停辦理股份過戶登記手續

本公司將於2019年5月28日(星期二)舉行截至2018年12月31日止年度的股東週年大會。為確定股東出席股東週年大會並於會上投票的權利，本公司將於2019年5月18日(星期六)至2019年5月28日(星期二)期間(包括首尾兩日)暫停辦理股份過戶登記手續，於該期間內將不會辦理股份過戶登記。於2019年5月28日(星期二)名列本公司股東名冊的股東將合資格出席股東週年大會並於會上投票。為符合出席股東週年大會並於會上投票的資格，股東須於2019年5月17日(星期五)下午四時三十分前，將股份過戶文件連同相關股票送交本公司香港股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。

報告期後事項

截至本年報日期，本集團並無重大期後事項。

承董事會命
中國綠寶集團有限公司*

主席
鄭松輝

香港，2019年3月28日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



RSM

RSM Hong Kong

29th Floor, Lee Garden Two, 28 Yun Ping Road
Causeway Bay, Hong Kong

T +852 2598 5123
F +852 2598 7230

www.rsmhk.com

羅申美會計師事務所

香港銅鑼灣恩平道二十八號
利園二期二十九字樓

電話 +852 2598 5123
傳真 +852 2598 7230

www.rsmhk.com

**TO THE SHAREHOLDERS OF
CHINA GREENFRESH GROUP CO., LTD.
(Incorporated in the Cayman Islands with limited liability)**

致中國綠寶集團有限公司
列位股東
(於開曼群島註冊成立的有限公司)

OPINION

意見

We have audited the consolidated financial statements of China Greenfresh Group Co., Ltd. (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 98 to 195, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

吾等已審核列載於第98至195頁中國綠寶集團有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，此綜合財務報表包括於2018年12月31日之綜合財務狀況表與截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策概要。

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 International Financial Reporting Standards (“**IFRSs**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

吾等認為，該等綜合財務報表已根據國際財務報告準則(「國際財務報告準則」)真實而公平地反映貴集團於2018年12月31日之綜合財務狀況以及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為編製。

BASIS FOR OPINION

意見之基礎

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the Hong Kong Institute of Certified Public Accountants (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.

吾等已根據香港會計師公會(「香港會計師公會」)頒佈之香港審計準則(「香港審計準則」)進行審核。吾等於該等準則項下之責任在本報告「核數師就審核綜合財務報表須承擔之責任」內詳述。根據香港會計師公會之專業會計師道德守則(「守則」)，吾等獨立於貴集團，並已遵循該守則履行其他道德責任。吾等相信，吾等得到充足及適當之審核憑證，以作為提供審核意見之基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were 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. The key audit matters we identified are:

1. Accounting for acquisition of subsidiaries
2. Impairment assessment of goodwill
3. Fair value measurement of biological assets

1. Accounting for acquisition of subsidiaries

Key Audit Matter

關鍵審核事項

Refer to note 38(b) to the consolidated financial statements.
茲提述綜合財務報表附註38(b)。

During the year ended 31 December 2018, the Group acquired the entire equity interests of four independent companies incorporated in the People's Republic of China (the "PRC"), namely 長沙森泰農產品有限公司 ("Changsha Sentai"), 西安弘野展信農副產品有限公司 ("Xian Hongye"), 佛山市綠貴鮮供應鏈管理有限公司 ("Foshan Lvguixian"), 南昌佰心通禾農產品有限公司 ("Nanchang Baixintong") (collectively the "Four PRC Companies"), through four independent transactions.

於截至2018年12月31日止年度，本集團透過四項獨立交易，收購於中華人民共和國（「中國」）註冊成立的四間獨立公司即長沙森泰農產品有限公司（「長沙森泰」）、西安弘野展信農副產品有限公司（「西安弘野」）、佛山市綠貴鮮供應鏈管理有限公司（「佛山市綠貴鮮」）、南昌佰心通禾農產品有限公司（「南昌佰心通」）（統稱「四間中國公司」）的全部股本權益。

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之事項。該等事項於吾等審核整體綜合財務報表及出具意見時處理，而吾等不會對該等事項提供個別之意見。吾等識別之關鍵審核事項為：

1. 收購附屬公司之會計處理
2. 商譽之減值評估
3. 生物資產之公允價值計量

1. 收購附屬公司之會計處理

How our audit addressed the Key Audit Matter

吾等之審核如何處理關鍵審核事項

Our audit procedures in relation to the accounting for acquisition of subsidiaries included:

吾等對收購附屬公司之會計處理之審核程序包括：

- Evaluation of the independent external valuer's competence, capabilities and objectivity;
評估獨立外部估值師之資歷、能力及客觀性；
- Assessing the appropriateness of the valuation methodologies applied and valuation inputs, and the integrity of the valuation models with the assistance of our internal valuation specialists;
在吾等的內部估值專家協助下，評估所採用之估值方法及估值輸入數據是否適當以及估值模型是否完整；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

1. Accounting for acquisition of subsidiaries (Continued)

Key Audit Matter

關鍵審核事項

The Group has determined these acquisitions to be business combinations for which the purchase price was allocated between acquired assets and liabilities, identified intangible assets and contingent liabilities at their respecting fair values, leading to the resultant recognition of goodwill of approximately RMB200.68 million at the acquisition date.

貴集團將此等收購事項釐定為業務合併，而購買價乃於已收購資產及負債、已識別無形資產及或然負債之間按其各自之公允價值分配，導致於收購日期由此產生約人民幣200.68百萬元之商譽確認。

For significant acquisitions, an independent external valuer was engaged by the Group to perform a purchase price allocation exercise, involving fair valuation of acquired assets and liabilities and/or identification and valuation of intangible assets. The identification of such assets and liabilities, and their measurement at fair value is inherently judgemental, thus we considered this area to be a key audit matter.

就重大收購事項而言，貴集團委聘獨立外部估值師進行購買價分配行動，當中涉及就已收購資產及負債之公允價值評估及／或識別無形資產及評估。有關資產及負債之識別以及其公允價值計量本質上乃屬判斷性質，因此吾等將此範圍視為關鍵審核事項。

關鍵審核事項(續)

1. 收購附屬公司之會計處理(續)

How our audit addressed the Key Audit Matter

吾等之審核如何處理關鍵審核事項

- Assessing the completeness and appropriateness of the accounting by reviewing the key documents associated with the acquisition, including the equity transfer agreements, the management accounts and articles of association of the Four PRC Companies; and 通過審閱與收購有關的關鍵文件評估會計處理方法是否完整及適當，有關文件包括股權轉讓協議、四間中國公司之管理賬目及章程；及
- Visiting the Four PRC Companies to understand the nature of their operations and confirm the existence of their assets. 拜訪四間中國公司，以瞭解彼等業務性質及確認彼等資產的存在。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

2. Impairment assessment of goodwill

Key Audit Matter

關鍵審核事項

Refer to note 18 to the consolidated financial statements.
茲提述綜合財務報表附註18。

The Group has goodwill of approximately RMB158.65 million and RMB200.68 million arising from the acquisition of subsidiaries during the years ended 31 December 2017 and 2018 respectively. 截至2017年及2018年12月31日止年度，本集團收購附屬公司時產生的商譽分別為約人民幣158.65百萬元及人民幣200.68百萬元。

For the purpose of impairment testing, the goodwill is allocated to cash-generating units ("CGUs"). Those CGUs which include goodwill are tested for impairment at least annually. 為進行減值測試，商譽會被分配至現金產生單位（「現金產生單位」）。該等現金產生單位（包括商譽）會每年進行減值測試。

The recoverable amount of the CGUs was based on a calculation of value in use which requires management to make assumption about the future including forecast sales, profit margins and growth rates and to determine an appropriate market discount rate. These estimate require significant management judgement. 該等現金產生單位的可收回金額乃基於對使用價值的計算，其需要管理層作出關於未來的假設（包括預測銷售、利潤率及增長率）並釐定適當的市場貼現率。該等估計需要管理層作出重大判斷。

關鍵審核事項(續)

2. 商譽之減值評估

How our audit addressed the Key Audit Matter

吾等之審核如何處理關鍵審核事項

Our audit procedures in relation to the impairment assessment of goodwill included: 吾等就商譽減值評估之審核程序包括：

- Assessing the integrity of the value in use models;
評估使用價值模型是否可靠；
- Challenging the reasonableness of management's key assumptions based on our knowledge of the business and industry;
根據吾等於業務及行業知識，質疑管理層的關鍵假設是否合理；
- Reconciling input data to supporting evidence, such as approved budgets and considering the historical accuracy of those budgets;
將輸入數據與支持憑證（如經批准預算）對賬並考慮該等預算的過往準確性；
- Assessing the appropriateness of the discount rates used with the assistance of our internal valuation specialists;
在吾等的內部估值專家的協助下，評估所用貼現率是否適當；
- Considering the potential impact of reasonably possible downside changes in the key assumptions; and
考慮關鍵假設中合理可能下行變動的潛在影響；及
- Assessing the adequacy of the impairment disclosures in the consolidated financial statements.
評估綜合財務報表中的減值披露是否準確。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

3. Fair value measurement of biological assets

Key Audit Matter

關鍵審核事項

Refer to note 23 to the consolidated financial statements.
茲提述綜合財務報表附註23。

The Group's biological assets comprises mushrooms. During the growing period, fair value is estimated using a cost approach and during the harvest period a market approach is adopted. The determination of fair value requires significant management estimation, particularly with respect to unobservable inputs such as expected crop yields. As at 31 December 2018, the Group had biological assets with a carrying amount of approximately RMB10.81 million.

貴集團之生物資產包括菇類產品。在生長期間採用成本法估算公允價值，而收成期則採用市場法。釐定公允價值需要管理層行使重大評估，尤其是對不可觀察數據，如預期作物產量。於2018年12月31日，貴集團生物資產賬面值約為人民幣10.81百萬元。

The Group engaged an independent external valuer to assist the directors in assessing the fair value of biological assets.

貴集團委聘獨立外部估值師協助董事評估生物資產之公允價值。

關鍵審核事項(續)

3. 生物資產之公允價值計量

How our audit addressed the Key Audit Matter

吾等之審核如何處理關鍵審核事項

Our audit procedures in relation to the fair value measurement of biological assets included:

吾等就生物資產之公允價值計量之審核程序包括：

- Evaluating the independent external valuer's competence, capabilities and objectivity;
評估獨立外部估值師之資歷、能力及客觀性；
- Assessing with the assistance of our internal valuation experts the appropriateness of the valuation methodologies, key inputs and assumptions adopted;
在吾等的內部估值專家協助下，評估所採用之估值方法、重要數據及假設是否適當；
- Checking the accuracy and relevance of the inputs to supporting evidence; and
檢查輸入數據之準確性及是否與支持證據相關；及
- Considering the adequacy of the fair value disclosures in relation to biological assets.
考慮與生物資產相關之公允價值披露是否足夠。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors are responsible for the Other Information. The Other Information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS 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 IFRSs 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 Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITORS 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. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

其他資料

董事須對其他資料負責。其他資料包括在年報內所載之所有資料，但不包括綜合財務報表及吾等載於其中之核數師報告。

吾等對綜合財務報表之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之保證結論。

就吾等對綜合財務報表之審核，吾等之責任乃閱讀其他資料，在此過程中，考慮其他資料與綜合財務報表或吾等在審核過程中所知悉之情況是否存在重大抵觸或看似存在重大錯誤陳述。基於吾等已執行之工作，倘吾等認為其他資料存在重大錯誤陳述，吾等需要報告該事實。吾等就此並無任何事項須報告。

董事就綜合財務報表須承擔之責任

董事須負責根據國際財務報告準則及香港公司條例之披露規定編製真實而公平之綜合財務報表，並對董事認為為使綜合財務報表之編製不存在由於欺詐或錯誤而導致之重大錯誤陳述所需之內部控制負責。

在編製綜合財務報表時，董事負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際之替代方案。

審核委員會協助董事履行彼等監督貴集團之財務報告過程之責任。

核數師就審核綜合財務報表須承擔之責任

吾等之目標乃對綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具包括吾等意見之核數師報告。吾等僅向閣下(猶如一實體)報告，除此之外別無其他目的。吾等概不就本報告之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

AUDITORS 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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須承擔之責任(續)

合理保證為高水平之保證，但不能保證按照香港審計準則進行之審核總能發現某一已存在的重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響使用者按照該等綜合財務報表所作出之經濟決定，則有關之錯誤陳述可被視作重大。

作為根據香港審計準則進行審核其中一環，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審核程序以應對該等風險，以及獲取充足及適當之審核憑證，作為吾等意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述之風險高於未能發現因錯誤而導致出現重大錯誤陳述之風險。
- 瞭解與審核相關之內部控制，以設計在有關情況下適當之審核程序，但目的並非對貴集團內部控制之有效性發表意見。
- 評估董事所採用會計政策之適當性以及作出會計估計及相關披露之合理性。
- 對董事採用持續經營會計基礎之適當性作出結論，並根據所獲取之審核憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對貴集團之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，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露。假若有關之披露不足，則吾等應當發表非無保留意見。吾等之結論乃基於直至核數師報告日止所取得之審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評估綜合財務報表之整體列報方式、結構及內容(包括披露事項)以及綜合財務報表是否公平反映相關交易及事項。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITORS 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, 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 Audit Committee, we determine those 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 matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Tam Shing Yu.

RSM Hong Kong
Certified Public Accountants

28 March 2019

核數師就審核綜合財務報表須承擔之責任(續)

- 就 貴集團內實體或業務活動之財務資料獲取充足適當之審核憑證，以便對綜合財務報表發表意見。吾等負責 貴集團審核之方向、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(其中包括)審核之計劃範圍及時間以及重大審核發現等，包括吾等在審核中識別出內部控制之任何重大不足之處。

吾等亦向審核委員會提交聲明，表明吾等已符合有關獨立性之相關專業道德要求，並與彼等溝通可能合理被認為會影響吾等獨立性之所有關係及其他事項以及在適用之情況下相關之防範措施。

從與審核委員會溝通之事項中，吾等確定該等對本期間綜合財務報表之審核最為重要之事項，因而構成關鍵審核事項。吾等在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見之情況下，合理預期倘於吾等之報告中註明某事項造成之負面後果超過產生之公眾利益，則吾等決定不應在報告中註明該事項。

出具此獨立核數師報告之審核項目合夥人為譚承裕。

羅申美會計師事務所
執業會計師

2019年3月28日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2018
截至2018年12月31日止年度

		Note 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Revenue	收入	7	1,007,046	1,064,254
Changes in fair value of biological assets less cost to sell	生物資產公允價值變動減銷售成本		70,598	157,703
Cost of goods sold	已售物品成本		(905,741)	(991,808)
Sales related tax, other taxes and auxiliary charges	銷售相關稅、其他稅金及附加		(1,695)	(2,310)
Gross profit	毛利		170,208	227,839
Other income	其他收入	8	24,651	12,852
Selling expenses	銷售開支		(11,030)	(6,148)
Administrative expenses	行政開支		(50,773)	(46,363)
Impairment loss on trade and other receivables	貿易及其他應收款項之減值虧損		(508)	–
Profit from operations	經營溢利		132,548	188,180
Finance costs	財務成本	10	(1,543)	(564)
Share of profit of an associate	應佔一間聯營公司溢利		21,418	–
Profit before tax	稅前溢利		152,423	187,616
Income tax expense	所得稅開支	11	(5,180)	(3,591)
Profit for the year	年度溢利	12	147,243	184,025
Attributable to:	以下人士應佔：			
Owners of the Company	本公司擁有人		143,699	184,551
Non-controlling interests	非控股權益		3,544	(526)
			147,243	184,025
Earnings per share	每股盈利	16		
Basic (RMB cents per share)	基本(每股人民幣分)		RMB 人民幣 12.88 cents 分	RMB 人民幣 17.19 cents 分
Diluted (RMB cents per share)	攤薄(每股人民幣分)		RMB 人民幣 12.88 cents 分	RMB 人民幣 17.09 cents 分

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2018
截至2018年12月31日止年度

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Profit for the year	年度溢利	147,243	184,025
Other comprehensive income for the year, net of tax	年度其他全面收益，扣除稅項	—	—
Total comprehensive income for the year	年度全面收益總額	147,243	184,025
Attributable to:	以下人士應佔：		
Owners of the Company	本公司擁有人	143,699	184,551
Non-controlling interests	非控股權益	3,544	(526)
		147,243	184,025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2018
於2018年12月31日

		Note 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	175,594	186,623
Goodwill	商譽	18	359,323	158,648
Investment in an associate	於一間聯營公司的投資	19	184,460	194,210
Prepaid land lease payments	預付土地租賃款	20	38,569	32,065
Other assets	其他資產	21	658	674
Total non-current assets	非流動資產總額		758,604	572,220
Current assets	流動資產			
Inventories	存貨	22	24,699	17,857
Biological assets	生物資產	23	10,811	13,580
Trade receivables	貿易應收款項	24	181,269	151,259
Deposits, prepayments and other receivables	按金、預付款項及 其他應收款項	25	172,494	147,472
Due from an associate	應收一間聯營公司款項	39(b)	2,810	—
Dividend receivable from an associate	應收一間聯營公司股息		31,168	—
Bank and cash balances	銀行及現金結餘	26	1,026,829	1,056,631
Total current assets	流動資產總額		1,450,080	1,386,799
TOTAL ASSETS	資產總額		2,208,684	1,959,019
EQUITY AND LIABILITIES	權益及負債			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	27	75,052	70,062
Other reserves	其他儲備	29	2,013,629	1,818,849
			2,088,681	1,888,911
Non-controlling interests	非控股權益		6,398	9,854
Total equity	權益總額		2,095,079	1,898,765
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Operating lease rentals received in advance	預先收取的經營租賃租金		90	120
Current liabilities	流動負債			
Trade payables	貿易應付款項	30	23,400	19,532
Accruals and other payables	應計費用及其他應付款項	31	53,500	22,573
Bank loans	銀行貸款	32	27,600	10,000
Current tax liabilities	即期稅項負債		4,396	2,784
Due to non-controlling interests	應付非控股權益款項	33	1,151	5,245
Due to an associate	應付一間聯營公司款項	39(b)	3,468	—
Total current liabilities	流動負債總額		113,515	60,134
TOTAL EQUITY AND LIABILITIES	權益及負債總額		2,208,684	1,959,019

Approved by the Board of Directors on 28 March 2019 and are signed on its behalf by:

董事會於2019年3月28日批准並由下列董事代表簽署：

Zheng Songhui
鄭松輝

Zheng Tianming
鄭天明

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2018
截至2018年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Other reserve	Share premium	Capital reserve	Statutory surplus reserve	Share option reserve	Shares to be issued	Retained earnings	Total	Non-controlling interests	Total equity
		股本	其他儲備	股份溢價	資本儲備	法定盈餘儲備	購股權儲備	將予發行之股份	保留盈利	總計	非控股權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於2017年1月1日	31,919	(1,000)	420,132	2,440	34,639	36,612	34,010	1,112,601	1,671,353	5,311	1,676,664
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	-	-	184,551	184,551	(526)	184,025
Acquisition of a subsidiary	收購一間附屬公司	-	-	-	-	-	-	9,606	-	9,606	3,509	13,115
Acquisition of an associate	收購一間聯營公司	-	-	-	-	-	-	14,411	-	14,411	-	14,411
Equity-settled share-based payments	以權益結算股份為基礎之付款	-	-	-	-	-	7,431	-	-	7,431	-	7,431
Transfer to statutory surplus reserve	轉撥至法定盈餘儲備	-	-	-	-	1,189	-	-	(1,189)	-	-	-
Issue of shares under share option schemes	根據購股權計劃發行股份	1,203	-	69,130	-	-	(23,871)	(34,010)	-	12,452	-	12,452
Issue of bonus shares	發行紅股	36,940	-	(36,940)	-	-	-	-	-	-	-	-
Dividends paid (note 15)	已付股息(附註15)	-	-	-	-	-	-	-	(9,333)	(9,333)	-	(9,333)
Capital injection to a subsidiary	向一間附屬公司注資	-	-	-	(1,560)	-	-	-	-	(1,560)	1,560	-
Changes in equity for the year	年內權益變動	38,143	-	32,190	(1,560)	1,189	(16,440)	(9,993)	174,029	217,558	4,543	222,101
At 31 December 2017	於2017年12月31日	70,062	(1,000)	452,322	880	35,828	20,172	24,017	1,286,630	1,888,911	9,854	1,898,765
At 1 January 2018	於2018年1月1日	70,062	(1,000)	452,322	880	35,828	20,172	24,017	1,286,630	1,888,911	9,854	1,898,765
Adjustments on initial application of IFRS 9 (note 3(a))	首次應用國際財務報告第9號之調整(附註3(a))	-	-	-	-	-	-	-	(8,461)	(8,461)	-	(8,461)
Restated balance at 1 January 2018	於2018年1月1日經重列之結餘	70,062	(1,000)	452,322	880	35,828	20,172	24,017	1,278,169	1,880,450	9,854	1,890,304
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	-	-	143,699	143,699	3,544	147,243
Issue of consideration shares for acquisition of a subsidiary	收購一間附屬公司所發行代價股份	578	-	9,029	-	-	-	(9,607)	-	-	-	-
Issue of consideration shares for acquisition of an associate	收購一間聯營公司所發行代價股份	867	-	13,543	-	-	-	(14,410)	-	-	-	-
Issue of shares under share option schemes	根據購股權計劃發行股份	3,545	-	66,905	-	-	(22,272)	-	-	48,178	-	48,178
Equity-settled share-based payments	以權益結算股份為基礎之付款	-	-	-	-	-	16,354	-	-	16,354	-	16,354
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	4,716	-	-	(4,716)	-	-	-
Dividends paid to non-controlling interests	支付予非控股權益之股息	-	-	-	-	-	-	-	-	-	(7,000)	(7,000)
Changes in equity for the year	年內權益變動	4,990	-	89,477	-	4,716	(5,918)	(24,017)	138,983	208,231	(3,456)	204,775
At 31 December 2018	於2018年12月31日	75,052	(1,000)	541,799	880	40,544	14,254	-	1,417,152	2,088,681	6,398	2,095,079

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2018
截至2018年12月31日止年度

	Note 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動之現金流量		
Profit before tax	稅前溢利	152,423	187,616
Adjustments for:	經調整：		
Changes in fair value of biological assets less cost to sell	生物資產公允價值變動減銷售成本	70,598	157,703
Finance costs	財務成本	1,543	564
Share of profit of an associate	應佔一間聯營公司溢利	(21,418)	—
Interest income	利息收入	(11,107)	(11,082)
Depreciation	折舊	15,007	12,221
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	866	719
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損／(收益)	27	(3)
Equity-settled share-based payments	以權益結算股份為基礎之付款	16,354	7,431
Impairment loss on trade and other receivables	貿易及其他應收款項之減值虧損	508	—
Operating profit before working capital changes	營運資金變動前的經營溢利	224,801	355,169
Decrease in other assets	其他資產減少	16	16
(Increase)/decrease in inventories	存貨(增加)／減少	(6,619)	2,755
Increase in biological assets	生物資產增加	(67,829)	(106,230)
Decrease in trade receivables	貿易應收款項減少	1,767	49,770
Increase in deposits, prepayment and other receivables	按金、預付款項及其他應收款項增加	(31,744)	(25,138)
Decrease in trade payables	貿易應付款項減少	(4,817)	(62,821)
Decrease in accruals and other payables	應計費用及其他應付款項減少	(8,677)	(2,553)
(Decrease)/increase in due to non-controlling interests	應付非控股權益款項(減少)／增加	(4,094)	7,207
Refund of cash from termination of operating lease rental	終止經營租賃租金退回之現金	(30)	(971)
Cash generated from operations	經營活動所得現金	102,774	217,204
Income taxes paid	已付所得稅	(3,568)	(1,811)
Interest paid	已付利息	(1,543)	(564)
Net cash generated from operating activities	經營活動所得現金淨額	97,663	214,829
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量		
Acquisition of subsidiaries	收購附屬公司	(195,135)	(168,381)
Purchase of property, plant and equipment	購買物業、廠房及設備	(2,898)	(5,247)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備的所得款項	25	227
Due from a related company	應收一間關聯公司款項	—	6,800
Increase in due from an associate	應收一間聯營公司款項增加	(2,810)	—
Investment in an associate	於一間聯營公司的投資	—	(179,800)
Interest received	已收利息	11,107	11,082
Net cash used in investing activities	投資活動所用現金淨額	(189,711)	(335,319)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2018
截至2018年12月31日止年度

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
Bank loans raised	取得銀行貸款	37,600	10,000
Repayment of bank loans	償還銀行貸款	(20,000)	(10,000)
Increase in due to an associate	應付一間聯營公司款項增加	3,468	—
Issue of share capital	發行股本	48,178	12,452
Dividends paid to non-controlling interests	支付予非控股權益之股息	(7,000)	—
Dividends paid to owners of the Company	支付予本公司擁有人之股息	—	(9,333)
Net cash generated from financing activities	融資活動所得現金淨額	62,246	3,119
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(29,802)	(117,371)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於1月1日的現金及現金等價物	1,056,631	1,174,002
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於12月31日的現金及現金等價物	1,026,829	1,056,631
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等價物分析		
Bank and cash balances	銀行及現金結餘	1,026,829	1,056,631

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018
截至2018年12月31日止年度

1. GENERAL INFORMATION

CHINA GREENFRESH GROUP CO., LTD. (the “**Company**”) was incorporated in Cayman Islands with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is 8th Floor, Building No. 10, Guanyinshan Business Centre, Siming District, Xiamen, People’s Republic of China (the “**PRC**”). The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 40 to the consolidated financial statements.

In the opinion of the directors of the Company, Song Rising Co., Ltd., a company incorporated in the British Virgin Islands, is the immediate parent, and Mr. Zheng Songhui who is a director of the Company, is the ultimate controlling party of the Company.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (“**IASB**”). IFRSs comprise International Financial Reporting Standards (“**IFRS**”); International Accounting Standards (“**IAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

1. 一般資料

中國綠寶集團有限公司(「**本公司**」)於開曼群島註冊成立為有限公司。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。其主要營業地點位於中華人民共和國(「**中國**」)廈門思明區觀音山運營中心10號樓8樓。本公司之股份於香港聯合交易所有限公司(「**聯交所**」)主板上市。

本公司為投資控股公司。其附屬公司之主要業務活動載於綜合財務報表附註40。

本公司董事認為，Song Rising Co., Ltd.(於英屬處女群島註冊成立的公司)為本公司直屬母公司，而本公司董事鄭松輝先生為本公司最終控股方。

2. 編製基準

本綜合財務報表乃按照由國際會計準則委員會(「**國際會計準則委員會**」)頒佈的所有適用國際財務報告準則(「**國際財務報告準則**」)編製。國際財務報告準則包括國際財務報告準則(「**國際財務報告準則**」)、國際會計準則(「**國際會計準則**」)及詮釋。該等綜合財務報表亦符合聯交所證券上市規則(「**上市規則**」)之適用披露條文，以及香港公司條例(第622章)之披露規定。本集團採納之重大會計政策於下文披露。

國際會計準則委員會已頒佈若干於本集團當前會計期間首次生效或可提早採納的新訂及經修訂國際財務報告準則。初次應用該等與本集團有關的新訂及經修訂準則所引致當前和以往會計期間之會計政策變動，已反映於本綜合財務報表內，有關資料列載於附註3。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018
截至2018年12月31日止年度

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

(a) Application of new and revised IFRSs

IASB has issued a number of new and revised IFRSs that are first effective for annual periods beginning on or after 1 January 2018. Of these, the following developments are relevant to the Group's consolidated financial statements:

- (i) IFRS 9 Financial Instruments; and
- (ii) IFRS 15 Revenue from Contracts with Customers

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

IFRS 9 Financial Instruments

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The Group has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9, i.e. applied the classification and measurement requirements retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under IAS 39 Financial Instruments: Recognition and Measurement.

The adoption of IFRS 9 resulted in the following changes to the Group's accounting policies.

(a) Classification

From 1 January 2018, the Group classifies its financial assets to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

3. 採納新訂及經修訂之國際財務報告準則

(a) 應用新訂及經修訂國際財務報告準則

國際會計準則委員會已頒佈多項於2018年1月1日或之後開始之年度期間首次生效之新訂及經修訂國際財務報告準則。該等準則中，以下新訂及經修訂國際財務報告準則與本集團的綜合財務報表相關：

- (i) 國際財務報告準則第9號金融工具；及
- (ii) 國際財務報告準則第15號來自客戶合約收入

本集團尚未應用於本會計期間尚未生效的任何新訂準則或詮釋。

國際財務報告準則第9號金融工具

國際財務報告準則第9號取代國際會計準則第39號與確認、分類及計量金融資產及金融負債、取消確認金融工具、金融資產減值以及對沖會計處理有關的條文。

本集團按照國際財務報告準則第9號所列的過渡條文執行國際財務報告準則第9號，即對於在2018年1月1日（首次應用日期）仍未被終止確認的金融工具，追溯執行分類及計量規定，對於在2018年1月1日已被終止確認的金融工具則不執行。於2017年12月31日的賬面值與於2018年1月1日的賬面值之間的差異，計入期初保留盈利及其他權益組成部分，並不重列比較數據。

因此，部分比較資料可能與按照國際會計準則第39號金融工具：確認及計量編製的比較資料不一致。

採納國際財務報告準則第9號導致本集團會計政策產生以下變動。

(a) 分類

自2018年1月1日起，本集團按攤銷成本計量其金融資產。

該分類取決於本集團用以管理金融資產及現金流量合約條款的業務模式。

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3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

(a) Application of new and revised IFRSs (Continued)

IFRS 9 Financial Instruments (Continued)

(b) Measurement

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition, the Group measures a financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments measured at 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. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

(c) Impairment

From 1 January 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and fair value through other comprehensive income ("FVTOCI"). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

3. 採納新訂及經修訂之國際財務報告準則(續)

(a) 應用新訂及經修訂國際財務報告準則(續)

國際財務報告準則第9號金融工具(續)

(b) 計量

本集團只在當管理相關資產的業務模式改變時重分類債務投資。

於初步確認時，本集團按公平值計量金融資產，倘為並非按公平值計入損益(「按公平值計入損益」)計量之金融資產，則按收購金融資產直接產生之交易成本計量。按公平值計入損益之金融資產之交易成本於損益中支銷。

債務工具其後計量取決於本集團管理相關資產的業務模式及資產的現金流量特徵。本集團分類按攤銷成本計量的債務工具。該等資產為收取合約現金流而持有的資產，並且現金流僅由支付本金和利息構成，該等資產以攤銷成本計量。該等金融資產的利息收入包含在其他收入內，並以實際利率法計算。任何因終止確認產生的所得或損失於損益中直接確認，並與匯兌所得及損失共同列示為其他收益／(虧損)。減值虧損於損益表單獨列示。

(c) 減值

自2018年1月1日起，本集團以前瞻性的基準評估與按攤銷成本及按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量的債務工具的預期信貸虧損。減值方法的使用取決於是否出現重大的信貸風險上升。

就貿易應收款項而言，本集團應用國際財務報告準則第9號允許的簡易方法，當中要求自初步確認應收款項起確認預期整個期間虧損。

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3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

(a) Application of new and revised IFRSs (Continued)

IFRS 9 Financial Instruments (Continued)

(c) Impairment (Continued)

Set out below is the impact of the adoption of IFRS 9 on the Group.

The following table summaries the impact on the Group's opening retained earnings as at 1 January 2018 is as follows:

		RMB'000 人民幣千元
Increase in impairment losses for:	減值虧損增加：	
– Trade and other receivables (note)	– 貿易及其他應收款項(附註)	8,461
Adjustment to retained earnings from adoption of IFRS 9 on 1 January 2018	於二零一八年一月一日採納國際財務報告準則第9號後對保留盈利的調整	8,461
Attributable to owners of the Company	本公司擁有人應佔	8,461

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group's financial assets as at 1 January 2018.

下表及其附註說明本集團各類金融資產於二零一八年一月一日在國際會計準則第39號項下之原計量類別及在國際財務報告準則第9號項下之新計量類別。

Financial assets	金融資產	Classification under IAS 39	Classification under IFRS 9	Carrying amount under IAS 39	Carrying amount under IFRS 9
		國際會計準則第39號項下的分類	國際財務報告準則第9號項下的分類	國際會計準則第39號項下的賬面值 RMB'000 人民幣千元	國際財務報告準則第9號項下的賬面值 RMB'000 人民幣千元
Trade and other receivables (Note)	貿易及其他應收款項(附註)	Loans and receivables	Amortised cost	207,150	198,689
		貸款及應收款項	攤銷成本		

The measurement categories for all financial liabilities remain the same. The carrying amounts for all financial liabilities at 1 January 2018 have not been impacted by the initial application.

所有金融負債之計量分類維持不變，所有金融負債於2018年1月1日之賬面值並無受首次採納影響。

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For the year ended 31 December 2018
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3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

(a) Application of new and revised IFRSs (Continued)

IFRS 9 Financial Instruments (Continued)

(c) Impairment (Continued)

Note: Trade and other receivables that were classified as loans and receivables under IAS 39 are now classified as amortised cost. An increase of approximately RMB8,461,000 in the allowance for impairment of the trade and other receivables was recognised in opening retained earnings at 1 January 2018 on transition to IFRS 9.

For assets in scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Group has determined that the application of IFRS 9 impairment model requirements at 1 January 2018 results in an additional impairment allowance as follows:

		RMB'000 人民幣千元
Impairment allowance at 31 December 2017 under IAS 39	國際會計準則第39號項下於2017年12月31日之減值撥備	–
Additional impairment recognised at 1 January 2018 on:	於2018年1月1日額外確認的減值：	
– Trade and other receivables (Note)	– 貿易及其他應收款項(附註)	8,461
Impairment allowance at 1 January 2018 under IFRS 9	國際財務報告準則第9號項下於2018年1月1日之減值撥備	8,461

Impairment losses related to trade and other receivables are presented separately in the consolidated statement of profit or loss.

3. 採納新訂及經修訂之國際財務報告準則(續)

(a) 應用新訂及經修訂國際財務報告準則(續)

國際財務報告準則第9號金融工具(續)

(c) 減值(續)

附註：根據國際會計準則第39號分類為貸款及應收款項的貿易及其他應收款項時分類為按攤銷成本計量。於2018年1月1日過渡至國際財務報告準則第9號時，貿易及其他應收款項的減值撥備增加約人民幣8,461,000元，並於期初保留盈利確認。

就國際財務報告準則第9號減值模型範圍內的資產而言，減值虧損一般預期會增加，並變得更加波動。本集團已釐定，於2018年1月1日應用國際財務報告準則第9號的減值模型規定導致額外減值撥備如下：

有關貿易及其他應收款項的減值虧損於綜合損益表中分開呈列。

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3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

(a) Application of new and revised IFRSs (Continued)

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations.

The Group has applied IFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits (or other components of equity, as appropriate) and comparative information has not been restated. Furthermore, in accordance with the transition provisions in IFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under IAS 18 Revenue and IAS 11 Construction Contracts and the related interpretations.

The adoption of IFRS 15 resulted in the following changes to the Group's accounting policies.

Revenue from the sale agricultural products (king trumpet mushroom, shiitake mushroom), canned food, health care products, other processed food products and trading of fresh fruit, vegetable and frozen food is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

3. 採納新訂及經修訂之國際財務報告準則(續)

(a) 應用新訂及經修訂國際財務報告準則(續)

國際財務報告準則第15號來自客戶合約收入

國際財務報告準則第15號建立一個釐定是否確認、確認多少及何時確認收入的綜合框架。其取代國際會計準則第18號收入、國際會計準則第11號建造合約及相關詮釋。

本集團追溯應用國際財務報告準則第15號，對於初次執行的累計影響確認於2018年1月1日(首次應用日期)。於初次應用日之任何差異確認於期初保留盈利(如適當，或其他權益組成部分)，比較數據不會重列。並且，根據國際財務報告準則第15號過渡條文，本集團選擇只對於2018年1月1日尚未完工合約作追溯應用該準則。因此，部分比較數據可能與按照國際會計準則第18號收入、國際會計準則第11號建造合約及相關詮釋編製的比較數據不一致。

採納國際財務報告準則第15號導致本集團的會計政策出現以下變動。

銷售農產品(杏鮑菇、香菇)、罐頭食品、保健品、其他加工食品以及買賣新鮮水果、蔬菜及急凍食品的收益於轉移商品控制權時確認，即商品運送至客戶指定地點時(交付)。於交付後，客戶可全權酌情決定發貨方式及商品售價，且並無任何可能會對客戶接納貨品造成影響的未履行責任。

應收款項於貨品交付時確認，原因是收取代價之權利於這時間點成為無條件，僅須待時間過去即可收取付款。

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3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

(b) New and revised IFRSs in issue but not yet effective

The Group has not early applied new and revised IFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2018. These new and revised IFRSs include the following which may be relevant to the Group.

IFRS 16 Leases
國際財務報告準則第16號租賃

IFRIC 23 Uncertainty over Income Tax Treatments
國際財務報告詮釋委員會第23號所得稅處理之不確定因素

Annual Improvements to IFRSs 2015 - 2017 Cycle
國際財務報告準則的2015年至2017年週期的年度改進

The Group is in the process of making an assessment of what the impact of these amendments and new standards are expected to be in the period of initial application. So far the Group has identified some aspects of IFRS 16 which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for IFRS 16, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ended 30 June 2019. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that interim financial report.

3. 採納新訂及經修訂之國際財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂國際財務報告準則

本集團並無提早應用已頒佈但尚未於2018年1月1日開始之財政年度生效之新訂及經修訂的國際財務報告準則。此等新訂及經修訂國際財務報告準則或與本集團有關，包括以下各項。

Effective for accounting periods
beginning on or after
於以下日期或之後開始之會計期間
生效

1 January 2019
2019年1月1日

1 January 2019
2019年1月1日

1 January 2019
2019年1月1日

本集團目前正評估預期該等修訂本及新訂準則於首次應用期間的影響。迄今為止，本集團識別出國際財務報告準則第16號的部分方面可能會對綜合財務報表造成重大影響。有關預期影響的進一步詳情於下文討論。儘管對國際財務報告準則第16號的評估已大致完成，惟首次採納該等準則的實際影響或會有所出入，概因迄今為止完成的評估乃基於本集團現時可得資料而進行，而本集團於截至2019年6月30日止六個月的中期財務報告首次應用該等準則之前或會識別出其他影響。本集團在中期財務報告中首次應用該等準則之前亦可能更改其會計政策的選擇，包括過渡選項。

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綜合財務報表附註

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3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

(b) New and revised IFRSs in issue but not yet effective (Continued)

IFRS 16 Leases

IFRS 16 replaces IAS 17 Leases and related interpretations. The new standard introduces a single accounting model for lessees. For lessees the distinction between operating and finance leases is removed and lessees will recognise right-of-use assets and lease liabilities for all leases (with optional exemptions for short-term leases and leases of low value assets). IFRS 16 carries forward the accounting requirements for lessors in IAS 17 substantially unchanged. Lessors will therefore continue to classify leases as operating or financing leases.

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

Based on a preliminary assessment, the standard will affect primarily the accounting for the Group's operating leases. The Group's office property and production plants leases are currently classified as operating leases and the lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term. Under IFRS 16 the Group may need to recognise and measure a liability at the present value of the future minimum lease payments and recognise a corresponding right-of-use asset for these leases. The interest expense on the lease liability and depreciation on the right-of-use asset will be recognised in profit or loss. The Group's assets and liabilities will increase and the timing of expense recognition will also be impacted as a result.

As disclosed in note 37, the Group's future minimum lease payments under non-cancellable operating leases for its office properties and production plants amounted to approximately RMB6,732,000 as at 31 December 2018. These leases are expected to be recognised as lease liabilities, with corresponding right-of-use assets, once IFRS 16 is adopted. The amounts will be adjusted for the effects of discounting and the transition reliefs available to the Group.

Other than the recognition of lease liabilities and right-of-use assets, the Group expects that the transition adjustments to be made upon the initial adoption of IFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's consolidated financial statements from 2019 onwards.

3. 採納新訂及經修訂之國際財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號租賃

國際財務報告準則第16號取代國際會計準則第17號租賃及相關詮釋。該新準則引入有關承租人的單一會計處理模式。對承租人而言，經營租賃與融資租賃之間的區別已剔除，承租人將就所有租賃確認使用權資產與租賃負債(對短期租賃及低價值資產租賃進行選擇性豁免)。國際財務報告準則第16號維持國際會計準則第17號內有關出租人的會計規定大致不變。因此，出租人會繼續將租賃分類為經營租賃或融資租賃。

國際財務報告準則第16號於2019年1月1日或之後開始的年度期間生效。本集團擬應用簡化過渡法及將不會於首次採納前重列年內比較金額。

根據初步評估，該準則將主要影響本集團經營租賃之會計處理。本集團之辦公室物業及工廠租賃現分類為經營租賃，租賃付款(扣除任何來自出租人之獎勵金額)於租期內按直線法確認為開支。根據國際財務報告準則第16號，本集團或需按未來最低租賃付款的現值確認及計量負債，並就該等租賃確認相應的使用權資產。租賃負債的利息開支以及使用權資產的折舊將於損益內確認。本集團的資產與負債將會增加，而確認開支的時間亦會因此受到影響。

誠如附註37所披露本集團於2018年12月31日根據其辦公室物業及工廠之不可撤銷經營租賃之未來最低租賃付款為人民幣約6,732,000元。一經採納國際財務報告準則第16號後，該等租賃預期將確認為租賃負債，並附帶相應使用權資產。該等款項將就折現影響及本集團可得之過渡緩解作出調整。

除確認租賃負債及使用權資產外，本集團預期，首次採納國際財務報告準則第16號後將作出的過渡調整並不重大。然而，上文所述會計政策的預期變動可能對本集團於2019年以後的綜合財務報表產生重大影響。

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3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

(b) New and revised IFRSs in issue but not yet effective (Continued)

IFRIC 23 Uncertainty over Income Tax Treatments

The interpretation of IAS 12 Income Taxes sets out how to apply that standard when there is uncertainty about income tax treatments. Entities are required to determine whether uncertain tax treatments should be assessed separately or as a group depending on which approach will better predict the resolution of the uncertainties. Entities will have to assess whether it is probable that a tax authority will accept an uncertain tax treatment. If yes, the accounting treatment will be consistent with the entity's income tax filings. If not, however, entities are required to account for the effects of the uncertainty using either the most likely outcome or expected value method depending on which method is expected to better predict its resolution.

The Group is unable to estimate the impact of the interpretation on the consolidated financial statements until a more detailed assessment has been completed.

4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. biological assets that are measured at fair value).

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

3. 採納新訂及經修訂之國際財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

國際財務報告詮釋委員會第23號所得稅處理之不確定因素

國際會計準則第12號所得稅之詮釋載有於存在所得稅處理之不確定因素時應用該準則之方式。實體須決定應單獨或整體評估稅項處理之不確定因素(視乎何種方法將能更好地預測不確定因素之解決方案而定)。實體將須評估稅務機構是否可能接受不確定之稅項處理。倘接受，會計處理將符合該實體之所得稅申報；然而倘不接受，該實體則須採用可能性最大之結果或預期價值法(視乎何種方法預期能更好地預測其解決方案而定)將不確定因素之影響入賬。

本集團須於完成更為詳細之評估後方可估計詮釋對綜合財務報表之影響。

4. 重大會計政策

除下文會計政策另有說明外(例如生物資產乃按公允值計量)，本綜合財務報表乃按歷史成本法編製。

編製符合國際財務報告準則的財務報表須使用若干關鍵會計估計，亦需要管理層於應用本集團會計政策的過程中作出判斷。假設及估計對本綜合財務報表屬重大的範疇於附註5中披露。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any accumulated foreign currency translation reserve relating to that subsidiary.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

4. 重大會計政策(續)

編製本綜合財務報表時採用的重大會計政策載列如下。

(a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至12月31日的財務報表。附屬公司為本集團擁有控制權的實體。當本集團可以或有權力透過參與該實體而取得浮動回報及有能力透過其權力影響實體的回報即控制該實體。當本集團現有的權力賦予其能力指揮有關活動(即對實體回報有重大影響的活動)，即表示本集團對該實體有權力。

當評估控制時，本集團考慮其潛在投票權，以及由其他人士持有的潛在投票權。潛在投票權只有在其持有人有行使此權利的實際能力時方會被考慮。

附屬公司自其控制權轉移予本集團當日起綜合入賬，並於控制權終止當日不再綜合入賬。

因失去控制權而產生出售附屬公司的收益及虧損為(i)出售代價的公允值加任何保留於該附屬公司的投資公允值及(ii)本公司應佔該附屬公司淨資產的部分加該附屬公司餘下的任何商譽及任何相關累計外幣換算儲備的差額。

集團內的交易、結餘及未變現利潤均予以對銷。除交易提供證據顯示所轉讓之資產出現減值，否則未變現虧損亦予以對銷。倘有需要，附屬公司的會計政策會作出調整，以確保符合本集團採納的政策。

非控股權益指並非直接或間接屬於本公司之附屬公司權益。非控股權益乃呈列於綜合財務狀況表及綜合權益變動表之權益中。非控股權益作為非控股股東與本公司擁有人之間分配本年度溢利或虧損及全面收益總額，呈列於綜合損益表及綜合損益及其他全面收益表內。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation (Continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the sum of the consideration transferred in a business combination to calculate the goodwill.

4. 重大會計政策(續)

(a) 綜合賬目(續)

溢利或虧損及其他全面收益的各部份歸屬予本公司擁有人及非控股股東，即使導致非控股權益產生虧絀結餘亦然。

本公司並無導致失去附屬公司控制權的擁有權益變動入賬列作權益交易(即與以擁有人身份進行的擁有人交易)。控股及非控股權益的賬面值經調整以反映其於附屬公司相關權益的變動。非控股權益的調整數額與已付或已收代價公允值之間的任何差額乃直接於權益確認，並歸屬於本公司擁有人。

於本公司之財務狀況表內，於一間附屬公司的投資乃按成本減去減值虧損列賬，除非該投資分類為持作出售(或歸入分類為持作出售之出售組別)則作別論。

(b) 業務合併及商譽

本公司採用收購法為業務合併中所收購的附屬公司列賬。業務合併時轉撥的代價乃按所獲資產收購日期的公允值、所發行的股本工具及所產生的負債以及任何或然代價計量。收購相關成本於有關成本產生及接獲服務期間確認為開支。於收購時附屬公司的可識別資產及負債，均按其於收購日期的公允值計量。

倘所轉撥代價總額超出本集團應佔附屬公司可識別資產及負債的公允淨值，則差額將以商譽列賬。倘本集團應佔可識別資產及負債的公允淨值高於所轉撥代價總額，則有關差額乃於綜合損益內確認為本集團應佔議價購買的收益。

對於分階段進行的業務合併而言，先前已持有的附屬公司的股本權益乃按收購日期的公允值重新計量，而由此產生的盈虧於綜合損益內確認。公允值被加入至業務合併時轉撥的代價總額以計算商譽。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combination and goodwill (Continued)

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs") or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(c) Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

4. 重大會計政策(續)

(b) 業務合併及商譽(續)

於附屬公司的非控股權益初步按非控股股東應佔該附屬公司於收購當日的可識別資產及負債的公允淨值比例計算。

在初步確認後，商譽按成本減累計減值虧損計量。為了進行減值測試，業務合併中收購的商譽會被分配至預期受惠於合併協同效益的各現金產生單位（「現金產生單位」）或現金產生單位組別。獲分配商譽的每個單位或一組單位指為內部管理目的而對商譽進行監督之本集團內最低級別單位。商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，則作出更頻密檢討。包含商譽的現金產生單位的賬面值與其可收回金額作比較，可收回金額為使用價值與公平值減出售成本的較高者。任何減值即時確認為開支，其後不會撥回。

(c) 聯營公司

聯營公司為本集團對其有重大影響力的實體。重大影響力乃於有關實體的財務及營運政策的決策擁有參與權而非控制或共同控制權。包括其他實體持有的潛在投票權在內的現時可行使或可兌換的潛在投票權的存在及影響會於評估本集團有否重大影響力時予以考慮。在評估一項潛在投票權有否重大影響時，不會考慮持有人是否有意及在財務上是否有能力行使或兌換該項權利。

於聯營公司的投資乃採用權益會計法於綜合財務報表列賬，並按成本作出初步確認。所收購聯營公司的可識別資產及負債乃按其於收購當日的公允值計量。倘投資成本超出本集團應佔聯營公司的可識別資產及負債的公允淨值，則差額將以商譽列賬，而該商譽將列入投資的賬面值，並在有客觀證據顯示投資出現減值時連同於各報告期末的投資一併進行減值測試。倘本集團應佔可識別資產及負債的公允淨值高於收購成本，則有關差額將於綜合損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Associates (Continued)

The Group's share of an associate's post-acquisition profits or losses and other comprehensive income is recognised in consolidated statement of profit or loss and other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's entire carrying amount of that associate (including goodwill) and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. 重大會計政策(續)

(c) 聯營公司(續)

本集團應佔聯營公司收購後損益及其他全面收益於綜合損益及其他全面收益表內確認。倘本集團應佔聯營公司虧損等於或多於其於該聯營公司的權益(包括實際組成本集團於該聯營公司投資淨值其中部分的任何長期權益)，則本集團不會進一步確認虧損，除非其已產生義務或代聯營公司付款。倘聯營公司其後報收溢利，則本集團僅於其應佔溢利等於其應佔未確認的虧損後恢復確認其應佔的該等溢利。

出售聯營公司而導致失去重大影響的收益或虧損乃指(i)出售代價公允值連同於該聯營公司任何保留投資公允值與(ii)本集團於該聯營公司的全部賬面值(包括商譽)以及任何相關累計外幣換算儲備兩者間差額。如果在一間聯營公司的投資成為一間合營企業中的投資，本集團會繼續採用權益法而不重新計量保留權益。

對銷本集團與其聯營公司間交易的未變現溢利乃以本集團於聯營公司的權益為限；而未變現虧損則僅會於交易有證據顯示所轉讓的資產出現減值時方予以對銷。聯營公司的會計政策已於有需要時作出變動，以確保與本集團所採納的政策貫徹一致。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the “**functional currency**”). The consolidated financial statements are presented in Renminbi (“**RMB**”), which is the Company's functional and presentation currency.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

(iii) Transactions and balances in each entity's financial statements (Continued)

Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

4. 重大會計政策(續)

(d) 外幣換算

(i) 功能及呈列貨幣

本集團各實體之財務報表內的項目均使用該實體經營的主要經濟環境的貨幣(「**功能貨幣**」)計量。綜合財務報表按本公司的功能及呈列貨幣人民幣(「**人民幣**」)呈列。

(ii) 各實體之財務報表中的交易及結餘

外幣交易於初次確認時均按交易日之通行匯率換算為功能貨幣。外幣貨幣資產及負債按每個報告期結束時的匯率換算。匯兌政策產生的盈虧於損益確認。

(iii) 各實體之財務報表中的交易及結餘(續)

按公允值計量及以外幣計值的非貨幣項目乃按釐定公允值當日的匯率換算。

當一非貨幣項目的盈虧於其他全面收益確認時，該盈虧的任何匯兌部份於其他全面收益確認。當一非貨幣項目的盈虧於損益確認時，該盈虧的任何匯兌部份於損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Foreign currency translation (Continued)

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4. 重大會計政策(續)

(d) 外幣換算(續)

(iii) 綜合賬目時換算

所用功能貨幣與本公司呈列貨幣不同的本集團旗下公司的業績及財務狀況均按下列方式換算為本公司的呈列貨幣：

- 各財務狀況表所列資產及負債於該財務狀況表結算日按收市匯率換算；
- 收入及開支按期內平均匯率匯兌(除非該平均數並非交易日的通行匯率累計影響的合理約數，則在此情況下收入及開支按交易日的匯率換算)；及
- 所有產生的匯兌差額均於其他全面收益確認並於外幣匯兌儲備累計。

綜合賬目時，因換算貨幣項目產生的匯兌差額構成海外實體投資淨額之部分，於其他全面收益確認及於外幣匯兌儲備累計。出售海外業務時，有關的匯兌差額重新分類至綜合損益作為部份出售之盈虧。

出售海外實體時產生之商譽及公允值調整會被視作海外實體之資產及負債處理，並按收市匯率換算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment

Property, plant and equipment, including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below), are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal useful lives are as follows:

Buildings	20 years
Plant and machinery	10 years
Leasehold improvements	5 years
Motor vehicles	2 to 5 years
Office equipment and others	5 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

Construction in progress represents buildings under construction and plant and equipment pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

4. 重大會計政策(續)

(e) 物業、廠房及設備

物業、廠房及設備包括持作用於生產或提供貨物或服務或作行政用途之樓宇(下文所述之在建物業除外)，載於綜合財務狀況表內，以成本減其後累計折舊及其後累計減值虧損(如有)呈列。

其後成本僅於與該項目有關的未來經濟利益可能流入本集團，而該項目的成本能可靠計算時，方會列入資產之賬面值或確認為獨立資產(如適用)。所有其他維修及保養於其產生期間於損益內確認。

物業、廠房及設備之折舊乃於其估計可使用年期按足以撇銷其成本減剩餘價值的比率以直線法計算，其主要使用年期如下：

樓宇	20年
廠房及設備	10年
租賃裝修	5年
汽車	2年至5年
辦公室設備及其他	5年

剩餘價值、可使用年期及折舊方法於各報告期完結日進行檢討及作出調整(如適用)。

在建工程指在建樓宇及有待安裝的廠房及設備，按成本減減值虧損入賬。折舊於有關資產可使用時開始計算。

處置物業、廠房及設備的盈虧指出售所得款項淨額與有關資產賬面值兩者間的差額，並於損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Operating leases

(i) The Group as lessee

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

Prepaid land lease payments are stated at cost and subsequently amortised on the straight-line basis over the remaining term of the lease.

(ii) The Group as lessor

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(g) Research and development expenditures

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

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4. 重大會計政策(續)

(f) 經營租賃

(i) 本集團作為承租人

資產擁有權的所有風險及回報並無大部分轉予本集團的租賃入賬為經營租賃。租賃款項(扣除自出租人收取的任何獎勵金後)於租期內以直線法確認為費用。

預付土地租賃款項按成本列賬，其後再按餘下的租期內以直線法攤銷。

(ii) 本集團作為出租人

資產擁有權的所有風險及回報並無大部分轉予承租人的租賃入賬為經營租賃。經營租賃的租金收入於相關租期內以直線法予以確認。

(g) 研發費用

研究活動的開支於其產生期間確認為開支。

(h) 存貨

存貨按成本與可變現淨值兩者中之較低者列賬。成本以加權平均法計算。產成品及在製品之成本包括原材料、直接勞工及所有生產經常性開支之適當部分和轉包費用(如適用)。可變現淨值為日常業務過程中之估計售價減估計完成成本及銷售所需估計成本。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Mushrooms

The Group is involved in the agricultural activities of the transformation of biological assets into agricultural produce. The mushrooms are measured at fair value less costs to sell at initial recognition and at the end of each reporting period. The fair value of the mushrooms under growing period and harvest period are determined based on costs incurred to grow the mushroom and the market approach respectively. Gain or loss on initial recognition and from subsequent changes in fair value less costs to sell is included in profit or loss for the period in which it arises.

The mushrooms are initially measured at their fair value less costs to sell at the time of harvest. The fair value of the mushrooms is determined based on market prices in the local area. Gain on initial recognition at fair value less costs to sell is included in profit or loss for the period in which it arises.

The fair value less costs to sell at the time of harvest of the mushrooms becomes their cost for the measurement of inventories. Such inventories are subsequently stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(j) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4. 重大會計政策(續)

(i) 菇類

本集團從事將生物資產轉化為農產品的農業活動。菇類於初步確認時以及於各報告期間結束時按公允值減銷售成本計量。處於生長期及採收期的菇類的公允值乃分別按種植菇類所產生的成本及市場法而釐定。初步確認產生的盈虧以及其後之公允值變動減銷售成本乃於產生期間於損益確認。

菇類初步按公允值減收成時的銷售成本計量。菇類的公允值乃根據當地之市價釐定。按公允值減銷售成本而初步確認的收益乃於產生期間計入損益內。

公允值減菇類收成時的銷售成本為存貨計量時之成本值。有關存貨隨後按成本值與可變現淨值兩者中之較低者入賬。可變現淨值為正常業務過程中的估計售價減銷售所需的估計成本。

(j) 確認及終止確認金融工具

金融資產與金融負債乃於本集團實體成為工具合同條文之訂約方時於綜合財務狀況表上確認。

金融資產及金融負債初步按公平值計量。除按公平值計入損益之金融資產及金融負債外，收購或發行金融資產及金融負債直接產生之交易成本，於初步確認時按適用情況加入金融資產之公平值或自金融負債之公平值扣除。收購按公平值計入損益計量之金融資產或金融負債直接應佔之交易成本即時於損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Recognition and derecognition of financial instruments (Continued)

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(k) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt investments

Debt investments held by the Group are classified into the following measurement category.

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.

4. 重大會計政策(續)

(j) 確認及終止確認金融工具(續)

倘本集團自資產獲得現金流量之合約權利屆滿或倘轉讓金融資產及已轉讓該資產所有權的絕大部份風險及回報予另一實體，則本集團方會終止確認該項金融資產。倘本集團既無轉讓亦無保留所轉讓資產所有權的絕大部分風險及回報惟繼續控制該資產，則本集團將就其可能須支付的款項確認其於該資產的保留權益及相關負債。倘本集團保留所轉讓金融資產所有權的絕大部份風險及回報，則本集團會繼續確認該項金融資產，亦會就所收取所得款項確認抵押借款。

本集團於及僅於其責任已被解除、取消或屆滿時，終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價(包括任何已轉讓非現金資產或已承擔負債)間的差額於損益中確認。

(k) 金融資產

所有以正規途徑購入或銷售之金融資產乃按交易日期基準確認及取消確認。正規途徑買賣或銷售乃按市場法規或慣例所確定之時間框架內交付資產之金融資產購入或銷售。視乎金融資產的分類，所有已確認的金融資產其後按攤銷成本或公平值作整項計量。

債務投資

本集團持有的債務投資分類為以下計量類別。

- 按攤銷成本，倘所持投資用作收回合約現金流量(僅代表本金及利息付款)。投資的利息收入採用實際利率法計算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECL.

(n) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(o) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

4. 重大會計政策(續)

(l) 貿易及其他應收款項

應收款項於本集團有無條件權利收取代價時予以確認。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。如收益在本集團有無條件權利收取代價前經已確認，則金額呈列為合約資產。

應收款項以實際利率法減信貸虧損撥備按攤銷成本列賬。

(m) 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、銀行及其他金融機構的活期存款以及短期高流動性投資，該投資可隨時兌換成已知數額之現金而並無涉及重大變值風險。就綜合現金流量表而言，須按要求償還及組成本集團現金管理之一部分的銀行透支亦作為現金及現金等價物之部分入賬。現金及現金等價物須作出預期信貸虧損評估。

(n) 金融負債及股本工具

金融負債及股本工具乃根據所訂立合約安排的內容及國際財務報告準則項下金融負債和股本工具的定義分類。股本工具乃證明於本集團經扣除所有負債後的資產中擁有剩餘權益的任何合約。下文載列就特定金融負債及股本工具採納的會計政策。

(o) 借貸

借貸初步按公允值(扣除已產生的交易成本)確認，其後以實際利息法按攤銷成本計量。

除非本集團具無條件權利將負債還款期遞延至報告期末後至少12個月，否則借貸將被劃分為流動負債。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(q) Equity instruments

An equity instrument is any contract that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(r) Revenue recognition

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, 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.

Revenue from the sale agricultural products (king trumpet mushroom, shiitake mushroom), canned food, health care products, other processed food products and trading of fresh fruit, vegetable and frozen food is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

Dividend income is recognised when the shareholders' rights to receive payment are established.

Rental income is recognised on a straight-line basis over the lease term.

4. 重大會計政策(續)

(p) 貿易及其他應付款項

貿易及其他應付款項初步按其公允值確認，其後採用實際利率法按攤銷成本計量，除非貼現影響甚微，於此情況下，則以成本列賬。

(q) 股本工具

權益工具指能證明於實體扣除其所有負債後之資產中擁有之剩餘權益之任何合約。本公司所發行的股本工具按已收所得款項(已扣除直接發行成本)入賬。

(r) 收入確認

當產品或服務的控制權轉移給客戶時，按照本集團預期有權獲得的承諾代價金額確認收益，不包括代第三方收取的金額。收益不包括增值稅或其他銷售稅，並扣除任何貿易折扣。

銷售農產品(杏鮑菇、香菇)、罐頭食品、保健品、其他加工食品以及買賣新鮮水果、蔬菜及急凍食品的收益於轉移商品控制權時確認，即商品運送至客戶指定地點時(交付)。於交付後，客戶可全權酌情決定發貨方式及商品售價，並承擔轉售商品之主要責任及商品報廢及損失之風險。本集團於向客戶交付貨品時確認應收款項，原因是收取代價之權利於這時間點成為無條件，僅須待時間過去即可收取付款。

利息收入於產生時以實際利率法確認。就按攤銷成本計量或按公平值計入其他全面收益(可劃轉)且並無出現信貸減值的金融資產而言，則實際利率應用於資產的總賬面值。就出現信貸減值的金融資產而言，實際利率應用於資產的攤銷成本(即扣除虧損撥備的總賬面值)。

股息收入於股東收取款項之權利確立時確認。

租金收入在租期內按直線法確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Revenue recognition (Continued)

Policy prior to 1 January 2018

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group when specific criteria have been met for each of the Group's activities.

Revenues from the sales of goods are recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

Interest income is recognised on a time-proportion basis using the effective interest method.

Rental income is recognised on a straight-line basis over the lease term.

(s) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits, and when the Group recognises restructuring costs and involves the payment of termination benefits.

4. 重大會計政策(續)

(r) 收入確認(續)

於2018年1月1日前的政策

當收入金額可被可靠計量；未來經濟利益可能流入本集團及已就本集團各項活動達致特定標準時，方確認收入。

貨品的銷售收入於貨品的所有權的重大風險及回報轉移時(一般指貨品交付及所有權轉移予客戶時)確認。

利息收入按時間基準使用實際利率法確認。

租金收入於租期內以直線法予以確認。

(s) 僱員福利

(i) 僱員應享假期

僱員的年假及長期服務假期於僱員應享有時予以確認。截至報告期末，僱員所提供的服務而產生的年假及長期服務假期的估計負債已計提撥備。

僱員的病假及產假於僱員休假時方會確認。

(ii) 退休金責任

本集團為所有僱員提供定額供款退休計劃。本集團及僱員對計劃的供款乃按僱員的基本薪金的百分比計算。在損益內扣除的退休福利計劃成本乃指本集團應付該等基金的供款。

(iii) 離職福利

離職福利於本集團再無能力撤銷提供有關福利及本集團確認重組成本並包括支付離職福利之日期(以較早者為準)時確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees. Equity-settled share-based payments to directors and employees are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

Equity-settled share-based payments to consultants are measured at the fair value of the services rendered or, if the fair value of the services rendered cannot be reliably measured, at the fair value of the equity instruments granted. The fair value is measured at the date the Group receives the services and is recognised as an expense.

(u) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 重大會計政策(續)

(t) 以股份支付之支出

本集團向若干董事及僱員發放以權益結算股份為基礎之付款。向董事及僱員發放的以權益結算股份為基礎之付款於授出日期以權益工具的公允值計量(不包括非市場歸屬條件之影響)。按以權益結算股份為基礎之付款授出日期釐定之公允值，乃根據本集團估計最終歸屬之股份及就非市場歸屬條件調整，按歸屬期以直線法支銷。

向顧問發放以權益結算股份為基礎之付款按所提供服務的公平值計量，或如所提供服務的公平值不能可靠地計量，則按所授出股本工具的公平值計量。公平值乃按本集團獲取服務之日計量並確認為開支。

(u) 借貸成本

直接用作購入、建造或生產合資格資產(即需要相當長期間以達致其擬定用途或銷售的資產)的借貸成本資本化作為資產的部分成本，直至資產大致用作其擬定用途或銷售。特定用於合資格資產的借貸在其尚未支銷時用作短暫投資所賺取的投資收入，乃於合資格資本化的借貸成本內扣除。

倘一般性借入資金用於獲取一項合資格資產，合資格資本化的借貸成本金額乃按該資產支銷的資本化率釐定。資本化率為適用於本集團於期間未償還借貸的加權平均借貸成本，不包括為取得一項合資格資產而專門借入的借貸。

所有其他借貸成本均於產生期間於損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

(w) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, 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.

4. 重大會計政策(續)

(v) 政府補助

政府補助乃當可合理保證本集團將符合其所附帶條件且補助將可獲取時予以確認。

與收入有關之政府補助乃作遞延處理，並在與其擬補償之相關成本相配之期間內於損益內確認。

提供予本集團作為已產生開支或虧損的補償或給予即時財務援助而日後不再具有相關成本的政府補助，乃於可收取的期間在損益確認。

(w) 稅項

所得稅是指即期稅項及遞延稅項之總額。

即期應付稅項乃根據本年度之應課稅溢利計算。應課稅溢利與於損益確認的溢利有所不同，乃由於其他年度之應課稅或可予扣稅之收入或開支項目及免稅或不可扣稅之項目所致。本集團有關即期稅項之負債乃採用於報告期末已實行或實質已實行之稅率計算。

遞延稅項乃指在綜合財務報表內資產及負債之賬面值與採用應課稅溢利計算之相應稅基之差額。遞延稅項負債一般按所有應課稅暫時差額確認，而遞延稅項資產則會在預期應課稅溢利可供作抵銷可予扣減暫時差額、未動用稅項虧損或未動用稅項抵免時確認。倘暫時差額乃因商譽或首次確認一項既不影響應課稅溢利亦不影響會計溢利之交易（業務合併除外）中之其他資產及負債而產生，則不會確認有關資產及負債。

遞延稅項負債乃按於附屬公司及聯營公司之投資而產生之應課稅暫時差額確認入賬，惟倘本集團可控制暫時差額之撥回，並預期該暫時差額將不會在可見將來撥回者除外。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(x) Impairment of non-financial assets

Intangible assets that have an indefinite useful life or that are not yet available for use are reviewed for impairment annually and whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

The carrying amounts of other non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the CGU.

Value in use is the present value of the estimated future cash flows of the asset/CGU. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/CGU whose impairment is being measured.

4. 重大會計政策(續)

(w) 稅項(續)

遞延稅項資產之賬面值乃於各報告期末進行檢討，並調低至預期將不可能有充裕之應課稅溢利以收回所有或部份資產。

遞延稅項乃根據於報告期末已實行或實質實行之稅率，按預期在負債償還或資產變現期間適用之稅率計算。遞延稅項乃自損益中確認，惟倘遞延稅項於其他全面收益確認或直接於權益確認時，則在此情況下亦會於其他全面收益或直接於權益確認。

遞延稅項資產及負債之計量反映按照本集團預期於報告期末可收回或結算其資產及負債之賬面值方式計算而得出之稅務結果。

當可合法執行權利許可將即期稅項資產與即期稅項負債抵銷，並且當涉及與同一稅務機關所徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

(x) 非金融資產減值

擁有無限可使用年期或尚未可供使用之無形資產會每年進行減值檢討，並且當任何事件發生或情況改變顯示其賬面值可能無法收回時，亦會進行減值檢討。

其他非金融資產之賬面值於各報告期末檢討是否有減值跡象，倘資產已減值，則透過綜合損益表以開支撇減至其估計可收回金額。可收回金額乃就個別資產釐定，惟倘資產並無產生大部分獨立於其他資產或資產組合之現金流入，則可收回金額就資產所屬之現金產生單位釐定。可收回金額為個別資產或現金產生單位之使用價值與其公允值減出售成本兩者中之較高者。

使用價值為資產／現金產生單位估計未來現金流量之現值。現值按反映貨幣時間值及資產／現金產生單位(已計量減值)之特有風險之稅前貼現率計算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Impairment of non-financial assets (Continued)

Impairment losses for CGUs are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the CGU. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

(y) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

4. 重大會計政策(續)

(x) 非金融資產減值(續)

現金產生單位之減值虧損首先用於抵銷單位商譽，然後於現金產生單位的其他資產之間按比例分配。隨後估計變動導致的可收回金額增長計入損益，直至撥回減值。

(y) 金融資產減值

本集團就貿易應收款項確認預期信貸虧損的虧損撥備。於各報告日期對預期信貸虧損金額進行更新，以反映自各相關金融工具初步確認以來的信貸風險變動。

本集團就貿易應收款項確認全期預期信貸虧損。此等金融資產的預期信貸虧損乃根據本集團過往信貸虧損經驗使用撥備矩陣進行估計，並根據債務人特定因素、一般經濟狀況及對當前及報告日期的條件預測方向的評估，包括貨幣的時間價值(倘適用)而作出調整。

對於所有其他金融工具，倘自初始確認後信貸風險大幅增加，本集團確認全期預期信貸虧損。然而，倘自初始確認後金融工具的信貸風險並未大幅增加，則本集團乃按相等於12個月預期信貸虧損的金額計量該金融工具的虧損撥備。

全期預期信貸虧損指在金融工具預計使用期限內發生所有可能的違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損則指預期可能於報告日期後12個月內發生金融工具的違約事件而導致的部分全期預期信貸虧損。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Impairment of financial assets (Continued)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

4. 重大會計政策(續)

(y) 金融資產減值(續)

信貸風險大幅增加

在評估自初始確認以來金融工具信貸風險是否大幅增加時，本集團會比較截至報告日期金融工具發生違約風險與截至初始確認日期金融工具發生違約風險。對於此評估，本集團考慮合理及可靠的量性及質性的資料，包括過往經驗及無需付出不必要的成本或努力即可取得的前瞻性資料。所考慮的前瞻性資料包括從經濟專家報告、金融分析師、政府機構、相關智囊團及其他類似機構獲得的有關本集團債務人經營所在行業的未來前景，以及與本集團核心業務相關的實際及預測經濟資料的各種外部來源的考量。

尤其是，在評估自初始確認以來信貸風險是否顯著增加時，將考慮以下資料：

- 金融工具的外部(倘有)或內部信貸評級的實際或預期顯著惡化；
- 特定金融工具的外部市場信貸風險指標顯著惡化；
- 業務、財務或經濟條件出現或預期出現不利變動，可能導致債務人償債能力大幅下降；
- 債務人經營業績出現實際或預期出現顯著惡化；
- 同一債務人的其他金融工具的信貸風險顯著增加；
- 債務人的監管、經濟或技術環境出現實際或預期出現重大不利變動，可能導致債務人償債能力大幅下降。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (i) The financial instrument has a low risk of default,
- (ii) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
- (iii) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of “**investment grade**” in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of “**performing**”. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. 重大會計政策(續)

(y) 金融資產減值(續)

信貸風險大幅增加(續)

無論上述評估結果如何，本集團假設，於合約付款逾期超過30日時，一項金融資產的信貸風險已自初始確認起大幅增加，除非本集團有合理及可靠資料證明可予收回則當別論。

儘管如此，倘一項金融工具於報告日期被確定為信貸風險較低，則本集團假設該項金融工具的信貸風險自初始確認起並無重大增加。在下列情況下，一項金融工具被定為具有較低的信貸風險：

- (i) 該金融工具違約風險較低，
- (ii) 債務人近期具充分償付合約現金流量義務的能力，及
- (iii) 長遠而言經濟及業務狀況的不利變動可能但未必會降低借款人償付合約現金流量義務的能力。

按照全球理解的定義，當資產的外部信貸評級為「投資級別」，或資產的內部信貸評級為「履約」(倘並無外部)，則本集團會視該金融資產信貸風險偏低。履約指交易對手的財務狀況良好，且並無逾期款項。

本集團定期監察用以確定信貸風險曾否大幅增加的標準的成效，並適時作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險大幅增加。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Impairment of financial assets (Continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default or past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

4. 重大會計政策(續)

(y) 金融資產減值(續)

違約定義

本集團認為以下事項構成內部信貸風險管理違約事件，此乃由於過往經驗顯示符合以下任何一項標準的應收款項通常無法收回。

- 交易對手方違反財務契諾時；或
- 內部建立或自外部取得的資料顯示，債務人不大可能支付全額款項予債權人(包括本集團)(並未考慮本集團所持有的任何抵押品)。

倘不考慮上述分析，本集團認為，倘金融資產逾期超過90天，則違約已發生，除非本集團擁有合理及可靠資料顯示一項更滯後的違約標準較合適則當別論。

信貸減值的金融資產

當發生一項或多項事件對金融資產的未來現金流量的估計有不利影響時，則金融資產會已發生信貸減值。證明金融資產出現信貸減值包括以下事件的可觀察數據：

- 發行人或交易對手出現重大財務困難；
- 違反合約，如拖欠或逾期事件；
- 由於與交易對手財務困難相關的經濟或合約原因，交易對手的貸款人已向交易對手授予貸款方在其他情況概不考慮的讓步；或
- 交易對手可能破產或進行其他財務重組；或
- 財務困難導致該金融資產之活躍市場消失。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Impairment of financial assets (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

4. 重大會計政策(續)

(y) 金融資產減值(續)

撇銷政策

當有資料顯示債務人有嚴重財務困難及並無實際可收回預期，包括當債務人被清盤或已進入破產程序時，或倘為貿易應收款項，且該等款項已逾期兩年以上時(以較早發生者為準)，本集團會把該金融資產撇銷。根據本集團收回程序並考慮法律建議(如適用)，金融資產撇銷可能仍受到執法活動的約束。任何收回均於損益中確認。

計量及確認預期信貸虧損

計量預期信貸虧損乃指違約概率、違約虧損率程度(即倘違約虧損的程度)及違約風險的函數。評估違約概率及違約虧損率程度根據歷史數據作出，並根據上述前瞻性資料調整。關於違約風險，對於金融資產而言，乃指資產於報告日期的賬面總值。

就金融資產而言，預期信貸虧損乃估計為本集團根據合約應收所有合約現金流量與本集團預期將收回的所有現金流量之間的差額，並按最初實際利率貼現。

倘本集團已計量一項金融工具的虧損撥備金額等於前一個報告期間的全期預期信貸虧損的金額，但在當前報告日確定全期預期信貸虧損的條件不再滿足，則本集團按在當前報告日期相等於12個月預期信貸虧損的金額計量虧損撥備，惟使用簡化方法的資產則除外。

本集團於損益中確認所有金融工具的減值收益或虧損，並通過虧損撥備賬對其賬面值進行相應調整。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Impairment of financial assets (Continued)

Policy prior to 1 January 2018

At the end of each reporting period, the Group assesses whether its financial assets (other than those at fair value through profit or loss) are impaired, based on objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the (group of) financial asset(s) have been affected.

For trade receivables that are assessed not to be impaired individually, the Group assesses them collectively for impairment, based on the Group's past experience of collecting payments, an increase in the delayed payments in the portfolio, observable changes in economic conditions that correlate with default on receivables, etc.

Only for trade receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For all other financial assets, the carrying amount is directly reduced by the impairment loss.

For financial assets measured at amortised cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (either directly or by adjusting the allowance account for trade receivables) through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortised cost of the financial asset would have been had the impairment not been recognised at the date the impairment is reversed.

4. 重大會計政策(續)

(y) 金融資產減值(續)

於2018年1月1日前的政策

於各報告期末，本集團均會根據客觀證據（即（一組）金融資產之估計未來現金流量由於初步確認後發生之一項或多項事件而受到影響）評估其金融資產（按公允值計入損益賬的金融資產除外）有否減值。

就單獨評估並無減值之貿易應收款項而言，本集團將根據本集團之過往收款經驗、投資組合內延遲還款之增加、與應收款項違約情況有連帶關係之經濟狀況出現明顯改變等共同評估有否減值。

僅貿易應收款項之賬面值會使用撥備賬扣減，而其後收回之前已撤銷之數額乃計入撥備賬。撥備賬之賬面值變動於損益中確認。

就所有其他金融資產而言，賬面值會直接按減值虧損作出扣減。

就按攤銷成本計量的金融資產而言，倘減值虧損之金額於其後期間減少，而該減少可以客觀地與確認減值後發生之一項事件有關，則先前已確認之減值虧損透過損益撥回（直接或藉著調整貿易應收款項之撥備賬）。然而，撥回不得導致賬面值高於假使並無確認減值該項金融資產於撥回減值當日之攤銷成本。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

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 is remote. Possible obligations, whose existence 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 is remote.

(aa) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

5. KEY ESTIMATES

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, 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.

(a) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned.

The carrying amount of property, plant and equipment as at 31 December 2018 was approximately RMB175,594,000 (2017: RMB186,623,000).

4. 重大會計政策(續)

(z) 撥備及或然負債

當本集團因已發生的事件須承擔現有之法律或推定責任，而履行責任時有可能導致經濟利益流出時，並可作出估計責任金額的情況下，須對這些在時間或金額之不確定負債確認撥備。倘金額之時間價值為重要因素，則撥備之金額乃按預期用於解除該責任之支出之現值列賬。

倘使經濟利益流出的機會不大，或責任金額無法可靠估計，則責任乃披露為或然負債，除非經濟利益流出之可能性極低則另作別論。可出現之責任，即是否存在將取決於日後是否會發生一宗或多宗事件，除非經濟利益流出之可能性極低，否則這些負債亦披露為或然負債。

(aa) 報告期末後事項

為本集團於報告期末之狀況提供額外資料之報告期末後事項均屬於調整事項，並於綜合財務報表內反映。並非調整事項之重大報告期末後事項則於綜合財務報表附註中披露。

5. 主要估計

不確定估計的主要來源

下文討論有關未來的主要假設及於報告期間完結時的其他不確定估計的主要來源，而該等假設及不確定估計存在導致下一財政年度的資產及負債賬面值須作出重大調整的重大風險。

(a) 物業、廠房及設備及折舊

本集團自行釐定其物業、廠房及設備的估計可使用年期、剩餘價值及相關折舊開支。該等估計乃根據就類似性質及功能的物業、廠房及設備的實際可使用年期及剩餘價值之過往經驗作出。當可使用年期及剩餘價值與先前估計不同時，本集團將修訂折舊開支，或將已棄用之技術過時或非策略資產作出撤銷或撇減。

於2018年12月31日，物業、廠房及設備之賬面值約為人民幣175,594,000元（2017年：人民幣186,623,000元）。

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5. KEY ESTIMATES (Continued)

Key sources of estimation uncertainty (Continued)

(b) Fair values of biological assets

The Group appointed an independent professional valuer to assess the fair values of the biological assets. In determining the fair values, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation and input used are reflective of the current market conditions.

The carrying amount of biological assets as at 31 December 2018 was approximately RMB10,811,000 (2017: RMB13,580,000).

(c) Impairment of trade receivables

Prior to the adoption of IFRS 9 on 1 January 2018, the management of the Group assesses at the end of each reporting period whether there is any objective evidence that trade receivables are impaired. The provision policy for bad and doubtful debts of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of trade receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

As at 31 December 2017, the carrying amount of trade receivables is approximately RMB151,259,000 (net of allowance for doubtful debts of RMB Nil).

Since the adoption of IFRS 9 on 1 January 2018, the management of the Group estimates the amount of impairment loss for ECL on trade receivables based on the credit risk of trade receivables. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 31 December 2018, the carrying amount of trade receivables is approximately RMB181,269,000 (net of allowance for doubtful debts of approximately RMB8,849,000).

5. 主要估計(續)

不確定估計的主要來源(續)

(b) 生物資產的公允值

本集團委聘獨立專業估值師評估生物資產的公允值。在釐定公允值時，估值師使用涉及若干估計的估值方法。董事已作出判斷，信納所用之估值方法及輸入數據能反映現時的市況。

於2018年12月31日，生物資產之賬面值為約人民幣10,811,000元(2017年：人民幣13,580,000元)。

(c) 貿易應收款項減值

於2018年1月1日採納國際財務報告準則第9號之前，本集團管理層於各報告期末評估是否有任何客觀證據顯示貿易應收款項經已減值。本集團的壞賬及呆賬撥備政策乃基於對賬目可收回性的評估及賬齡分析及基於管理層的判斷。於評估貿易應收款項的最終可收回性時須作出大量判斷，包括各客戶當前的信譽及過往收款記錄。倘本集團客戶的財務狀況惡化，導致其付款能力受損，則或須計提額外撥備。

於2017年12月31日，貿易應收款項的賬面值為約人民幣151,259,000元(扣除呆賬撥備人民幣零元)。

自2018年1月1日採納國際財務報告準則第9號以來，本集團管理層根據貿易應收款項的信貨風險估計貿易應收款項的預期信貸虧損的減值虧損金額。根據預期信貸虧損模型計算的減值虧損金額按根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額(按初步確認時釐定之實際利率貼現)計量。若未來現金流量低於預期，或因事實及情況變化而下調，則可能出現重大減值虧損。

於2018年12月31日，貿易應收款項的賬面值為約人民幣181,269,000元(扣除呆賬撥備約人民幣8,849,000元)。

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5. KEY ESTIMATES (Continued)

Key sources of estimation uncertainty (Continued)

(d) Allowance for slow-moving inventories

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed. No allowance for slow-moving inventories was made for the year ended 31 December 2018 (2017: RMB Nil).

(e) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGU to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the end of the reporting period was approximately RMB359,323,000. No impairment has been recognised during the year.

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities, Hong Kong dollars ("HK\$"), United States dollars ("US\$") and RMB. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

5. 主要估計(續)

不確定估計的主要來源(續)

(d) 滯銷存貨撥備

滯銷存貨撥備乃根據存貨賬齡及估計可變現淨值作出。撥備金額的評估涉及判斷及估計。倘日後實際結果有別於原先估計，該等差額將影響估計變動的期間內存貨的賬面值及撥備計入／撥回。截至2018年12月31日止年度，概無就滯銷存貨作出撥備(2017年：人民幣零元)。

(e) 商譽減值

釐定商譽是否減值須對獲分配商譽之現金產生單位之使用價值作出估計。使用價值計算要求本集團估計預期產生自現金產生單位之未來現金流量及合適之折現率以計算現值。商譽於報告期末之賬面值為約人民幣359,323,000元。年內概無確認減值。

6. 財務風險管理

本集團的業務須承受多項財務風險：外匯風險、信貸風險、流動資金風險及利率風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，旨在盡可能減低對本集團財務表現構成的潛在不利影響。

(a) 外匯風險

由於本集團的絕大部分業務交易、資產及負債主要以本集團各實體的功能貨幣港元(「港元」)、美元(「美元」)及人民幣計價，故本集團須面對外匯風險的可能性甚微。本集團目前並無就外匯交易、資產及負債制訂任何外匯對沖政策。本集團會密切監察其外匯風險，並於有需要時考慮對沖重大外匯風險。

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6. FINANCIAL RISK MANAGEMENT (Continued)

(a) Foreign currency risk (Continued)

At 31 December 2018, if the HK\$ had weakened 1 per cent against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB3,100 (2017: RMB1,000) lower, arising mainly as a result of the foreign exchange loss on bank and cash balances denominated in HK\$. If the HK\$ had strengthened 1 per cent against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB3,100 (2017: RMB1,000) higher, arising mainly as a result of the foreign exchange gain on bank and cash balances denominated in HK\$.

At 31 December 2018, if the US\$ had weakened 1 per cent against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB1,244,000 (2017: RMB746,000) lower, arising mainly as a result of the net foreign exchange loss on bank and cash balances, trade receivables and trade payables denominated in US\$. If the US\$ had strengthened 1 per cent against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB1,244,000 (2017: RMB746,000) higher, arising mainly as a result of the net foreign exchange gain on bank and cash balances, trade receivables and trade payables denominated in US\$.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with high credit-rating assigned by international credit-rating agencies, for which the Group considers to have low credit risk.

6. 財務風險管理(續)

(a) 外匯風險(續)

於2018年12月31日，倘港元兌人民幣轉弱1%，而所有其他變量維持不變，年內綜合除稅後溢利將減少約人民幣3,100元（2017年：人民幣1,000元），主要由於以港元計值的銀行及現金結餘的外匯虧損。倘港元兌人民幣轉強1%，而所有其他變量維持不變，年內綜合除稅後溢利將增加約人民幣3,100元（2017年：人民幣1,000元），主要由於以港元計值的銀行及現金結餘的外匯收益。

於2018年12月31日，倘美元兌人民幣轉弱1%，而所有其他變量維持不變，年內綜合除稅後溢利將減少約人民幣1,244,000元（2017年：人民幣746,000元），主要由於以美元計值的銀行及現金結餘、貿易應收款項及貿易應付款項的淨外匯虧損。倘美元兌人民幣轉強1%，而所有其他變量維持不變，年內綜合除稅後溢利將增加約人民幣1,244,000元（2017年：人民幣746,000元），主要由於以美元計值的銀行及現金結餘、貿易應收款項及貿易應付款項的淨外匯收益。

(b) 信貸風險

信貸風險指一名對手方由於無法履行其金融工具或客戶合約項下責任而導致財務虧損的風險。本集團須承受其經營活動（主要為貿易應收款項）及其融資活動（包括銀行及金融機構的存款、外匯交易及其他金融工具）產生的信貸風險。本集團須承受現金及現金等價物產生的信貸風險有限，原因是對手方均為獲國際信貸評級機構給予高度信貸評級的銀行及金融機構，本集團視該等銀行及金融機構的信貸風險較低。

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6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30-90 days from the date of billing. Debtors with balances that are past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2018:

		Expected loss rate	Gross carrying amount	Loss allowance
		預期虧損率	賬面總值	虧損撥備
		%	RMB'000	RMB'000
		%	人民幣千元	人民幣千元
Current (not past due)	本期(未逾期)	4.7%	190,118	8,849

Expected loss rates are based on actual loss experience over the past 2 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.

6. 財務風險管理(續)

(b) 信貸風險(續)

貿易應收款項

各業務單位在本集團既有關於客戶信貸風險管理的政策、程序及監控規限下，管理客戶信貸風險。對於所有要求若干信貸金額之客戶均會進行個別信貸評估。此等評估主要針對客戶以往到期時之還款記錄及現時的還款能力，並考慮客戶的個別資料及客戶所處的經濟環境的資料。貿易應收款項由發出賬單當日起計30至90日內到期。餘額逾期的債務人須於結付所有未償還餘額後，方可獲授任何額外信貸。一般而言，本集團不向客戶收取抵押品。

本集團按照相當於整個期間預期信貸虧損的金額計量貿易應收款項的減值撥備，有關金額乃使用撥備矩陣計算得出。由於本集團的歷史信貸虧損經驗並無表明不同客戶分部的虧損模式有重大差異，因此並無進一步區分本集團不同客戶群按逾期狀況的虧損撥備。

下表提供截至2018年12月31日本集團貿易應收款項的信貸風險及預期信貸虧損的資料：

預期虧損率按過往兩年的實際虧損經驗計算。此等比率為反映期內(已於期內收集歷史數據)經濟狀況差異、當前狀況及本集團對應收款項預期存續期的經濟狀況之意見，而加以調整。

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6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Prior to 1 January 2018

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment. At 31 December 2017, none of the trade receivables was determined to be impaired. The ageing analysis of trade debtors that were not considered to be impaired was as follows:

		2017 2017年 RMB'000 人民幣千元
Neither past due nor impaired	並無逾期或減值	148,540
Up to 3 months	三個月內	2,503
3 to 6 months	三至六個月	216
		151,259

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

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.

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

6. 財務風險管理(續)

(b) 信貸風險(續)

於2018年1月1日前

於2018年1月1日前，減值虧損僅在有客觀減值證據時確認。於2017年12月31日，概無貿易應收款項釐定為減值。未視為減值的貿易應收款項之賬齡分析載列如下：

	2017 2017年 RMB'000 人民幣千元
Neither past due nor impaired	148,540
Up to 3 months	2,503
3 to 6 months	216
	151,259

並無逾期或減值的應收款項與最近並無違約記錄的多名客戶有關。

已逾期但未減值的應收款項與多名在本集團有良好往績記錄的獨立客戶有關。根據過往經驗，管理層相信，因信貸質量並無重大變動及結餘仍視作可悉數收回，故就此等結餘而言毋須作出減值撥備。

年內，有關貿易應收款項的虧損撥備賬變動如下：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
At 31 December under IAS 39	於12月31日(根據國際會計準則第39號)	-	-
Impact on initial application of IFRS 9 (note 3)	初次應用國際財務報告準則第9號的影響(附註3)	8,461	-
Adjusted balance at 1 January	於1月1日的經調整結餘	8,461	-
Impairment losses recognised for the year	年內確認的減值虧損	508	-
At 31 December	於12月31日的結餘	8,969	-

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6. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis based on contractual undiscounted cash flows of the Group's non-derivative financial liabilities is as follows:

6. 財務風險管理(續)

(c) 流動資金風險

本集團的政策為定期監察現時及預期的流動資金需要，以確保其維持足以應付短期及較長遠流動資金需要的現金儲備。

就本集團非衍生財務負債根據訂約未折現現金流量的到期日之分析載列如下：

		Less than 1 year 少於1年 RMB'000 人民幣千元	Between 1 and 2 years 1至2年 RMB'000 人民幣千元	Between 2 and 5 years 2至5年 RMB'000 人民幣千元	Over 5 years 超過5年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2018	於2018年 12月31日					
Trade payables	貿易應付款項	23,400	—	—	—	23,400
Accruals and other payables	應計費用及 其他應付款項	53,500	—	—	—	53,500
Bank loans	銀行貸款	28,294	—	—	—	28,294
Due to non-controlling interests	應付非控股權益 款項	1,151	—	—	—	1,151
Due to an associate	應付一間聯營公司 款項	3,468	—	—	—	3,468
		109,813	—	—	—	109,813
At 31 December 2017	於2017年 12月31日					
Trade payables	貿易應付款項	19,532	—	—	—	19,532
Accruals and other payables	應計費用及其他應 付款項	22,573	—	—	—	22,573
Bank loans	銀行貸款	10,113	—	—	—	10,113
Due to non-controlling interests	應付非控股權益 款項	5,245	—	—	—	5,245
		57,463	—	—	—	57,463

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6. FINANCIAL RISK MANAGEMENT (Continued)

(d) Interest rate risk

The Group's exposure to interest-rate risk arises from its bank deposits. These deposits bear interests at variable rates varied with the then prevailing market condition.

The Group's bank borrowing and certain of the Group's bank deposits bear interest at fixed rate and therefore is subject to fair value interest rate risk.

At 31 December 2018, it is estimated that a general increase/decrease of 10 basis points in interest rates, with all other variables held constant, would have increased/(decreased) the Group's profit after tax for the year as follows:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Increase/(decrease) in interest rates	利率增加／(減少)		
10 basis points	10個基點	790	800
(10) basis points	(10)個基點	(790)	(800)

The sensitivity analysis above indicates the impact on the Group's profit for the year and retained profits that would have arisen assuming that there is an annualised impact on interest income and expense by a change in interest rates. The analysis has been performed on the same basis thorough for the years ended 31 December 2018 and 2017.

本集團的利率風險主要來自銀行存款。該等存款乃浮息，因應當時的市況而定。

本集團的銀行借款及本集團的若干銀行存款乃定息，並因此遭受公允值利率風險。

於2018年12月31日，如所有其他可變因素維持不變，估計倘整體利率上升／下降10個基點，本集團的年內稅後溢利將增加／(減少)如下：

上述敏感度分析說明假設利率變動會對利息收入及開支產生年化影響，利率變動可能對本集團年內溢利及保留溢利產生的影響。該分析於截至2018年及2017年12月31日止年度按相同基準進行。

(e) Categories of financial instruments

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Financial assets:	金融資產：		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	—	1,350,654
Financial assets measured at amortised cost	按攤銷成本計量的金融資產	1,324,632	—
Financial liabilities:	金融負債：		
Financial liabilities at amortised cost	按攤銷成本列賬的金融負債	109,119	57,350

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair value.

6. 財務風險管理(續)

(d) 利率風險

本集團的利率風險主要來自銀行存款。該等存款乃浮息，因應當時的市況而定。

本集團的銀行借款及本集團的若干銀行存款乃定息，並因此遭受公允值利率風險。

於2018年12月31日，如所有其他可變因素維持不變，估計倘整體利率上升／下降10個基點，本集團的年內稅後溢利將增加／(減少)如下：

(e) 金融工具類別

(f) 公允值

本集團金融資產及金融負債於綜合財務狀況表反映的賬面值與其各自的公允值相若。

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7. REVENUE

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service line for the year is as follows:

Revenue from contracts with customer within the scope of IFRS 15 by major products or service lines.

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
King trumpet mushroom	杏鮑菇	352,903	372,734
Button mushroom, straw mushroom and shiitake mushroom	蘑菇、草菇及香菇	26,067	176,371
Healthcare products	保健品	142,063	—
Canned food	罐頭食品	79,123	65,448
Other processed food products	其他加工食品	19,345	33,692
Trading through domestic network	國內渠道銷售	299,157	160,812
International trading of food	國際食品貿易	88,388	255,197
		1,007,046	1,064,254

The Group derives revenue from the transfer of goods and services at a point in time.

The Group has initially applied IFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with IAS 18 and IAS 11.

7. 收入

收入劃分

年內，客戶合約收入按主要產品或服務劃分如下：

就主要貨品或服務按國際財務報告準則第15號範圍內來自客戶合約之收入。

本集團從某一時點轉移貨品及服務而取得收入。

本集團採用累計影響法初始應用國際財務報告準則第15號。根據該方法，比較資料並沒有重列，且根據國際會計準則第18號及國際會計準則第11號編製。

8. OTHER INCOME

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Exchange gain	匯兌收益	8,323	—
Government subsidies and awards (note)	政府補助及獎勵(附註)	—	998
Bank interest income	銀行利息收入	11,107	11,082
Rental income	租金收入	368	435
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	—	3
Scrap sales	銷售廢包	4,503	73
Others	其他	350	261
		24,651	12,852

Note: Government subsidies and awards mainly related to the subsidy received from the local government authority to support the local business development.

8. 其他收入

附註：政府補助及獎勵主要指從當地政府機構收取為支持當地業務發展的補助。

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9. SEGMENT INFORMATION

The Group has seven (2017: six) reportable segments as follows:

King trumpet mushroom	– Planting of king trumpet mushroom
Button mushroom, straw mushroom and shiitake mushroom	– Planting of button mushroom, straw mushroom and shiitake mushroom
Healthcare products	– Sales of self-developed healthcare products
Canned food	– Manufacturing and trading of canned food
Other processed food products	– Manufacturing and trading of other processed food products such as brined mushroom, preserved vegetables and dried mushroom and etc.
Trading through domestic network	– Trading of edible fungi and fresh fruit and vegetables in PRC
International trading of food	– Trading of edible fungi, fresh fruit and vegetables, canned food, frozen food, edible fungi healthcare products and etc other than in PRC

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment profits or losses do not include unallocated sales related tax, other taxes and auxiliary charges, selling expenses, administrative expenses, other income, finance costs and income tax expense. Segment assets include trade receivables, inventories, biological assets, and goodwill.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

9. 分部資料

本集團七個(2017年：六)可呈報分部如下：

杏鮑菇	– 種植杏鮑菇
蘑菇、草菇及香菇	– 種植蘑菇、草菇及香菇
保健品	– 銷售自有研發保健品
罐頭食品	– 生產及買賣罐頭食品
其他加工食品	– 生產及買賣其他加工食品，例如鹽水菇、醬腌菜及乾菇等
國內渠道銷售	– 於中國買賣食用菌、新鮮水果及蔬菜
國際食品貿易	– 於中國以外地區進行食用菌、新鮮水果及蔬菜、罐頭食品、急凍食品及食用菌類保健品等之貿易業務

本集團的可呈報分部乃為提供不同產品及服務的策略性業務單位。由於各業務要求不同技術及市場推廣策略，故各呈報分部乃分別管理。

經營分部會計政策與綜合財務報表附註4所述者相同。分部損益不包括未歸類的銷售相關稅、銷售相關稅、銷售開支、行政開支、其他收入、財務成本及所得稅開支。分部資產包括貿易應收款項、存貨、生物資產及商譽。

本集團將分部間銷售及轉撥視作向第三方進行銷售或轉撥處理，即以當前市價進行處理。

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9. SEGMENT INFORMATION (Continued)

Information about reportable segment profit or loss, assets and liabilities:

9. 分部資料(續)

有關可呈報分部損益、資產及負債的資料：

		King trumpet mushroom 杏鮑菇 RMB'000 人民幣千元	Button mushroom, straw mushroom and shiitake mushroom 蘑菇、草菇 及香菇 RMB'000 人民幣千元	Healthcare products 保健品 RMB'000 人民幣千元	Canned food 罐頭食品 RMB'000 人民幣千元	Other processed food products 其他加工食品 RMB'000 人民幣千元	Trading through domestic network 國內渠道銷售 RMB'000 人民幣千元	International trading of food 國際食品貿易 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Year ended 31 December 2018	截至2018年12月31日止年度								
Revenue from external customers	來自外部客戶的收入	352,903	26,067	142,063	79,123	19,345	299,157	88,388	1,007,046
Intersegment revenue	分部間收入	31,368	-	2,977	-	-	-	-	34,345
Segment profit/(loss)	分部溢利／（虧損）	91,809	(3,805)	59,205	13,443	3,748	7,083	2,554	174,037
Other material items of income and expense:	其他重大收入及支出項目：								
Income tax expense	所得稅開支	-	56	3,333	1,401	-	245	145	5,180
As at 31 December 2018	於2018年12月31日								
Segment assets	分部資產	182,793	3,305	66,180	17,817	3,651	200,675	30,105	504,526

		King trumpet mushroom 杏鮑菇 RMB'000 人民幣千元	Button mushroom, straw mushroom and shiitake mushroom 蘑菇、草菇 及香菇 RMB'000 人民幣千元	Healthcare products 保健品 RMB'000 人民幣千元	Canned food 罐頭食品 RMB'000 人民幣千元	Other processed food products 其他加工食品 RMB'000 人民幣千元	Trading through domestic network 國內渠道銷售 RMB'000 人民幣千元	International trading of food 國際食品貿易 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Year ended 31 December 2017	截至2017年12月31日止年度								
Revenue from external customers	來自外部客戶的收入	372,734	176,371	65,448	33,692	160,812	255,197	1,064,254	
Intersegment revenue	分部間收入	68	-	-	-	-	-	68	
Segment profit	分部溢利	110,278	81,429	15,068	5,879	12,224	20,249	245,127	
Other material items of income and expense:	其他重大收入及支出項目：								
Income tax expense	所得稅開支	-	56	1,975	-	7	1,553	3,591	
As at 31 December 2017	於2017年12月31日								
Segment assets	分部資產	187,552	4,288	9,486	4,230	-	104,854	310,410	

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9. SEGMENT INFORMATION (Continued)

9. 分部資料(續)

Reconciliations of reportable segment revenue, profit or loss and assets:

可呈報分部收入、損益及資產的對賬：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Revenue	收入		
Total revenue of reportable segments	可呈報分部的收入總額	1,041,391	1,064,322
Elimination of intersegment revenue	抵銷分部間收入	(34,345)	(68)
Consolidated revenue	綜合收入	1,007,046	1,064,254
Profit or loss	損益		
Total profit or loss of reportable segments	可呈報分部的損益總額	174,037	245,127
Elimination of intersegment profits	抵銷分部間溢利	13,264	14
Change in profit or loss from change in fair value of biological assets	生物資產公允值變動所產生的損益變動	(2,521)	(14,978)
Depreciation	折舊	(15,007)	(12,221)
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	(866)	(719)
Unallocated amounts	未分配款項	(21,664)	(33,198)
Consolidated profit for the year	年內綜合溢利	147,243	184,025
Assets	資產		
Total assets of reportable segments	可呈報分部的總資產	504,526	310,410
Unallocated amounts	未分配金額		
– Property, plant and equipment	– 物業、廠房及設備	175,594	186,623
– Prepaid land lease payments	– 預付土地租賃款項	38,569	32,065
– Bank and cash balances	– 銀行及現金結餘	1,026,829	1,056,631
– Investment in an associate	– 於一間聯營公司的投資	184,460	194,210
– Dividend receivable from an associate	– 應收一間聯營公司股息	31,168	–
– Others	– 其他	247,538	179,080
Consolidated total assets	綜合資產總值	2,208,684	1,959,019

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9. SEGMENT INFORMATION (Continued)

9. 分部資料(續)

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Geographical information:	地區資料：		
Revenue	收入		
PRC	中國		
– Eastern China	– 華東	258,852	353,636
– Southern China	– 華南	239,639	127,440
– Northern China	– 華北	29,782	51,857
– Central China	– 華中	188,201	175,577
– North Eastern China	– 中國東北	35	50,682
– South Western China	– 中國西南	21,120	21,287
– North Western China	– 中國西北	38,968	28,578
– Taiwan China	– 中國台灣	6,890	8,912
New Zealand	紐西蘭	–	4,351
Malaysia	馬來西亞	762	94,117
Philippines	菲律賓	701	4,633
Indonesia	印度尼西亞	–	1,828
Singapore	新加坡	142,061	20,764
United Kingdom	英國	4,105	8,392
Nigeria	尼日利亞	1,082	14,896
United States of America	美利堅合眾國	39,377	46,051
Belgium	比利時	9,954	10,640
Canada	加拿大	5,416	4,525
Germany	德國	997	4,034
Israel	以色列	2,639	10,193
Poland	波蘭	1,885	4,389
Others	其他	14,580	17,472
Consolidated total	綜合總計	1,007,046	1,064,254

In presenting the geographical information, revenue is prepared based on the shipment destination so that the economic environments, in which the goods are shipped, can be evaluated.

於呈列地區資料時，收入乃根據付運目的地劃分，故可評估所付運貨品目的地的經濟環境。

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9. SEGMENT INFORMATION (Continued)

Non-current assets

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Hong Kong	香港	605	785
PRC except Hong Kong	中國(香港除外)	757,999	571,435
Consolidated total	綜合總計	758,604	572,220

During the year, there was no individual customer with revenue from each of them accounted for 10% or more of the Group's total external revenue (2017: Nil).

9. 分部資料(續)

非流動資產

於本年度，並無個別客戶的收入各自佔本集團外部收入總額的10%或以上(2017年：無)。

10. FINANCE COSTS

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Interest on bank loans	銀行借款利息	1,543	542
Interest on other payables	其他應付款項利息	—	22
		1,543	564

10. 財務成本

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11. INCOME TAX EXPENSE

11. 所得稅開支

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Current tax - PRC	即期稅項－中國		
Provision for the year	年內撥備	1,716	2,054
Current tax - Hong Kong	即期稅項－香港		
Provision for the year	年內撥備	3,453	2,407
Under/(over) provision for prior year	以往年度撥備不足／(超額撥備)	11	(870)
		5,180	3,591

Hong Kong Profits Tax has been provided at 16.5% based on the assessable profit for the year (2017: 16.5%).

香港利得稅乃按本年度應課稅溢利以16.5%的稅率計提(2017年：16.5%)。

On 21 March 2018, the Inland Revenue (Amendment) (No. 7) Bill 2017, which introduces a two-tiered profits tax regime, was substantively enacted. Under the two-tiered profits tax regime, the first HK\$2 million of assessable profits of qualifying corporations will be taxed at 8.25% with effect from the year assessment 2018/2019. Profits above HK\$2 million will continue to be subject to the tax rate of 16.5%.

於2018年3月21日，引入兩級制利得稅制度的2017年稅務(修訂)(第7號)條例草案被實質性立法。根據兩級制利得稅制度，合資格實體的首2百萬港元應課稅溢利將自2018/2019課稅年度起以8.25%的稅率徵稅。超過2百萬港元之溢利將繼續以16.5%的稅率徵稅。

PRC Enterprise Income Tax has been provided at a rate of 25% (2017: 25%).

中國企業所得稅已按25%(2017：25%)稅率計提。

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

其他地區應課稅溢利的稅項支出乃根據本集團經營所在國家的現行法例、詮釋及慣例按其現行稅率計算。

Under the Law of PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards except as described below.

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，自2008年1月1日起，中國附屬公司稅率為25%，惟下述者除外。

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11. INCOME TAX EXPENSE (Continued)

According to the EIT Law, income derived from primary processing of agricultural produce is exempt from the PRC Enterprise Income Tax. The production and trading of mushroom of certain of the subsidiaries are recognised as primary processing of agricultural produce under the EIT Law and therefore are exempt from the PRC Enterprise Income Tax commenced from 1 January 2008. The following subsidiaries are recognised as primary processing of agricultural produce which obtained the exemption from the PRC Enterprise Income Tax:

Year ended 31 December 2017 and 2018

綠寶生態農業(漳州)有限公司
(Greenfresh Ecological Agriculture (Zhangzhou) Company Limited)
("Greenfresh Ecological Agriculture")

漳州盛泰農業開發有限公司
(Zhangzhou Shengtai Agricultural Development Company Limited)
("Shengtai Agricultural Development")

漳州景翔食品有限公司
(Zhangzhou Jingxiang Foods Company Limited)
("Jingxiang Foods")

綠寶(南昌)生物科技有限公司
(Greenfresh (Nanchang) Biological Technology Limited)
("Greenfresh Nanchang")

綠寶(新疆)生物科技有限公司
(Greenfresh (Xinjiang) Biological Technology Limited)
("Xinjiang Greenfresh")

河北綠寶生物科技有限公司
(Hebei Greenfresh Biological Technology Limited)
("Hebei Greenfresh")

平泉縣綠河生物科技有限公司
(Pingquan County Lvhe Biotechnology Co., Limited)
("Lvhe")

漳州市長豐食用菌有限公司
(Zhangzhou Changfeng Edible Fungi Co., Limited)
("Zhangzhou Changfeng")

Year ended 31 December 2018

長沙森泰農產品有限公司
("Changsha Sentai")

西安弘野展信農副產品有限公司
("Xian Hongye")

佛山市綠貴鮮供應鏈管理有限公司
("Foshan Lvguixian")

南昌佰心通禾農產品有限公司
("Nanchang Baixintong")

11. 所得稅開支(續)

根據企業所得稅法，農產品初加工業務所產生的收入將獲豁免繳納中國企業所得稅。若干附屬公司的菇類生產及買賣業務獲確認為企業所得稅法中農產品初加工業務，故從2008年1月1日起獲豁免繳納中國企業所得稅。以下附屬公司獲確認為農產品初加工業務，獲豁免繳納中國企業所得稅：

截至2017年及2018年12月31日止年度

綠寶生態農業(漳州)有限公司
(「綠寶生態農業」)

漳州盛泰農業開發有限公司
(「盛泰農業開發」)

漳州景翔食品有限公司
(「景翔食品」)

綠寶(南昌)生物科技有限公司
(「綠寶南昌」)

綠寶(新疆)生物科技有限公司
(「新疆綠寶」)

河北綠寶生物科技有限公司
(「河北綠寶」)

平泉縣綠河生物科技有限公司
(「綠河」)

漳州市長豐食用菌有限公司
(「漳州長豐」)

截至2018年12月31日止年度

長沙森泰農產品有限公司
(「長沙森泰」)

西安弘野展信農副產品有限公司
(「西安弘野」)

佛山市綠貴鮮供應鏈管理有限公司
(「佛山市綠貴鮮」)

南昌佰心通禾農產品有限公司
(「南昌佰心通」)

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11. INCOME TAX EXPENSE (Continued)

The reconciliation between the income tax expense and the product of profit before tax multiplied by the PRC Enterprise Income Tax rate is as follows:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Profit before tax	稅前溢利	152,423	187,616
Tax at the domestic income tax rate of 25%	按25%國內所得稅率計算的稅項	38,106	46,863
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	(10,140)	(4,574)
Tax effect of expenses that are not deductible	不獲扣減開支的稅務影響	7,044	15,717
Tax effect of tax concession	稅項優惠的稅務影響	(24,918)	(52,069)
Tax effect of tax rate in different jurisdiction	不同司法權區稅率差異的稅務影響	(4,501)	(1,479)
Tax effect of temporary differences not recognised	未確認之暫時差額的稅務影響	6	3
Effect of different tax rates of subsidiaries	附屬公司稅率不同之影響	(428)	—
Under/(over) provision in prior year	以往年度撥備不足／(超額撥備)	11	(870)
Income tax expense	所得稅開支	5,180	3,591

Pursuant to the EIT Law, the subsidiaries incorporated in the PRC are required to withhold 10% PRC enterprise income tax when it distributes dividends to its non-PRC resident enterprise shareholders. According to the tax treaty between Hong Kong Special Administrative Region and the PRC for avoidance of double taxation and prevention of tax evasion, dividends declared from PRC subsidiaries to Hong Kong holding companies are subject to 5% withholding income tax from 1 January 2008 and onwards. At the end of the reporting period, the temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised is approximately RMB69,070,000 (2017: RMB65,423,000).

11. 所得稅開支(續)

所得稅開支與除稅前溢利乘以中國企業所得稅率所得值的對賬如下：

根據企業所得稅法，於中國註冊成立的附屬公司向非中國居民企業股東派發股息時，須代扣代繳10%企業所得稅。根據香港特別行政區與中國就避免雙重徵稅及防止偷漏稅的稅務協定，中國附屬公司向香港控股公司宣派的股息自2008年1月1日及以後須代扣代繳5%的所得稅。報告期末，與附屬公司尚未分派盈利有關而並未確認遞延稅項負債的暫時差額約為人民幣69,070,000元(2017年：人民幣65,423,000元)。

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12. PROFIT FOR THE YEAR

12. 年內溢利

The Group's profit for the year is stated after charging/(crediting) the following:

本集團年內溢利已扣除／(計入)下列各項：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	866	719
Acquisition related cost (included in administrative expenses)	收購相關成本(計入行政開支)	—	236
Depreciation	折舊	15,007	12,221
Impairment loss on trade and other receivables	貿易及其他應收款項之減值虧損	508	—
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備的虧損／(收益)	27	(3)
Operating lease charges	經營租賃開支		
– Land and buildings	– 土地及樓宇		
– Minimum lease payments	– 最低租賃付款	5,317	21,156
– Others	– 其他		
– Minimum lease payments	– 最低租賃付款	—	294
Equity-settled share-based payment to consultants	向顧問發放以權益結算股份為基礎之付款	8,669	—
Research and development expenditure	研發開支	3,873	4,062
Auditor's remuneration	核數師酬金		
– Current	– 即期	2,237	1,410
Cost of inventories sold	已出售存貨成本	905,741	991,808
Fair value change of biological assets	生物資產公允值變動		
– realised	– 已變現	70,128	154,712
– unrealised	– 未變現	470	2,991

Cost of inventories sold includes staff costs, depreciation and operating lease charges of approximately RMB31,385,000, RMB10,108,000 and RMB3,204,000 respectively, (2017: RMB24,432,000, RMB8,611,000 and RMB19,843,000) which are included in the amounts disclosed separately above.

已出售存貨成本包括員工成本、折舊及經營租賃開支，分別約為人民幣31,385,000元、人民幣10,108,000元及人民幣3,204,000元（2017年：人民幣24,432,000元、人民幣8,611,000元及人民幣19,843,000元），均已計入上文分別披露的金額。

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13. EMPLOYEE BENEFITS EXPENSE

13. 僱員福利費用

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Employee benefits expense:	僱員福利費用：		
– Salaries, bonus and allowances	– 薪金、花紅及津貼	34,495	30,857
– Equity-settled share-based payments	– 以權益結算股份為基礎之付款	7,685	7,431
– Retirement benefit scheme contribution	– 退休福利計劃供款	6,988	5,806
		49,168	44,094

Five highest paid individuals

五名最高薪酬人士

The five highest paid individuals in the Group during the year included 1 (2017: 3) director who emoluments are reflected in the analysis presented in note 14. The emoluments of the remaining 4 (2017: 2) individuals are set out below:

於年內，本集團五名最高薪酬人士包括1名（2017年：3名）董事，而該等董事之酬金於附註14呈報的分析中反映。其餘4名（2017年：2名）人士之酬金如下所示：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	191	186
Equity-settled share-based payments	以權益結算股份為基礎之付款	1,560	649
Retirement benefit scheme contributions	退休福利計劃供款	35	12
		1,786	847

The emoluments fell within the following band:

薪酬級別如下所示：

		2018 2018年	2017 2017年
Nil to HK\$1,000,000 (approximately RMB866,000)	零至1,000,000港元 (約人民幣866,000元)	5	4
HK\$1,000,001 to HK\$2,000,000 (approximately RMB866,001 to RMB1,732,000)	1,000,001港元至2,000,000港元 (約人民幣866,001元至 人民幣1,732,000元)	–	1

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14. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of every director is set out below:

14. 董事福利及權益

(a) 董事酬金

各董事之酬金如下所示：

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任(不論為本公司或其附屬公司)董事職務已付或應收之酬金							Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking 董事就管理本公司或其附屬公司事務的其他服務已付或應收之酬金	Total
		Fees	Salaries	Discretionary bonus	(Note (i)) Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director	Housing allowance		
		袍金	薪金	酬情花紅	(附註(i)) 其他福利之估計現金價值	僱主就退休福利計劃作出之供款	就接受委任為董事已付或應收酬金	住房津貼		總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors:	執行董事：									
- Zheng Songhui	- 鄭松輝	-	600	-	-	9	-	-	-	609
- Zheng Tianming	- 鄭天明	-	97	-	-	9	-	-	-	106
- Zheng Ruyan (note ii)	- 鄭如燕(附註ii)	-	272	-	-	3	-	-	-	275
Non-executive director:	非執行董事：									
- Zhang Lin	- 張琳	-	-	-	-	-	-	-	-	-
- Zheng Kangbin (note iii)	- 鄭康彬(附註iii)	-	-	-	-	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事：									
- Mak Hing Keung, Thomas (note iv)	- 麥興強(附註iv)	49	-	-	-	-	-	-	-	49
- Lou Robert Hsiu-sung	- 樓秀嵩	86	-	-	-	-	-	-	-	86
- Cheng Hiu Yung	- 鄭曉勇	86	-	-	-	-	-	-	-	86
- Li Wai Kiwan (note v)	- 李偉君(附註v)	70	-	-	-	-	-	-	-	70
Total for 2018	2018年之總計	291	969	-	-	21	-	-	-	1,281

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14. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' emoluments (Continued)

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任(不論為本公司或其附屬公司)董事職務已付或應收之酬金							Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking 董事就管理本公司或其附屬公司事務的其他服務已付或應收之酬金	Total
		Fees	Salaries	Discretionary bonus	(Note (i)) Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director	Housing allowance		
		袍金 RMB'000 人民幣千元	薪金 RMB'000 人民幣千元	酬情花紅 RMB'000 人民幣千元	(附註(ii)) 其他福利之估計現金價值 RMB'000 人民幣千元	僱主就退休福利計劃作出之供款 RMB'000 人民幣千元	就接受委任為董事已付或應收酬金 RMB'000 人民幣千元	住房津貼 RMB'000 人民幣千元	董事就管理本公司或其附屬公司事務的其他服務已付或應收之酬金 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Executive directors:	執行董事:									
- Zheng Songhui	- 鄭松輝	-	600	-	519	8	-	-	-	1,127
- Zheng Tianming	- 鄭天明	-	90	-	389	8	-	-	-	487
- Zheng Ruyan	- 鄭如燕	-	438	-	389	3	-	-	-	830
Non-executive director:	非執行董事:									
- Zhang Lin	- 張琳	-	-	-	-	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事:									
- Mak Hing Keung, Thomas	- 麥興強	86	-	-	-	-	-	-	-	86
- Lou Robert Hsiu-sung	- 樓秀嵩	86	-	-	-	-	-	-	-	86
- Cheng Hiu Yung	- 鄭曉勇	86	-	-	-	-	-	-	-	86
Total for 2017	2017年之總計	258	1,128	-	1,297	19	-	-	-	2,702

Neither the chief executive nor any of the directors waived any emoluments during the year (2017: RMB Nil).

Note:

- (i) Estimated money values of other benefits include share options
- (ii) Resigned on 19 October 2018
- (iii) Appointed on 19 October 2018
- (iv) Resigned on 20 July 2018
- (v) Appointed on 20 July 2018

於年內，概無主要行政人員及董事放棄任何酬金(2017年：人民幣零元)。

附註：

- (i) 其他福利之估計現金價值包括購股權
- (ii) 於2018年10月19日辭任
- (iii) 於2018年10月19日獲委任
- (iv) 於2018年7月20日辭任
- (v) 於2018年7月20日獲委任

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14. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(b) Directors' material interests in transactions, arrangements or contracts

Other than those disclosed in the consolidated financial statements, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

14. 董事福利及權益(續)

(b) 董事於交易、安排或合約中的重大權益

除已於綜合財務報表披露者外，於年末或年內的任何時間，本公司概無就本集團業務訂立使本公司董事及董事之關連方直接或間接擁有重大權益之重要交易、安排或合約。

15. DIVIDENDS

Dividends payable to owners of the Company attributable to the previous financial year, approved and paid during the year:

15. 股息

過往財政年度應佔應付本公司擁有人之股息(於年內批准及派付)：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$ Nil per ordinary share (equivalent RMB Nil cents per ordinary share) (2017: HK\$2.00 cents per ordinary share (equivalent to approximately RMB1.74 cents per ordinary share))	有關過往財政年度之末期股息(於年內批准及派付) 每股普通股零港元(相當於每股普通股人民幣零分)(2017年：每股普通股2.00港仙(相當於每股普通股約人民幣1.74分))	—	9,333

16. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately RMB143,699,000 (2017: RMB184,551,000) for the year ended 31 December 2018 and the weighted average number of ordinary shares of 1,115,655,397 (2017: 1,073,890,411) in issue during the year.

The calculation of diluted earnings per share attributable to owners of the Company for the year, is based on the profit for the year attributable to owners of the Company of approximately RMB143,699,000 (2017: RMB184,551,000) and the weighted average number of ordinary shares of 1,115,655,397 (2017: 1,073,890,411) in issue during the year, plus the effect of dilutive potential ordinary shares arising from share options issued by the Company during the year of 68,904 (2017: 6,124,260) shares, arrived at the weighted average number of ordinary shares for the purpose of calculating diluted earnings per share of ordinary shares of 1,115,724,301 (2017: 1,080,014,671).

16. 每股盈利

本公司擁有人應佔每股基本盈利乃根據截至2018年12月31日止年度本公司擁有人應佔年內溢利約人民幣143,699,000元(2017年：人民幣184,551,000元)，以及按年內已發行普通股的加權平均數1,115,655,397股(2017年：1,073,890,411股)計算。

本公司擁有人應佔年內每股攤薄盈利乃根據本公司擁有人應佔年內溢利約人民幣143,699,000元(2017年：人民幣184,551,000元)，以及按年內已發行普通股的加權平均數1,115,655,397股(2017年：1,073,890,411股)計算，加上本公司於年內發行68,904股(2017年：6,124,260股)購股權產生具攤薄效應之潛在普通股之影響，達至普通股的加權平均數以計算1,115,724,301股(2017年：1,080,014,671股)普通股之每股攤薄盈利。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Buildings	Plant and machinery	Leasehold improvements	Motor vehicles	Office equipment and others	Construction in progress	Total
		樓宇 RMB'000 人民幣千元	廠房及設備 RMB'000 人民幣千元	租賃裝修 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	辦公室設備及其他 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost	成本							
At 1 January 2017	於2017年1月1日	118,546	62,790	3,307	3,285	4,778	41,648	234,354
Additions	添置	51	1,058	332	35	89	3,682	5,247
Acquisition of a subsidiary	收購一間附屬公司	1,455	12,111	-	-	41	-	13,607
Transfer	轉撥	2,713	4,249	-	-	-	(6,962)	-
Disposals	出售	-	(515)	-	(300)	-	-	(815)
At 31 December 2017 and 1 January 2018	於2017年12月31日及2018年1月1日	122,765	79,693	3,639	3,020	4,908	38,368	252,393
Additions	添置	-	841	-	-	8	2,049	2,898
Acquisition of subsidiaries	收購附屬公司	1,021	3	-	7	101	-	1,132
Transfer	轉撥	31,001	-	-	-	2,615	(33,616)	-
Disposals	出售	-	(150)	-	-	(9)	-	(159)
At 31 December 2018	於2018年12月31日	154,787	80,387	3,639	3,027	7,623	6,801	256,264
Accumulated depreciation	累計折舊							
At 1 January 2017	於2017年1月1日	21,632	24,266	3,303	1,806	3,133	-	54,140
Charge for the year	年內計提	6,258	5,153	23	408	379	-	12,221
Disposals	出售	-	(321)	-	(270)	-	-	(591)
At 31 December 2017 and 1 January 2018	於2017年12月31日及2018年1月1日	27,890	29,098	3,326	1,944	3,512	-	65,770
Charge for the year	年內計提	7,425	6,539	68	278	697	-	15,007
Disposals	出售	-	(99)	-	-	(8)	-	(107)
At 31 December 2018	於2018年12月31日	35,315	35,538	3,394	2,222	4,201	-	80,670
Carrying amount	賬面值							
At 31 December 2018	於2018年12月31日	119,472	44,849	245	805	3,422	6,801	175,594
At 31 December 2017	於2017年12月31日	94,875	50,595	313	1,076	1,396	38,368	186,623

At 31 December 2018, the carrying amount of property, plant and equipment pledged as security for the Group's bank loans amounted to approximately RMB3,879,000 (2017: RMB19,334,000).

於2018年12月31日，就本集團銀行貸款作抵押的物業、廠房及設備的賬面值約為人民幣3,879,000元(2017年：人民幣19,334,000元)。

Certain buildings constructed on the leased land for which the Group had not applied for the property ownership certificate amounted to approximately RMB1,617,000 as at 31 December 2018 (2017: RMB813,000). Such leased land are used by the Group for production of canned food and other processed food.

於2018年12月31日，本集團並未就建於租賃土地的若干樓宇金額為約人民幣1,617,000元(2017年：人民幣813,000元)申請房屋所有權證。本集團將有關租賃土地用作生產罐頭食品及其他加工食品。

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18. GOODWILL

18. 商譽

		RMB'000 人民幣千元
Cost	成本	
At 1 January 2017	於2017年1月1日	—
Arising in acquisition of a subsidiary (note 38a), at 31 December 2017 and 1 January 2018	於2017年12月31日及2018年1月1日 因收購一間附屬公司而產生(附註38a)	158,648
Arising on acquisition of subsidiaries (note 38b)	因收購附屬公司而產生 (附註38b)	200,675
At 31 December 2018	於2018年12月31日	359,323
Accumulated impairment	累計減值	
At 1 January 2017, 31 December 2017, 1 January 2018 and 31 December 2018	於2017年1月1日、2017年12月31日、 2018年1月1日及2018年12月31日	—
Carrying amount	賬面值	
At 31 December 2018	於2018年12月31日	359,323
At 31 December 2017	於2017年12月31日	158,648

Goodwill acquired in a business combination is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination. The carrying amount of goodwill (net of accumulated impairment losses) had been allocated as follows:

於業務合併中收購的商譽在收購時分配予預期自該業務合併獲益之現金產生單位。商譽賬面值(扣除累計減值虧損)已分配如下：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
King trumpet mushroom	杏鮑菇		
Mega Rainbow International Limited	兆虹國際有限公司	158,648	158,648
Trading through domestic network	國內渠道銷售		
Changsha Sentai	長沙森泰	48,726	—
Xian Hongye	西安弘野	53,365	—
Foshan Lvguixian	佛山市綠貴鮮	48,882	—
Nanchang Baixintong	南昌佰心通	49,702	—
		359,323	158,648

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18. GOODWILL (Continued)

The recoverable amounts of the CGUs have been determined on the basis of their value in use using discounted cash flow method. The key assumptions for the discounted cash flow method are those regarding the discount rates, growth rates and budgeted gross margin and turnover during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on long-term average economic growth rate of the geographical area in which the businesses of the CGUs operate. Budgeted gross margin and turnover are based on past practices and expectations on market development.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years with the residual period using the growth rate of 3.00%. This rate does not exceed the average long-term growth rate for the relevant markets.

The rate used to discount the forecast cash flows from the Group's king trumpet mushroom segment is 16.59% and trading through domestic network is 12.48%.

18. 商譽(續)

現金產生單位的可收回金額乃採用折現現金流量法按其使用價值釐定。折現現金流量法涉及的主要假設為與期內的折現率、增長率及預算毛利率與營業額相關之假設。本集團估計折現率時採用反映對貨幣時間值之現行市場評估及現金產生單位特有風險之稅前折現率。增長率乃基於現金產生單位業務經營所在地區之長期平均經濟增長率得出。預算毛利率與營業額乃基於過往慣例及對市場發展之預期得出。

本集團編製之現金流量預測乃按最近期由董事批准之未來五年財務預算以及餘下期間採用3.00%之增長率計算。該增長率並不超出有關市場的平均長期增長率。

用以折現本集團杏鮑菇分部的預測現金流量之折現率為16.59%，而國內渠道銷售為12.48%。

19. INVESTMENT IN AN ASSOCIATE

19. 於一間聯營公司的投資

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Unlisted investment:	非上市投資：		
Share of net assets	應佔資產淨值	36,545	46,295
Goodwill	商譽	147,915	147,915
		184,460	194,210

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19. INVESTMENT IN AN ASSOCIATE (Continued)

Details of the Group's associate at 31 December 2018 are as follows:

19. 於一間聯營公司的投資(續)

本集團聯營公司於2018年12月31日之詳情如下：

Name	Place of incorporation/ registration 註冊成立/ 註冊地點	Paid-up issued share capital 繳足已發行股本	Percentage of ownership interest/ voting power 佔擁有權權益/ 投票權百分比	Principal activities
名稱				主要業務
(Guangxi Jiabao Food Group Co., Ltd.) ("Guangxi Jiabao") 廣西嘉寶食品集團有限公司 (「廣西嘉寶」)	PRC 中國	RMB46,000,000 人民幣46,000,000元	48.70%	Sales and processing of canned food, quick-freezing for fruit and vegetables, sales and production of frozen food and cultivation of agricultural products in the PRC 於中國銷售及加工罐頭食品、速凍水果及蔬菜、銷售及生產急凍食品，以及種植農產品

The following table shows information of an associate of the Group. The associate is accounted for in the consolidated financial statements using the equity method. The summarised financial information presented is based on the IFRS financial statements of the associate.

下表顯示本集團一間聯營公司之資料。該聯營公司採用權益法於綜合財務報表中入賬。所呈列的財務資料概要乃基於該聯營公司根據國際財務報告準則編製的財務報表。

Name
名稱

Guangxi Jiabao
廣西嘉寶

Principal place of business/country of incorporation
主要營業地點／註冊成立國家

PRC
中國

Principal activities
主要業務

Sales and processing of canned food, quick-freezing for fruit and vegetables, sales and production of frozen food and cultivation of agricultural products in the PRC
於中國銷售及加工罐頭食品、速凍水果及蔬菜、銷售及生產急凍食品，以及種植農產品

% of ownership interests/voting rights held by the Group
本集團持有的擁有權權益／投票權之百分比

48.70%

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19. INVESTMENT IN AN ASSOCIATE (Continued)

19. 於一間聯營公司的投資(續)

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
At 31 December 2018:	於2018年12月31日：		
Non-current assets	非流動資產	35,705	45,705
Current assets	流動資產	112,709	89,863
Non-current liabilities	非流動負債	—	(1,573)
Current liabilities	流動負債	(73,374)	(38,934)
Net assets	資產淨值	75,040	95,061
Group's share of net assets	本集團應佔資產淨值	36,545	46,295
Goodwill	商譽	147,915	147,915
Group's share of carrying amount of interests	本集團應佔權益賬面值	184,460	194,210
Revenue	收入	243,274	—
Profit before tax	除稅前溢利	55,447	—
Profit after tax	除稅後溢利	54,174	—
Other comprehensive income	其他全面收益	—	—
Total comprehensive income	全面收益總額	54,174	—
Dividend receivable from an associate	自一間聯營公司收取之股息	31,168	—

20. PREPAID LAND LEASE PAYMENTS

20. 預付土地租賃款

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
At 1 January	於1月1日	32,065	32,784
Additions	添置	7,370	—
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	(866)	(719)
At 31 December	於12月31日	38,569	32,065

The Group's prepaid land lease payments represent payments for land use rights in the PRC under medium term leases.

本集團的預付土地租賃款指於中國就根據中期租賃支付的土地使用權款項。

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21. OTHER ASSETS

Other assets of the Group represented the rental prepaid for a piece of land on 1 December 2008 of 50 years for mushroom plantation purposes.

21. 其他資產

本集團的其他資產指於2008年12月1日就一幅土地預付的租金，為期50年，用作菇類種植。

22. INVENTORIES

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Raw materials	原材料	3,520	4,194
Work in progress	在製品	19,260	12,056
Finished goods	產成品	1,919	1,607
		24,699	17,857

22. 存貨

23. BIOLOGICAL ASSETS

The Group is engaged in mushroom plantation for supply to customers.

23. 生物資產

本集團從事菇類種植以向客戶供應。

Reconciliation of carrying amount of mushroom:

菇類的賬面值對賬如下：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
At 1 January	於1月1日	13,580	59,319
Increases due to plantation	因種植而增加	108,941	151,740
Gain from changes in fair value less costs to sell	公允值變動減銷售成本所產生之收益	70,598	157,703
Acquisition of a subsidiary	收購一間附屬公司	—	5,734
Decreases due to harvest	因採收而減少	(182,308)	(360,916)
At 31 December	於12月31日	10,811	13,580

Gain from changes in fair value less cost to sell included those biological assets sold during the year (realised) and those biological assets not yet sold as at the end of the reporting period (unrealised).

公允值變動減銷售成本所產生之收益包括於年內已出售的生物資產(已變現)以及截至報告期末尚未出售的生物資產(未變現)。

Biological assets were mushroom and were stated at fair value less costs to sell as at the end of the reporting period. The fair value was determined by the professional valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited with reference to market-determined prices, cultivation areas, species, growing conditions, cost incurred and expected yield of crops.

生物資產為菇類，其於報告期末按公允值減銷售成本列賬。公允值乃由專業估值師仲量聯行企業評估及諮詢有限公司參考市場定價、種植面積、品種、生長情況、所涉成本及預期之農產品收成而釐定。

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23. BIOLOGICAL ASSETS (Continued)

Market and cost approaches are adopted to value the agricultural produce of mushroom as at the end of respective years. During the growing period, cost approach is adopted. The costs of direct raw material, direct labour, labour service and leasing have been considered in the calculation of the fair values for the growing period and these costs are approximately to their fair value. During the harvesting period, market approach is adopted. Therefore, the fair values of the biological assets as at the end of respective years are calculated to be the product of market price and estimated the agricultural produce mushroom after deducting the reasonable cost related to selling.

The fair value measurement of the mushroom is categorised as level 3 fair value measurement within the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. Significant unobservable inputs are mainly the expected future cash flow and the discount rate. The higher the future cash flows or the lower the discount rate, the higher the fair value determined. Due to the production cycle of the mushroom is relatively short, the impact on the valuation of the expected future cash flow and discount rate are immaterial.

During the year, there was no transfer occurred between levels in the hierarchy (2017: Nil).

The movement in the fair value of the assets within level 3 of the hierarchy is as follows:

23. 生物資產(續)

於相關年末採用市場法及成本法對菇類農產品進行估值。於生長期採用成本法。計算生長期的公允值時已考慮直接原材料、直接勞工、勞務及租賃成本，而有關成本與彼等的公允值相若。於採收期採用市場法。因此，於相關年末的生物資產公允值為於扣減有關出售的合理成本後按市價乘以估計菇類農產品產量計算。

菇類公允值計量歸類為三級公允值等級(定義見國際財務報告準則第13號，公允價值計量)的第三級公允值計量。重要不可觀察數據主要為預期未來現金流及貼現率。未來現金流愈高或貼現率愈低，釐定的公允值則愈高。由於菇類的生產周期相對較短，預期未來現金流及貼現率的估值影響並不重大。

於年內，等級中各等級並無出現轉移(2017年：無)。

第三級等級內資產公允值的變動如下：

		King trumpet mushroom, button mushroom and shiitake mushroom 杏鮑菇、蘑菇及香菇	
		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
At 1 January	於1月1日	13,580	59,319
Increases due to plantation	因種植而增加	108,941	151,740
Gain from changes in fair value less costs to sell (#)	公允值變動減銷售成本所產生之收益 (#)	70,598	157,703
Acquisition of a subsidiary	收購一間附屬公司	—	5,734
Decreases due to harvest	因採收而減少	(182,308)	(360,916)
At 31 December	於12月31日	10,811	13,580
(#) Included gains or losses for assets held at the end of the reporting period	(#)包括於報告期末所持資產之收益或虧損	470	2,991

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23. BIOLOGICAL ASSETS (Continued)

23. 生物資產(續)

The following unobservable inputs were used to measure the Group's mushroom plantation:

下列為計量本集團菇類種植所用的不可觀察數據：

Description	Valuation technique	Unobservable inputs	Range as at 31 December 範圍 於12月31日		Effect on fair value for increase of inputs 數據增加對公允值的影響	Fair value as at 31 December 公允值 於12月31日	
概況	估值技巧	不可觀察數據	2018 2018年	2017 2017年		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
King trumpet mushroom 杏鮑菇	Cost and Market approach 成本法及市場法	King trumpet mushroom yield 杏鮑菇產量	0.20 kg – 0.42 kg 0.20公斤至0.42公斤	0.20 kg – 0.41 kg 0.20公斤至0.41公斤	Increase 增加	10,606	12,908
		Price of king trumpet mushroom 杏鮑菇價格	RMB6.57 – RMB9.08 per kg 每公斤 人民幣6.57元至人民幣9.08元	RMB6.99 – RMB10.57 per kg 每公斤 人民幣6.99元至人民幣10.57元	Increase 增加		
Shiitake mushroom 香菇	Cost and Market approach 成本法及市場法	Shiitake mushroom yield 香菇產量	0.70 kg 0.70公斤	0.70 kg 0.70公斤	Increase 增加	205	672
		Price of shiitake mushroom 香菇價格	RMB6.38 per kg 每公斤 人民幣6.38元	RMB8.05 per kg 每公斤 人民幣8.05元	Increase 增加		

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23. BIOLOGICAL ASSETS (Continued)

The Group is exposed to a number of risks related to its mushroom plantation:

(1) Regulatory and environmental risks

The Group is subject to laws and regulations in the PRC where it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

(2) Supply and demand risks

The Group is exposed to risks arising from fluctuations in the price and sales volume of mushroom. Where possible the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analysis to ensure that the Group's pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with the expected demand.

(3) Climate and other risks

The Group's mushroom plantations are exposed to the risk of damage from climatic changes, diseases and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular health inspections and industry pest and disease surveys.

24. TRADE RECEIVABLES

The credit terms of trade receivables are in accordance with specific payment schedules agreed with various customers and generally range from 30 to 90 days. Each customer has a maximum credit limit. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

23. 生物資產(續)

本集團面臨若干與其蘑菇種植有關的風險：

(1) 監管及環境風險

本集團須遵守中國(其經營所在)之法律及法規。本集團已制定符合地方環境及其他法律的環境政策及措施。管理層定期進行檢討，以確認環境風險並確保現行制度足以管理該等風險。

(2) 供求風險

本集團面臨因蘑菇價格及銷量而產生波動的風險。本集團盡可能透過根據市場供求狀況調整其採收量，以管理此項風險。管理層定期進行行業趨勢分析，以確保本集團的定價結構與市場一致，並確保預期採收量與預期需求一致。

(3) 氣候及其他風險

本集團的蘑菇種植面臨因氣候變化、病害及其他自然力量造成的損害風險。本集團已制定大量旨在監控及緩解有關風險的程序，包括定期健康檢查以及行業害蟲及病害調查。

24. 貿易應收款項

貿易應收款項之信貸期按與不同客戶達成的具體付款安排而定且一般介乎30至90天。各客戶均訂有信貸上限。就新客戶而言，一般須提前付款。本集團尋求對未償還應收款項維持嚴謹的控制。董事會定期審閱逾期結餘。

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24. TRADE RECEIVABLES (Continued)

The aging analysis of the Group's trade receivables, based on the invoice date, and net of allowance, is as follows:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
0 to 90 days	0至90天	181,260	150,405
91 to 180 days	91至180天	9	854
		181,269	151,259

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
RMB	人民幣	93,160	52,084
US\$	美元	88,109	99,175
Total	總計	181,269	151,259

24. 貿易應收款項(續)

以下為本集團按發票日期的貿易應收款項(扣除撥備)的賬齡分析：

本集團貿易應收款項的賬面值按以下幣值計算：

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25. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

25. 按金、預付款項及其他應收款項

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Deposits	按金	43,361	22,702
Earnest money paid for acquisition of land use rights	已付收購土地使用權之誠意金	82,500	89,940
Prepayments	預付款項	7,438	1,641
Other receivables	其他應收款項	39,195	33,189
		172,494	147,472

26. BANK AND CASH BALANCES

26. 銀行及現金結餘

The bank and cash balances of the Group denominated in the currencies as follows:

本集團的銀行及現金結餘按以下幣值計值：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
RMB	人民幣	948,319	1,055,842
HK\$	港元	414	184
US\$	美元	77,812	309
Singapore dollars	新加坡元	165	190
Japanese Yen	日元	119	106
		1,026,829	1,056,631

Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

將人民幣兌換外幣須按中國《外匯管理條例》及《結匯、售匯及付匯管理規定》。

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27. SHARE CAPITAL

27. 股本

		Authorised 法定		Issued and fully paid 已發行及繳足	
		Number of shares 股份數量		Number of shares 股份數量	
		'000 千股	US\$'000 千美元	'000 千股	RMB'000 人民幣千元
Ordinary shares of US\$0.01 each	每股面值0.01美元的普通股				
Balance at 1 January 2017	於2017年1月1日的結餘	2,000,000	20,000	520,000	31,919
Issue of shares under share option schemes	根據購股權計劃發行股份	–	–	17,500	1,203
Issue of bonus shares (note)	發行紅股(附註)	–	–	537,500	36,940
Balance at 31 December 2017 and 1 January 2018	於2017年12月31日及2018年1月1日的結餘	2,000,000	20,000	1,075,000	70,062
Issue of shares under share option schemes	根據購股權計劃發行股份	–	–	52,160	3,545
Issue of consideration shares for the acquisition of an associate (note (b))	收購一間聯營公司所發行代價股份(附註(b))	–	–	13,335	867
Issue of consideration shares for the acquisition of a subsidiary (note (b))	收購一間附屬公司所發行代價股份(附註(b))	–	–	8,890	578
Balance at 31 December 2018	於2018年12月31日的結餘	2,000,000	20,000	1,149,385	75,052

Note: (a) On 12 June 2017, the Company made a bonus issue on the basis of 1 bonus share for every 1 existing share held by shareholders in recognition of their continual support. A total of 537,500,000 shares were issued pursuant to the bonus issue.

(b) On 9 January 2018, the Company allotted and issued the consideration shares of 8,890,000 ordinary shares of US\$0.01 each and 13,335,000 ordinary shares of US\$0.01 each to the former shareholders of Guangxi Jiabao and Mega Rainbow International Limited for acquisition of 48.7% equity interests in Guangxi Jiabao and the entire equity interests in Mega Rainbow International Limited.

附註：(a) 於2017年6月12日，本公司按照股東每持有一股現有股份獲發一股紅股之基準發行紅股，以表揚股東的持續支持。根據紅股發行，已發行合共537,500,000股股份。

(b) 於2018年1月9日，本公司配發及發行8,890,000股每股面值0.01美元的普通股及13,335,000股每股面值0.01美元的普通股的代價股份予廣西嘉寶及兆虹國際有限公司的前股東，用作收購廣西嘉寶48.7%股本權益及兆虹國際有限公司全部股本權益。

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy-back shares, raise new debts, redeem existing debts or sell assets to reduce debts.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Total debt comprises borrowings. Adjusted capital comprises all components of equity (i.e. share capital, retained profits, other reserves and non-controlling interests).

本集團資本管理的目標是維護本集團有能力作為持續經營的機構，並通過優化債務及權益比重給予股東最大回報。

本集團按比例就風險設定資本金額。本集團管理其資本結構，並因應經濟狀況及相關資產風險特徵的變化而調整。為了維持或調整資本結構，本集團可能會調整派付股息，發行新股份，回購股份，融入新債，贖回現有債務或出售資產以減少債務。

本集團以負債對經調整股本比率為基準監察資本。此比率以負債淨額除以經調整資本計算。負債總額包括借款。經調整資本包括權益之所有部分(即股本、保留溢利、其他儲備及非控股權益)。

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27. SHARE CAPITAL (Continued)

During 2018, the Group's strategy, which was unchanged from 2017, was to maintain the debt-to-adjusted capital ratio at a level of industry average. The debt-to-adjusted capital ratios at 31 December 2018 and at 31 December 2017 were as follows:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Total debt	負債總額	27,600	10,000
Less: cash and cash equivalents	扣除：現金及現金等價物	(1,026,829)	(1,056,631)
Net cash	現金淨額	(999,229)	(1,046,631)
Total equity	權益總額	2,095,079	1,898,765
Debt-to-adjusted capital ratio	負債對經調整資本比率	N/A不適用	N/A不適用

The externally imposed capital requirement for the Group is in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

The Group receives a report from the share registrars weekly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit throughout the period.

27. 股本(續)

於2018年，本集團之策略（與2017年相同）乃維持負債對經調整資本比率在行業平均水平。於2018年12月31日及2017年12月31日之負債對經調整資本比率如下所示：

	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Total debt	27,600	10,000
Less: cash and cash equivalents	(1,026,829)	(1,056,631)
Net cash	(999,229)	(1,046,631)
Total equity	2,095,079	1,898,765
Debt-to-adjusted capital ratio	N/A不適用	N/A不適用

本集團維持其於聯交所之上市地位的外部強制資本要求為本集團須保持至少25%股份為公眾持股量。

本集團每週接獲股份過戶登記處發出之報告，當中列示非公眾持股量之重大股份權益，並顯示本集團於期內一直持續遵守25%之限額。

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28. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

28. 本公司之財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司之財務狀況表

	Note 附註	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
ASSETS	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	328	328
Current assets	流動資產		
Due from subsidiaries	應收附屬公司款項	638,173	560,258
Other receivables	其他應收款項	—	42
Bank and cash balances	銀行及現金結餘	191	239
Total current assets	流動資產總額	638,364	560,539
Total assets	資產總額	638,692	560,867
Equity and liabilities	權益及負債		
Equity attributable to owners of the Company	歸屬於本公司擁有人權益		
Share capital	股本	75,052	70,062
Reserves	儲備	549,111	478,125
Total equity	權益總額	624,163	548,187
LIABILITIES	負債		
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	2,535	1,257
Due to subsidiaries	應付附屬公司款項	11,800	11,423
Due to an associate	應付一間聯營公司款項	194	—
Total current liabilities	流動負債總額	14,529	12,680
Total equity and liabilities	權益及負債總額	638,692	560,867

Approved by the Board of Directors on 28 March 2019 and are signed on its behalf by:

董事會於2019年3月28日批准並由下列董事代表簽署：

Zheng Songhui
鄭松輝

Zheng Tianming
鄭天明

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28. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

28. 本公司之財務狀況表及儲備變動(續)

(b) Reserve movement of the Company

(b) 本公司之儲備變動

		Share premium	Share option reserve	Shares to be issued	(Accumulated losses)/ retained earnings	Total
		股份溢價 RMB'000 人民幣千元 (note 29(b)(iii)) (附註29(b)(iii))	購股權儲備 RMB'000 人民幣千元 (note 29(b)(vi)) (附註29(b)(vi))	將予發行股份 RMB'000 人民幣千元	(累計虧損) ／保留盈利 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2017	於2017年1月1日	420,132	36,612	34,010	40,126	530,880
Total comprehensive income for the year	年內全面收益總額	—	—	—	(25,162)	(25,162)
Equity-settled share-based payments	以權益結算股份為基礎之付款	—	7,431	—	—	7,431
Issue of shares under share option schemes	根據購股權計劃發行股份	69,130	(23,871)	(34,010)	—	11,249
Issue of bonus shares	發行紅股	(36,940)	—	—	—	(36,940)
Dividend paid	已付股息	—	—	—	(9,333)	(9,333)
Changes in equity for the year	年內權益變動	32,190	(16,440)	(34,010)	(34,495)	(52,755)
At 31 December 2017 and 1 January 2018	於2017年12月31日及2018年1月1日	452,322	20,172	—	5,631	478,125
Total comprehensive income for the year	年內全面收益總額	—	—	—	(12,573)	(12,573)
Equity-settled share-based payments	以權益結算股份為基礎之付款	—	16,354	—	—	16,354
Issue of consideration shares for the acquisition of an associate	收購一間聯營公司所發行代價股份	13,543	—	—	—	13,543
Issue of consideration shares for the acquisition of a subsidiary	收購一間附屬公司所發行代價股份	9,029	—	—	—	9,029
Issue of shares under share option schemes	根據購股權計劃發行股份	66,905	(22,272)	—	—	44,633
Changes in equity for the year	年內權益變動	89,477	(5,918)	—	(12,573)	70,986
At 31 December 2018	於2018年12月31日	541,799	14,254	—	(6,942)	549,111

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29. OTHER RESERVES

(a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(b) Nature and purpose of reserves

(i) Other reserve

Other reserve arose as a result of the group reorganisation as described in the prospectus published by the Company dated 8 June 2015 and represented the difference between the consideration of repurchase of equity interests in 福建綠寶食品集團有限公司(Fujian Greenfresh Foods Group Company Limited) ("Fujian Greenfresh Foods") by Jingxiang Foods over the registered capital of Fujian Greenfresh Foods.

(ii) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(iii) Capital reserve

Capital reserve represented the excess of the contribution by the non-controlling interests to a subsidiary which is non-distributable.

(iv) Statutory surplus reserve

The statutory surplus reserve, which is non-distributable, is appropriated from the profit after taxation of the Group's PRC subsidiaries under the applicable laws and regulations in the PRC.

(v) Share option reserve

The share option reserve represents the fair value of the actual or estimated number of unexercised share options granted to the directors, employees and consultants of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payment in note 4(t) to the consolidated financial statements.

29. 其他儲備

(a) 本集團

本集團的儲備金額及其變動呈列於綜合損益及其他全面收益表以及綜合權益變動表內。

(b) 儲備性質及用途

(i) 其他儲備

其他儲備由集團重組產生(如本公司日期為2015年6月8日之招股章程中刊載者所示)，指景翔食品回購福建綠寶食品集團有限公司(「福建綠寶食品」)股權的代價與福建綠寶食品的註冊資本之間的差額。

(ii) 股份溢價

根據開曼群島公司法，本公司股份溢價賬的資金可供分派予本公司股東，惟緊隨建議派發股息之日期後，本公司須有能力清償於一般業務過程中到期之債項。

(iii) 資本儲備

資本儲備指非控股權益向一家附屬公司之超額注資，該金額為不可分派。

(iv) 法定盈餘儲備

法定盈餘儲備，乃根據中國適用法律及規例自本集團，中國附屬公司的除稅後溢利中的撥付為不可分派。

(v) 購股權儲備

購股權儲備要求授予本集團董事、僱員及顧問之實際或估計未行使購股權數目之公允值，按照綜合財務報表附註4(t)以權益結算股份為基礎之付款所採納的會計政策確認。

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30. TRADE PAYABLES

The aging analysis of the Group's trade payables, based on the date of receipt of goods, is as follows:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
0 to 90 days	0至90天	21,114	17,215
91 to 180 days	91至180天	1,441	1,094
181 to 365 days	181至365天	135	433
Over 1 year	一年以上	710	790
		23,400	19,532

The carrying amounts of the Group's trade payables are denominated in the following currencies:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
RMB	人民幣	23,400	19,532

30. 貿易應付款項

本集團貿易應付款項按收取貨物日期的賬齡分析如下：

本集團貿易應付款項的賬面值按以下幣值計值：

31. ACCRUALS AND OTHER PAYABLES

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Accruals	應計費用	16,339	13,294
Other payables	其他應付款項	28,040	9,279
Consideration payable to the vendor of the subsidiaries acquired	應付已收購附屬公司之賣方的代價	9,121	—
		53,500	22,573

31. 應計費用及其他應付款項

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32. BANK LOANS

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Bank loans repayable on demand or within one year	按要求或於一年內償還之銀行貸款	27,600	10,000

The carrying amount of the Group's bank loans is denominated in RMB.

The average interest rates at 31 December were as follows:

		2018 2018年	2017 2017年
Bank loans	銀行貸款	7.42% per annum 每年7.42%	5.65% per annum 每年5.65%

Bank loans of RMB27,600,000 (2017: RMB10,000,000) is arranged at fixed interest rate and expose the Group to fair value interest rate risk.

Bank loans of RMB27,600,000 and RMB10,000,000 as at 31 December 2018 and 2017 was secured by corporate guarantee of the group companies and pledge of the Group's property, plant and equipment.

本集團銀行貸款的賬面值以人民幣計值。

於12月31日的平均利率如下：

銀行貸款人民幣27,600,000元(2017年：人民幣10,000,000元)乃按固定利率計息，故本集團須承擔公允值利率風險。

於2018年及2017年12月31日，銀行貸款人民幣27,600,000元及人民幣10,000,000元由集團公司之企業擔保及本集團之物業、廠房及設備作抵押。

33. DUE TO NON-CONTROLLING INTERESTS

The amount due to non-controlling interests is unsecured, interest-free and has no fixed term of repayment.

34. SHARE-BASED PAYMENTS

Pre-IPO share option scheme adopted on 27 May 2015

The Company operates a pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") for the purpose of providing incentive or reward to eligible persons (being any director or employee (whether full time or part time), of any member of the Group) for their contribution to, and continuing efforts to promote the interests of the Company and to enable the Group to recruit and retain high-calibre employees. The Pre-IPO Share Option Scheme became effective on 27 May 2015.

33. 應付非控股權益款項

應付非控股權益款項為無抵押、免息及無固定還款期。

34. 股份為基礎之付款

於2015年5月27日採納的首次公開發售前購股權計劃

本公司設有首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)，為本集團任何成員公司的合資格人士(董事或僱員(不論全職或兼職))提供激勵或回報，以獎勵彼等為本公司的利益作出貢獻和持續效力，並讓本集團得以招聘和挽留優質的僱員。首次公開發售前購股權計劃於2015年5月27日開始生效。

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34. SHARE-BASED PAYMENTS (Continued)

Pre-IPO share option scheme adopted on 27 May 2015 (Continued)

The maximum number of shares of the Company in respect of which the share options may be granted under the Pre-IPO Share Option Scheme shall be 25,000,000 shares of the Company representing approximately 5% of the issued share capital of the Company upon listing of the shares of the Company on the Stock Exchange.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of RMB1 in total by the grantee. The share options granted under the Pre-IPO Share Option Scheme can only be exercised during the three years from the date of listing of the shares of the Company on the Stock Exchange (the “**Listing Date**”) and as set out below:

- 40% of the total number of share options granted after 6 months from the Listing Date;
- 30% of the total number of share options granted after 18 months from the Listing Date; and
- 30% of the total number of share options granted after 30 months from the Listing Date.

The exercise price of the share options is HK\$2. On 12 July 2017, the Company made bonus issue and the exercise price of the share options adjusted to HK\$1.

Share options do not confer rights on the holder to dividends or to vote at shareholders’ meetings.

34. 股份為基礎之付款(續)

於2015年5月27日採納的首次公開發售前購股權計劃(續)

根據首次公開發售前購股權計劃可能授出的購股權涉及本公司之股份最高數目為25,000,000股本公司股份，約佔本公司股份於聯交所上市後本公司之已發行股本約5%。

提呈授出之購股權可於提呈日期起計28日內接納，而承授人須支付合共人民幣1元之象徵式代價。根據首次公開發售前購股權計劃所授出之購股權僅可於本公司股份在聯交所上市日期(「上市日期」)起計三年內按下列方式行使：

- 於上市日期6個月後行使已授出購股權總數的40%；
- 於上市日期18個月後行使已授出購股權總數的30%；及
- 於上市日期30個月後行使已授出購股權總數的30%。

購股權之行使價為2港元。於2017年7月12日，本公司已發行紅股，而購股權之行使價調整為1港元。

購股權並不賦予持有人收取股息或於股東大會投票之權利。

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34. SHARE-BASED PAYMENTS (Continued)

Pre-IPO share option scheme adopted on 27 May 2015 (Continued)

Details of the specific categories of options are as follows:

	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
2015A	17 June 2015 2015年6月17日	17 June 2015 to 17 December 2015 2015年6月17日至 2015年12月17日	18 December 2015 to 17 June 2018 2015年12月18日至 2018年6月17日	2.00
2015B	17 June 2015 2015年6月17日	17 June 2015 to 17 December 2017 2015年6月17日至 2017年12月17日	18 December 2017 to 17 June 2018 2017年12月18日至 2018年6月17日	2.00
2015C	17 June 2015 2015年6月17日	17 June 2015 to 17 December 2018 2015年6月17日至 2018年12月17日	18 December 2018 to 17 June 2018 2018年12月18日至 2018年6月17日	2.00

If the options remain unexercised after a period of 3 years from the date of grant, the options expire. Options are forfeited if the employee leaves the Group.

34. 股份為基礎之付款(續)

於2015年5月27日採納的首次公開發售前購股權計劃(續)

購股權之特定類別詳情如下：

倘購股權未有於授出日期起計3年後期間行使，其將會到期。倘僱員離開本集團，其購股權將被沒收。

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34. SHARE-BASED PAYMENTS (Continued)

Pre-IPO share option scheme adopted on 27 May 2015 (Continued)

Details of the movement of share options during the year are as follows:

		2018 2018年		2017 2017年	
		Number of share options 購股權數量	Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of share options 購股權數量	Weighted average exercise price 加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the period	期初未行使	14,160,000	1.00	15,000,000	2.00
Exercised during the year	年內行使	(14,160,000)	1.00	(7,500,000)	2.00
Adjustment due to bonus issue	因紅股發行而調整	—	—	7,500,000	—
Cancelled during the year	年內註銷	—	—	(840,000)	1.00
Outstanding at the end of the year	年末未行使	—	—	14,160,000	1.00
Exercisable at the end of the year	於年末可行使	—	—	14,160,000	1.00

The weighted average share price at the date of exercise of share options exercised during the year was HK\$1.31.

These fair values were calculated using the Binomial Model. The inputs into the model are as follows:

	2015A, 2015B and 2015C
Weighted average share price	HK\$4.71
Weighted average exercise price	HK\$2.00
Expected volatility	46.40%
Expected life	3 years
Risk free rate	0.78%
Expected dividend yield	2.80%

Expected volatility was determined by calculating the historical volatility of the comparable companies as at the date of grant of the share options.

34. 股份為基礎之付款(續)

於2015年5月27日採納的首次公開發售前購股權計劃(續)

年內，購股權的變動詳情如下：

年內行使的購股權於行使當日之加權平均股價為1.31港元。

公允值乃使用二項式定價模式計算。該模式的輸入數據如下：

	2015A、2015B 及2015C
加權平均股價	4.71港元
加權平均行使價	2.00港元
預期波幅	46.40%
預計年期	3年
無風險利率	0.78%
預期股息率	2.80%

預計波幅乃按購股權授出日可比較公司的歷史波幅計算釐定。

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34. SHARE-BASED PAYMENTS (Continued)

Share option scheme adopted on 27 May 2015

The Company operates a share option scheme (the “**Share Option Scheme**”) for the purpose of providing incentive or reward to eligible persons (being any director or employee (whether full time or part time), consultants or adviser of the Group who in the sole discretion of the board of the directors of the Company has contributed to and/or will contribute to the Group) for their contribution to, and continuing efforts to promote the interests of, the Group and for such other purposes as the board of directors of the Company may approve from time to time. The Share Option Scheme became effective on 27 May 2015 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company, must not, in aggregate, exceed 30% of the total number of shares in issue from time to time. No options may be granted under the Share Option Scheme and any other share option schemes of the Company if this will result in such limit being exceeded.

At the time of adoption by the Company of the Share Option Scheme or any new share option scheme, the aggregate number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, the new share option scheme and all schemes existing at such time of the Company must not in aggregate exceed 10% of the total number of the shares in issue as at the Listing Date (the “**Scheme Mandate Limit**”). The maximum number of shares issuable under share options to each eligible participant in the Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

The Scheme Mandate Limit may be refreshed by ordinary resolution of the shareholders of the Company in general meeting.

34. 股份為基礎之付款(續)

於2015年5月27日採納的購股權計劃

本公司設有購股權計劃(「**購股權計劃**」)，為合資格人士(本公司董事會全權酌情認為已及／或將對本集團作出貢獻的任何本集團董事或僱員(不論全職或兼職)、專業顧問或顧問)提供激勵或回報，以獎勵彼等為本集團的利益作出貢獻和持續努力，或為本公司董事會不時批准的其他用途。購股權計劃於2015年5月27日生效，除另行取消或修訂外，將自該日起10年內有效。

根據有關購股權計劃及本公司任何其他購股權計劃授出而尚未行使的所有購股權獲行使而可能發行的股份最高總數，不得超過本公司不時已發行股份總額的30%。倘超過該上限，則不得根據有關購股權計劃及本公司任何其他購股權計劃授出購股權。

本公司於採納有關購股權計劃或任何新購股權計劃時，根據有關購股權計劃、新購股權計劃及本公司當時採納之所有現有購股權計劃將予授出之全部購股權獲行使時可予發行之股份總額，不可超逾於上市日期已發行股份總數之10%(「**計劃授權限制**」)。於任何12個月期間根據購股權計劃可向購股權計劃各合資格參與者發行的最高股份數目限於本公司在任何時間已發行股份的1%。授出任何超逾該限制的額外購股權須經股東於股東大會上批准。

計劃授權限制可經本公司股東於股東大會上透過普通決議案形式更新。

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34. SHARE-BASED PAYMENTS (Continued)

Share option scheme adopted on 27 May 2015 (Continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective close associates, is required to be approved by the independent non-executive directors of the Company. In addition, if the Company proposes to grant options to a substantial shareholder or an independent non-executive director of the Company, or to their respective associates which will result in the number and value of the shares of the Company issued and to be issued upon exercise of all options granted and to be granted to such person in the 12-month period up to and including the date of the offer of such grant in aggregate exceeding: (i) 0.1% of the shares of the Company in issue at the relevant time of grant and (ii) HK\$5 million, based on the closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange at the date of each grant.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of RMB1 in total by the grantee. The exercise period of the share options granted is determinable by the board of directors, and commences after a certain vesting period and ends on a date which is not later than ten years from the date of the offer of the share options or the expiry date of the Share Option Scheme, if earlier.

The exercise price of the share options is determinable by the board of directors of the Company, but may not be less than the highest of (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations on the date of the offer of the share options; (ii) the average of the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the shares of the Company on the date of the offer, when applicable.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

34. 股份為基礎之付款(續)

於2015年5月27日採納的購股權計劃(續)

授予本公司董事、主要行政人員或主要股東或任何彼等各自緊密聯繫人士之購股權須經本公司獨立非執行董事批准。此外，倘本公司建議向本公司主要股東或獨立非執行董事或彼等各自聯繫人士授予購股權，致使於截至提呈授出日期起12個月期間（包括當日）內向該人士授出及將授出的所有購股權行使時，本公司已發行及將予發行股份的數量及價值合共：(i) 超過本公司於有關授出時間已發行股份之0.1%及(ii) 根據本公司股份於各授出日期在聯交所日報表所載之收市價計算，超過5百萬港元。

提呈授出之購股權可於提呈日期起計28日內接納，而承授人須支付合共人民幣1元之象徵式代價。所授出之購股權之行使期由董事會釐定，並由若干歸屬期後開始，而屆滿日期不得遲於提呈購股權日期起計十年或有關購股權計劃屆滿日期（以較早者為準）。

購股權之行使價由本公司董事會釐定，惟不得低於以下之較高者：(i) 本公司股份於提呈購股權日期在聯交所日報表所載之收市價；(ii) 本公司股份於緊接提呈日期前五個交易日在聯交所日報表所載之平均收市價；及(iii) 本公司股份於提呈日期之面值（如適用）。

購股權並不賦予持有人收取股息或於股東大會投票之權利。

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34. SHARE-BASED PAYMENTS (Continued)

Share option scheme adopted on 27 May 2015 (Continued)

Details of the specific categories of options are as follows:

	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
2016A	31 March 2016 2016年3月31日	31 March 2016 to 1 April 2016 2016年3月31日至 2016年4月1日	1 April 2016 to 30 March 2019 2016年4月1日至 2019年3月30日	3.71
2016B	31 March 2016 2016年3月31日	31 March 2016 to 30 September 2016 2016年3月31日至 2016年9月30日	1 October 2016 to 30 March 2019 2016年10月1日至 2019年3月30日	3.71
2016C	31 March 2016 2016年3月31日	31 March 2016 to 31 March 2017 2016年3月31日至 2017年3月31日	1 April 2017 to 30 March 2019 2017年4月1日至 2019年3月30日	3.71
2018A	13 June 2018 2018年6月13日	Vested immediately 即時歸屬	14 June 2018 to 12 June 2021 2018年6月14日至 2021年6月12日	1.19
2018B	13 June 2018 2018年6月13日	13 June 2018 to 12 December 2018 2018年6月13日至 2018年12月12日	14 December 2018 to 12 June 2021 2018年12月14日至 2021年6月12日	1.19
2018C	13 June 2018 2018年6月13日	13 June 2018 to 12 June 2019 2018年6月13日至 2019年6月12日	14 June 2019 to 12 June 2021 2019年6月14日至 2021年6月12日	1.19
2018D	21 November 2018 2018年11月21日	Vested immediately 即時歸屬	21 November 2018 to 20 November 2021 2018年11月21日至 2021年6月12日	1.01

If the options remain unexercised after a period of 3 years from the date of grant, the options expire. Options are forfeited if the employee leaves the Group.

34. 股份為基礎之付款(續)

於2015年5月27日採納的購股權計劃(續)

購股權之特定類別詳情如下：

倘購股權自授出日期起計為期3年後仍未行使，其將會到期。倘僱員離開本集團，其購股權將被沒收。

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34. SHARE-BASED PAYMENTS (Continued)

Share option scheme adopted on 27 May 2015 (Continued)

Details of the movement of share options during the year are as follows:

		2018 2018年		2017 2017年	
		Number of share options 購股權數量	Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of share options 購股權數量	Weighted average exercise price 加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the year	年初未行使	9,320,000	1.86	15,000,000	3.71
Granted during the year	年內授出	110,000,000	1.09	–	–
Exercised during the year	年內行使	(38,000,000)	1.11	(10,000,000)	3.71
Adjustment due to bonus issue	因紅股發行而調整	–	–	5,000,000	–
Cancelled during the year	年內註銷	–	–	(680,000)	1.86
Outstanding at the end of the year	於年末未行使	81,320,000	1.17	9,320,000	1.86
Exercisable at the end of the year	於年末可行使	71,320,000	1.17	9,320,000	1.86

The weighted average share price at the date of exercise of share options exercised during the year was HK\$1.07. The options outstanding at the end of the year have a weighted average remaining contractual life of 2.42 years. During the year ended 31 December 2018, options were granted on 13 June 2018 and 21 November 2018. The estimated fair value of the options on these dates are approximately HK\$11,519,000 and HK\$8,590,000 respectively.

34. 股份為基礎之付款(續)

於2015年5月27日採納的購股權計劃(續)

於年內，購股權的變動詳情如下：

於年內行使之購股權行使當日之加權平均股價為1.07港元。於年末未行使購股權的加權平均餘下合約年期為2.42年。於截至2018年12月31日止年度，購股權於2018年6月13日及2018年11月21日授出。購股權於該等日期的估計公允值分別約為11,519,000港元及8,590,000港元。

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34. SHARE-BASED PAYMENTS (Continued)

Share option scheme adopted on 27 May 2015 (Continued)

These fair values were calculated using the Binomial Model. The inputs into the model are as follows:

	2016A	2016B	2016C	2018A	2018B	2018C	2018D
Weighted average share price	HK\$3.53	HK\$3.53	HK\$3.53	HK\$1.19	HK\$1.19	HK\$1.19	HK\$1.01
加權平均股價	3.53港元	3.53港元	3.53港元	1.19港元	1.19港元	1.19港元	1.01港元
Weighted average exercise price	HK\$3.71	HK\$3.71	HK\$3.71	HK\$1.19	HK\$1.19	HK\$1.19	HK\$1.01
加權平均行使價	3.71港元	3.71港元	3.71港元	1.19港元	1.19港元	1.19港元	1.01港元
Expected volatility	55.06%	55.06%	55.06%	38.84%	38.84%	38.84%	29.48%
預期波幅	55.06%	55.06%	55.06%	38.84%	38.84%	38.84%	29.48%
Expected life	1.85 years	2.05 years	2.33 years	1.53 years	1.78 years	2.09 years	3 years
預計年期	1.85年	2.05年	2.33年	1.53年	1.78年	2.09年	3年
Risk free rate	0.83%	0.83%	0.83%	2.05%	2.05%	2.05%	2.00%
無風險利率	0.83%	0.83%	0.83%	2.05%	2.05%	2.05%	2.00%
Expected dividend yield	5.66%	5.66%	5.66%	0.81%	0.81%	0.81%	0.00%
預期股息率	5.66%	5.66%	5.66%	0.81%	0.81%	0.81%	0.00%

Expected volatility was determined by calculating the historical volatility of the comparable companies as at the date of grant of the share options.

34. 股份為基礎之付款(續)

於2015年5月27日採納的購股權計劃(續)

公允值乃使用二項式定價模式計算。該模式的輸入數據如下：

預計波幅乃按購股權授出日可比較公司的歷史波幅計算釐定。

35. CONTINGENT LIABILITIES

As at 31 December 2018, the Group did not have any significant contingent liabilities (2017: Nil).

35. 或然負債

於2018年12月31日，本集團並無任何重大或然負債(2017年：無)。

36. CAPITAL COMMITMENTS

Capital commitments contracted for at the end of the reporting period but not incurred are as follows:

36. 資本承擔

於報告期末已訂約但尚未發生之資本承擔如下：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Prepaid land lease payment and property, plant and equipment	預付土地租賃款以及物業、廠房及設備	79,602	72,850

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37. LEASE AND OTHER COMMITMENTS

The Group as lessee

At 31 December 2018 the total future minimum lease and other payment under non-cancellable operating lease are repayable as follows:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Within one year	一年內	1,857	2,784
In the second to fifth years inclusive	第二至第五年內(包括首尾兩年)	2,569	6,939
After five years	五年後	2,306	3,373
		6,732	13,096

Operating lease and other payments represent rentals payable by the Group for certain of its offices and production plants and subcontracting fee payable to the contractors for planting of the mushrooms. Leases are negotiated for an average term from 1 to 50 years.

The above lease commitments only include commitments for basic rentals based on the prevailing terms and prices of rental as at the end of the reporting periods, and do not include commitments for additional/decrement of rental payable (contingent rents), if any, which are to be determined generally by applying prevailing market prices of agricultural products when the Group are demanded for rental payments, as it is not possible in advance the amount of such additional rental.

The Group as lessor

Property rental income earned during the year was RMB368,000 (2017: RMB435,000).

At 31 December 2018 the total future minimum lease payments under non-cancellable operating leases are receivable as follows:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Within one year	一年內	320	340
In the second to fifth years inclusive	第二至第五年內(包括首尾兩年)	—	395
		320	735

37. 租賃及其他承擔

本集團作為承租人

於2018年12月31日根據不可撤銷經營租賃的未來最低租賃及其他付款總額於以下日期支付：

	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Within one year	1,857	2,784
In the second to fifth years inclusive	2,569	6,939
After five years	2,306	3,373
	6,732	13,096

經營租賃及其他付款指本集團就其若干辦公室及種植菇類之生產廠房應付之租金以及應付承包商的分包費用。租約乃按介乎1至50年的平均年期磋商。

上述租賃承擔僅包括根據報告期末的當時條款及租賃價格計算之基本租賃承擔，並不包括額外／遞減應付租賃承擔（或然租金）（如有），由於不可能事先計算該等額外租金之金額，故該等額外租金一般於本集團需要支付租賃款項時應用農產品的現行市價而釐定。

本集團作為出租人

年內物業租金收入為人民幣368,000元（2017年：人民幣435,000元）。

於2018年12月31日根據不可撤銷經營租賃的未來最低租賃款項總額於以下日期收取：

	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Within one year	320	340
In the second to fifth years inclusive	—	395
	320	735

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38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

38. 綜合現金流量表附註

(a) Acquisition of a subsidiary

During the year ended 31 December 2017, the Group completed the acquisition of the equity interests of Mega Rainbow International Limited. The consideration for the acquisition is RMB180,206,000 which includes: (1) the first consideration of RMB170,600,000 which was settled in cash on completion date; and (2) the share consideration of RMB9,606,000 which was satisfied by the allotment and issue of 8,889,568 new shares of the Company on 9 January 2018. The acquisition is for the purpose of expansion of the market share of king trumpet mushroom.

The fair value of the identifiable assets and liabilities of Mega Rainbow International Limited acquired as at the date of acquisition are as follows:

(a) 收購一間附屬公司

於截至2017年12月31日止年度，本集團完成收購兆虹國際有限公司之股本權益。收購事項之代價為人民幣180,206,000元，包括：(1)首筆代價人民幣170,600,000元，於完成日期以現金結付；及(2)股份代價人民幣9,606,000元，透過於2018年1月9日配發及發行8,889,568股本公司新股份償付。收購乃為擴展杏鮑菇之市場份額而作出。

於收購日期所收購之兆虹國際有限公司可識別資產及負債之公允值如下：

		RMB'000 人民幣千元
Assets acquired and liabilities recognised at the date of acquisition	於收購日期之已收購資產及已確認負債	
Property, plant and equipment	物業、廠房及設備	13,607
Inventories	存貨	1,575
Biological assets	生物資產	5,734
Trade receivables	貿易應收款項	4,384
Prepayment	預付款項	469
Bank balances and cash	銀行結餘及現金	2,219
Trade and other payables	貿易及其他應付款項	(2,921)
		25,067
Non-controlling interests	非控股權益	(3,509)
Goodwill	商譽	158,648
		180,206
Consideration transferred	已轉撥代價	
Cash	現金	170,600
Issue of new shares of the Company, at fair value (note)	發行本公司新股份，按公允值(附註)	9,606
		180,206
Net cash outflow arising on acquisition	因收購事項而產生之現金流出淨額	
Cash consideration paid	已付現金代價	170,600
Less: bank balances and cash acquired	減：已收購銀行結餘及現金	(2,219)
		168,381

Note: The fair value of the share consideration (consideration shares) is estimated with reference to the trading price of the Company's shares at the acquisition date.

附註：股份代價(代價股份)之公允值乃經參考本公司股份於收購日期之成交價後估計得出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Acquisition of a subsidiary (Continued)

The fair value of trade receivables acquired is approximately RMB4,384,000. The gross amount due under the contracts is RMB4,384,000, of which RMB Nil is expected to be uncollectible.

The goodwill arising on the acquisition of Mega Rainbow International Limited is attributable to the anticipated profitability of the distribution of the Group's products in the new markets and the anticipated future operating synergies from the combination.

No revenue or profit was contributed by Mega Rainbow International Limited to the Group, as the Group acquired Mega Rainbow International Limited at the end of the reporting period.

If the acquisition had been completed on 1 January 2017, total Group revenue for the year would have been RMB1,133,345,000, and profit for the year would have been RMB215,368,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is intended to be a projection of future results.

(b) Acquisition of subsidiaries

During the year ended 31 December 2018, the Group acquired the entire equity interests of four companies incorporated in the PRC, namely Changsha Sentai, Xian Hongye, Foshan Lvguixian, Nanchang Baixintong (collectively the "Four PRC Companies"), through four respective independent transactions. The consideration for the acquisition is cash of RMB48,950,000, RMB54,450,000, RMB51,201,000 and RMB50,050,000 respectively. The Four PRC Companies were engaged in trading of edible fungi, fresh fruit and vegetables in the PRC during the year. The acquisition is for the purpose of expanding the Group's sales network.

38. 綜合現金流量表附註(續)

(a) 收購一間附屬公司(續)

所收購的貿易應收款項之公允值約為人民幣4,384,000元。合約項下應付之總金額為人民幣4,384,000元，當中人民幣零元預期不可收回。

收購兆虹國際有限公司時產生商譽，乃由於預計在新市場分銷本集團產品有利可圖，以及預計該合併日後將帶來經營協同效應。

由於本集團於報告期末收購兆虹國際有限公司，故此兆虹國際有限公司概無為本集團帶來任何收入或溢利。

假設收購事項於2017年1月1日完成，本集團之年內收入總額將為人民幣1,133,345,000元，而年內溢利將為人民幣215,368,000元。備考資料僅作說明用途，未必反映本集團在收購事項於2017年1月1日完成的情況下實際可取得的收入及經營業績，亦非對未來業績的預測。

(b) 收購附屬公司

截至2018年12月31日止年度，本集團透過四項獨立交易收購四間於中國註冊成立之公司，即長沙森泰、西安弘野、佛山市綠貴鮮、南昌佰心通（統稱「四間中國公司」）之全部股權。收購代價分別為現金人民幣48,950,000元、人民幣54,450,000元、人民幣51,201,000元及人民幣50,050,000元。年內，四間中國公司均於中國從事食用菌、新鮮水果及蔬菜買賣。該收購旨在擴大本集團之銷售網絡。

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38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(Continued)

(b) Acquisition of subsidiaries (Continued)

The fair value of the identifiable assets and liabilities of the Four PRC Companies acquired as at the date of acquisition are as follows:

38. 綜合現金流量表附註(續)

(b) 收購附屬公司(續)

於收購日期收購之四間中國公司之可識別資產及負債之公允值如下：

		Changsha Sentai 長沙森泰 RMB'000 人民幣千元	Xian Hongye 西安弘野 RMB'000 人民幣千元	Foshan Lvguixian 佛山市綠貴鮮 RMB'000 人民幣千元	Nanchang Baixintong 南昌佰心通 RMB'000 人民幣千元	Total 合計 HK\$'000 人民幣千元
Assets acquired and liabilities recognised at the date of acquisition	於收購日期之已收購資產及已確認負債					
Property, plant and equipment	物業、廠房及設備	8	–	1,124	–	1,132
Inventories	存貨	–	–	–	223	223
Trade receivables	貿易應收款項	8,350	9,248	20,304	2,724	40,626
Deposits, prepayments and other receivables	按金、預付款項及其他應收款	201	277	174	116	768
Bank and cash balances	銀行及現金結餘	17	33	5	340	395
Trade and other payables	貿易及其他應付款項	(8,352)	(8,473)	(19,288)	(3,055)	(39,168)
		224	1,085	2,319	348	3,976
Goodwill	商譽	48,726	53,365	48,882	49,702	200,675
		48,950	54,450	51,201	50,050	204,651
Consideration transferred	已轉撥代價					
Cash consideration paid	已付現金代價	46,504	51,728	49,750	47,548	195,530
Consideration payable to the vendor of the subsidiaries acquired	應付所收購附屬公司賣方的代價	2,446	2,722	1,451	2,502	9,121
		48,950	54,450	51,201	50,050	204,651
Net cash outflow arising on acquisition:	因收購事項而產生之現金流出淨額：					
Cash consideration paid	已付現金代價					195,530
Cash and cash equivalents acquired	已收購現金及現金等價物					(395)
						195,135

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38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Acquisition of subsidiaries (Continued)

The fair value of the trade receivables of Changsha Sentai, Xian Hongye, Foshan Lvguixian and Nanchang Baixintong acquired is approximately RMB8,350,000, RMB9,248,000, RMB20,304,000 and RMB2,724,000 respectively. The gross amount due under the contracts is RMB8,350,000, RMB9,248,000, RMB20,304,000 and RMB2,724,000 respectively, of which RMB Nil is expected to be uncollectible.

The goodwill arising on the acquisition of Four PRC Companies is attributable to the anticipated profitability of the distribution of the Group's products in the new markets and the anticipated future operating synergies from the combination.

Changsha Sentai, Xian Hongye, Foshan Lvguixian and Nanchang Baixintong contributed approximately RMB16,339,000, RMB21,753,000, RMB28,092,000 and RMB25,695,000 to the Group's revenue for the year respectively for the period between the date of acquisition and the end of the reporting period. Changsha Sentai, Xian Hongye, Foshan Lvguixian and Nanchang Baixintong contributed approximately RMB569,000, RMB838,000, RMB581,000 and RMB465,000 to the Group's profit for the year respectively for the period between the date of acquisition and the end of the reporting period.

If the acquisition had been completed on 1 January 2018, total Group revenue for the year would have been approximately RMB1,131,427,000, and profit for the year would have been approximately RMB147,116,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is intended to be a projection of future results.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

38. 綜合現金流量表附註(續)

(b) 收購附屬公司(續)

所收購的長沙森泰、西安弘野、佛山市綠貴鮮及南昌佰心通的貿易應收款項之公允值分別約為人民幣8,350,000元、人民幣9,248,000元、人民幣20,304,000元及人民幣2,724,000元。合約項下應付之總金額分別為人民幣8,350,000元、人民幣9,248,000元、人民幣20,304,000元及人民幣2,724,000元，當中人民幣零元預期不可收回。

收購四間中國公司時產生商譽，乃由於預計在新市場分銷本集團產品有利可圖，以及預計該合併日後將帶來經營協同效應。

於收購日期至本報告期末期間，長沙森泰、西安弘野、佛山市綠貴鮮及南昌佰心通分別為本集團年內收入貢獻約為人民幣16,339,000元、人民幣21,753,000元、人民幣28,092,000元及人民幣25,695,000元。於收購日期至本報告期末期間，長沙森泰、西安弘野、佛山市綠貴鮮及南昌佰心通分別為本集團年內溢利貢獻約為人民幣569,000元、人民幣838,000元、人民幣581,000元及人民幣465,000元。

假設收購事項於2018年1月1日完成，本集團之年內收入總額將約為人民幣1,131,427,000元，而年內溢利將約為人民幣147,116,000元。備考資料僅作說明用途，未必反映本集團在收購事項於2018年1月1日完成的情況下實際可取得的收入及經營業績，亦非對未來業績的預測。

預期此收購事項產生之商譽概無可作扣稅。

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38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(Continued)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		1 January 2018 2018年 1月1日 RMB'000 人民幣千元	Cash flows 現金流量 RMB'000 人民幣千元	Interest expenses 利息開支 RMB'000 人民幣千元	31 December 2018 2018年 12月31日 RMB'000 人民幣千元
Bank loans (note 32)	銀行借貸(附註32)	10,000	16,057	1,543	27,600
		1 January 2017 2017年1月1日 RMB'000 人民幣千元	Cash flows 現金流量 RMB'000 人民幣千元	Interest expenses 利息開支 RMB'000 人民幣千元	31 December 2017 2017年 12月31日 RMB'000 人民幣千元
Bank loans (note 32)	銀行借貸(附註32)	10,000	(542)	542	10,000

39. RELATED PARTY TRANSACTIONS

(a) The Group had the following transactions with its related parties as follows:

38. 綜合現金流量表附註(續)

(c) 融資活動產生之負債之對賬

下表詳述本集團融資活動產生之負債之變動，包括現金及非現金變動。融資活動產生之負債為其現金流量或未來現金流量已經或將會於本集團綜合現金流量表中分類為融資活動所得現金流量之負債。

39. 關連方交易

(a) 本集團與其關連方的交易如下：

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Rental paid to a close family member of a director	支付予一名董事近親的租金	192	192
Purchase of agricultural products from an associate	由一間聯營公司購買農產品	25,333	—

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39. RELATED PARTY TRANSACTIONS (Continued)

(b) Due from/to an associate

The amount due from an associate represented deposit paid. The amount due from an associate is unsecured, interest-free and has no fixed terms of repayment.

Other than the trade payables due to an associate of approximately RMB156,000 inclusive in the amount due to an associate which has credit terms of 45 days, the amount due to an associate is unsecured, interest-free and have no fixed term of repayment.

(c) The remuneration of directors and other members of key management during the year was as follows:

		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
Short-term benefits	短期福利	1,734	1,723
Post-employment benefit	退休福利	59	44
Equity-settled share-based payments	以權益結算股份為基礎付款	—	1,946
		1,793	3,713

39. 關連方交易 (續)

(b) 應收／應付一間聯營公司款項

應收一間聯營公司款項指已付按金。應收一間聯營公司款項為無抵押、免息且無固定還款期。

除應付一間聯營公司之貿易應付款項約人民幣156,000元（計入應付一間聯營公司之信貸期為45日之款項）外，應付一間聯營公司款項為無抵押、免息且無固定還款期。

(c) 年內董事及其他主要管理層成員之酬金如下所示：

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40. INVESTMENTS IN SUBSIDIARIES

Particulars of the subsidiaries are as follows:

Name	Date and place of incorporation/ establishment 註冊成立／ 成立之日期和地點	Issued and paid-up/registered capital 已發行及已繳付／ 註冊資本	Effective interests held by the Group (%)		Principal activities
名稱			本集團持有之實際權益(%)		主要業務活動
			2018 2018年	2017 2017年	
Directly held 直接持有					
Empire Foods Limited	23 June 2011 British Virgin Islands	US\$50,000	100	100	Investment holding
Empire Foods Limited	2011年6月23日 英屬處女群島	50,000美元	100	100	投資控股
Indirectly held 間接持有					
China Green Group Co., Limited	25 February 2011 Hong Kong	HK\$10,000	100	100	Investment holding and trading
中國綠寶集團有限公司	2011年2月25日 香港	10,000港元	100	100	投資控股及貿易
Jingxiang Foods	24 December 2001 PRC	US\$17,820,000	100	100	Investment holding and trading of mushroom
景翔食品	2001年12月24日 中國	17,820,000美元	100	100	投資控股及菇類貿易
Fujian Greenfresh Foods	3 November 1995 PRC	RMB68,000,000	100	100	Investment holding and manufacturing of canned food
福建綠寶食品	1995年11月3日 中國	人民幣68,000,000元	100	100	投資控股及製造罐頭食品
綠鮮食品(漳州)有限公司 (Greenfresh Foods (Zhangzhou) Company Limited)	11 January 1999 PRC	RMB7,000,000	100	100	Manufacturing of canned food
綠鮮食品(漳州)有限公司	1999年1月11日 中國	人民幣7,000,000元	100	100	製造罐頭食品
Greenfresh Ecological Agriculture	24 November 2009 PRC	RMB30,000,000	100	100	Investment holding and mushroom plantation
綠寶生態農業	2009年11月24日 中國	人民幣30,000,000元	100	100	投資控股及菇類種植
Shengtai Agricultural Development	26 August 2011 PRC	RMB500,000	100	100	Trading of food
盛泰農業開發	2011年8月26日 中國	人民幣500,000元	100	100	食品貿易

40. 於附屬公司之投資

附屬公司之詳情如下所示：

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40. INVESTMENTS IN SUBSIDIARIES (Continued)

40. 於附屬公司之投資(續)

Name 名稱	Date and place of incorporation/ establishment 註冊成立/ 成立之日期和地點	Issued and paid- up/registered capital 已發行及已繳付/ 註冊資本	Effective interests held by the Group (%) 本集團持有之實際權益(%)		Principal activities 主要業務活動
			2018 2018年	2017 2017年	
漳州綠寶生物科技有限公司 (Zhangzhou Greenfresh Biological Technology Limited)	9 October 2015 PRC	RMB16,000,000	100	100	Mushroom plantation
漳州綠寶生物科技有限公司	2015年10月9日 中國	人民幣16,000,000元	100	100	菇類種植
Greenfresh Nanchang	15 October 2015 PRC	HK\$10,000,000	100	100	Trading of food
綠寶南昌	2015年10月15日 中國	10,000,000港元	100	100	食品貿易
Xinjiang Greenfresh	23 November 2015 PRC	RMB10,000,000	100	100	Trading of food
新疆綠寶	2015年11月23日 中國	人民幣10,000,000元	100	100	食品貿易
Singapore Cambo Biological Technology PTE. Ltd	09 December 2015 Singapore	US\$300,000	100	100	Trading of food
新加坡康寶生物公司	2015年12月9日 新加坡	300,000美元	100	100	食品貿易
グリーン・シャイニー株式会社 ("Japan Lvhui")	14 January 2016 Japan	JPY20,000,000	99.75	99.75	Trading of food
グリーン・シャイニー株式会社 ("日本綠輝")	2016年1月14日 日本	20,000,000日元	99.75	99.75	食品貿易
Hebei Greenfresh	24 March 2016 PRC	US\$1,300,000	100	100	Trading of food
河北綠寶	2016年3月24日 中國	1,300,000美元	100	100	食品貿易
Lvhe	11 May 2016 PRC	RMB10,000,000	60	60	Mushroom plantation
綠河	2016年5月11日 中國	人民幣10,000,000元	60	60	菇類種植
黑龍江綠寶生物科技有限公司 (Heilongjiang Greenfresh Biological Technology Limited)	1 November 2016 PRC	HK\$ Nil	100	100	Not yet commenced business
黑龍江綠寶生物科技有限公司	2016年11月1日 中國	零港元	100	100	未開展業務

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40. INVESTMENTS IN SUBSIDIARIES (Continued)

40. 於附屬公司之投資(續)

Name	Date and place of incorporation/ establishment 註冊成立／ 成立之日期和地點	Issued and paid-up/registered capital 已發行及已繳付／ 註冊資本	Effective interests held by the Group (%)		Principal activities
名稱			本集團持有之實際權益(%)		主要業務活動
			2018 2018年	2017 2017年	
虎林綠寶生物科技有限公司 (Hulin Greenfresh Biological Technology Limited)	3 November 2016 PRC	RMB Nil	100	100	Not yet commenced business
虎林綠寶生物科技有限公司	2016年11月3日 中國	人民幣零元	100	100	未開展業務
雲南綠輝生物科技有限公司 (Yunnan Lvhui Biological Technology Limited)	23 December 2016 PRC	HK\$ Nil	100	100	Not yet commenced business
雲南綠輝生物科技有限公司	2016年12月23日 中國	零港元	100	100	未開展業務
深圳新綠寶生物科技有限公司 (Shenzhen New Biological Technology Limited)	29 November 2016 PRC	US\$ Nil	100	100	Not yet commenced business
深圳新綠寶生物科技有限公司	2016年11月29日 中國	零美元	100	100	未開展業務
Mega Rainbow International Limited	5 July 2016 BVI	US\$50,000	100	100	Investment holding
兆虹國際有限公司	2016年7月5日 英屬處女群島	50,000美元	100	100	投資控股
Topfai International Investment Limited	2 August 2016 Hong Kong	HK\$1,000,000	100	100	Investment holding
鼎輝國際投資有限公司	2016年8月2日 香港	1,000,000港元	100	100	投資控股
Zhangzhou Changfeng	10 January 2011 PRC	RMB1,000,000	86	86	Mushroom plantation
漳州長豐	2011年1月10日 中國	人民幣1,000,000元	86	86	菇類種植
Lucky Max Developments Limited	18 October 2017 BVI	US\$50,000	100	100	Investment holding
Lucky Max Developments Limited	2017年10月18日 英屬處女群島	50,000美元	100	100	投資控股
United Pioneer Industry (Hong Kong) Limited	15 November 2017 Hong Kong	US\$50,000	100	100	Investment holding
協鋒實業(香港)有限公司	2017年11月15日 香港	50,000美元	100	100	投資控股

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40. INVESTMENTS IN SUBSIDIARIES (Continued)

40. 於附屬公司之投資(續)

Name 名稱	Date and place of incorporation/ establishment 註冊成立/ 成立之日期和地點	Issued and paid- up/registered capital 已發行及已繳付/ 註冊資本	Effective interests held by the Group (%) 本集團持有之實際權益(%)		Principal activities 主要業務活動
			2018 2018年	2017 2017年	
Henan Lvhui	30 December 2016 PRC	HK\$ Nil	100	100	Not yet commenced business
Henan Lvhui	2016年12月30日 中國	零港元	100	100	未開展業務
Shanxi Greenfresh	10 January 2017 PRC	HK\$ Nil	100	100	Not yet commenced business
Shanxi Greenfresh	2017年1月10日 中國	零港元	100	100	未開展業務
Teko Technology Development Limited	13 January 2018 Hong Kong	HK\$1	100	–	Not yet commenced business
德高科技發展有限公司	2018年1月13日 香港	1港元	100	–	未開展業務
Shanghai Lvshen	6 July 2018 PRC	RMB Nil	100	–	Not yet commenced business
Shanghai Lvshen	2018年7月6日 中國	人民幣零元	100	–	未開展業務
Changsha Sentai	11 November 2016 PRC	RMB200,000	100	–	Trading of food
長沙森泰	2016年11月11日 中國	人民幣200,000元	100	–	食品貿易
Xian Hongye	21 May 2014 PRC	RMB1,060,000	100	–	Trading of food
西安弘野	2014年5月21日 中國	人民幣1,060,000元	100	–	食品貿易
Foshen Lvguixian	9 December 2016 PRC	RMB2,300,000	100	–	Trading of food
佛山市綠貴鮮	2016年12月9日 中國	人民幣2,300,000元	100	–	食品貿易
Nanchang Baixintong	7 May 2014 PRC	RMB300,000	100	–	Trading of food
南昌佰心通	2014年5月7日 中國	人民幣300,000元	100	–	食品貿易

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40. INVESTMENTS IN SUBSIDIARIES (Continued)

The following table shows information on the subsidiaries that have non-controlling interests (“NCI”) material to the Group. The summarised financial information represents amounts before inter-company eliminations.

40. 於附屬公司之投資(續)

下表所示為擁有對本集團而言屬重大之非控股權益(「非控股權益」)之附屬公司資料。財務資料概要反映公司間對銷前之金額。

Name 名稱		Lvhe 綠河		Japan Lvhui 日本綠輝		Zhangzhou Changfeng 漳州長豐	
		2018 2018年	2017 2017年	2018 2018年	2017 2017年	2018 2018年	2017 2017年
Principal place of business/ country of incorporation	主要營業地點/ 註冊成立國家	PRC 中國		Japan 日本		PRC 中國	
% of ownership interests/ voting rights held by NCI	非控股權益持有之擁有權權 益/投票權百分比	40%	40%	0.25%	0.25%	14%	14%
		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
At 31 December:	於12月31日：						
Non-current assets	非流動資產	18,508	20,868	–	–	12,465	13,607
Current assets	流動資產	6,040	7,547	1,411	562	42,557	14,381
Non-current liabilities	非流動負債	–	–	–	–	–	–
Current liabilities	流動負債	(12,192)	(12,547)	(2,895)	(1,280)	(44,595)	(2,921)
Net assets	資產淨額	12,356	15,868	(1,484)	(718)	10,427	25,067
Accumulated NCI	累計非控股權益	4,942	6,347	(4)	(2)	1,460	3,509
Year ended 31 December/ from the date of acquisition to 31 December:	截至12月31日止年度/ 自收購日期至12月31日：						
Revenue	收入	26,067	23,875	1,276	1,719	80,228	–
(Loss)/profit	(虧損)/溢利	(3,511)	(1,309)	(766)	(887)	35,359	–
Total comprehensive (expense)/income	全面(開支)/收益總額	(3,511)	(1,309)	(766)	(887)	35,359	–
(Loss)/profit allocated to NCI	分配予非控股權益的 (虧損)/溢利	(1,404)	(524)	(2)	(2)	4,950	–
Dividends paid to NCI	支付予非控股權益的股息	–	–	–	–	7,000	–
Net cash generated from/ (used in) operating activities	經營活動所得/(所用) 現金淨額	309	(5,656)	(1,074)	(1,016)	33,856	–
Net cash used in investing activities	投資活動所用現金淨額	(295)	(2,503)	–	–	(283)	–
Net cash (used in)/generated from financing activities	融資活動(所用)/所得 現金淨額	(4,094)	8,707	1,088	1,015	(7,000)	–
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物 (減少)/增加淨額	(4,080)	548	14	(1)	26,573	–

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40. INVESTMENTS IN SUBSIDIARIES (Continued)

As at 31 December 2018, the bank and cash balances of the Group's subsidiaries in the PRC denominated in RMB amounted to RMB948,218,000 (2017: RMB1,002,512,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

40. 於附屬公司之投資(續)

於2018年12月31日，本集團於中國的附屬公司的銀行及現金結餘（以人民幣列值）為人民幣948,218,000元（2017年：人民幣1,002,512,000元）。將人民幣兌換為外幣須按中國《外匯管理條例》及《結匯、售匯及付匯管理規定》進行。

SUMMARY FINANCIAL INFORMATION

財務概要

The following is a summary of the published results and of the assets and liabilities of the Group prepared on the bases set out in the note below:

下列為本集團按附註所刊載之基準編製之已公佈業績及資產及負債之概要：

		Year ended 31 December 截至12月31日止年度				
		2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元	2014 2014年 RMB'000 人民幣千元
RESULTS	業績					
Revenue	收入	1,007,046	1,064,254	1,086,216	762,118	545,655
Profit before tax	稅前溢利	152,423	187,616	225,438	220,437	177,340
Income tax expense	所得稅開支	(5,180)	(3,591)	(3,799)	(2,705)	(2,252)
Profit for the year	年度溢利	147,243	184,025	221,639	217,732	175,088
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	143,699	184,551	222,092	217,732	175,088
Non-controlling interests	非控股權益	3,544	(526)	(453)	–	–
		147,243	184,025	221,639	217,732	175,088
ASSETS AND LIABILITIES	資產及負債					
Non-current assets	非流動資產	758,604	572,220	213,688	199,366	187,434
Current assets	流動資產	1,450,080	1,386,799	1,579,630	1,323,743	625,878
Non-current liabilities	非流動負債	(90)	(120)	(1,091)	–	–
Current liabilities	流動負債	(113,515)	(60,134)	(115,563)	(69,813)	(54,536)
Net assets	資產淨額	2,095,079	1,898,765	1,676,664	1,453,296	758,776
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	2,088,681	1,888,911	1,671,353	1,453,296	758,776
Non-controlling interests	非控股權益	6,398	9,854	5,311	–	–
Total equity	權益總額	2,095,079	1,898,765	1,676,664	1,453,296	758,776



CHINA GREENFRESH GROUP CO., LTD.
中國綠寶集團有限公司 *