



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

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 1676

## 2019 ANNUAL REPORT 年報

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# CORPORATE INFORMATION

## 公司資料

### EXECUTIVE DIRECTORS

Mr. Liu Rongru (*Joint-Chairman and Chief Executive Officer*)  
(appointed as Chief Executive Officer on 6 August 2019 and  
redesignated as Joint-Chairman on 14 January 2020)  
Mr. Jiang Dehua (resigned on 6 August 2019)  
Mr. Chak Chi Shing (resigned on 9 September 2019)  
Ms. Li Jiayin (appointed on 9 September 2019)

### NON-EXECUTIVE DIRECTOR

Mr. Li Dongfan (appointed on 14 January 2020)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Dajin  
Mr. Chen Sze Hung (appointed on 9 July 2019 and  
resigned on 14 January 2020)  
Ms. Cheng Shing Yan (resigned on 19 October 2019)  
Mr. Pang Wai Ching (appointed on 19 October 2019)  
Mr. Liu Junting (appointed on 14 January 2020)

### AUDIT COMMITTEE

Mr. Pang Wai Ching (*Chairman*)  
Mr. Liu Dajin  
Mr. Liu Junting

### NOMINATION COMMITTEE

Mr. Liu Rongru (*Chairman*)  
Mr. Liu Dajin  
Mr. Liu Junting

### REMUNERATION COMMITTEE

Mr. Liu Dajin (*Chairman*)  
Mr. Liu Junting  
Mr. Liu Rongru

### COMPANY SECRETARY

Mr. Wong Wai Lun *FCPA*

### AUTHORISED REPRESENTATIVES

Mr. Liu Rongru  
Ms. Li Jiayin

### AUDITORS

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

### LEGAL ADVISER AS TO HONG KONG LAW

Winston & Strawn  
42/F, Bank of China Tower  
1 Garden Road  
Central  
Hong Kong

### 執行董事

劉榮如先生 (*聯席主席兼行政總裁*)  
(於二零一九年八月六日獲委任為行政總裁  
並於二零二零年一月十四日調任聯席主席)  
蔣德華先生 (於二零一九年八月六日辭任)  
翟志勝先生 (於二零一九年九月九日辭任)  
李佳音女士 (於二零一九年九月九日獲委任)

### 非執行董事

李東凡先生 (於二零二零年一月十四日獲委任)

### 獨立非執行董事

劉大進先生  
陳斯雄先生 (於二零一九年七月九日獲委任  
並於二零二零年一月十四日辭任)  
鄭承欣女士 (於二零一九年十月十九日辭任)  
彭偉正先生 (於二零一九年十月十九日獲委任)  
劉俊廷先生 (於二零二零年一月十四日獲委任)

### 審核委員會

彭偉正先生 (*主席*)  
劉大進先生  
劉俊廷先生

### 提名委員會

劉榮如先生 (*主席*)  
劉大進先生  
劉俊廷先生

### 薪酬委員會

劉大進先生 (*主席*)  
劉俊廷先生  
劉榮如先生

### 公司秘書

黃偉倫先生 *FCPA*

### 授權代表

劉榮如先生  
李佳音女士

### 核數師

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

### 香港法律顧問

溫斯頓律師事務所  
香港中環花園道1號  
中銀大廈42樓

# CORPORATE INFORMATION

## 公司資料

### PRINCIPAL BANKERS

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

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

### PRINCIPAL REGISTRAR AND TRANSFER OFFICE

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

### HONG KONG BRANCH REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

### REGISTERED OFFICE IN THE CAYMAN ISLANDS

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

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

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

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

### WEBSITE

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

### STOCK CODE

01676

### 主要往來銀行

廈門銀行華昌支行  
中國  
福建省廈門市  
華昌路86號

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

### 主要股份過戶登記處

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

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心54樓

### 開曼群島註冊辦事處

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

### 中國總部及主要營業地點

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

### 香港主要營業地點

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

### 網址

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

### 股份代號

01676

# CHAIRMAN'S STATEMENT

## 主席報告書

Dear Shareholders,

On behalf of the Board of Directors of China Shenghai Food Holdings Company Limited (the "Company" or "Shenghai Food") and its subsidiaries (collectively, the "Group"), I report to shareholders our annual report for the year ended 31 December 2019 (the "Year 2019" or the "Period").

### BUSINESS REVIEW

In 2019, China's economy was meeting expectations with a GDP growth for the year by 6.1% as compared to the last year amid the uncertainty from both within and outside the PRC as well as the economic and trade conflicts between the PRC and the United States. As one of the well-known brand of seafood producers in China, the Group is committed to producing consumer food with rigid demand for healthy diets, and focusing on the establishment of brand profile and sales channels. The Group embraces wide and diverse product offerings, and mainly sells dried seafood, algae and fungi and seafood snacks in the PRC. Taking an overview of 2019, confronted by surmounting challenges presented by the uncertainties in the economy, the Group has been looking for opportunities for development by broadening products offerings to the consumers' needs and liking. Our major products during 2019 remained dried seafood products. In 2019, The Group's revenue decreased by approximately 29.2% to approximately RMB472.9 million in the year ended 31 December 2019 from approximately RMB668.0 million for the year ended 31 December 2018, and gross profit fell by 38.6% to approximately RMB103.8 million for the year ended 31 December 2019 from RMB169.1 million in the year ended 31 December 2018. The overall sales declined, partially offset by with increases in average selling prices across the products offered. Dried seafood, which the largest product category in terms of sales, recorded sales revenue of RMB246.1 million in 2019, accounting for 52.1% of total revenue, with the average selling price increased from RMB88.6/kg in 2018 to RMB89.5/kg in 2019. In terms of sales channels, supermarket is still the Group's largest revenue resource, generating RMB247.4 million, accounting for 52.3% of total revenue in 2019.

尊敬的各位股東：

本人謹代表董事會向股東匯報中國升海食品控股有限公司（「本公司」或「升海食品」）及其附屬公司（統稱「本集團」）截至二零一九年十二月三十一日止年度（「二零一九年」或「期內」）的全年業績。

### 業務回顧

縱使中國國內外的不確定性以及中美之間的經濟和貿易衝突，二零一九年中國的經濟達到了預期，全年GDP同比增長6.1%。作為中國海鮮生產商的知名品牌之一，本集團致力於生產對健康飲食有嚴格需求的消費類食品，並致力於建立品牌形象和銷售管道。本集團提供多種多樣的產品，主要在中國銷售海味、藻類、菌類和海鮮零食。回顧二零一九年，面對經濟不確定性帶來的嚴峻挑戰，本集團一直在通過擴大產品種類以滿足消費者需求和喜好來尋找發展機會。我們在一九一九年的主要產品仍然是乾海產品。於二零一九年，本集團的收入由截至二零一八年十二月三十一日止年度的約人民幣668.0百萬元減少約29.2%至截至二零一九年十二月三十一日止年度的約人民幣472.9百萬元，而截至二零一九年十二月三十一日止年度毛利減少38.6%至約人民幣103.8百萬元，而截至二零一八年十二月三十一日止年度為人民幣169.1百萬元。整體銷售額下降，但部分被所提供產品的平均售價上升所抵銷。乾海產品是銷售額最大的產品類別，二零一九年實現銷售收入人民幣246.1百萬元，佔總收入的52.1%，平均銷售價格從二零一八年的每公斤人民幣88.6元增加到二零一九年的每公斤人民幣89.5元。就銷售管道而言，超市仍然是本集團最大的收入來源，產生人民幣247.4百萬元收入，佔二零一九年總收入的52.3%。

# CHAIRMAN'S STATEMENT

## 主席報告書

### OUTLOOK

The Group has enjoyed rapid growth accompanying with China's economy. The improvement of social security system, the increase in household income and purchase power of residents, as well as the greater acceptance towards nutritive value of seafood drove the growth of seafood and algae market. However, individual consumer confidence was affected by trade dispute between the United States and China resulting in slowdown of manufacturing and exporting industries, as well as by the depressed stock market and real estate market in China. Beginning in January 2020, the novel coronavirus outbreak (COVID-19) caused stoppages of businesses and suspensions of classes in schools across the nation, further depressing individual consumer confidence. Since seafood and algae are consumer discretionary, their demands are expected to decrease significantly. In addition, to ensure the health and safety of the Group's employees and customers, it has suspended all product promotion activities, which will directly affect the Group's turnover and performance.

Strategizing to maintain financial strength and stable growth amidst these difficulties, the Group will further expand its businesses other than food products in order to diversify its revenue sources. The status of listing and sufficient cash flows of the Company lay a solid foundation for Shenghai to pursue growth. From the prospective of China's economic structure, China encourages credit easing to help enterprises to go through transition. As such, the Group has commenced to study the feasibility of stepping into the other industries and will spare no effort to gain momentum of growth for the Group through proactively pursuing cooperation as well as merger and acquisitions opportunities by making the best of the financial strength of the Company.

### APPRECIATION

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

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

*Joint-Chairman and Executive Director*  
Xiamen, the PRC, 23 March 2020

### 展望

本集團伴隨著中國經濟迅速發展。社會保障體系的完善，家庭收入和居民購買力的提高以及對海產品營養價值的認可，帶動了海產品市場的增長。但是，個人消費者的信心受到美中貿易爭端的影響，導致製造業和出口業的放緩，以及中國股市和房地產市場的低迷。從二零二零年一月開始，新的冠狀病毒（COVID-19）爆發導致企業停業和全國學校停課，進一步壓低了個人消費者的信心。由於海鮮和藻類並非必需品，因此預計其需求將大大減少。此外，為了確保本集團員工和客戶的健康和安全，本集團已暫停所有產品促銷活動，這將直接影響本集團的營業額和業績。

為了在這些困難中保持財務實力和穩定增長的戰略，本集團將進一步擴大除食品以外的業務，以多樣化其收入來源。公司的上市地位和充足的現金流為升海追求增長奠定了堅實的基礎。從中國經濟結構的角度來看，中國鼓勵信貸放鬆以幫助企業過渡。因此，本集團已開始研究涉足其他行業的可行性，並將不遺餘力地通過積極尋求合作以及併購機會為集團取得增長動力充分利用公司的財務實力。

### 致謝

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

**中國升海食品控股有限公司**  
**聯席主席兼執行董事**

**劉榮如**

中國廈門市，二零二零年三月二十三日

# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

### EXECUTIVE DIRECTORS

**Mr. Liu Rongru** (劉榮如) (“Mr. Liu”), aged 52, is our Chief Executive Officer, Executive Director and the Joint-chairman of our Board and is primarily responsible for development, positioning and strategy planning of our Group. Mr. Liu is the founder of our Group. He was appointed as a Director and Chief Executive Officer on 8 January 2016 and 6 August 2019 respectively, and redesignated as an Executive Director and Joint-chairman on 11 April 2016 and 14 January 2020 respectively. He is currently a director of all subsidiaries of our Group. He is also a member of our Remuneration Committee and the chairman of our Nomination Committee.

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

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

### 執行董事

劉榮如先生(「劉先生」)，52歲，為我們的行政總裁、執行董事及董事會主席，主要負責本集團的發展、定位及策略規劃。劉先生為本集團創辦人。彼分別於二零一六年一月八日及二零一九年八月六日獲委任為董事及行政總裁及分別於二零一六年四月十一日及二零二零年一月十四日獲改任為執行董事及聯席主席。彼現為本集團所有附屬公司的董事。彼亦為薪酬委員會成員及提名委員會主席。

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

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

# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

**Ms. Li Jiayin** (李佳音) (“Ms. Li”), aged 36, is our Executive Director. She was appointed as an Executive Director on 9 September 2019. She is primarily responsible for business development, overall management and strategic planning of our Group. Ms. Li graduated from Auckland University of Technology, New Zealand with a bachelor’s degree in finance in 2008. She worked as the department head at Le Brun Peirse Limited from 2008 to 2012, and as a senior management at BP Oil Group in 2013. She joined Moody Group in 2014, and has been serving as the regional head of Europe, North America and the chief executive officer of Moody Group. From March 2018 to August 2018, she was appointed as an executive director of Wang Tai Holdings Limited (currently known as “Moody Technology Holdings Limited”) (stock code: 1400) and she has been the acting chairlady of such company from August 2018 to April 2019. Ms. Li is currently the authorized representative of Shenzhen National Development Fund Management Limited\* (深圳國展基金管理有限公司), a member of the Asset Management Association of China\* (中國證券投資基金業協會) and a Certified Financial Planner in China.

### NON-EXECUTIVE DIRECTOR

**Mr. Li Dongfan** (李東凡) (“Mr. Li”), aged 35. Mr. Li is an entrepreneur and he held a degree of Doctor of Philosophy (Finance) granted by Brampton International University, Canada. From November 2017 to July 2018, Mr. Li held various positions of vice chairman, executive director and the joint-chairman of the board of directors of Blockchain Group Company Limited, a company listed on The Stock Exchange of Hong Kong (the “Stock Exchange”) (Stock Code: 364). From April 2018 to August 2018, Mr. Li served as the executive director and chairman of Moody Technology Holdings Limited, a company listed on the Stock Exchange (Stock Code: 1400).

**李佳音女士** (「李女士」), 36歲, 為執行董事。彼於二零一九年九月九日獲委任為執行董事。彼主要負責本集團的業務發展、管理及策略規劃。彼於二零零八年畢業於新西蘭奧克蘭理工大學(Auckland University of Technology), 並取得金融學士學位。於二零零八年至二零一二年期間, 彼曾擔任Le Brun Peirse Limited部門負責人; 二零一三年於BP Oil集團任職高級管理人員; 於二零一四年, 彼加入滿地集團, 先後擔任滿地集團歐洲地區負責人、北美地區負責人及行政總裁等職務; 於二零一八年三月至二零一八年八月期間, 彼獲委任為宏太控股有限公司(現稱「滿地科技股份有限公司」)(股份代號: 1400)之執行董事, 並於二零一八年八月至二零一九年四月期間擔任該公司之代理主席。李女士現為深圳國展基金管理有限公司之法人代表、中國證券投資基金業協會會員及中國國家理財規劃師。

### 非執行董事

**李東凡先生** (「李先生」), 35歲。彼於二零二零年一月十四日獲委任為非執行董事。彼主要負責為本集團的業務發展、管理及策略規劃提供意見。李先生是企業家, 持有加拿大布蘭普頓國際大學授予之哲學(金融)博士學位。自二零一七年十一月至二零一八年七月, 李先生先後擔任區塊鏈集團有限公司(股份代號: 364), 一家於聯交所上市之公司之副主席, 執行董事及聯席主席等職位。自二零一八年四月至二零一八年八月, 李先生曾擔任滿地科技股份有限公司, 一家於聯交所上市之公司(股份代號: 1400)之執行董事及主席。



# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Liu Dajin** (劉大進), aged 54, was appointed as an Independent Non-executive Director on 22 June 2017. Mr. Liu Dajin is also a member of our Audit Committee, our Remuneration Committee and our Nomination Committee. Mr. Liu Dajin has been a practising member of the Chinese Institute of Certified Public Accountants since November 1996. Mr. Liu Dajin graduated with a bachelor degree in economics (major in accounting) from the Central University of Finance and Economics (中央財經大學) (originally named Central Institute of Finance and Banking (中央財政金融學院)) in June 1989. He then obtained a postgraduate qualification from the Xiamen University Postgraduate School in September 1992. Mr. Liu Dajin worked as a teaching assistant at the Jimei Finance and Economics School (集美財經學校 (currently known as: Finance & Economics Institute, Jimei University 集美大學財經學院)) from August 1984 to August 1987. Mr. Liu Dajin then served as the deputy director and an instructor at the Financial Management Teaching and Research Centre (財務管理教研室) at the Jimei College of Finance (集美財政專科學校 (currently known as: Finance & Economics Institute, Jimei University 集美大學財經學院)) from July 1989 to August 1995. Mr. Liu Dajin worked in various faculties of the Jimei University (集美大學) since September 1995 and is currently the professor of the Faculty of Management of the Chengyi University College, Jimei University (集美大學誠毅學院). Mr. Liu Dajin has been an independent non-executive Director of Mobile Internet (China) Holdings Limited (formerly known as China Packaging Holdings Development Limited), which is listed on the Stock Exchange (stock code: 1439) since December 2013.

**Mr. Liu Junting** (劉俊廷) ("Mr. Liu Junting"), aged 30, was appointed as an Independent Non-executive Director on 14 January 2020. He is a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Liu Junting graduated from Beijing Institute of Technology in July 2013. Mr. Liu Junting is currently the assistant manager of Zhuhai Lvzhou Industrial Limited. Since October 2019, Mr. Liu Junting was appointed as an independent non-executive director of Moody Technology Holdings Limited, a company listed on the Stock Exchange (Stock Code: 1400).

### 獨立非執行董事

**劉大進先生**，54歲，於二零一七年六月二十二日獲委任為獨立非執行董事。劉大進先生亦為審核委員會、薪酬委員會及提名委員會成員。劉大進先生自一九九六年十一月起出任中國註冊會計師協會之執業會員。劉大進先生於一九八九年六月畢業於中央財經大學(原稱中央財政金融學院)，取得經濟學學士學位(會計專業)。其後彼於一九九二年九月獲廈門大學研究生院頒授研究生證書。劉大進先生於一九八四年八月至一九八七年八月於集美財經學校(現稱為集美大學財經學院)出任教學助理。劉大進先生其後於一九八九年七月至一九九五年八月於集美財政專科學校(現稱為集美大學財經學院)財務管理教研室出任副主任及講師。劉大進先生自一九九五年九月起於集美大學各學院工作，現為集美大學誠毅學院管理系教授。劉大進先生自二零一三年十二月起一直擔任聯交所上市公司移動互聯(中國)控股有限公司(前稱中華包裝控股發展有限公司(股份代號: 1439))獨立非執行董事。

**劉俊廷先生**(「劉俊廷先生」)，30歲，於二零二零年一月十四日獲委任為獨立非執行董事。彼亦為審核委員會成員、薪酬委員會成員及提名委員會成員。劉俊廷先生二零一三年七月畢業於北京理工大學。劉俊廷先生目前於珠海綠洲實業有限公司擔任助理經理，自二零一九年十月，劉俊廷先生獲委任為滿地科技股份有限公司，一家於聯交所上市之公司(股票代碼: 1400)之獨立非執行董事。

# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

**Mr. Pang Wai Ching** (彭偉正) (“Mr. Pang”), aged 31, was appointed as an Independent Non-executive Director on 19 October 2019. He is the chairman of the Audit Committee. Mr. Pang received a Bachelor degree of Business Administration in Accountancy from City University of Hong Kong in July 2010. He was admitted as a member of the Hong Kong Institute of Certified Public Accountants in March 2015. Mr. Pang joined KPMG in October 2010 and left the firm in November 2014, with his last position held as an assistant manager. He served as assistant manager of group internal audit department of Melco Services Limited between November 2014 and September 2015. Mr. Pang rejoined KPMG in October 2015 and left the firm in July 2017 with his last position held as a manager. He also worked as a financial controller of Golden Bright (Hong Kong) Group Company Limited (金輝香港集團有限公司) from July 2017 to April 2018. Mr. Pang has been the company secretary of Fusen Pharmaceutical Company Limited (stock code: 1652), a company listed on the Main Board, since April 2019. He has also been appointed as the company secretary of Orange Tour Cultural Holding Limited (stock code: 8627), a company listed on GEM, since June 2018. He is currently the director of Techson Management Limited (德承管理有限公司), a company primarily engaged in accounting and training services.

### SENIOR MANAGEMENT

**Mr. Liu Zhengping** (劉崢平), aged 49, is the chief procurement officer of our Group and is primarily responsible for developing strategic plans and overall management of our Group’s procurement. Mr. Liu Zhengping joined our Group as the manager for procurement department in August 2009.

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

**Mr. Lin Yiyang** (林益陽), aged 32, is the chief sales officer of our Group and is primarily responsible for developing strategic plans and overall management of our Group’s sales. Mr. Lin joined our Group in 2010 and he was responsible for business development and customer management for the Group’s market in Southern China. He has been working with the Group for 8 years and has extensive experience in marketing and customer relations.

**Mr. Liu Qingsen** (劉清森), aged 49, is the head of production of our Group and is primarily responsible for developing strategic plans and overall management of our Group’s production. Mr. Liu joined our Group as the team leader of production department in August 2011.

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

**彭偉正先生** (「彭先生」), 31歲, 於二零一九年十月十九日獲委任為獨立非執行董事。彼亦為審核委員會主席。彭先生於二零一零年七月獲香港城市大學頒授工商管理學士學位, 主修會計。彼於二零一五年三月獲認可為香港會計師公會會員。彭先生於二零一零年十月加入畢馬威, 於二零一四年十一月的最後職位為助理經理。由二零一四年十一月至二零一五年九月, 彼於Melco Services Limited集團內部審計部門擔任助理經理。彭先生於二零一五年十月重返畢馬威, 於二零一七年七月離職, 最後職位為經理。自二零一七年七月至二零一八年四月, 彼曾於金輝香港集團有限公司擔任財務總監。自二零一九年四月, 彭先生於福森藥業有限公司(股份代號: 1652)(於聯交所主板上市之公司)擔任公司秘書, 自二零一八年六月, 彭先生於旅橙文化控股有限公司(股份代號: 8627)(於聯交所GEM上市之公司)。彼現為德承管理有限公司董事, 該公司主要從事會計及培訓服務。

### 高級管理層

**劉崢平先生**, 49歲, 為本集團採購主管, 主要負責制定戰略計劃及整體管理本集團採購事宜。劉崢平先生於二零零九年八月加入本集團擔任採購部經理。

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

**林益陽先生**, 32歲, 為本集團銷售主管, 主要負責發展戰略計劃及本集團整體銷售事宜。林先生於二零一零年加入本集團負責南部市場開發及客戶管理工作, 已在本集團工作8年, 具有豐富的市場經驗和客戶資源。

**劉清森先生**, 49歲, 為本集團生產主管, 主要負責發展戰略計劃及本集團整體生產事宜的整體管理。劉先生於二零一一年八月加入本集團擔任生產部組長。

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

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

The board (the “Board”) of directors (the “Directors”) of China Shenghai Food Holdings Company Limited (the “Company”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2019 (the “Reporting Period”), together with the comparative figures for the corresponding period in 2018.

### BUSINESS REVIEW

The Group sells dried seafood, algae and fungi, and seafood snacks in the PRC. The Group (i) sources high quality raw and processed raw materials, (ii) sub-contracts processing of the unprocessed raw materials to third parties, (iii) packages products at its own packaging facilities or through its sub-contractors, and (iv) sells packaged products under its own brand “Wofan (沃豐)”. The Group also sells dried seafood, algae and fungi without packaging.

The Group’s revenue decreased by approximately 29.2% to approximately RMB472.9 million in the Reporting Period from approximately RMB668.0 million for the year ended 31 December 2018. China’s GDP growth was 6.1% in 2019, as compared to 6.6% in 2018. This is the lowest growth rate since records began in March 1992, as the economy begins to show signs of pressure from the ongoing US trade war.

The Group’s gross profit for the Reporting Period fell by 38.6% to approximately RMB103.8 million in the Reporting Period from RMB169.1 million in the year ended 31 December 2018, while the gross margin fell from 25.3% in the year ended 31 December 2018 to 21.9% in the Reporting Period.

The Group has a comprehensive product portfolio with different raw materials, flavouring and packaging and considers each product to be distinctive. The Group seeks to differentiate itself from its competitors by providing a broad and convenient choice of safe and quality products, which creates additional opportunities to drive the overall sales. During the Reporting Period, the Group offered over 100 dried seafood, 30 algae and fungi, and 60 seafood snacks products.

The Group’s products are sold through supermarkets, trading companies, convenience stores and other sales channels, such as food companies, gift stores and e-commerce retailers. During the Reporting Period, products sold through supermarkets continued to be the major revenue source to the Group sales and the proportions for revenue contributed for each of the above channels remained consistent as compared to the year ended 31 December 2018.

中國升海食品控股有限公司(「本公司»)之董事(「董事»)會(「董事會»)欣然提呈本公司及其附屬公司(統稱「本集團»)截至二零一九年十二月三十一日止十二個月(「二零一九年」或「報告年內»)之經審核綜合全年業績連同二零一八年同期(「去年同期»)之比較數字。

### 業務回顧

本集團與中國銷售乾製海鮮、藻類及菌類及休閒食品，本集團(i)採購高質的未加工及已加工原材料，(ii)將未加工原材料的加工工序分包予第三方，(iii)在本集團的自有包裝設施或透過分包商包裝產品，及(iv)以自有品牌「沃豐」銷售包裝產品。本集團亦銷售未包裝乾海產品以及藻類產品及菌類產品。

本集團收益由截至二零一八年十二月三十一日止年度的約人民幣668.0百萬元下跌約29.2%至報告年內的約人民幣472.9百萬元。2019年中國的GDP增長率為6.1%，而2018年為6.6%。這是自1992年3月有記錄以來的最低增長率，因為經濟因持續的美國貿易戰開始顯示出壓力跡象。

本集團於報告年內的毛利由截至2018年12月31日止年度的人民幣169.1百萬元減少38.6%至報告年內的約人民幣103.8百萬元，而毛利率則由截至2018年12月31日止年度的25.3%下降在報告期內上升至21.9%。

本集團擁有含不同原材料且口味及包裝各不相同的全面產品組合，而每種產品均各具特色。本集團尋求透過提供豐富多樣及便利的安全優質產品選擇，創造促進整體銷售的更多機會，從競爭對手中脫穎而出。報告年內，本集團提供超過100種乾海產品、30種藻類產品及菌類產品，以及60種海洋休閒產品。

本集團透過超市、貿易公司、便利店及其他銷售管道(如食品公司、禮品店及零售電商)銷售產品。於報告期間，透過超市銷售產品繼續為本集團銷售額的支柱，而上述各渠道所貢獻的收益比例與截至二零一八年十二月三十一日止年度相若。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

The revenue decline of the Group during the Reporting Period was driven by the US-China trade war, which resulted in a slump in domestic demand as well as lower Chinese consumer confidence. The sustainable growth of the Group relies on the proven sales records and stable supply of its wide ranges of products.

### OUTLOOK

Over the past couple of years, individual consumer confidence was affected by trade dispute between the United States and China resulting in slowdown of manufacturing and exporting industries, as well as by the depressed stock market and real estate market in China.

On 13 December 2019, the US and the PRC government officials announced that they have entered into a preliminary trade agreement and on 15 January 2020, the US and the PRC government signed the phase one agreement aimed at easing the Sino-US trade war. Although the immediate threat of further escalation has stopped, the Group believes the trade tension between US and China will continue to put downward pressure on Chinese consumer confidence. Since seafood and algae are consumer discretionary, their demands are expected to decrease significantly. The management is taking every precautionary step to mitigate the Group's market exposure and diversify the Group's portfolio. As such, the Group is no longer pursuing the purchase of land in mainland China due to the economic uncertainty ahead. Instead, the Group will rent additional factory areas as considered necessary to maximize the Group's organic growth prospects. At the same time, since the outbreak of the new coronavirus (the "Epidemic") in China since January 2020, the Group's operations have been seriously affected, and customer demand for the Company's products has further declined. In addition, to ensure the health and safety of its employees and customers, the Group has suspended all product promotion activities, which will directly affect the Group's turnover and performance. Considering the impact of the Epidemic in various aspects, the Group believes that this opportunity should be taken to further expand its businesses other than food products in order to balance its business risks.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

於報告期間，本集團收入錄得之減少乃由於中美貿易戰引起，導致國內需求減少及中國消費者信心下降。本集團的可持續增長取決於可靠的銷售記錄及其種類豐富的產品的穩定供應。

### 展望

在過去幾年，個人消費者的信心受到美中貿易爭端的影響，導致製造業和出口業的放緩，以及中國股市和房地產市場的低迷。

二零一九年十二月十三日，美國和中國政府官員宣布已簽署初步貿易協定。二零二零年一月十五日，美國和中國政府簽署了旨在緩解中美貿易戰的第一階段協議。儘管進一步升級的直接威脅已經消除，但本集團認為中美之間的貿易緊張局勢將繼續對中國消費者信心造成下行壓力。由於海鮮和藻類並不是必需品，因此預計其需求將大大減少。管理層正在採取一切預防措施，以減輕本集團的市場風險，並使本集團的業務組合多樣化。因此，由於未來的經濟不確定性，本集團不再尋求在中國大陸購買土地。相反，本集團將視需要租用額外的工廠區域，以最大化本集團的有機增長前景。同時，自二零二零年一月以來在中國爆發新的冠狀病毒（“疫情”）以來，本集團的運營受到嚴重影響，客戶對公司產品的需求進一步下降。此外，為確保員工和客戶的健康和安全，本集團已暫停所有產品促銷活動，這將直接影響本集團的營業額和業績。考慮到疫情在各個方面的影響，本集團認為，應利用這一機會進一步擴大其食品以外的業務，以平衡其業務風險。

### 購買、出售或贖回上市證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司的上市證券。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### OPERATING RESULTS AND FINANCIAL REVIEW REVENUE

During the Reporting Period, the Group's revenue decreased by approximately 29.2% to approximately RMB472.9 million from approximately RMB668.0 million for the year ended 31 December 2018, primarily due to decreases in both sales volume and average selling prices.

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

		Year ended 31 December 截至十二月三十一日止年度			
		2019 二零一九年 RMB'000 人民幣千元	% to total revenue 佔總收益的 百分比(%)	2018 二零一八年 RMB'000 人民幣千元	% to total revenue 佔總收益的 百分比(%)
Dried seafood	乾海產品	246,108	52.1%	335,311	50.2%
Algae and fungi	藻類產品及菌類產品	190,283	40.2%	275,506	41.2%
Seafood snacks	休閒食品	36,497	7.7%	57,141	8.6%
Total	總計	472,888		667,958	

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

		Year ended 31 December 截至十二月三十一日止年度			
		2019 二零一九年 RMB'000 人民幣千元	% to total revenue 佔總收益的 百分比(%)	2018 二零一八年 RMB'000 人民幣千元	% to total revenue 佔總收益的 百分比(%)
Supermarkets	超市	247,455	52.3%	354,662	53.1%
Trading companies	貿易公司	104,528	22.1%	156,538	23.4%
Convenience stores	便利店	25,575	5.4%	30,987	4.6%
Others	其他	95,330	20.2%	125,771	18.9%
Food companies	食品公司	37,813	8.1%	44,212	6.6%
Gift stores	禮品店	23,097	4.9%	39,459	5.9%
E-commerce retailers	電商	32,125	6.8%	37,630	5.7%
Others	其他	1,731	0.3%	3,909	0.6%
Self-operated website	自營網站	564	0.1%	561	0.1%
Total	總計	472,888		667,958	

### 經營業績及財務回報

#### 收益

於報告期內，本集團的營業額由截至二零一八年十二月三十一日止年度的約人民幣668.0百萬元減少約29.2%至約人民幣472.9百萬元，主要是由於本集團的客戶需求減少導致銷量減少。

下表載列於報告年內按本集團產品類別劃分的收益：

下表載列本集團的銷售渠道於報告年內的收益貢獻：

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### GROSS PROFIT AND GROSS PROFIT MARGIN

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

		Year ended 31 December 截至十二月三十一日止年度			
		2019 二零一九年 RMB'000 人民幣千元	Gross profit margin 毛利率 (%)	2018 二零一八年 RMB'000 人民幣千元	Gross profit margin 毛利率 (%)
Dried seafood	乾海產品	53,915	21.8%	84,798	25.3%
Algae and fungi	藻類產品及菌類產品	42,627	22.3%	71,041	25.8%
Seafood snacks	休閒食品	7,227	19.7%	13,255	23.2%
Total	總計	103,769	21.9%	169,094	25.3%

The Group's gross profit margin was approximately 21.9% and approximately 25.3% during the Reporting Year and for the corresponding period of last year. The decrease in gross profit margin was mainly due to the increase in raw materials costs during the year.

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

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

### SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses primarily consist of salaries and employee benefit expenses for employees engaging in the sales and promotion activities, transportation expenses, advertising and promotion expenses, rental expenses and other expenses. As a percentage of revenue, our selling and distribution expenses amounted to approximately 9.2% and 8.2% for the year ended 31 December 2019 and 2018, respectively. This increase was primarily due to the decrease in revenue of the Group during the Reporting Year.

### ADMINISTRATIVE EXPENSES

Administrative expenses primarily consist of salaries and employees benefit expenses, rental expenses, office expenses, depreciation and others. As a percentage of revenue, our administrative expenses increased from approximately 1.7% for the year ended 31 December 2018 to approximately 3.0% for the Reporting Year, mainly due to the decrease in revenue of the Group during the Reporting Year.

### 毛利及毛利率

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

本集團的毛利率於報告年內及去年同期分別為約21.9%及約25.3%。毛利率下降主要是由於年內原材料成本增加所致。

### 其他收入及其他收益／(虧損)淨額

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

### 銷售及分銷開支

銷售及分銷開支主要包括從事銷售及推廣活動的僱員的薪金及僱員福利開支、運輸開支、廣告及推廣開支、租賃開支及其他開支。於截至二零一九年及二零一八年十二月三十一日止年度分別約為9.2%及8.2%，相關增幅乃主要由於本集團於報告年內之營業額下降所致。

### 行政開支

行政開支主要包括薪金及僱員福利開支、租賃開支、辦公開支、折舊及其他。本公司於二零一八年並沒有產生上市費用，因此行政開支佔收益的百分比由截至二零一八年十二月三十一日止年度的約1.7%上升至報告年內的約3.0%。主要由於本集團於報告年內之營業額下降所致。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### INCOME TAX EXPENSES

Income tax expense primarily consists of Enterprise Income Tax of Xiamen Wofan Foodstuffs Company Limited and Fujian Wofan Foodstuffs Company Limited, the applicable tax rate of which being 25%. For the year ended 31 December 2019 and 2018, income tax expense were approximately RMB15.2 million and RMB28.0 million, respectively. The effective tax rates was approximately 33.0% for the year ended 2019 (for the corresponding period of last year: 26.8%).

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

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

### LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURES

#### CASH FLOWS

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

#### NET CURRENT ASSETS

Net current assets increased from approximately RMB371.1 million as at 31 December 2018 to approximately RMB404.3 million as at 31 December 2019. The increase was primarily attributable to an increase in inventories and cash and cash equivalents and decrease in trade payables.

#### CASH AND CASH EQUIVALENT AND BANK BORROWINGS

During the Reporting Year, the Group maintained a healthy liquidity position. As at 31 December 2019, cash and cash equivalents of the Group was approximately RMB242.6 million, as compared to approximately RMB234.3 million as at 31 December 2018 and the Group has no bank borrowings.

#### GEARING RATIO

As at 31 December 2019, the gearing ratio (calculated by total debt divided by the total equity as at the end of the year) was 0.002 (31 December 2018: Nil).

#### 所得稅開支

所得稅開支主要包括廈門沃豐及福建沃豐按適用稅率25%繳納的企業所得稅。截至二零一九年及二零一八年十二月三十一日止年度，所得稅開支分別約人民幣15.2百萬元及人民幣28.0百萬元。截至二零一九年止年度的實際稅率約為33.0%（去年同期：26.8%）。

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

由於本集團並無於香港產生應課稅溢利，故並無計提香港利得稅撥備。

#### 流動資金及財務資源及資本架構

##### 現金流量

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

##### 流動資產淨值

流動資產淨值由二零一八年十二月三十一日約人民幣371.1百萬元增加至二零一九年十二月三十一日約人民幣404.3百萬元，增加乃主要由於存貨增加及貿易應付款項減少所致。

##### 現金及現金等價物及銀行借款

於報告年內，本集團維持良好的流動資金狀況。於二零一九年十二月三十一日，本集團現金及現金等價物約為人民幣242.6百萬元，而於二零一八年十二月三十一日約為人民幣234.3百萬元，本集團無銀行借款。

##### 資產負債比率

於二零一九年十二月三十一日，資產負債比率（按總債務除以年末權益總額）為0.002（二零一八年十二月三十一日：零）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### INVENTORIES

As at 31 December 2019, inventories amounted to approximately RMB79.1 million (2018: approximately RMB70.3 million). The number of inventory turnover days was approximately 74 days (2018: 41 days).

### TRADE RECEIVABLES

As at 31 December 2019, trade receivables amounted to approximately RMB102.2 million (2018: approximately RMB110.0 million). The Group granted its customers a credit period of 60 to 120 days following the day of delivery. The number of turnover days for trade receivables was approximately 82 days (2018: approximately 57 days).

### TRADE PAYABLES

As at 31 December 2019, trade payables amounted to approximately RMB8.7 million (2018: approximately RMB39.9 million). The Group managed to obtain a credit period of an average of approximately 30 days from the majority of its suppliers.

### CAPITAL EXPENDITURES

For the year ended 31 December 2019, the Group's capital expenditure amounted to approximately RMB5.9 million (Year ended 31 December 2018: approximately RMB37.1 million).

### PLEDGE OF ASSETS

As at 31 December 2019, the Group did not pledge any assets.

### USE OF NET PROCEEDS FROM INITIAL PUBLIC OFFERING

The shares of the Company were listed on the Main Board of the Stock Exchange on 18 July 2017 with net proceeds from the global offering of approximately HK\$123.3 million (after deduction of underwriting fees and commissions and expenses paid in connection with the global offering). According to the intended use as set out in "Future Plans and Use of Proceeds" in the prospectus published on 30 June 2017 (the "Prospectus"). As at 31 December 2019, all of the net proceeds from the global offering has been utilized.

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

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

### 存貨

於二零一九年十二月三十一日，存貨為約人民幣79.1百萬元（二零一八年：約人民幣70.3百萬元）。存貨週轉天數為約74天（二零一八年：41天）。

### 貿易應收款項

於二零一九年十二月三十一日，貿易應收款項為約人民幣102.2百萬元（二零一八年：約人民幣110.0百萬元）。本集團授予其客戶的信貸期自送貨日期翌日起計為期60至120天。貿易應收款項週轉天數為約82天（二零一八年：約57天）。

### 貿易應付款項

於二零一九年十二月三十一日，貿易應付款項為約人民幣8.7百萬元（二零一八年：約人民幣39.9百萬元）。本集團獲大多數供應商授出平均約30天的信貸期。

### 資本開支

於截至二零一九年十二月三十一日止年度，本集團的資本開支約為人民幣5.9百萬元（截至二零一八年十二月三十一日止年度：人民幣37.1百萬元）。

### 資產抵押

於二零一九年十二月三十一日，本集團概無任何資產抵押。

### 首次公開發售所得款項淨額用途

本公司股份於二零一七年七月十八日在聯交所主板上市，來自全球發售所得款項淨額約為123.3百萬港元（扣除本公司因全球發售已付的包銷費用及佣金及開支）。根據二零一七年六月三十日發佈的招股章程（「招股章程」）內「未來計劃及所得款項用途」所載的擬定用途，截至二零一九年十二月三十一日，全球發售所得款項淨額已全數動用。

### 重大投資、重大收購及出售附屬公司及聯營公司

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



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### EXCHANGE RISK EXPOSURE

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

### EMPLOYEES

As at 31 December 2019, the Group had 554 full time employees in total (31 December 2018: 645). The Group remunerates its employees based on their performance, experience and prevailing industry practice. Competitive remuneration package is offered to retain elite employees. The package includes salaries, medical insurance, discretionary bonuses, other benefits as well as mandatory provident fund schemes for employees in Hong Kong and state-managed retirement benefit schemes for employees in the PRC.

### FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2019 to the shareholders.

### EVENTS AFTER THE REPORTING PERIOD

Since the outbreak of Coronavirus Disease 2019 ("COVID-19") in January 2020, the prevention and control of the COVID-19 has been going on throughout the country. The COVID-19 has certain impacts on the business operation and customer demand for the Group's products has further declined. In addition, to ensure the health and safety of its employees and customers, the Group has suspended all product promotion activities, which will directly affect the Group's turnover and performance. Up to the date of the report, the financial effect cannot be estimate. The Group will continue to attend to the situation of the COVID-19, to assess and react actively to its impacts on the financial position and operating results of the Group.

### 外匯風險

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

### 僱員

於二零一九年十二月三十一日，本集團合共有554名(二零一八年十二月三十一日：645名)全職僱員。本集團按僱員表現、經驗及現行行業常規付予僱員薪酬。為挽留精英僱員，本集團提供有競爭力薪酬待遇。待遇包括薪金、醫療保險、酌情花紅、其他福利以及香港僱員的強積金計劃及中國僱員的國家管理退休福利計劃。

### 末期股息

董事會不建議就截至二零一九年十二月三十一日止年度向股東派付末期股息。

### 報告期後事項

自二零二零年一月爆發2019年冠狀病毒病("COVID-19")以來，在全國範圍內一直在預防和控制COVID-19。COVID-19對業務運營有一定影響，客戶對本集團產品的需求進一步下降。此外，為確保員工和客戶的健康和安全，本集團已暫停所有產品促銷活動，這將直接影響本集團的營業額和業績。截至報告日期，財務影響尚無法估計。本集團將繼續關注COVID-19的狀況，評估其對本集團財務狀況和經營成果的影響並做出積極反應。

# REPORT OF THE DIRECTORS

## 董事會報告

The Directors is pleased to present its report together with the audited consolidated financial statements of the Group for the year ended 31 December 2019.

### PRINCIPAL ACTIVITIES

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

### SEGMENT INFORMATION

An analysis of the Group's turnover and results by business segments for the year ended 31 December 2019 is set out in note 6 to the Consolidated Financial Statements.

### RESULT AND APPROPRIATION

The Group's financial information for the year ended 31 December 2019 and the financial position of the Group as at 31 December 2019 are set out in the consolidated financial statements from pages 50 to 127.

No dividend has been declared or proposed by the Directors in respect of the year ended 31 December 2019 (2018: Nil).

### BUSINESS REVIEW

A review of the business, financial key performance indicators and outlook of the Group for the year ended 31 December 2019 are provided in the Chairman's Statement and Management Discussion and Analysis on pages 4 to 5 and pages 10 to 16 of this annual report.

### ENVIRONMENTAL POLICY

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

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

### DIVIDEND POLICY

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

董事欣然提呈其報告連同本集團截至二零一九年十二月三十一日止年度之經審核綜合財務報表。

### 主要業務

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

### 分部資料

截至二零一九年十二月三十一日止年度本集團按業務分部劃分之營業額及業績分析載於綜合財務報表附註6。

### 業績及分派

本集團截至二零一九年十二月三十一日止年度之財務資料及本集團於二零一九年十二月三十一日之財務狀況載於第50頁至127頁的綜合財務狀況表。

董事並未宣派或建議派付截至二零一九年十二月三十一日止年度之任何股息（二零一八年：零）。

### 業務回顧

本集團截至二零一九年十二月三十一日止年度之業務回顧、主要財務表現指標及展望載於本年報第4至5頁之主席報告及第10至16頁之管理層討論及分析。

### 環境政策

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

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

### 股息政策

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

# REPORT OF THE DIRECTORS

## 董事會報告

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

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

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

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

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

### 遵守有關法律及法規

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

# REPORT OF THE DIRECTORS

## 董事會報告

### PRINCIPAL RISK AND UNCERTAINTIES

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

### RELATIONSHIPS WITH STAKEHOLDERS

#### EMPLOYEES

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

#### SUPPLIERS

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

#### CUSTOMERS

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

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statements of comprehensive income on page 50.

### FIVE-YEAR FINANCIAL SUMMARY

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

### SHARE CAPITAL

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

### 主要風險及不確定性

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

### 與持份者之關係

#### 僱員

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

#### 供應商

我們已跟多名供應商建立長久的合作關係，並每年進行公正嚴謹的評核。

#### 客戶

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

### 業績及分派

本集團截至二零一九年十二月三十一日止年度之業績載於第50頁的綜合全面收益表。

### 五年財務摘要

本集團過往五個財政年度的業績、資產及負債摘要乃載於本年報第128頁。

### 股本

本公司股本的年內變動詳情載於綜合財務報表附註25。

# REPORT OF THE DIRECTORS

## 董事會報告

### RESERVES

Movements in the reserves of the Group during the year ended 31 December 2019 are set out in the consolidated statements of changes in equity on page 52 of this annual report.

### DISTRIBUTABLE RESERVES

As at 31 December 2019, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Law of the Cayman Islands and the Company's articles of association (the "Articles of Association"), amounted to approximately RMB92.7 million (as at 31 December 2018: approximately RMB96.0 million).

### MAJOR CUSTOMERS AND SUPPLIERS

Sales to the Group's largest and five largest customers accounted for approximately 8.6% and 34.4% of the total turnover for the year 2019 respectively. Purchases from the Group's largest and five largest suppliers accounted for approximately 18.2% and 46.1% of the total purchases for the year 2019 respectively.

To the best knowledge of the Directors, neither the Directors, their associates, nor any shareholders who owned more than 5% of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers during the year ended 31 December 2019.

### SUBSIDIARIES

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

### PROPERTY, PLANT AND EQUIPMENT

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

### USE OF NET PROCEEDS FROM INITIAL PUBLIC OFFERING

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

For details, please refer to the section headed "Management Discussion and Analysis – Use of Net Proceeds from Initial Public Offering" on page 15 of this annual report.

### CHARITABLE CONTRIBUTIONS

During the year, the Group did not made charitable contributions (2018: Nil).

### 儲備

於截至二零一九年十二月三十一日止年度，本集團儲備的變動載於本年報第52頁的綜合權益變動表。

### 可供分派儲備

於二零一九年十二月三十一日，根據開曼群島公司法及本公司之組織章程細則（「公司細則」）之規定計算，本公司可供分派儲備為約人民幣92.7百萬元（於二零一八年十二月三十一日：約人民幣96.0百萬元）。

### 主要客戶及供應商

本集團最大及五大客戶的銷售額分別佔二零一九年總營業額約8.6%及34.4%。本集團最大及五大供應商的採購額分別佔二零一九年總採購額約18.2%及46.1%。

就董事所深知，於截至二零一九年十二月三十一日止年度，董事、其聯繫人或擁有本公司已發行股本5%以上的任何股東，概無於本集團五大客戶或供應商擁有任何實益權益。

### 附屬公司

本公司主要附屬公司的詳情載於綜合財務報表附註27。

### 物業、廠房及設備

物業、廠房及設備的年內變動詳情載於綜合財務報表附註13。

### 首次公開發售所得款項淨額用途

本公司股份於二零一七年七月十八日在聯交所主板上市。上市所得款項淨額約為123.3百萬元（經扣除本公司就全球發售應付的包銷費及佣金及估計開支）。

有關詳情，請參閱本年報第15頁「管理層討論及分析—首次公開發售所得款項淨額用途」一節。

### 慈善捐款

年內，本集團並無作出慈善捐款（二零一八年：零）。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS AND DIRECTORS' SERVICE AGREEMENTS

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

#### EXECUTIVE DIRECTORS

Mr. Liu Rongru (*Joint-Chairman and Chief Executive Officer*)  
(appointed as Chief Executive Officer on 6 August 2019 and redesignated as Joint-Chairman on 14 January 2020)  
Mr. Jiang Dehua (resigned on 6 August 2019)  
Mr. Chak Chi Shing (resigned on 9 September 2019)  
Ms. Li Jiayin (appointed on 9 September 2019)

#### NON-EXECUTIVE DIRECTOR

Mr. Li Dongfan (appointed on 14 January 2020)

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Dajin  
Mr. Chen Sze Hung (appointed on 9 July 2019 and resigned on 14 January 2020)  
Ms. Cheng Shing Yan (resigned on 19 October 2019)  
Mr. Pang Wai Ching (appointed on 19 October 2019)  
Mr. Liu Junting (appointed on 14 January 2020)

In accordance with articles 83(3) and 84(1) and (2) of the Company's Articles of Association, Mr. Li Dongfan, Ms. Li Jiayin, Mr. Pang Wai Ching and Mr. Liu Junting will retire at the annual general meeting ("AGM"). Mr. Li Dongfan, Ms. Li Jiayin, Mr. Pang Wai Ching and Mr. Liu Junting, being eligible, will offer themselves for re-election.

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

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

### DIRECTORS' REMUNERATION

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

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

### 董事及董事服務合約

於年內及截至本報告日期在任的本公司董事為：

#### 執行董事

劉榮如先生 (*聯席主席兼行政總裁*)  
(於二零一九年八月六日獲委任為行政總裁  
並於二零二零年一月十四日調任聯席主席)  
蔣德華先生 (於二零一九年八月六日辭任)  
翟志勝先生 (於二零一九年九月九日辭任)  
李佳音女士 (於二零一九年九月九日獲委任)

#### 非執行董事

李東凡先生 (於二零二零年一月十四日獲委任)

#### 獨立非執行董事

劉大進先生  
陳斯雄先生 (於二零一九年七月九日獲委任  
並於二零二零年一月十四日辭任)  
鄭承欣女士 (於二零一九年十月十九日辭任)  
彭偉正先生 (於二零一九年十月十九日獲委任)  
劉俊廷先生 (於二零二零年一月十四日獲委任)

根據本公司組織章程細則第83(3)及84(1)及(2)條，李東凡先生、李佳音女士、彭偉正先生及劉俊廷先生將於股東週年大會（「股東週年大會」）上退任。李東凡先生、李佳音女士、彭偉正先生及劉俊廷先生符合資格並願意膺選連任。

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

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

### 董事薪酬

董事薪酬乃根據董事的職責、責任及表現以及本集團的業績釐定。

董事薪酬詳情載於綜合財務報表附註12。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Group are disclosed in the section headed “Biographical Details of the Directors and Senior Management” on pages 6 to 9 of this annual report.

### NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

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

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

During the year ended 31 December 2019, there was no material acquisition or disposal of subsidiaries or associated companies by the Company.

### SHARE OPTION SCHEME

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

### 董事及高級管理層履歷

本集團董事及高級管理層履歷詳情披露於本年報第6至9頁的「董事及高級管理層履歷」部分。

### 控股股東不競爭承諾

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

### 重大收購及出售附屬公司及聯營公司

於截至二零一九年十二月三十一日止年度，概無重大收購或出售本公司附屬公司或聯營公司。

### 購股權計劃

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

# REPORT OF THE DIRECTORS

## 董事會報告

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

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

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

除非獲本公司股東於股東大會上另行批准，否則可基於購股權計劃及任何其他本公司購股權計劃（包括已行使及未行使購股權）向一名合資格參與者授出的股份數目，不得超過本公司在任一個12個月期間的已發行股份的1%。任何向董事、本公司高級行政人員或主要股東（定義見上市規則）或其任何各自的聯繫人（定義見上市規則）授予的購股權須獲我們的獨立非執行董事批准。除非本公司股東在股東大會上另行批准及／或上市規則另有規定，否則根據購股權計劃及任何其他本公司購股權計劃（包括已行使及未行使購股權）可授予主要股東或任何獨立非執行董事或其各自的聯繫人的股份數目，不得超過任一個12個月期間已發行股份的0.1%或合共價值超過5百萬港元。

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

自購股權計劃生效及成為無條件起及直至本年報日期，概無根據購股權計劃授出購股權。



# REPORT OF THE DIRECTORS

## 董事會報告

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

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

### 董事及高級行政人員於股份、相關股份及債券的權益及淡倉

於本年報日期，本公司董事於以下本公司、其集團公司及／或相聯法團（定義見證券及期貨條例（「證券及期貨條例」第XV部））的股份、相關股份及債券中擁有權益，而須記錄於根據證券及期貨條例第352條須予備存的登記冊或根據標準守則須知會本公司及聯交所：

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

Note:

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

附註：

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

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

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

# REPORT OF THE DIRECTORS

## 董事會報告

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

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

### 主要股東於本公司股份及相關股份的權益及淡倉

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

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

Notes:

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

附註：

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

# REPORT OF THE DIRECTORS

## 董事會報告

### PERMITTED INDEMNITY PROVISION

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

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

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

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

### CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

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

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

### COMPETITION AND CONFLICT OF INTERESTS

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

### PURCHASES, SALE AND REDEMPTION OF LISTED SECURITIES

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

### MANAGEMENT CONTRACTS

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

### 獲准許的彌償條文

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

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

### 董事及控股股東於重要合約之權益

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

### 關連交易及持續關連交易

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

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

### 競爭及利益衝突

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

### 購買、出售及贖回上市證券

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

### 管理合約

年內，概無訂立或存在涉及本公司全部或任何重大部分業務的管理或行政合約。

# REPORT OF THE DIRECTORS

## 董事會報告

### PRE-EMPTIVE RIGHTS

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

### SUFFICIENCY OF PUBLIC FLOAT

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

### CORPORATE GOVERNANCE

The Company is committed to adopt corporate governance practice. The Company's corporate governance practices are set out in the Corporate Governance Report on pages 28 to 43.

### AUDITORS

The Consolidated Financial Statements for the year ended 31 December 2019 have been audited by BDO Limited which retires, and being eligible, offer itself for re-appointment at the AGM. A resolution to re-appoint BDO Limited and to authorize the Directors to fix its remuneration will be proposed at the AGM.

On behalf of the Board

**Liu Rongru**

*Executive Director*

Xiamen, the PRC, 23 March 2020

### 優先購買權

本公司組織章程細則或開曼群島法律下並無有關優先購買權的條文。

### 足夠公眾持股量

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

### 企業管治

本公司承諾採納企業管治常規。本公司的企業管治常規載於第28至43頁之企業管治報告。

### 核數師

截至二零一九年十二月三十一日止年度之綜合財務報表已由香港立信德豪會計師事務所有限公司審核，其將於股東週年大會上退任，惟其符合資格並願意膺選連任。於股東週年大會上將提呈一項決議案以續聘香港立信德豪會計師事務所有限公司，並授權董事釐定其酬金。

代表董事會

執行董事

**劉榮如**

中國廈門市，二零二零年三月二十三日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

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

Code provision A.2.1 of the Code, which stipulates that the roles of chairman and chief executive officer should be separated. The joint-chairman and the chief executive officer of the Company is Mr. Liu Rongru. Nevertheless, the Board considers that this structure will not impair the balance of power and the authority of the Board. The Board currently comprises two executive Directors, one non-executive Director and three independent non-executive Directors, with independent non-executive Directors representing half of the Board. Such percentage of independent non-executive Directors on the Board can ensure their views carry significant weight and reflect the independence of the Board. Mr. Liu Rongru is the founder of the Group and he is responsible for the overall strategic planning and management of the Group. He has played an important role during the Group's expansion. Mr. Liu Rongru has extensive experience in the seafood industry, having been engaged in the seafood business for over 20 years. At present, the Board believes that it is beneficial to the management and development of the Group's businesses for Mr. Liu Rongru to be both the chairman and chief executive officer as it helps to facilitate the Board's decision-making.

Code provision E.1.2 of the CG Code requires the chairman of the board to invite the chairmen of the Audit Committee, Remuneration Committee, Nomination Committee and any other committees (as appropriate) to attend the annual general meeting. In their absence, he should invite another member of the Committee or failing this his duly appointed delegate, to attend. Due to other business commitments, the chairmen and members of the Audit Committee, Remuneration Committee and Nomination Committee of the Company could not attend the annual general meeting of the Company held in May 2019.

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

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

企業管治守則之守則條文A.2.1條守則條文訂明主席及行政總裁的角色應有區分，並不應由一人同時兼任。本公司的聯席主席及行政總裁為劉榮如先生。儘管如此，董事會認為，此架構將不會損害董事會的權力平衡及權限。董事會目前包括兩名執行董事、一名非執行董事及三名獨立非執行董事，而獨立非執行董事佔董事會人數的二分之一。董事會有如此百分比的獨立非執行董事可確保彼等的意見舉足輕重並反映董事會的獨立性。劉榮如先生為本集團的創辦人並負責本集團的整體戰略規劃和管理。彼在本集團的擴張中擔當重要角色。劉榮如先生從事海鮮業務逾20年，在海鮮行業擁有豐富經驗。目前，董事會相信，讓劉榮如先生出任主席兼行政總裁會有助促進董事會決策，對本集團的業務管理和發展有利。

企業管治守則之守則條文E.1.2規定，董事會主席應邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會（視何者適用而定）的主席出席股東週年大會。若有關委員會主席未能出席，董事會主席應邀請另一名委員（或如該名委員未能出席，則其適當委任的代表）出席。本公司之審核委員會、薪酬委員會及提名委員會之主席及成員因其他公務而未能出席本公司於二零一九年五月舉行之股東週年大會。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

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

### CORPORATE GOVERNANCE PRACTICES

#### (A) BOARD OF DIRECTORS

##### *Responsibilities and Delegation*

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

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

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

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

#### 企業管治常規

##### (A) 董事會

##### *職責及授權*

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

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

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Composition

The Board members during the year ended 31 December 2019 and up to the date of this report are as follows:

#### EXECUTIVE DIRECTORS:

Mr. Liu Rongru (Joint-Chairman and Chief Executive Officer)  
(appointed as Chief Executive Officer on 6 August 2019  
and redesignated as Joint-Chairman on 14 January 2020)

Mr. Jiang Dehua (resigned on 6 August 2019)

Mr. Chak Chi Shing (resigned on 9 September 2019)

Ms. Li Jiayin (appointed on 9 September 2019)

#### NON-EXECUTIVE DIRECTOR:

Mr. Li Dongfan (appointed on 14 January 2020)

#### INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Liu Dajin

Mr. Chen Sze Hung (appointed on 9 July 2019 and  
resigned on 14 January 2020)

Ms. Cheng Shing Yan (resigned on 19 October 2019)

Mr. Pang Wai Ching (appointed on 19 October 2019)

Mr. Liu Junting (appointed on 14 January 2020)

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

### 董事會組成

截至二零一九年十二月三十一日止年度及截至本報告日期止之董事會成員如下：

#### 執行董事：

劉榮如先生（聯席主席兼行政總裁）  
（於二零一九年八月六日獲委任  
為行政總裁並於二零二零年  
一月十四日調任聯席主席）

蔣德華先生  
（於二零一九年八月六日辭任）

翟志勝先生  
（於二零一九年九月九日辭任）

李佳音女士  
（於二零一九年九月九日獲委任）

#### 非執行董事：

李東凡先生  
（於二零二零年一月十四日獲委任）

#### 獨立非執行董事：

劉大進先生  
陳斯雄先生  
（於二零一九年七月九日獲委任  
並於二零二零年一月十四日辭任）

鄭承欣女士  
（於二零一九年十月十九日辭任）

彭偉正先生  
（於二零一九年十月十九日獲委任）

劉俊廷先生  
（於二零二零年一月十四日獲委任）

董事會目前由二名執行董事，一名非執行董事及三名獨立非執行董事組成，彼等來自不同的業務及專業領域。各董事的履歷載於本年報「董事及高級管理層履歷」部分，董事（包括獨立非執行董事）為董事會帶來了廣泛而寶貴的業務經驗，知識及專業精神，以便董事會有效率及有效益地發揮職能。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Diversity Policy

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

### Measurable Objectives and Selection

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

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

### Implementation and Monitoring

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

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

### 董事會成員多元化政策

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

### 可計量目標及甄選

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

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

### 實施及監控

提名委員會將監控董事會成員多元化政策的實施情況及每年向董事會作出匯報。

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



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Meetings

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

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

During the year and up to the date of this annual report, five Board meetings have been held, at which the Directors approved the interim results of the Group for the six months ended 30 June 2019 and the annual results of the Group for the years ended 31 December 2019 and 2018, reviewed the results announcements and interim and annual reports and resolved other business matters.

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

### 董事會會議

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

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

於本年度及直至本年報日期，董事會舉行五次會議，董事於該會議上批准本集團截至二零一九年六月三十日止六個月的中期業績和截至二零一九年及二零一八年十二月三十一日止年度業績並審閱業績公佈，中期報告及年報，並決議了其他業務事項。

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

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

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

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

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

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

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

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

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

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

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

### *委任、重選及罷免董事*

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

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

所有董事均須至少每三年輪值退任一次。

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

### *董事的培訓指引及持續發展*

董事熟知作為本公司董事之責任以及本公司的運作、業務活動及發展。

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

董事持續獲得有關法定及監管制度及營商環境之最新資料，以助彼等履行職責。

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### *Model Code for Securities Transactions*

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

### (B) BOARD COMMITTEES

#### *Nomination Committee*

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

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

#### *Nomination Policy*

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

### *進行證券交易的標準守則*

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

### (B) 董事會下轄委員會

#### *提名委員會*

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

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

#### *提名政策*

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

# CORPORATE GOVERNANCE REPORT

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### Selection Criteria

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

- |  |  |
|--|--|
| (1) reputation for integrity;  | (1) 誠信聲譽；  |
| (2) accomplishment and experience in the business in which the Group is engaged in;  | (2) 本集團所從事業務方面的成就及經驗；  |
| (3) commitment in respect of available time and relevant interest;   | (3) 可投入的時間及對相關利益的承擔；   |
| (4) diversity in all its aspects, including but not limited to race, gender, age (18 years or above), educational background, professional experience, skills and length of service;   | (4) 各方面的多元化，包括但不限於種族、性別、年齡（18歲或以上）、教育背景、專業經驗、技能及服務任期；                    |
| (5) qualifications which include professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;   | (5) 資歷，包括與本公司業務及企業策略相關的專業資格、技能、知識及經驗；                                    |
| (6) the number of existing directorships and other commitments that may demand the attention of the candidate;   | (6) 現有董事人數以及其他可能需要候選人關注的承擔；  |
| (7) requirement for the Board to have Independent Non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in Rules 3.08, 3.09 and 3.13 of the Listing Rules; | (7) 董事會根據上市規則有關委任獨立非執行董事的規定，以及候選人參照上市規則第3.08條、3.09條及3.13條所載的獨立指引是否被視為獨立； |
| (8) Board Diversity Policy of the Company and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board; and  | (8) 本公司的董事會成員多元化政策以及董事會為實現董事會成員多元化而採納的任何可計量目標；及                          |
| (9) such other perspectives appropriate to the Company's business.   | (9) 其他適用於本公司業務的有關因素。   |

### 甄選標準

於評估建議候選人適合與否時，提名委員會將使用下列因素作為參考：

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### *Director Nomination Procedure*

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

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

### *董事提名程序*

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

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

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### Audit Committee

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

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

The Audit Committee has reviewed the Company's financial statements and the Group's consolidated financial statements for the year ended 31 December 2019, including the accounting principles and practices adopted by the Company and the Group.

During the year, two meetings have been held by the Audit Committee. At such meetings, it reviewed the interim results of the Group for the six months ended 30 June 2019. It also reviewed the annual results of the Group for the year ended 31 December 2018 with the independent auditors and the activities of the Group's internal control and risk management functions. It also reviewed the Company's progress in implementing the corporate governance requirements as set out in the CG Code.

### 審核委員會

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

審核委員會的主要職責為（其中包括）就委任、重新委任及罷免外部核數師向董事會提供建議，審閱財務報表並就財務申報提供重大意見以及監察本公司內部監控及風險管理程序。於本年報日期，審核委員會包括三名獨立非執行董事彭偉正先生（主席）、劉大進先生及劉俊廷先生。

審核委員會已審閱截至二零一九年十二月三十一日止年度本公司財務報表及本集團綜合財務報表，包括本公司及本集團所採納的會計原則及應用。

於本年度，審核委員會舉行兩次會議，於該等會議上，審核委員會審閱本集團截至二零一九年六月三十日止六個月的中期業績，亦與獨立核數師審閱本集團截至二零一八年十二月三十一日止年度的年度業績及本集團內部監控及風險管理職能活動。審核委員會亦審閱本公司執行企業管治守則所載企業管治規定的進展。

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### Remuneration Committee

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

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

### 薪酬委員會

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

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

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

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

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

董事的薪酬詳情載於綜合財務報表附註12。

於本年度及至本年報日期，薪酬委員會舉行六次會議，以審閱本財政年度支付予董事及高級管理層的薪酬以及新委任董事之薪酬。

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

	Board Meeting 董事會	Meeting attended/held 出席/舉行會議		Nomination Committee 提名委員會
		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	
<b>Executive Directors</b>	<b>執行董事</b>			
Mr. Liu Rongru ( <i>Joint-Chairman and Chief Executive Officer</i> ) (appointed as Chief Executive Officer on 6 August 2019 and redesignated as Joint-Chairman on 14 January 2020)	劉榮如先生 (聯席主席兼行政總裁) (於二零一九年八月六日獲委任為行政總裁並於二零二零年一月十四日調任聯席主席)	5/5	N/A 不適用	6/6
Mr. Jiang Dehua (resigned on 6 August 2019)	蔣德華先生 (於二零一九年八月六日辭任)	2/5	N/A 不適用	6/6
Mr. Chak Chi Shing (resigned on 9 September 2019)	翟志勝先生 (於二零一九年九月九日辭任)	3/5	N/A 不適用	6/6
Ms. Li Jiayin (appointed on 9 September 2019)	李佳音女士 (於二零一九年九月九日獲委任)	2/5	N/A 不適用	6/6
<b>Non-Executive Director</b>	<b>非執行董事</b>			
Mr. Li Dongfan (appointed on 14 January 2020)	李東凡先生 (於二零二零年一月十四日獲委任)	1/5	N/A 不適用	N/A 不適用
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>			
Mr. Liu Dajin	劉大進先生	5/5	3/3	6/6
Mr. Chen Sze Hung (appointed on 9 July 2019 and resigned on 14 January 2020)	陳斯雄先生 (於二零一九年七月九日獲委任並於二零二零年一月十四日辭任)	2/5	1/3	2/6
Ms. Cheng Shing Yan (resigned on 19 October 2019)	鄭承欣女士 (於二零一九年十月十九日辭任)	2/5	2/3	N/A 不適用
Mr. Pang Wai Ching (appointed on 19 October 2019)	彭偉正先生 (於二零一九年十月十九日獲委任)	1/5	1/3	N/A 不適用
Mr. Liu Junting (appointed on 14 January 2020)	劉俊廷先生 (於二零二零年一月十四日獲委任)	1/5	1/3	1/6



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### (C) ACCOUNTABILITY AND AUDIT

#### *Directors' and Auditors' Acknowledgement*

The Audit Committee and the Board have reviewed the Group's consolidated financial statements for the year ended 31 December 2019. The Directors acknowledge their responsibilities for preparing accounts, the financial statements, performance position and prospects of the Group. Management has provided information and explanation to the Board to enable it to make an informed assessment of the financial and other information put before the Board for approval. The Directors believed that they have selected suitable accounting policies and applied them consistently, made judgment and estimates that are prudent and reasonable.

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

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

#### *Auditor's Remuneration*

For the year ended 31 December 2019, the analysis of the remuneration of the Company's auditor, BDO Limited, paid/payable is set out below:

Audit services

審核服務

The Audit Committee will recommend the reappointment of BDO Limited for audit service, and consider the engagement of the non-audit services to ensure the independence and objectivity of audit service.

### (C) 問責性及審核

#### *董事及核數師的確認*

審核委員會及董事會已審閱本集團截至二零一九年十二月三十一日止年度的綜合財務報表。董事確認，彼等的責任乃編製本集團的賬目、財務報表、表現狀況及前景。管理層向董事會提供所有相關資料及解釋，以讓董事會可就提呈董事會審批的財務及其他資料作出知情評估。董事相信，彼等已選用適當的會計政策及並貫徹應用，作出審慎及合理的判斷及估計。

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

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

#### *核數師薪酬*

截至二零一九年十二月三十一日止年度，已付／應付本公司核數師香港立信德豪會計師事務所有限公司的薪酬分析載列如下：

**Amount**  
**金額**  
**(HK\$'000)**  
**(千港元)**

**1,080**

審核委員會將建議續聘香港立信德豪會計師事務所有限公司提供審核服務，並考慮委聘進行非審核服務以確保審核服務的獨立性及客觀性。

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### (D) RISK MANAGEMENT AND INTERNAL CONTROLS

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

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

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

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

### (D) 風險管理及內部監控

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

#### *內幕消息的處理和傳播*

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

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

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### (E) COMPANY SECRETARY

The Board appoints its Company Secretary in accordance with the Company's Articles of Association and in compliance with the requirements of the Listing Rules. The Company Secretary has complied with the professional training requirement as set out in the Rule 3.29 of the Listing Rules during the year ended 31 December 2019.

### (F) SHAREHOLDERS' RIGHTS

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

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

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

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

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

### (E) 公司秘書

董事會根據本公司章程及遵照上市規則之規定委任公司秘書。截至二零一九年十二月三十一日止年度，公司秘書已遵守上市規則第3.29條所載有關持續專業培訓的規定。

### (F) 股東權利

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

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

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

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

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

# CORPORATE GOVERNANCE REPORT

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

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

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

The forthcoming AGM of the Company will be held on 25 May 2020. The notice of AGM will be sent to shareholders at least 20 clear business days before the AGM.

#### *Constitutional Documents*

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

### (G) 投資者關係及與股東的溝通

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

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

本公司將於二零二零年五月二十五日舉行應屆股東週年大會。股東週年大會通告將於股東週年大會之前最少20個完整營業日寄發予股東。

#### *憲章文件*

本公司組織章程大綱及公司細則之最新版本登載於本公司網站。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

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

(incorporated in the Cayman Islands with limited liability)

#### OPINION

We have audited the consolidated financial statements of China Shenghai Food Holdings Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 50 to 127, which comprise the consolidated statement of financial position as at 31 December 2019 and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### BASIS OF OPINION

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

#### KEY AUDIT MATTERS

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

#### REVENUE RECOGNITION

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

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

Revenue represents income from sales of dried seafood, algae and fungi and seafood snacks sourced from Mainland China amounted to RMB472,888,000.

### 致中國升海食品控股有限公司 列位股東

(於開曼群島註冊成立的有限公司)

#### 意見

本核數師(以下簡稱「吾等」)已審核中國升海食品控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載於第50至127頁的綜合財務報表,當中包括於二零一九年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合全面收益表、綜合權益變動表、綜合現金流量表及綜合財務報表附註,包括重大會計政策概要。

吾等認為,綜合財務報表已根據香港會計師公會頒佈之《香港財務報告準則》真實而公平地反映 貴集團於二零一九年十二月三十一日之綜合財務狀況及截至該日止年度之綜合財務表現及其綜合現金流量,並已按照香港《公司條例》披露規定妥為編製。

#### 意見基礎

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

#### 關鍵審核事項

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

#### 收益確認

請參閱於綜合財務報表附註4之重大會計政策概要及附註6之收入披露。

貴集團主要從事乾海產品、藻類產品及菌類產品以及海洋休閒產品貿易業務。

收益指銷售自中國內陸採購之乾海產品、藻類產品及菌類產品以及海洋休閒產品的收入人民幣472,888,000元。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### REVENUE RECOGNITION – continued

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

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

### OUR RESPONSE

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

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

### 收益確認—續

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

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

### 吾等之回應

吾等有關評估收益確認之程序包括以下各項：

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### IMPAIRMENT ASSESSMENT ON TRADE RECEIVABLES

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

As at 31 December 2019, the Group had net trade receivables amounting to RMB102,278,000, after making loss allowance of RMB1,288,000. It represents 20% of the total assets of the Group and is considered quantitatively significant to the Group.

The Group's loss allowance is measured at an amount equal to lifetime expected credit loss ("ECL") based on management's estimated loss rates for trade receivables. The estimated loss rates take into account the credit history including default or delay in payments, settlement records, subsequent settlements and ageing analysis of the trade receivables.

We have identified impairment assessment of trade receivables as a key audit matter due to considerable amount of judgement and estimates being required in conducting impairment assessment as mentioned in the forgoing paragraph.

### OUR RESPONSE

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

- obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls relating to credit control, debt collection and calculation of the ECLs;
- assessing, on a sample basis, whether items in the trade receivables ageing report were classified within the appropriate ageing bracket by comparing individual items in the report with the relevant sales invoices;
- assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances; and

### 貿易應收款項減值評估

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

於二零一九年十二月三十一日，作出虧損撥備約人民幣1,288,000元後，貴集團的貿易應收款項淨額為約人民幣102,278,000元，佔貴集團資產總值的20%，數額被視為對貴集團而言屬龐大。

本集團的損失準備金是根據管理層對應收賬款的估計損失率，確定其等於終生預期信用損失（「預期信用損失」）的金額。估計損失率考慮了信用歷史，包括拖欠或延遲付款，結算記錄，後續結算以及應收賬款的賬齡分析。

如前所述，由於進行減值評估需要大量的判斷和估計，因此我們已將應收賬款的減值評估確定為關鍵審計事項。

### 吾等的回應

吾等就管理層對貿易應收款項減值評估進行的程序包括：

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### OUR RESPONSE – continued

- inspecting cash receipts from customers after the financial year end relating to trade receivables balances as at 31 December 2019, on a sample basis.

### OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

### DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 吾等的回應－續

- 抽樣檢查財政年度結束後來自客戶與截至二零一九年十二月三十一日的貿易應收款餘額有關的現金收入。

### 年報內的其他資料

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

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

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

### 董事對綜合財務報表的責任

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

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

董事亦負責監督貴集團的財務報告過程。審核委員會協助董事履行此方面的責任。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

### 核數師就審核綜合財務報表承擔的責任

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

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

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

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

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

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

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

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

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

#### **BDO Limited**

*Certified Public Accountants*

#### **Wan Che Bun**

Practising Certificate Number P05804

Hong Kong, 23 March 2020

### 核數師就審核綜合財務報表承擔的責任—續

- 評價綜合財務報表(包括披露)的整體呈列方式、結構及內容,以及綜合財務報表能否中肯地反映有關交易及事項。
- 充份且適當地獲取與 貴集團內實體或業務活動的財務資料的審核憑證,以便對綜合財務報表發表意見。吾等負責集團審核的方向、監督及執行。吾等為審核意見承擔全部責任。

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

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

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

#### 香港立信德豪會計師事務所有限公司

執業會計師

#### 尹子斌

執業證書編號: P05804

香港,二零二零年三月二十三日

# CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

## 綜合全面收益表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Revenue</b>	收入	6	<b>472,888</b>	667,958
Cost of sales	銷售成本		<b>(369,119)</b>	(498,864)
Gross profit	毛利		<b>103,769</b>	169,094
Other income and other gains/(losses), net	其他收入及其他收益/(虧損) 淨額	7	<b>1,272</b>	2,363
Selling and distribution expenses	銷售及分銷開支		<b>(43,734)</b>	(54,575)
Administrative expenses	行政開支		<b>(14,098)</b>	(11,553)
Expected credit loss on financial assets	金融資產的預期信貸虧損		<b>(261)</b>	(72)
Finance costs	財務成本	8	<b>(226)</b>	-
Other expenses	其他開支		<b>(693)</b>	(842)
Profit before income tax	除所得稅前溢利	9	<b>46,029</b>	104,415
Income tax expense	所得稅開支	10	<b>(15,189)</b>	(28,001)
<b>Profit for the year attributable to owners of the Company</b>	本公司擁有人應佔年內溢利		<b>30,840</b>	76,414
<b>Other comprehensive income</b>	其他全面收益			
<i>Items that will be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益表的項目：</i>			
- Exchange differences arising on translation of foreign operations	- 換算海外業務財務報表產生的匯兌差額		<b>(13)</b>	547
Other comprehensive income for the year	年內其他全面收益		<b>(13)</b>	547
<b>Profit and total comprehensive income for the year attributable to owners of the Company</b>	本公司擁有人應佔年內溢利及全面收益總額		<b>30,827</b>	76,961
<b>Earnings per share</b>	每股盈利			
- Basic and Diluted (RMB)	- 基本及攤薄(人民幣元)	11	<b>0.0308</b>	0.0764

# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2019 於二零一九年十二月三十一日

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

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	67,356	34,913
Deferred tax assets	遞延稅項資產	24	372	281
Prepaid lease payments	預付租賃款項	14	-	79
Deposits paid to suppliers	支付予供應商之按金	15	5,746	5,616
Prepayments	預付款	19	3,150	-
Prepayment for acquisition of plant and equipment	購入廠房及設備之預付款	16	-	35,000
			<b>76,624</b>	75,889
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	17	79,106	70,306
Trade receivables	貿易應收款項	18	102,278	109,942
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	19	8,258	12,713
Cash and cash equivalents	現金及現金等價物	20	242,578	234,253
			<b>432,220</b>	427,214
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	貿易應付款項	21	8,716	39,910
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	22	12,668	7,271
Lease liabilities	租賃負債	29	1,065	-
Provision for taxation	稅項撥備		5,501	8,918
			<b>27,950</b>	56,099
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>404,270</b>	371,115
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>480,894</b>	447,004
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	22	900	-
Lease liabilities	租賃負債	29	2,163	-
			<b>3,063</b>	-
<b>Net assets</b>	<b>淨資產</b>		<b>477,831</b>	447,004
<b>CAPITAL AND RESERVE</b>	<b>資本及儲備</b>			
Share capital	股本	25	8,723	8,723
Reserves	儲備		469,108	438,281
<b>Total equity</b>	<b>總股權</b>		<b>477,831</b>	447,004

On behalf of the board of directors

代表董事會

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

**Ms. Li Jiayin**  
李佳音女士  
Director  
董事

# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		Share capital 股本 RMB'000 人民幣千元 Note 25 附註25	Share premium* 股份溢價* RMB'000 人民幣千元 Note (a) 附註(a)	Special reserve* 特別儲備* RMB'000 人民幣千元 Note (b) 附註(b)	Statutory reserve* 法定儲備* RMB'000 人民幣千元 Note (c) 附註(c)	Exchange reserve* 匯兌儲備* RMB'000 人民幣千元	Other reserve* 其他儲備* RMB'000 人民幣千元	Retained earnings* 保留盈利* RMB'000 人民幣千元	Total equity 總股權 RMB'000 人民幣千元
<b>Balance at 31 December 2017 as originally presented</b>	於二零一七年一月一日的結餘	8,723	138,185	17,800	13,667	(2,523)	5,800	189,325	370,977
Initial application of HKFRS 9, net of deferred tax	初始應用香港財務報告準則第9號，扣除遞延稅項	-	-	-	-	-	-	(934)	(934)
<b>Restated balance at 1 January 2018</b>	於二零一八年一月一日的經重列結餘	<b>8,723</b>	<b>138,185</b>	<b>17,800</b>	<b>13,667</b>	<b>(2,523)</b>	<b>5,800</b>	<b>188,391</b>	<b>370,043</b>
Profit for the year	年內溢利	-	-	-	-	-	-	76,414	76,414
Other comprehensive income	其他全面收入	-	-	-	-	-	-	-	-
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	547	-	-	547
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	547	-	76,414	76,961
Transfer to statutory reserves	轉撥至法定儲備	-	-	-	3,763	-	-	(3,763)	-
<b>Balance at 31 December 2018 and 1 January 2019</b>	於二零一八年十二月三十一日及二零一九年一月一日結餘	<b>8,723</b>	<b>138,185</b>	<b>17,800</b>	<b>17,430</b>	<b>(1,976)</b>	<b>5,800</b>	<b>261,042</b>	<b>447,004</b>
Profit for the year	年內溢利	-	-	-	-	-	-	30,840	30,840
Other comprehensive income	其他全面收入	-	-	-	-	-	-	-	-
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	(13)	-	-	(13)
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	(13)	-	30,840	30,827
Transfer to statutory reserves	轉撥至法定儲備	-	-	-	1,195	-	-	(1,195)	-
<b>Balance at 31 December 2019</b>	於二零一九年十二月三十一日的結餘	<b>8,723</b>	<b>138,185</b>	<b>17,800</b>	<b>18,625</b>	<b>(1,989)</b>	<b>5,800</b>	<b>290,687</b>	<b>477,831</b>

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

\* 該等結餘總額指綜合財務狀況表內的「儲備」。

# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

### Notes:

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

### 附註：

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

# CONSOLIDATED STATEMENTS OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Cash flows from operating activities</b>	<b>經營活動現金流量</b>		
Profit before income tax expense	除所得稅前溢利	46,029	104,415
Adjustments for:	就以下各項作出調整：		
Depreciation of plant and equipment	廠房及設備折舊	10,795	2,298
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	50
Reversal of impairment loss on deposit paid to suppliers	支付予供應商之按金的減值虧損撥回	(130)	(145)
Impairment loss on trade receivables (Reversal of)/Impairment loss on loan receivables	貿易應收款項減值虧損(應收貸款減值虧損)/(回撥)	851	67
Bank Interest Income	銀行利息收入	(460)	150
Loan Interest income	貸款利息收入	(866)	(1,069)
Interest on lease liabilities	租賃負債之利息	(329)	(1,242)
Amortisation of right-of-use assets	使用權資產之攤銷	221	-
Gain in early termination of lease	提早終止租賃之收益	1,404	-
Loss on disposal of plant and equipment	出售廠房及設備的虧損	(23)	-
		1	3
<i>Operating profit before working capital changes</i>	<i>營運資金變動前的經營溢利</i>	<b>57,493</b>	104,527
Decrease/(increase) in trade receivables	貿易應收款項減少/(增加)	<b>6,813</b>	(12,465)
(Increase)/decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項(增加)/減少	<b>(3,128)</b>	1,599
Increase in long-term prepayment	長期預付款增加	<b>(3,150)</b>	-
Increase in inventories	存貨增加	<b>(8,800)</b>	(28,731)
Decrease in trade payables	貿易應付款項減少	<b>(31,193)</b>	(21,146)
Increase in accruals, deposits received and other payables	應計費用、已收按金及其他應付款項增加	<b>6,297</b>	3,612
<i>Cash generated from operations</i>	<i>來自經營的現金</i>	<b>24,332</b>	47,396
Income taxes paid	已付所得稅	<b>(18,698)</b>	(28,410)
<i>Net cash generated from operating activities</i>	<i>經營活動產生的淨現金</i>	<b>5,634</b>	18,986
<b>Cash flows from investing activities</b>	<b>投資活動現金流量</b>		
Prepayment of acquisition of plant and equipment	收購廠房及設備的預付款項	-	(35,000)
Purchases of plant and equipment	購置廠房及設備	<b>(5,004)</b>	(37,084)
Loan repayment received	貸款償還收款	<b>7,993</b>	-
Interest received	已收利息	<b>1,195</b>	2,257
<i>Net cash generated from/(used in) investing activities</i>	<i>投資活動所得/(所用)淨現金</i>	<b>4,184</b>	(69,827)

# CONSOLIDATED STATEMENTS OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Cash flows from financing activities</b>	<b>融資活動現金流量</b>		
Repayment of principal portion of the lease liabilities	償還租賃負債之本金部分	(1,259)	-
Interest paid	已付利息	(221)	-
<i>Net cash used in financing activities</i>	<i>融資活動所用的淨現金</i>	<b>(1,480)</b>	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/(減少)淨額</b>	<b>8,338</b>	(50,841)
<b>Cash and cash equivalents at beginning of year</b>	<b>年初現金及現金等價物</b>	<b>234,253</b>	285,243
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>匯率變動對現金及現金等價物的影響</b>	<b>(13)</b>	(149)
<b>Cash and cash equivalents at end of year</b>	<b>年末現金及現金等價物</b>	<b>242,578</b>	234,253
<b>Analysis of balances of cash and cash equivalents</b>	<b>現金及現金等價物結餘的分析</b>		
Cash and bank balances	現金及銀行結餘	<b>242,578</b>	234,253



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 1. GENERAL INFORMATION

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

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSS – EFFECTIVE FROM 1 JANUARY 2019

The HKICPA has issued a number of new or amended HKFRSs that are first effective for the current accounting period of the Group:

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 3, Business Combinations; HKFRS 11, Joint Arrangements; HKAS 12, Income Taxes and HKAS 23, Borrowing Costs

The impact of the adoption of HKFRS 16 Leases have been summarised in below. The other new or amended HKFRSs that are effective from 1 January 2019 did not have any significant impact on the Group's accounting policies.

### 1. 一般資料

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

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

### 2. 採納香港財務報告準則(「香港財務報告準則」)

(A) 採納新訂／經修訂香港財務報告準則 – 自二零一九年一月一日起生效  
香港會計師公會頒布了新訂及經修訂香港財務報告準則，於二零一九年一月一日或之後開始之本集團財務年度生效。

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號的修訂	具負補償之提前還款特性
香港會計準則第19號的修訂	計劃修訂、縮減或結算
香港會計準則第28號的修訂	於聯營公司及合營企業的長期權益
香港財務報告準則二零一五年至二零一七年週期的年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號的修訂

採納香港財務報告準則第16號的影響於下文概述。其他於二零一九年一月一日起生效的新訂或經修訂香港財務報告準則對本集團的會計政策並無任何重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2019 – continued

##### (i) Impact of the adoption of HKFRS 16

HKFRS 16 brings significant changes in accounting treatment for lease accounting, primarily for accounting for lessees. It replaces HKAS 17 Leases (“HKAS 17”), HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease, HK(SIC)-Int 15 Operating Leases-Incentives and HK(SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. From a lessee’s perspective, almost all leases are recognised in the statement of financial position as a right-of-use assets and a lease liabilities, with the narrow exception to this principle for leases which the underlying assets are of low-value or are determined as short-term leases. From a lessor’s perspective, the accounting treatment is substantially unchanged from HKAS 17. For details of HKFRS 16 regarding its new definition of a lease, its impact on the Group’s accounting policies and the transition method adopted by the Group as allowed under HKFRS 16, please refer to section (ii) to (iv) of this note.

The Group has applied HKFRS 16 using the cumulative effect approach and recognised all the cumulative effect of initially applying HKFRS 16 as an adjustment to the opening balance of right-of-use assets and lease liabilities at the date of initial application. The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (A) 採納新訂／經修訂香港財務報告準則－自二零一九年一月一日起生效－續

##### (i) 採納香港財務報告準則第16號的影響

香港財務報告準則第16號對租賃會計的會計處理作出重大更改，主要是承租人的會計處理方面。其取代香港會計準則第17號租賃（「香港會計準則第17號」）、香港（國際財務報告詮釋委員會）－詮釋第4號釐定安排是否包括租賃、香港（準則詮釋委員會）－詮釋第15號經營租賃－優惠及香港（準則詮釋委員會）－詮釋第27號評估涉及租賃法律形式交易之內容。從承租人角度來看，絕大部分租賃於財務狀況表確認為使用權資產及租賃負債，惟相關資產價值較低或被釐定為短期租賃的租賃等少數該原則例外情況除外。從出租人角度來看，會計處理大致與香港會計準則第17號一致。有關香港財務報告準則第16號對租賃的新定義、對本集團會計政策的影響以及香港財務報告準則第16號項下允許本集團採納之過渡方法之詳情，請參閱本附註第(ii)至(iv)節。

本集團採用累計影響方法應用香港財務報告準則第16號，並確認首次應用香港財務報告準則第16號之累計影響，作為對於首次應用日期之期初使用權資產及租賃負債結餘的調整。根據香港財務報告準則第16號過渡條文的許可，二零一八年所呈列比較資料並未重列，並繼續根據香港會計準則第17號及相關詮釋呈報。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2019 – continued

##### (i) Impact of the adoption of HKFRS 16 – continued

The following tables summarised the impact of transition to HKFRS 16 on statement of financial position as of 31 December 2018 to that of 1 January 2019 as follows (increase/(decrease)):

		RMB'000 人民幣千元
<i>Statement of financial position as at 1 January 2019</i>	於二零一九年一月一日的財務狀況表	
Right-of-use assets presented in property, plant and equipment	於物業、廠房及設備中呈列的使用權資產	5,684
Prepaid lease payment	預付租賃款項	(129)
Lease liabilities (non-current)	租賃負債(非流動)	4,195
Lease liabilities (current)	租賃負債(流動)	1,360

The following reconciliation explains how the operating lease commitments disclosed applying HKAS 17 at the end of 31 December 2018 could be reconciled to the lease liabilities at the date of initial application recognised in the statement of financial position as at 1 January 2019:

以下對賬說明截至二零一八年十二月三十一日應用香港會計準則第17號披露之經營租賃承擔如何可與於二零一九年一月一日之財務狀況表中確認於首次應用日期租賃負債進行對賬：

		RMB'000 人民幣千元
<i>Reconciliation of operating lease commitment to lease liabilities</i>	經營租賃承擔與租賃負債的對賬	
Operating lease commitment as of 31 December 2018	於二零一八年十二月三十一日的經營租賃承擔	7,210
Less: Commitments relating to leases exempt from capitalisations:	減：豁免資本化的租賃承擔：	
Short-term lease and other leases with remaining lease term ending on or before 1 January 2020	剩餘租賃期限於二零二零年一月一日或之前結束的短期租賃及其他租賃	(1,082)
Less: future interest expenses	減：未來利息開支	(573)
Add: Finance leases liabilities as of 31 December 2018	加：截至二零一八年十二月三十一日的融資租賃負債	-
Total lease liabilities as of 1 January 2019	截至二零一九年一月一日的租賃負債總額	5,555

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2019 – continued

##### (i) *Impact of the adoption of HKFRS 16 – continued*

The weighted average lessee’s incremental borrowing rate applied to lease liabilities recognised in the statement of financial position as at 1 January 2019 is 4.75%.

##### (ii) *The new definition of a lease*

Under HKFRS 16, a lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset for a period of time when the customer, throughout the period of use, has both: (a) the right to obtain substantially all of the economic benefits from use of the identified asset and (b) the right to direct the use of the identified asset.

##### (iii) *Accounting as a lessee*

Under HKAS 17, a lessee has to classify a lease as an operating lease or a finance lease based on the extent to which risks and rewards incidental to ownership of a lease asset lie with the lessor or the lessee. If a lease is determined as an operating lease, the lessee would recognise the lease payments under the operating lease as an expense over the lease term. The asset under the lease would not be recognised in the statement of financial position of the lessee.

Under HKFRS 16, all leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but HKFRS 16 provides accounting policy choices for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (A) 採納新訂／經修訂香港財務報告準則－自二零一九年一月一日起生效－續

##### (i) *採納香港財務報告準則第16號的影響－續*

於二零一九年一月一日之財務狀況表內確認之租賃負債所應用之加權平均承租人增量借款利率為4.75%。

##### (ii) *租賃之新定義*

根據香港財務報告準則第16號，租賃界定為賦予權利於一段時間內使用一項資產（相關資產）以換取代價之合約或合約之一部分。當客戶於整段使用期間內擁有：(a)從使用已識別資產中取得絕大部分經濟利益的權利及(b)指示已識別資產之用途的權利，則合約賦予權利於一段時間控制使用已識別資產。

##### (iii) *作為承租人之會計處理*

根據香港會計準則第17號，承租人須根據租賃資產擁有權隨附風險及回報與出租人或承租人之相關程度將租賃分類為經營租賃或融資租賃。倘租賃釐定為經營租賃，承租人將於租賃期內將經營租賃項下之租賃付款確認為一項開支。租賃項下之資產將不會於承租人之財務狀況表內確認。

根據香港財務報告準則第16號，所有租賃（不論為經營租賃或融資租賃）須於財務狀況表資本化為使用權資產及租賃負債，惟香港財務報告準則第16號為實體提供會計政策選擇，可選擇不將(i)屬短期租賃的租賃及／或(ii)相關資產為低價值之租賃進行資本化。本集團已選擇不就低價值資產及於開始日期租賃期少於12個月之租賃確認使用權資產及租賃負債。與該等租賃相關之租賃付款已於租賃期內按直線法支銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2019 – continued

##### (iii) Accounting as a lessee – continued

The Group recognised a right-of-use asset and a lease liability at the commencement date of a lease.

##### Right-of-use asset

The asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

##### Lease liability

The lease liability should be recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group shall use the Group’s incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (A) 採納新訂／經修訂香港財務報告準則－自二零一九年一月一日起生效－續

##### (iii) 作為承租人之會計處理－續

本集團於租賃開始當日確認使用權資產及租賃負債。

##### 使用權資產

使用權資產須按成本確認並將包括：(i)租賃負債之初步計量金額（見下文有關租賃負債入賬之會計政策）；(ii)於開始日期或之前作出之任何租賃付款減任何已收取之租賃優惠；(iii)承租人產生之任何初步直接成本及(iv)承租人在租賃條款及條件規定之情況下拆除及移除相關資產時將產生之估計成本，惟該等成本乃因生產存貨而產生者除外。

##### 租賃負債

租賃負債應按於租賃開始日期未付之租賃付款之現值確認。租賃付款將按租賃隱含利率（倘該利率可輕易釐定）貼現。倘該利率無法輕易釐定，本集團將採用本集團之增量借款利率。

下列於租賃期內就並非於租賃開始日期支付之相關資產使用權所作付款被視為租賃付款：(i)固定付款減任何應收租賃優惠；(ii)初步按於開始日期之指數或利率計量之可變租賃付款（其取決於指數或利率）；(iii)承租人根據剩餘價值擔保預期應支付之款項；(iv)倘承租人合理確定行使購買選擇權，該選擇權之行使價及(v)於承租人行使終止租賃之選擇權之租賃期內支付之終止租賃罰款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2019 – continued

##### (iii) Accounting as a lessee – continued

Lease liability – continued

Subsequent to the commencement date, a lessee shall measure the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

##### (iv) Transition

As mentioned above, the Group has applied HKFRS 16 using the cumulative effect approach and recognised all the cumulative effect of initially applying HKFRS 16 as an adjustment to the opening balance of retained earnings at the date of initial application (1 January 2019). The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

The Group has recognised the lease liabilities at the date of 1 January 2019 for leases previously classified as operating leases applying HKAS 17 and measured those lease liabilities at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate at 1 January 2019.

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (A) 採納新訂／經修訂香港財務報告準則－自二零一九年一月一日起生效－續

##### (iii) 作為承租人之會計處理－續

租賃負債－續

於開始日期後，承租人將透過下列方式計量租賃負債：(i)增加賬面值以反映租賃負債之利息；(ii)減少賬面值以反映作出之租賃付款；及(iii)重新計量賬面值以反映任何重估或租賃修改，如指數或利率變動導致日後租賃付款變動、租賃期變動、實質固定租賃付款變動或購買相關資產之評估變動。

##### (iv) 過渡

如上文所述，本集團採用累計影響方法應用香港財務報告準則第16號，並確認首次應用香港財務報告準則第16號之累計影響，作為對於首次應用日期（二零一九年一月一日）之期初保留盈利結餘的調整。根據香港財務報告準則第16號過渡條文的許可，二零一八年所呈列比較資料並未重列，並繼續根據香港會計準則第17號及相關詮釋呈報。

本集團已於二零一九年一月一日就先前應用香港會計準則第17號分類為經營租賃之租賃確認租賃負債，並按餘下租賃付款之現值（按於二零一九年一月一日之承租人增量借款利率貼現）計量該等租賃負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2019 – continued

##### (iv) Transition – continued

The Group has elected to recognise all the right-of-use assets at 1 January 2019 for leases previously classified operating leases under HKAS 17 and measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019.

The Group has also applied the follow practical expedients: (i) applied a single discount rate to a portfolio of leases with reasonably similar characteristics; and (ii) applied the exemption of not to recognise right-of-use assets and lease liabilities for leases with term that will end within 12 months of the date of initial application (1 January 2019) and accounted for those leases as short-term leases.

In addition, the Group has also applied the practical expedients such that: (i) HKFRS 16 is applied to all of the Group’s lease contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and (ii) not to apply HKFRS 16 to contracts that were not previously identified as containing a lease under HKAS 17 and HK(IFRIC)-Int4.

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (A) 採納新訂／經修訂香港財務報告準則－自二零一九年一月一日起生效－續

##### (iv) 過渡－續

本集團已選擇於二零一九年一月一日就先前應用香港會計準則第17號分類為經營租賃及按租賃負債金額計量之租賃確認所有使用權資產，調整有關緊隨二零一九年一月一日前於財務狀況表中確認的租賃之任何預付款項或應計租賃付款的金額。

本集團亦已應用下列實際權宜方法：(i)就具有合理相似特徵之租賃組合應用單一貼現率；(ii)就租賃期將自首次應用日期（二零一九年一月一日）起12個月內結束之租賃應用不確認使用權資產及租賃負債之豁免，並將該等租賃以短期租賃入賬；

此外，本集團亦已應用實際權宜方法以便：(i)將香港財務報告準則第16號應用於本集團先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）－詮釋第4號釐定安排是否包含租賃識別為租賃的所有租賃合約及(ii)並無將香港財務報告準則第16號應用於先前並無根據香港會計準則第17號及香港（國際財務報告詮釋委員會）－詮釋第4號識別為含有租賃之合約。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2019 – continued

##### *HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments*

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

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

##### *Amendments to HKAS 19 – Plan amendments, curtailment or settlement*

The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company should use updated actuarial assumptions to determine its current service cost and net interest for the period. Additionally, the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income.

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (A) 採納新訂／經修訂香港財務報告準則－自二零一九年一月一日起生效－續

##### *香港（國際財務報告詮釋委員會）－詮釋第23號－所得稅處理的不確定性*

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

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

##### *香港會計準則第19號的修訂－計劃修訂、縮減或結算*

有關修訂澄清於界定福利計劃的修訂、縮減或結算中，公司應運用已更新的精確假設以釐定於該期間的現有服務成本及利息淨額。此外，於計算該計劃結算所得損益時，資產上限的影響不予考慮，並在其他全面收入中單獨處理。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2019 – continued

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

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

##### *Amendments to HKAS 28 – Long-term Interests in Associates and Joint Ventures*

The amendment clarifies that HKFRS 9 applies to long-term interests (“LTI”) in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

##### *Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 3, Business Combinations*

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (A) 採納新訂／經修訂香港財務報告準則－自二零一九年一月一日起生效－續

*香港財務報告準則第9號的修訂－具負補償之提前還款特性*有關修訂澄清，倘符合指定條件，具負補償之可預付金融資產可按攤銷成本計量或按公平值計入其他全面收入之方式計量，而非按公平值計入損益之方式計量。

##### *香港會計準則第28號的修訂，於聯營公司及合營企業的長期權益*

有關修訂澄清香港財務報告準則第9號應用於構成於聯營公司或合營企業之投資淨額一部分的於聯營公司或合營企業的長期權益（「長期權益」），並規定香港財務報告準則第9號較香港會計準則第28號內的減值虧損指引優先應用於該等長期權益。

##### *香港財務報告準則二零一五年至二零一七年週期的年度改進－香港財務報告準則第3號的修訂，業務合併*

於年度改進過程中頒佈的該修訂對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港財務報告準則第3號的修訂，其闡明當於業務的一名聯合經營者取得聯合經營的控制權時，則該業務合併為分階段達成，故此先前持有之股權應重新計量為其收購日期之公平值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (A) ADOPTION OF NEW/REVISED HKFRSs – EFFECTIVE FROM 1 JANUARY 2019 – continued

##### *Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 11, Joint Arrangements*

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 11 which clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

##### *Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes*

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

##### *Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 23, Borrowing Costs*

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (A) 採納新訂／經修訂香港財務報告準則－自二零一九年一月一日起生效－續

##### *香港財務報告準則二零一五年至二零一七年週期的年度改進－香港財務報告準則第11號的修訂，聯合安排*

於年度改進過程中頒佈的該等修訂本對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港財務報告準則第11號的修訂，其闡明於參與（但並非擁有共同控制權）為一項業務的聯合經營的一方隨後取得聯合經營之共同控制權時，先前持有之股權不得重新計量至其收購日期之公平值。

##### *香港財務報告準則二零一五年至二零一七年週期之年度改進－香港會計準則第12號的修訂，所得稅*

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

##### *香港財務報告準則二零一五年至二零一七年週期之年度改進－香港會計準則第23號的修訂，借貸成本*

於年度改進過程中頒佈的該修訂本對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第23號修訂本，其闡明專為取得合資格資產而作出之借貸，於相關合資格資產可用於其擬定用途或進行銷售時仍未償還，則該借貸將成為該實體一般所借資金的一部分並因此計入一般資產池內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

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

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

Amendments to HKFRS 3

香港財務報告準則第3號之修訂

Amendments to HKAS 1 and HKAS 8

香港會計準則第1號及香港會計準則第8號之修訂

Amendments to HKFRS 9, HKAS 39 and HKFRS 7

香港財務報告準則第9號、

香港會計準則第39號及

香港財務報告準則第7號之修訂

HKFRS 17

香港財務報告準則第17號

Amendments to HKFRS 10 and HKAS 28

香港財務報告準則第10號及

香港會計準則第28號之修訂

Definition of a business<sup>1</sup>

業務之定義<sup>1</sup>

Definition of material<sup>1</sup>

重大之定義<sup>1</sup>

Interest Rate Benchmark Reform<sup>1</sup>

利率基準改革<sup>1</sup>

Insurance Contracts<sup>2</sup>

保險合約<sup>2</sup>

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>3</sup>

投資者與其聯營公司或合營企業之間的資產出售或注資<sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2020.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2021.

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined.

#### *Amendments to HKFRS 3 – Definition of a business*

The amendments clarify that a business must include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs, together with providing extensive guidance on what is meant by a “substantive process”.

Additionally, the amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs, whilst narrowing the definition of “outputs” and a “business” to focus on returns from selling goods and services to customers, rather than on cost reductions.

An optional concentration test has also been added that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (B) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

以下可能與本集團財務報表有關的新訂／經修訂的香港財務報告準則已經發布，但尚未生效，也未本集團提早採用。本集團目前的意向是在這些變更生效之日起應用這些變更。

<sup>1</sup> 於二零二零年一月一日或之後開始之年度期間生效

<sup>2</sup> 於二零二一年一月一日或之後開始之年度期間生效

<sup>3</sup> 於待定日期或之後開始之年度期間生效。

#### *香港財務報告準則第3號－業務之定義*

修訂明確規定，一個業務必須至少包括投入和實質性流程，這些投入和實質性流程共同對創造產出的能力做出重大貢獻，同時就“實質性流程”的含義提供廣泛的指導。

此外，這些修訂消除了對市場參與者是否有能力替代任何缺失的投入或流程並繼續產生產出的評估，同時縮小了“產出”和“業務”的定義，以側重於向客戶銷售商品和服務的收益，而不是降低成本。

修訂亦添加了可選的集中度測試，可以簡化對所購置的一系列活動和資產是否不是業務的評估。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

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

##### *Amendments to HKAS 1 and HKAS 8 – Definition of material*

The amendments clarify the definition and explanation of “material”, aligning the definition across all HKFRS Standards and the Conceptual Framework, and incorporating supporting requirements in HKAS 1 into the definition.

##### *Amendments to HKFRS 9, HKAS 39 and HKFRS 7 – Interest Rate Benchmark Reform*

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainties caused by interest rate benchmark reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

##### *HKFRS 17 – Insurance Contracts*

HKFRS 17 will replace HKFRS 4 as a single principle-based standard for the recognition, measurement, presentation and disclosure of insurance contracts in the financial statements of the issuers of those contracts.

##### *Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors’ interests in the joint venture or associate.

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

### 2. 採納香港財務報告準則（「香港財務報告準則」）－續

#### (B) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則－續

##### *香港會計準則第1號及香港會計準則第8號－重大之定義*

該等修訂澄清了“實質性”的定義和解釋，使該定義與所有《香港財務報告準則》標準和概念框架保持一致，並將香港會計準則第1號的支持要求納入了該定義。

##### *香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號－利率基準改革*

該等修訂修訂某些對沖會計規定，以減輕利率基準改革所帶來的不確定性的潛在影響。此外，該修訂要求公司向投資者提供有關直接受這些不確定因素影響的對沖關係的更多信息。

##### *香港財務報告準則第17號－保險合約*

香港財務報告準則第17號將香港財務報告準則第4號取代為基於原則的單一標準，以確認、計量、呈報及披露保險合同在發行人的財務報表中。

##### *香港財務報告準則第10號及香港會計準則第28號之修訂－投資者與其聯營公司或合營企業之間的資產出售或注資*

該等修訂釐清當實體向聯營公司或合營企業出售或出資時應確認的損益範圍。當交易涉及企業時，損益被全額確認；反之，當交易涉及不構成企業的資產時，損益僅在不相關投資者在合資企業或聯營企業中的權益範圍內確認。

本集團尚無法說明這些新聲明是否會導致本集團的會計政策和財務報表發生重大變化。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. BASIS OF PREPARATION

#### 3.1 STATEMENT OF COMPLIANCE

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

#### 3.2 BASIS OF MEASUREMENT

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

#### 3.3 FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency of the Company is Hong Kong dollar (“HKD”), while the financial statements are presented in Renminbi (“RMB”).

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 BASIS OF CONSOLIDATION

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

#### 4.2 SUBSIDIARIES

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

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

### 3. 編製基準

#### 3.1 合規聲明

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

#### 3.2 計量基準

綜合財務報表按歷史成本基準編製。

#### 3.3 功能及呈列貨幣

本公司之功能貨幣為港（「港幣」），而財務報表則以人民幣（「人民幣」）呈列。

### 4. 重大會計政策

#### 4.1 綜合基準

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

#### 4.2 附屬公司

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

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.3 REVENUE RECOGNITION

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

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

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

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

### 4. 重大會計政策一續

#### 4.3 收益確認

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

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

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

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.3 REVENUE RECOGNITION – continued

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

(i) *Seafood and algae product*

Customers obtain control of the seafood and algae products when the goods are delivered to and have been accepted. Revenue is thus recognised upon when the customers accepted the seafood and algae products. There is generally only one performance obligation. Invoices are usually payable within 60 – 120 days. In the comparative period, revenue from sales of goods is recognised on transfer of risks and rewards of ownership, which was taken as at the time of delivery and the title is passed to customer.

(ii) *Other income*

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

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

### 4. 重大會計政策－續

#### 4.3 收益確認－續

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

(i) *海產品及藻類產品*

客戶於交付並已接納貨物時取得海產品及藻類產品的控制權。因此，收益於客戶接納海產品及藻類產品時予以確認。一般僅有一項履約責任。發票通常於60至120日內支付。於比較期間，貨物銷售的收益在交付時轉移擁有權的風險及報酬時確認，而所有權轉移予客戶。

(ii) *其他收入*

經營租賃的租金收入於相關租賃期限按直線基準確認。

利息收入乃根據未償還本金按時間基準以適用利率累計。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.3 REVENUE RECOGNITION – continued

##### (ii) Other income – continued

##### Contract costs

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

- (a) the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;
- (b) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (c) the costs are expected to be recovered.

The asset recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the cost relate. The asset is subject to impairment review.

#### 4.4 PROPERTY, PLANT AND EQUIPMENT

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

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

### 4. 重大會計政策－續

#### 4.3 收益確認－續

##### (ii) 其他收入－續

##### 合約成本

本集團於成本符合以下所有標準的情況下方始將履行合約所產生的成本確認為資產：

- (a) 有關成本與實體可明確識別之合約或預期訂立之合約有直接關係；
- (b) 有關成本令實體將用於履行（或持續履行）日後履約責任之資源得以產生或有所增加；及
- (c) 有關成本預期可收回。

由此確認之資產其後按系統性基準（與向客戶轉讓資產相關的貨品或服務一致）於損益攤銷。該資產須進行減值審閱。

#### 4.4 物業、廠房及設備

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

物業、廠房及設備的成本包括其購入價及收購該等項目直接應佔的成本。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.4 PROPERTY, PLANT AND EQUIPMENT – continued

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

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

Electric equipment	3 years
Plant and machinery	10 years
Motor vehicles	4 years
Furniture and equipment	5 years
Leasehold improvement	Shorter of lease term and remaining useful life
Right-of-use assets	Shorter of the asset's useful life and the lease term on a straight-line basis

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

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

### 4. 重大會計政策－續

#### 4.4 物業、廠房及設備－續

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

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

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

使用權資產 按直線法基準之資產使用年期或租賃年期（以較短者為準）

倘資產的賬面值高於其估計可收回金額，則資產會即時撇減至其可收回金額。

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.5 LEASING (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2019)

All leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

##### *Right-of-use asset*

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

The Group also has leased a number of properties under tenancy agreements which the Group exercises its judgement and determines that is held for own use. As a result, the right-of-use asset arising from the properties under tenancy agreements are carried at depreciated cost.

### 4. 重大會計政策－續

#### 4.5 租賃（自二零一九年一月一日起應用的會計政策）

所有租賃（不論為經營租賃或融資租賃）須於財務狀況表資本化為使用權資產及租賃負債，惟存在會計政策供實體選擇，可選擇不將(i)屬短期租賃的租賃及／或(ii)相關資產為低價值的租賃進行資本化。本集團已選擇不就低價值資產以及於開始日期租賃期少於12個月的租賃確認使用權資產及租賃負債。與該等租賃相關的租賃付款已於租賃期內按直線法支銷。

##### *使用權資產*

使用權資產須按成本確認並將包括：(i)租賃負債之初步計量金額（見下文有關租賃負債入賬之會計政策）；(ii)於開始日期或之前作出之任何租賃付款減任何已收取之租賃優惠；(iii)承租人產生之任何初步直接成本及(iv)承租人在租賃條款及條件規定之情況下拆除及移除相關資產時將產生之估計成本，惟該等成本乃因生產存貨而產生者除外。本集團應用成本模型計量使用權資產。根據成本模型，本集團按成本減任何累計折舊及任何減值虧損計量使用權並就租賃負債的任何重新計量作出調整。

本集團亦根據租賃協議出租本集團行使其判斷及釐定其持作自用的若干物業。因此，出租協議下物業產生的使用權資產按折舊成本列賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.5 LEASING (ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2019) – continued

##### *Lease liability*

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

The payment for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payment: fixed payments less any lease incentives receivable.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the substance of fixed lease payments or a change in assessment to purchase the underlying asset.

##### *Accounting as a lessor*

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

### 4. 重大會計政策－續

#### 4.5 租賃（自二零一九年一月一日起應用的會計政策）－續

##### *租賃負債*

租賃負債應按於租賃開始日期未付之租賃付款之現值確認。租賃付款將按租賃隱含利率（倘該利率可輕易釐定）貼現。倘該利率無法輕易釐定，本集團將採用本集團之增量借款利率。

於租賃期內就並非於租賃開始日期支付之相關資產使用權所作付款被視為租賃付款：固定付款減任何應收租賃優惠。

於開始日期後，本集團將透過下列方式計量租賃負債：(i)增加賬面值以反映租賃負債之利息；(ii)減少賬面值以反映作出之租賃付款；及(iii)重新計量賬面值以反映任何重估或租賃修改，如指數或利率變動導致日後租賃付款變動、租賃期變動、實質固定租賃付款變動或購買相關資產之評估變動。

##### *作為出租人之會計處理*

本集團已出租其物業予若干租戶。經營租賃的租金收入於相關租期內按直線法於損益中確認。磋商及安排經營租賃所產生的初始直接成本被附加於租賃資產的賬面值及於租期內按直線法確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.5A LEASING (ACCOUNTING POLICIES APPLIED UNTIL 31 DECEMBER 2018) – continued

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

The Group as lessor

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

The Group as lessee

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

### 4. 重大會計政策－續

#### 4.5A 租賃（應用至二零一八年十二月三十一日的會計政策）

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

本集團作為出租人

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

本集團作為承租人

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.6 INVENTORIES

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### 4.7 IMPAIRMENT OF OTHER THAN FINANCIAL ASSETS

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

- Property, plant and equipment

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

### 4. 重大會計政策 – 續

#### 4.6 存貨

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

#### 4.7 其他金融資產減值

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

- 物業、廠房及設備

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

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

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

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

#### 4.8 RESEARCH EXPENDITURE

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

#### 4.9 CASH AND CASH EQUIVALENTS

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

#### 4.10 SHARE CAPITAL

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

### 4. 重大會計政策－續

#### 4.7 其他金融資產減值－續

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

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

#### 4.8 研究開支

研究活動開支於產生期間確認為開支。

#### 4.9 現金及現金等價物

現金及現金等價物包括銀行及手頭現金。

#### 4.10 股本

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11 FINANCIAL INSTRUMENT

##### a) Financial assets

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

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

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

##### Debt instruments

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

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

### 4. 重大會計政策－續

#### 4.11 金融工具

##### (a) 金融資產

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

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

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

##### 債務工具

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

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11 FINANCIAL INSTRUMENT – continued

##### a) *Financial assets – continued*

##### Debt instruments – continued

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

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

### 4. 重大會計政策－續

#### 4.11 金融工具－續

##### (a) *金融資產－續*

##### 債務工具－續

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

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



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11 FINANCIAL INSTRUMENT – continued

##### a) *Financial assets – continued*

##### Equity instruments

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

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

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

### 4. 重大會計政策－續

#### 4.11 金融工具－續

##### (a) *金融資產－續*

##### 股本工具

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

##### (b) *金融資產減值虧損*

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11 FINANCIAL INSTRUMENT – continued

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

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

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

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

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

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

### 4. 重大會計政策－續

#### 4.11 金融工具－續

##### (b) 金融資產減值虧損－續

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

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

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

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

本集團假定，金融資產如逾期超過30日，其信貸風險會顯著增加。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11 FINANCIAL INSTRUMENT – continued

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

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

##### c) *Financial liabilities*

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

Financial liabilities at fair value through profit or loss

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

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

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

### 4. 重大會計政策－續

#### 4.11 金融工具－續

##### (b) 金融資產減值虧損－續

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

##### (c) 金融負債

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

按公平值計入損益的金融負債

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

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

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11 FINANCIAL INSTRUMENT – continued

##### c) *Financial liabilities – continued*

Financial liabilities at fair value through profit or loss – continued

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, borrowings, certain preference shares and the debt element of convertible loan note issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

### 4. 重大會計政策－續

#### 4.11 金融工具－續

##### (c) *金融負債－續*

按公平值計入損益的金融負債－續

倘符合下列條件，金融負債或會於初步確認時指定為按公平值計入損益：(i)此舉將消除或大幅減少因按不同基準計量負債或確認其收益或虧損所產生之不一致處理方法；(ii)該等負債屬受管理且根據明文規定之風險管理策略按公平值基準評估表現之一組金融負債之一部分；或(iii)該金融負債包含須分開記錄之嵌入式衍生工具。

初步確認後，按公平值計入損益的金融資產按公平值計量，而公平值的變動則於出現變動期間於損益中確認，惟本集團本身信貸風險產生的於其他全面收入呈列且其後並無重新分類至損益表的收益及虧損除外。於損益表確認的公平值收益或虧損淨額並不包括任何向該等金融負債所扣除的任何利息。

按攤銷成本計量的金融負債

按攤銷成本計量的金融負債包括貿易及其他應付款項、借款、若干優先股及本集團發行之可轉換貸款票據之債務部分，其後使用實際利率法按攤銷成本計量。有關利息開支於損益確認。

收益或虧損於終止確認負債時透過攤銷於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11 FINANCIAL INSTRUMENT – continued

##### d) *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense for the year ended 31 December 2019 and 2018. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

##### e) *Equity instruments*

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

##### f) *Derecognition*

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

### 4. 重大會計政策－續

#### 4.11 金融工具－續

##### (d) *實際利息法*

實際利息法為計算金融資產或金融負債攤銷成本以及分配截至二零一九年及二零一八年十二月三十一日止年度的利息收入或利息開支的方法。實際利率為透過金融資產或負債預測年期或(如適用)較短期間準確折現估計未來現金收款或付款的利率。

##### (e) *股本工具*

本公司發行的股本工具按已收所得款項扣除直接發行成本記賬。

##### (f) *終止確認*

當就金融資產之未來現金流量的合約權利屆滿時，或金融資產已轉讓且該轉讓符合香港會計準則第39號之終止確認規定，本集團會終止確認該項金融資產。

當相關合約中訂明之責任獲解除、註銷或到期時，會終止確認金融負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.11 FINANCIAL INSTRUMENT – continued

##### f) *Derecognition – continued*

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

#### 4.12 FOREIGN CURRENCY

Transactions entered into by the group entities in currencies other than the currency of the primary economic environment in which they operate(s) (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

### 4. 重大會計政策－續

#### 4.11 金融工具－續

##### (f) *終止確認－續*

倘由於重新磋商金融負債之條款，本集團向債權人發行其自身股本工具以支付全部或部分之金融負債，則已發行之股本工具為已付代價並於抵銷金融負債或其部分日期按彼等之公平值初步確認及計量。倘已發行股本工具之公平值不能可靠計量，則股本工具將計量以反映所抵銷金融負債之公平值。所抵銷金融負債或其部分之賬面值與已付代價之差額於年內損益中確認。

#### 4.12 外幣

集團實體以彼等經營業務所在主要經濟環境貨幣（「功能貨幣」）以外的貨幣進行的交易，按交易發生時的適用匯率入賬。外幣貨幣資產及負債則以報告期末的適用匯率換算。以外幣歷史成本計量的非貨幣項目毋須重新換算。

因結算貨幣項目及換算貨幣項目而產生的匯兌差額於產生期間在損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.12 FOREIGN CURRENCY – continued

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Renminbi) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to minority interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

#### 4.13 INCOME TAXES

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognized assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

### 4. 重大會計政策 – 續

#### 4.12 外幣 – 續

合併時，海外業務的收入和支出項目按本年度的平均匯率換算為本集團的列報貨幣（即人民幣），除非匯率在此期間大幅波動，在這種情況下，匯率接近於在交易發生時的那些裁決被使用。海外業務的所有資產和負債均按報告期末的匯率換算。產生的匯兌差額（如有）於其他全面收入確認，並於權益中累計為外匯儲備（視乎情況而定歸屬於少數股東權益）。在構成本集團有關海外業務淨投資的一部分的長期貨幣項目的轉換中，在集團實體的單獨財務報表損益中確認的匯兌差額，重新分類為其他綜合收益，並作為匯兌波動準備在權益中累計。

#### 4.13 所得稅

所得稅包括即期稅項及遞延稅項。

即期稅項乃按已就毋須就所得稅課稅或不可扣減所得稅的項目作出調整的日常業務溢利或虧損，按報告期末已頒佈或實際頒佈的稅率計算。

遞延稅項乃就作財務報告的資產與負債賬面值，與就稅務所用相應數值間的暫時性差額確認。除不影響會計或應課稅溢利的商譽及已確認資產與負債外，會就所有應課稅暫時性差額確認遞延稅項負債。遞延稅項資產於有可能動用應課稅溢利抵銷可扣稅暫時性差額的情況下確認。遞延稅項乃按適用於資產或負債的賬面值變現或結算的預期方式及於報告期末已頒佈或大致上頒佈稅率計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.13 INCOME TAXES – continued

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognized directly in equity in which case the taxes are also recognised directly in equity.

#### 4.14 EMPLOYEE BENEFITS

##### a) *Defined contribution retirement plan*

Pursuant to the relevant regulations of the PRC government, the Group participates in a central pension scheme operated by the local municipal government (the “Scheme”), whereby the subsidiary of the Company in the PRC is required to contribute a certain percentage of the basic salaries of its employees to the Scheme to fund their retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of the subsidiary of the Company. The only obligation of the Group with respect to the Scheme is to pay the ongoing required contributions under the Scheme. Contributions under the Scheme are charged to profit or loss as incurred. There are no provisions under the Scheme whereby forfeited contributions may be used to reduce future contributions.

##### b) *Short-term employee benefits*

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

### 4. 重大會計政策－續

#### 4.13 所得稅－續

遞延稅項負債會因源自於附屬公司的投資的應課稅暫時性差額確認，惟倘本集團能夠控制該暫時性差額的撥回且該暫時性差額於可見將來很可能不會撥回則另作別論。

所得稅乃於損益中確認，惟倘所得稅與於其他全面收入確認的項目有關，在此情況下，稅項亦於其他全面收入確認，或倘所得稅與直接於權益確認的項目有關，在此情況下，稅項亦直接於權益確認。

#### 4.14 僱員福利

##### (a) *界定供款退休計劃*

根據中國政府的相關規例，本集團參與由地方市級政府運作的中央退休金計劃（「計劃」），據此，本公司的中國附屬公司須按僱員基本薪金的若干百分比向計劃作出供款，以提供退休福利的資金。地方市級政府承諾承擔本公司附屬公司所有現有及未來退休僱員的退休福利責任，本集團有關計劃的唯一責任是根據計劃持續作出所需供款。計劃的供款於產生時在損益中扣除。概無根據計劃作出撥備，已沒收的供款可用於減少未來供款。

##### (b) *短期僱員福利*

短期僱員福利是指預計在僱員提供相關服務的年度報告期末後12個月以前將全數結付的僱員福利（離職福利除外）。短期僱員福利於僱員提供相關服務的年度確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.15 SEGMENT REPORTING

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major product lines.

For the purposes of assessing segment performance and allocating resources between segments, the directors assess segment profit or loss by gross profit or loss as measured in Financial Information.

For the purpose of presenting geographical location of the Group's revenue from external customers and the Group's non-current assets, country of domicile is determined by reference to the country where the majority of the Company's subsidiaries operate.

#### 4.16 PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### 4. 重大會計政策一續

#### 4.15 分部報告

本集團根據定期向執行董事報告以供彼等就本集團業務組成部分的資源分配作出決定及檢討該等組成部分表現的內部財務資料，識別經營分部及編製分部資料。內部財務資料中向執行董事報告的業務組成部分按本集團主要產品綫釐定。

就評估分部表現及分部之間的資源分配而言，董事按財務資料中計量的損益總額評估分部損益。

就呈列本集團來自外界客戶的收益及本集團非流動資產的地域位置而言，業務註冊國家乃參考本公司大部分附屬公司經營所在的國家釐定。

#### 4.16 撥備及或然負債

當本集團因過去事項而須承擔法定或推定責任，而有關責任可能需要付出可合理地估計的經濟利益時，便為未確定時間或金額的負債確認撥備。

如果經濟利益需要外流的可能性不大，或不能對數額作出可靠估計，則有關責任會作為或然負債披露，惟若經濟利益外流的可能性極低則作別論。如有可能產生的責任，其存在僅能以一個或數個未來事項的發生或不發生來證實，亦披露為或然負債，除非經濟利益外流的可能性極低則作別論。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.17 RELATED PARTIES

For the purposes of the Financial Information, a party is considered to be related to the Group if:

- (a) A person or a close member of that person's family is related to the Group if that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
  - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

### 4. 重大會計政策一續

#### 4.17 關連方

就財務資料而言，倘某一方屬以下任何一項，則被視為與本集團有關連：

- (a) 倘屬以下人士，即該人士或該人士的近親與本集團有關連：
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本公司母公司的主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
  - (i) 該實體與本集團屬同一集團的成員公司（即各自的母公司、附屬公司及同系附屬公司彼此間有關連）。
  - (ii) 一家實體為另一實體的聯營公司或合營企業（或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業）。
  - (iii) 兩間實體均為同一第三方的合營企業。
  - (iv) 一家實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. SIGNIFICANT ACCOUNTING POLICIES – continued

#### 4.17 RELATED PARTIES – continued

(b) – continued

- (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

### 4. 重大會計政策—續

#### 4.17 關連方—續

(b) – 續

- (v) 實體為本集團或與本集團有關連的實體就僱員福利設立的離職後福利計劃。
- (vi) 實體受(a)所識別人士控制或受共同控制。
- (vii) (a)(i)中所識別的人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 實體或其所屬集團任何成員公司為本集團或本集團母公司提供主要管理人員服務。

某一人士的近親家屬成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家屬成員，包括：

- (i) 該名人士的子女及配偶或家庭伴侶；
- (ii) 該名人士的配偶或家庭伴侶的子女；及
- (iii) 該名人士或該名人士的配偶或家庭伴侶的受養人。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### DEPRECIATION

The Group depreciates the plant and equipment in accordance with the accounting policies stated in note 4.4. The estimated useful lives reflect the directors' estimates of the periods that the Group intends to derive future economic benefits from the use of these assets. The management reassesses the estimated useful lives at the end of each of the reporting date.

#### IMPAIRMENT OF RECEIVABLES

The impairment of receivables are based on assumptions about risk of default and expected credit loss rates. The Group adopts judgement in making these assumption and selecting inputs for computing such impairment loss, broadly based on the available customers' historical data, existing market conditions including forward looking estimates at end of reporting period.

Where the expectation is different from the original estimate, such difference will impact the carrying amount of receivables and impairment losses in the periods in which such estimate has been changed.

#### ESTIMATES OF CURRENT TAX AND DEFERRED TAX

Significant judgement is required in determining the amount of the provision for tax and the timing of payment of the related tax. Where the final tax outcomes are different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the periods in which such determination are made.

### 6. REVENUE AND SEGMENT INFORMATION

Revenue is measured based on the consideration specified in a contract with a customer, net of expected goods of returns, discounts and sales related taxes.

Revenue is recognised when performance obligation is satisfied. The Group's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer.

### 5. 重大會計估計及判斷

本集團根據以往經驗及其他因素，包括預期日後在合理情況下相信會出現的事件，對所作的會計估計和判斷持續進行評估。

本集團就未來作出估計和假設，按定義所得出的會計估計難免偏離實際結果。對下一財政年度的資產及負債賬面值有重大調整的重大風險的估計及判斷討論如下：

#### 折舊

本集團按附註4.4所列的會計政策將廠房及設備折舊。估計使用年期反映董事對本集團打算自使用該等資產獲取未來經濟利益的期間作出的估計，管理層於報告期間各期末重新評估估計使用年期。

#### 應收款項減值

應收款項的減值基於關於違約風險和預期信用損失率的假設。本集團在作出上述假設並選擇輸入資料以計算此類減值損失時會採用判斷，大致上是基於現有客戶的歷史數據，現有市場狀況（包括報告期末的前瞻性估計）。

倘預期與原先估計有所不同，則有關差額將影響估計改變期間之應收賬款及減值虧損之賬面值。

#### 當期稅項及遞延稅項估計

決定稅項撥備金額及支付相關稅項時間時須作出重大判斷，當最後稅務結果與最初記錄的金額不同時，有關差額將對作出決定的期間的所得稅及遞延稅項撥備構成影響。

### 6. 收入及分部資料

收入根據與客戶簽訂的合同中規定的對價，扣除預期退貨，折扣和銷售相關稅費來計量。

收入在履行履約義務時確認。本集團的收入來自銷售貨品，其收入於貨品控制權轉移至客戶時確認。這通常是在將貨物交付給客戶時。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. REVENUE AND SEGMENT INFORMATION – continued

#### OPERATING SEGMENT INFORMATION

For management purpose, the Group operates in one business unit based on their products, and has one reportable and operating segment: packaging and sales of dried seafood, algae and fungi and seafood snacks. The board of directors of the Company, being the chief operating decision maker, reviews monthly sales reports to determine the selling price of their products and monitors the operating results of its business unit for the purpose of making decisions about resource allocation and performance assessment.

#### DISAGGREGATED REVENUE INFORMATION

Revenue from contract with customers	客戶合約收益
Dried seafood	乾海產品
Algae and fungi	藻類產品及菌類產品
Seafood snacks	海洋休閒產品

Geographical markets	地理市場
Mainland China	中國大陸

  

Timing of revenue recognition	收入確認時間
Sales at a point in time	銷售的某個時間點

#### UNSATISFIED PERFORMANCE OBLIGATIONS

For sales of marine products, the performance obligation are satisfied and revenue was recognised at a point in time when control of the goods has transferred to the customer. No unsatisfied performance obligation at the end of the each reporting years.

#### INFORMATION ABOUT MAJOR CUSTOMERS

No customer contributed 10% or more of the Group's revenue during the year ended 31 December 2019 (2018: Nil).

#### INFORMATION ABOUT GEOGRAPHICAL AREAS

The Group's sales by geographical areas, based on the delivery destination of the goods as requested by the customers, were all domestic and within the PRC.

The Group's non-current assets other than financial instruments mainly represent plant and equipment located in the PRC.

### 6. 收入及分部資料—續

#### 經營分部資料

就管理而言，本集團根據產品經營一個業務單位，並有一個可呈報及經營分部：包裝及銷售乾海產品，藻類產品及菌類產品及海洋休閒產品。本公司董事會（即最高級經營決策者）每月審閱銷售報告，以釐定其產品售價及監察其業務單位的經營業績，藉此作出有關資源分配及表現評估的決定。

#### 收入分類資料

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue from contract with customers		
Dried seafood	246,108	335,311
Algae and fungi	190,283	275,506
Seafood snacks	36,497	57,141
	<b>472,888</b>	667,958
Geographical markets		
Mainland China	472,888	667,958
Timing of revenue recognition		
Sales at a point in time	472,888	667,958

#### 未履行的履約義務

就水產品的銷售，在貨物的控制權已轉移給客戶時，履約義務已滿足而收入亦已確認。在每個報告年度末，並無未履行的履約義務。

#### 有關主要客戶的資料

截至二零一九年十二月三十一日止年度，概無客戶貢獻本集團收益的10%或以上（二零一八年：零）。

#### 有關地區的資料

本集團根據客戶要求的送貨地點劃分地區，按地區分類的銷售均為本地銷售及位於中國境內。

本集團除金融工具以外的非流動資產主要為位於中國的廠房及設備和預付租賃款項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

Interest income on bank deposits	銀行存款利息收入
Interest income on secured loan receivables (Note 19(ii))	應收有抵押貸款利息收入 (附註19(ii))
Loss on disposal of plant and equipment	出售廠房及設備的虧損
Rental income	租金收入
Gain on early termination of lease	提早終止租賃之收益
Total	總計

### 7. 其他收入及其他收益／(虧損)，淨額

<b>2019</b>	2018
二零一九年	二零一八年
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元

<b>866</b>	1,069
<b>329</b>	1,242
<b>(1)</b>	(3)
<b>55</b>	55
<b>23</b>	-
<b>1,272</b>	2,363

### 8. FINANCE COST

Interest on lease liabilities	租賃負債利息
Others	其他
Total	總計

### 8. 財務成本

<b>2019</b>	2018
二零一九年	二零一八年
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元

<b>221</b>	-
<b>5</b>	-
<b>226</b>	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 9. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/ (crediting):

### 9. 除所得稅前溢利

除所得稅前溢利已扣除／(計入)下列各項：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Auditors' remuneration	核數師酬金	952	914
Amortization of prepaid lease payments	預付租賃款項攤銷	-	50
Costs of sales (Note)	銷售成本(附註)	369,119	498,864
Research expenditure	研究開支	690	789
Depreciation charge	折舊		
- Property, plant and equipment	- 物業、廠房及設備	12,199	2,298
Impairment loss on trade receivables	貿易應收款項減值虧損	851	67
Reversal of Impairment loss on deposits paid to suppliers	支付予供應商的按金的減值虧損撥回	(130)	(145)
(Reversal of)/Impairment loss on loan receivables	應收貸款減值虧損／(撥回)	(460)	150
Operating lease rental in respect of:	下列各項的經營租賃租金：		
- Rented premises	- 租用處所	-	2,424
- Short-term leases expenses	- 短期租賃支出	1,325	-
Staff costs (including directors' emoluments - Note 12)	員工成本(包括董事酬金 - 附註12)		
- Salaries and wages	- 薪金及工資	34,880	30,446
- Bonus	- 花紅	468	182
- Retirement scheme contribution	- 退休計劃供款	4,039	3,381

Note: Cost of sales are mainly comprised of cost of inventories recognised as expenses, which amounting to RMB346,669,000 (2018: RMB471,546,000).

附註：銷售成本主要包括確認為開支的存貨成本人民幣346,669,000元(二零一八年：人民幣471,546,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 10. INCOME TAX EXPENSE

The amount of taxation in the consolidated statement of comprehensive income represents:

### 10. 所得稅開支

綜合全面收益表中的稅項金額指：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current tax	當期稅項		
Tax for the year	年度稅項	12,723	27,384
Under-provision in respect of prior year	過往年度撥備不足	744	612
Deferred tax	遞延稅項		
Current year	本年度	1,722	5
Total	總計	<b>15,189</b>	28,001

Under the Law of the PRC on Enterprise Income Tax ("EIT") and Implementation Regulations of the EIT Law, the tax rate of the Company's PRC subsidiaries is 25%.

根據《中國企業所得稅法》(「《企業所得稅法》」)及《企業所得稅法實施條例》，本公司中國附屬公司的稅率為25%。

Provision for the PRC Enterprise Income Tax for the year ended 31 December 2019 and 2018 was made based on the estimated assessable profits calculated in accordance with the relevant income tax laws, and regulations applicable to the subsidiaries operated in the PRC.

截至二零一九年及二零一八年十二月三十一日止年度的中國企業所得稅撥備根據按適用於在中國經營的附屬公司的有關所得稅法例及規例計算所得的估計應課稅溢利作出。

No provision for Hong Kong Profits Tax has been made as the Group had no assessable income arising in Hong Kong for the year ended 31 December 2019 and 2018.

由於本集團截至二零一九年及二零一八年十二月三十一日止年度並無在香港錄得應課稅溢利，因此並無就香港利得稅作出撥備。

The income tax expense for the year can be reconciled to the profit before income tax per the consolidated statement of comprehensive income as follows:

年內的所得稅開支與綜合全面收益表所列的除所得稅前溢利對賬如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	46,029	104,415
Tax thereon at domestic rates applicable to profit or loss in the jurisdictions concerned	按適用於有關司法權區內損益的本地稅率計算的稅項	11,921	26,539
Under-provision in prior year	過往年度撥備不足	744	612
Tax effect of expenses not deductible for tax purposes	不可就稅項扣除的開支的稅務影響	1,373	56
Tax effect of revenue not taxable for tax purpose	不用徵稅的收入的稅務影響	(11)	-
Tax effect of tax losses not recognised	未確認的稅務虧損的稅務影響	1,162	794
Income tax expense for the year	年內所得稅開支	<b>15,189</b>	28,001



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## 綜合財務報表附註

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### 11. BASIC AND DILUTED EARNINGS PER SHARE

<b>Profits</b>	<b>溢利</b>
Profit attributable to owners of the Company	本公司擁有人應佔溢利
	<b>30,840</b>
<b>Number of shares</b>	<b>股份數目</b>
Weighted average number of ordinary shares (note)	普通股加權平均數目(附註)
	<b>1,000,000</b>

Note: Diluted earnings per share were the same as the basic earnings per share as the Group had no dilutive potential shares during the years ended 31 December 2019 and 2018.

### 11. 每股基本及攤薄盈利

<b>2019</b>	2018
二零一九年	二零一八年
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元

<b>2019</b>	2018
二零一九年	二零一八年
<b>Number'000</b>	Number'000
千股	千股

### 12. 董事薪酬及僱員酬金

董事薪酬  
董事酬金如下：

### 12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES

#### DIRECTORS' REMUNERATION

Directors' emoluments are as follows:

	Fees	Salaries	Bonuses	Allowances and other benefits in kind	Retirement scheme contributions	Total emoluments
	袍金	薪金	花紅	津貼及其他實物福利	退休計劃供款	總酬金
	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
Year ended 31 December 2019						
截至二零一九年十二月三十一日止年度						
Executive directors:						
Mr. Liu Rongru	-	1,093	-	-	10	1,103
Mr. Jiang Dehua	-	780	-	-	10	790
Mr. Chak Chi Shing	-	297	-	-	11	308
Ms. Li Jiayin	-	165	-	-	5	170
	-	2,335	-	-	36	2,371
Independent non-executive directors:						
Mr. Huang Xingluan	52	-	-	-	-	52
Mr. Liu Dajin	89	-	-	-	-	89
Mr. Chen Sze Hung	43	-	-	-	-	43
Mr. Pang Wai Ching	32	-	-	-	-	32
Ms. Cheng Shing Yan	107	-	-	-	-	107
	323	-	-	-	-	323
Total	323	2,335	-	-	36	2,694

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## 綜合財務報表附註

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

### 12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES – continued DIRECTORS' REMUNERATION – continued

		Fees	Salaries	Bonuses	Allowances and other benefits in kind 津貼及其他實物福利	Retirement scheme contributions 退休計劃供款	Total emoluments
		袍金 RMB'000 人民幣千元	薪金 RMB'000 人民幣千元	花紅 RMB'000 人民幣千元	實物福利 RMB'000 人民幣千元	退休計劃供款 RMB'000 人民幣千元	總酬金 RMB'000 人民幣千元
Year ended 31 December 2018 截至二零一八年十二月三十一日止年度							
Executive directors:	執行董事：						
Mr. Liu Rongru	劉榮如先生	-	1,070	-	-	9	1,079
Mr. Jiang Dehua	蔣德華先生	-	1,016	-	-	9	1,025
Mr. Lin Jiangtang	林江棠先生	-	458	182	-	10	650
Mr. Cao Hongyu	曹洪宇先生	-	196	-	-	-	196
Mr. Chak Chi Shing	翟志勝先生	-	30	-	-	-	30
		-	2,770	182	-	28	2,980
Independent non-executive directors:	獨立非執行董事：						
Mr. Huang Xingluan	黃興學先生	87	-	-	-	-	87
Mr. Liu Dajin	劉大進先生	87	-	-	-	-	87
Ms. Cheng Shing Yan	鄭承欣女士	130	-	-	-	-	130
		304	-	-	-	-	304
Total	總計	304	2,770	182	-	28	3,284

No director received any emoluments from Group as an inducement to join or upon joining the Group or as compensation for loss of office for the years ended 31 December 2019 and 2018. No director waived or agreed to waive any emoluments for the years ended 31 December 2019 and 2018.

### 12. 董事薪酬及僱員酬金 – 續

#### 董事薪酬 – 續

Fees	Salaries	Bonuses	Allowances and other benefits in kind 津貼及其他實物福利	Retirement scheme contributions 退休計劃供款	Total emoluments
袍金 RMB'000 人民幣千元	薪金 RMB'000 人民幣千元	花紅 RMB'000 人民幣千元	實物福利 RMB'000 人民幣千元	退休計劃供款 RMB'000 人民幣千元	總酬金 RMB'000 人民幣千元
-	1,070	-	-	9	1,079
-	1,016	-	-	9	1,025
-	458	182	-	10	650
-	196	-	-	-	196
-	30	-	-	-	30
-	2,770	182	-	28	2,980
87	-	-	-	-	87
87	-	-	-	-	87
130	-	-	-	-	130
304	-	-	-	-	304
304	2,770	182	-	28	3,284

截至二零一九年及二零一八年十二月三十一日止年度，概無董事向本集團收取任何酬金作為邀請加入本集團或加入本集團後的獎勵，或作為辭去職位的補償。截至二零一九年及二零一八年十二月三十一日止年度，概無董事放棄或同意放棄收取任何酬金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES – continued THE FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group for the years ended 31 December 2019 and 2018 are analysed as followed:

Directors	董事
Non-directors, the highest paid individual	最高薪非董事人士

2019 二零一九年 Number of individuals 人數	2018 二零一八年 Number of individuals 人數
3	3
2	2
<b>5</b>	<b>5</b>

Details of the remuneration of the above non-directors, the highest paid individual for the year ended 31 December 2019 and 2018 are as follows:

Salaries and other emoluments	薪金及其他酬金
Retirement scheme contribution	退休計劃供款

薪金及其他酬金	
退休計劃供款	

2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
1,523	1,163
19	21
<b>1,542</b>	<b>1,184</b>

### 12. 董事薪酬及僱員酬金－續

五位最高薪人士  
截至二零一九年及二零一八年十二月三十一日止年度本集團五位最高薪人士的分析如下：

上述截至二零一九年及二零一八年十二月三十一日止年度的最高薪非董事人士的薪酬詳情如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES – continued THE FIVE HIGHEST PAID INDIVIDUALS – continued

The number of the highest paid non-directors fell within the following emolument band:

Nil to RMB1,000,000	零至人民幣1,000,000元
RMB1,000,001 to RMB1,500,000	人民幣1,000,001元至 人民幣2,000,000元
RMB1,500,001 to RMB2,000,000	人民幣2,000,001元至 人民幣3,000,000元

For the years ended 31 December 2019 and 2018, no emoluments were paid by the Group to any director or any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office. There were no arrangements under which a director waived or agreed to waive any emoluments for the years ended 31 December 2019 and 2018.

#### SENIOR MANAGEMENT EMOLUMENTS

Emoluments paid or payable to members of senior management who are not directors were within the following bands:

Nil to RMB1,000,000	零至人民幣1,000,000元
RMB1,000,001 to RMB2,000,000	人民幣1,000,001元至 人民幣2,000,000元
RMB2,000,001 to RMB3,000,000	人民幣2,000,001元至 人民幣3,000,000元

### 12. 董事薪酬及僱員酬金 – 續

五位最高薪人士 – 續  
酬金介乎以下級別的最高薪非董事人士人數：

2019 二零一九年 Number of individuals 人數	2018 二零一八年 Number of individuals 人數
2	2
–	–
–	–
2	2

截至二零一九年及二零一八年十二月三十一日止年度，本集團概無向任何董事或五位最高薪人士任何一人支付酬金，作為邀請加入本集團或加入本集團後的獎勵，或作為辭去職位的補償。截至二零一九年及二零一八年十二月三十一日止年度，概無董事放棄或同意放棄收取任何酬金的安排。

#### 高級管理層酬金

已付或應付董事以外高級管理層成員的酬金介乎以下級別：

2019 二零一九年 Number of individuals 人數	2018 二零一八年 Number of individuals 人數
5	6
–	–
–	–
5	6

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、廠房及設備

		Electric equipment 電力設備 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Furniture and equipment 傢俱及設備 RMB'000 人民幣千元	Leasehold improvement 租賃物業裝修 RMB'000 人民幣千元	Right-of-use assets 使用權資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本:</b>							
At 1 January 2018	於二零一八年一月一日	123	70	350	241	-	-	784
Additions	添置	7,036	24,769	-	3,879	1,400	-	37,084
Disposal	出售	-	-	-	(77)	-	-	(77)
At 31 December 2018 as originally presented	於二零一八年十二月三十一日 原本示列	7,159	24,839	350	4,043	1,400	-	37,791
Initial application of HKFRS 16	首次應用香港財務報告 準則第16號	-	-	-	-	-	5,684	5,684
Restated balance as at 1 January 2019	於二零一九年一月一日 經重列餘額	7,159	24,839	350	4,043	1,400	5,684	43,475
Additions	添置	-	-	-	4	40,000	896	40,900
Disposal	出售	-	-	(21)	-	-	(2,184)	(2,205)
At 31 December 2019	於二零一九年十二月三十一日	7,159	24,839	329	4,047	41,400	4,396	82,170
<b>Accumulated depreciation:</b>	<b>累計折舊:</b>							
At 1 January 2018	於二零一八年一月一日	107	34	303	210	-	-	654
Charge for the year	年內計提	1,024	945	14	198	117	-	2,298
Eliminated on disposals	出售時對銷	-	-	-	(74)	-	-	(74)
At 31 December 2018	於二零一八年十二月三十一日	1,131	979	317	334	117	-	2,878
Charge for the year	年內計提	2,230	2,683	7	742	5,133	1,404	12,199
Eliminated on disposals	出售時對銷	-	-	(20)	-	-	(243)	(263)
At 31 December 2019	於二零一九年十二月三十一日	3,361	3,662	304	1,076	5,250	1,161	14,814
<b>Net book value:</b>	<b>賬面淨值:</b>							
At 31 December 2019	於二零一九年十二月三十一日	3,798	21,177	25	2,971	36,150	3,235	67,356
At 31 December 2018	於二零一八年十二月三十一日	6,028	23,860	33	3,709	1,283	-	34,913

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives and after taking into account of their estimated residual values.

上述物業、廠房及設備項目於計及其估計剩餘價值後按直線法於估計使用年期折舊。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. PROPERTY, PLANT AND EQUIPMENT – continued RIGHT-OF-USE ASSETS

As at 1 January 2019	於二零一九年一月一日
Additions	添置
Amortisation	攤銷
Early termination of lease (Note)	提早終止租賃(附註)
As at 31 December 2019	於二零一九年十二月三十一日

Note: The Group has early terminated a 5-year lease of factory during the year.

### 13. 廠房及設備－續 使用權資產

Office and factory 辦公室及廠房 RMB'000 人民幣千元	Property 物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
5,555	129	5,684
896	–	896
(1,354)	(50)	(1,404)
(1,941)	–	(1,941)
3,156	79	3,235

附註：於本年度，本集團已提早終止一廠房之五年期租賃。

### 14. PREPAID LEASE PAYMENTS

At 1 January	於一月一日
Amortization charge for the year	年內攤銷
Initial application of HKFRS 16	首次應用香港財務報告準則第16號
At 31 December	於十二月三十一日
Current portion	一年內到期部分
Non-current portion	長期部分

The Group's prepaid lease payments represented prepaid operating lease payments for properties in PRC. The carrying amount of prepaid lease payments is reclassified as right-of-use assets at the date of initial application of HKFRS 16.

### 15. DEPOSITS PAID TO SUPPLIERS

The balance represents the earnest money paid to the fishermen for securing their long term supply of the raw materials. The deposits are unsecured, interest-free and the balances were subject to a repayable on demand clause once the contracts are being terminated. During the year, reversal of impairment loss on deposits paid to suppliers amounting to RMB130,000 (2018: reversal of RMB145,000) was recognised (Note 9).

### 14. 預付租賃款項

2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
129	179
–	(50)
(129)	–
–	129
–	50
–	79
–	129

本集團的預付租賃款項指中國灘塗的預付經營租賃付款。預付租賃款項之帳面值已於首次應用香港財務報告準則第16號之日重分類為使用權資產。

### 15. 支付予供應商之按金

結餘指支付予漁民而獲得長期原材料供應的誠意金。有關按金為無抵押及免息，而結餘須於合約終止時按要求條款即時償還。於本年度，支付予供應商之按金之減值虧損回撥人民幣130,000元(二零一八年：回撥人民幣145,000元)已被確認(附註9)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 16. PREPAYMENT FOR ACQUISITION OF PLANT AND EQUIPMENT

The balance represents prepayments for leasehold improvement and acquisition of equipment and machinery.

### 16. 購置廠房及設備的預付款項

結餘指租賃物業裝修和購置廠房及設備的預付款項。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 1 January	於一月一日	35,000	-
Additions for the year	年內添置	-	35,000
Transfer to plant and equipment	轉移至廠房及設備	(35,000)	-
At 31 December	於十二月三十一日	-	35,000

### 17. INVENTORIES

Raw materials  
Finished goods

原材料  
製成品

### 17. 存貨

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Raw materials	15,064	13,752
Finished goods	64,042	56,554
	<b>79,106</b>	70,306

During the year, no written-down of inventories has been made (2018: nil).

年內，並無就存貨作進行撇賬（二零一八：零）。

### 18. TRADE RECEIVABLES

Trade receivables  
Less: impairment loss (note 34(b))

貿易應收款項  
減：減值虧損（附註34(b)）

### 18. 貿易應收款項

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade receivables	103,566	110,379
Less: impairment loss (note 34(b))	(1,288)	(437)
	<b>102,278</b>	109,942

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. TRADE RECEIVABLES – continued

Based on the invoice dates, the ageing analysis of the Group's trade receivables net of impairment provision is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
0 – 30 days	0至30日	40,589	73,329
31 – 60 days	31至60日	36,219	34,245
61 – 90 days	61至90日	22,072	2,368
Over 90 days	超過90日	3,398	–
		<b>102,278</b>	109,942

The movement in the allowance for impairment of trade receivables is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	437	–
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	–	370
Carrying amount at 1 January (restated)	於一月一日的賬面值(重列)	437	370
Impairment losses recognised	已確認預期信貸虧損	851	67
Carrying amount at 31 December	於十二月三十一日的賬面值	<b>1,288</b>	437

The directors consider that the carrying amounts of trade receivables approximate their fair values.

### 18. 貿易應收款項－續

根據票據日期，本集團的貿易應收款項(扣除減值撥備)賬齡分析如下：

貿易應收款項減值撥備的變動如下：

董事認為貿易應收款項的賬面值與其公平值相若。

### 19. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Prepayments – Note (iv)	預付款－附註(iv)	3,150	–
Current assets	流動資產		
Secured loan receivable – Note (i)	應收有抵押貸款－附註(i)	–	7,532
Amount due from a related party – Note (ii)	應收關連方款項－附註(ii)	36	236
Amount due from a director – Note (iii)	應收董事款項－附註(iii)	1,252	–
Prepayment – Note (iv)	預付款－附註(iv)	5,976	1,329
Others	其他	994	3,616
		<b>8,258</b>	12,713

### 19. 按金、預付款項及其他應收款項



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 19. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES – continued

- (i) The balance represents a loan receivable and accrued interest income from the loan receivable. On 12 December 2017, the Company has lent HK\$15 million (equivalent to RMB12,975,000) to an independent third party at 10% interest per annum for a two-month period. On 2 February 2018 and 26 March 2018, the secured loan has been further extended and the balance has been settled on 28 March 2018.

On 6 April 2018, the Company has lent HK\$15 million (equivalent to RMB12,048,450) to an independent third party at 10% interest per annum for a three-month period. On 4 July 2018, 11 October 2018 and 7 January 2019, the secured loan has been further extended to June 2019. And the interest rate increased to 12% per annum since 1 June 2018. Also, the balance has been subsequently partly-settled on 14 March 2019 and 20 March 2019 of HK\$2,291,000 and HK\$2,709,000 (equivalent to RMB1,938,000 and RMB2,292,000 respectively).

At 31 December 2018, the gross principal and interest of loan receivable are HK\$8,980,000 (equivalent to RMB7,869,000) and HK\$142,000 (equivalent to RMB124,000) respectively. The Company has interest income on the secured loan of HK\$1,468,000 (equivalent to RMB1,242,000) for the year end 31 December 2018.

After the deduction of the ECL provided for loan receivables as at 31 December 2018 of RMB460,000, the net loan receivables is RMB7,532,000.

On 28 June 2019, the principal and interest of loan receivable of HK\$8,980,000 (equivalent to RMB7,993,000) and HK\$373,000 (equivalent to RMB329,000) are both fully settled.

- (ii) The balance represents a rental deposit and rental prepayment paid to a company, which was controlled by the major shareholder's spouse. The balance was unsecured, interest-free, and will be repayable upon the end of lease term.
- (iii) The balance was unsecured, interest-free, and will be repayable on demand, and the maximum amount outstanding during the year was RMB1,252,000.
- (iv) The balance mainly represented prepayment of advertising and promotion fee of RMB6,300,000 for a period of two years commencing in January 2020.

### 19. 按金、預付款項及其他應收款項 – 續

- (i) 有關結餘指應收貸款及應收貸款的應計利息開支。於二零一七年十二月十二日，本公司按年利率10%向獨立第三方借出為期兩個月的15百萬港元（相當於約人民幣12,975,000元）。於二零一八年二月二日及二零一八年三月二十六日，有抵押貸款已再延長而結餘隨後於二零一八年三月二十八日已清還。

於二零一八年四月六日，本公司按年利率10%向獨立第三方借出為期三個月15百萬港元（相當於約人民幣12,048,450元）。於二零一八年七月四日、二零一八年十月十一日及二零一九年一月七日，有抵押貸款已再延長至二零一九年六月，利率自二零一八年六月一日起增加至年利率12%，部分結餘2,291,000港元及2,709,000港元（分別相當於約人民幣1,938,000元及約人民幣2,292,000元）其後於二零一九年三月十四日及二零一九年三月二十日清還。

於二零一八年十二月三十一日，應收貸款的本金總額及利息分別為8,980,000港元（相當於人民幣7,869,000元）及142,000港元（相當於約人民幣124,000元）。截至二零一八年十二月三十一日止年度，本公司有抵押貸款的利息收入為1,468,000港元（相當於約人民幣1,242,000元）。

扣除二零一八年十二月三十一日的應收貸款預期信貸虧損撥備人民幣460,000元後，應收貸款淨額為約人民幣7,532,000元。

於二零一九年六月二十八日，應收貸款之本金及利息分別為8,980,000元（相當於人民幣7,993,000元）及港幣373,000元（相當於人民幣329,000元）已全數清還。

- (ii) 有關結餘指向一間由主要股東配偶控制的公司支付的租金按金及租金預付款項。該項結餘為無抵押、免息及須於租期屆滿時償還。
- (iii) 該項結餘為無抵押、免息及須於租期屆滿時償還，而本年度最高結欠餘額為人民幣1,252,000元。
- (iv) 該結餘主要為廣告及推廣費用之預付款項人民幣6,300,000元，年期由二零二零年一月起計兩年。

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### 20. CASH AND CASH EQUIVALENTS

At 31 December 2019, cash and cash equivalents in the amount of RMB159,000 (2018: RMB2,813,000) and RMB242,419,000 (2018: RMB231,440,000) are denominated in HK\$ and RMB respectively. The cash and cash equivalent denominated in RMB are deposited in the PRC in the ordinary course of business. RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

### 21. TRADE PAYABLES

The credit terms of trade payables vary according to the terms agreed with different suppliers, normally 30 days. Based on the receipt of services and goods, which normally coincided with the invoice dates, the ageing analysis of the Group's trade payables as at 31 December 2019 and 2018 are as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade payables	貿易應付款項	<b>8,716</b>	39,910

The trade payables are short-term and hence the carrying values of the Group's trade payables are considered a reasonable approximate of fair value.

### 20. 現金及現金等價物

於二零一九年十二月三十一日，金額為約人民幣159,000元（二零一八年：約人民幣2,813,000元）及約人民幣242,419,000元（二零一八年：約人民幣231,440,000元）的現金及等價物分別以港元及人民幣計值。在日常業務過程中，以人民幣計值的現金及現金等價物存放於中國。人民幣並非可自由兌換的貨幣及將資金匯出中國境外受中國政府頒佈之相關外匯管制的規則及法規所規限。

### 21. 貿易應付款項

貿易應付款項的信貸期視乎與不同供應商協定的條款而有所不同，一般為期30日。根據一般與發票日期相同的服務及貨品接收日期，本集團於二零一九年及二零一八年十二月三十一日的貿易應付款項的賬齡分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
0 – 30 days	0至30日	<b>8,716</b>	39,910

貿易應付款項為短期款項，因此本集團貿易應付款項的賬面值被視公平值的合理近似值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 22. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

Current liabilities	流動負債
Accruals and other payables	應計費用及其他應付款項
Deposit received	已收取定金
Other tax payables	其他應付稅項
Salaries payables	應付工資
Payable for acquisition of plant and equipment	購置廠房及設備的應付款項
Non-current liabilities	非流動負債
Others – Note (i)	其他 – 附註(i)

i) The Group has entered into agreement with an individual third party issuing unsecured debenture with principal amounting to HKD1,000,000 (equivalent to RMB900,000). The debenture is bearing interest at 5% per annum, unsecured and repayable on 21 November 2027.

### 23. RETIREMENT BENEFIT SCHEMES

The employees of the Group in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The Group's PRC companies are required to contribute certain percentage of their payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

### 22. 應計費用、已收按金及其他應付款項

2019	2018
二零一九年	二零一八年
RMB'000	RMB'000
人民幣千元	人民幣千元

3,579	2,589
1,789	–
521	81
3,229	2,811
3,550	1,790
12,668	7,271
900	–

i) 本集團已與個別協力廠商發行本金為港幣1,000,000元(相等於人民幣900,000元)之無抵押債券訂立協議。該債券的年利率為5%，無抵押，須於二零二七年十一月二十一日償還。

### 23. 退休福利計劃

本集團於中國的僱員為中國政府運作的國家管理退休福利計劃的成員。本集團的中國公司須按僱員薪酬的若干百分比向退休福利計劃供款，以提供有關福利的資金。本集團有關退休福利計劃的唯一責任是根據計劃作出所需供款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 24. DEFERRED TAX ASSETS

Details of the deferred tax assets recognised are as follows:

		Depreciation on right-of-use asset and interest on lease liabilities 使用權資產 之折舊及 租賃負債之 利息	Impairment loss on loan receivables 應收貸款之 減值虧損	Impairment loss on trade receivables 應收帳款之 減值虧損	Impairment loss on deposit paid to suppliers 支付予 供應商之 按金之 減值虧損	Total 總計
		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
<b>At 1 January 2018</b>	於二零一八年一月一日	-	51	93	132	276
Credited to profit or loss for the year	計入年內損益表	-	25	16	(36)	5
<b>At 31 December 2018 and 1 January 2019</b>	於二零一八年 十二月三十一日及 二零一九年一月一日	-	76	109	96	281
Credited to profit or loss for the year	計入年內損益表	(13)	(76)	212	(32)	91
<b>At 31 December 2019</b>	於二零一九年 十二月三十一日	(13)	-	321	64	372

No deferred tax asset has been recognised in respect of certain unused tax losses amounted to RMB42,034,000 (2018: RMB35,072,000) due to no assessable profits of the Company and subsidiaries. No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against the deductible temporary difference can be utilised. The deductible temporary differences can be carried forward indefinitely.

No deferred tax liability has been recorded on certain temporary differences of RMB346,752,000 (2018: RMB311,770,000) relating to the undistributed earnings of foreign subsidiaries because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

### 24. 遞延稅項資產

已確認之遞延稅項資產之明細如下：

由於本公司及子公司無應課稅利潤，因此未確認某些未使用稅項虧損人民幣42,034,000元（二零一八年：人民幣35,072,000元）的遞延稅項資產。由於此等可抵扣暫時性差異很可能無法用於抵扣可抵扣暫時性差異，因此尚未確認任何遞延所得稅資產。可抵扣的暫時性差異可以無限期結轉。

由於本集團有能力控制暫時性項目的轉回時間，因此與海外子公司未分配收益相關的若干暫時性差異人民幣346,752,000元（二零一八年：人民幣311,770,000元）未計入遞延稅項差異，並且這種差異很可能在可預見的將來不會逆轉。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 25. CAPITAL AND RESERVE

### 25. 股本及儲備

	2019 二零一九年		2018 二零一八年	
	Number 數目 '000 千股	Amount 金額 RMB'000 人民幣千元	Number 數目 '000 千股	Amount 金額 RMB'000 人民幣千元
Authorised: At 1 January and at 31 December				
法定： 於一月一日及 十二月三十一日	<b>10,000,000</b>	<b>87,412</b>	10,000,000	87,412
Issued and fully paid: At 1 January and at 31 December				
已發行及繳足： 於一月一日及 十二月三十一日	<b>1,000,000</b>	<b>8,723</b>	1,000,000	8,723

The aggregate amounts of reserves available for distribution to equity shareholders of the Company were RMB92,692,000 (2018: RMB96,029,000).

可供分配予本公司權益股東的儲備總額為人民幣92,692,000元(二零一八年：人民幣96,029,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 26. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

### 26. 控股公司之財務狀況表

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	Notes 附註		
<b>NON-CURRENT ASSETS</b>			
Investment in subsidiary		694	694
Deferred tax assets		-	76
		<b>694</b>	770
<b>CURRENT ASSETS</b>			
Prepayment and other receivables		2,502	7,771
Amounts due from subsidiaries	(i)	<b>104,763</b>	105,183
Amount due from a director	(i)	<b>1,252</b>	-
Cash and cash equivalents		<b>141</b>	2,744
		<b>108,658</b>	115,698
<b>CURRENT LIABILITIES</b>			
Accruals, deposits received and other payables		<b>4,782</b>	1,263
Tax payables		<b>248</b>	-
Amounts due to subsidiaries		-	9,725
		<b>5,030</b>	10,988
<b>NET CURRENT ASSETS</b>		<b>103,628</b>	104,710
<b>NET ASSETS</b>		<b>104,322</b>	105,480
<b>CAPITAL AND RESERVE</b>			
Share capital	25	<b>8,723</b>	8,723
Reserves	(ii)	<b>95,599</b>	96,757
<b>TOTAL EQUITY</b>		<b>104,322</b>	105,480

On behalf of the board of directors

代表董事會

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

**Ms. Li Jiayin**  
李佳音女士  
Director  
董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 26. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION – continued

The amounts of the Group's reserves and the movements therein for the year are presented in the consolidated statement of changes in equity of this report.

Notes:

- (i) The amounts due from subsidiaries and amounts due from a director are unsecured, interest-free and repayable on demand.
- (ii) Movements in reserves

### 26. 控股公司之財務狀況表 – 續

本集團本年度的儲備金數額和變動情況在本報告權益變動表中列示。

附註：

- (i) 應收附屬公司款項及應收董事款項為無抵押、免息及應要求償還。
- (ii) 儲備之變動

		Share premium 股份溢價 RMB'000 人民幣千元	Foreign currency translation reserve 外幣折算儲備 RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total Equity 總權益 RMB'000 人民幣千元
<b>Balance at 31 December 2017 as originally presented</b>	原本呈列於二零一七年十二月三十一日之結餘	138,185	(4,274)	(35,604)	98,307
Initial application of HKFRS 9	首次應用香港財務報告準則第9號	-	-	(2,608)	(2,608)
<b>Balance at 1 January 2018</b>	於二零一八年一月一日之結餘	138,185	(4,274)	(38,212)	95,699
Loss for the year	年內虧損	-	-	(3,944)	(3,944)
Exchange differences arising on translation of foreign operations	換算海外業務財務報表產生之匯兌差額	-	5,002	-	5,002
Balance at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日之結餘	138,185	728	(42,156)	96,757
Loss for the year	年內虧損	-	-	(3,337)	(3,337)
Exchange differences arising on translation of foreign operations	換算海外業務財務報表產生之匯兌差額	-	2,179	-	2,179
<b>Balance at 31 December 2019</b>	於二零一九年十二月三十一日之結餘	138,185	2,907	(45,493)	95,599

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 27. INTERESTS IN SUBSIDIARIES

The following list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of the group. The class of shares held is ordinary unless otherwise stated.

### 27. 於附屬公司的投資

下表載列對本集團業績、資產或負債有重大影響的附屬公司詳情。除另有指明外，所持股份屬普通股。

Name of subsidiary 附屬公司名稱	Place of incorporation and operation 註冊成立及經營地點	Issued share capital 已發行及繳足股本	% of ownership interest 擁有權益		Principal activities 主要業務
			2019	2018	
			二零一九年	二零一八年	
Xiamen Wofan Foodstuff Company Limited 廈門沃豐食品有限公司	The People's Republic of China 中華人民共和國	RMB91,066,872 人民幣91,066,872元	Indirectly 100% 間接持有 100%	Indirectly 100% 間接持有 100%	Packaging and sale of seafood products 包裝及銷售海產品
Fujian Wofan Foodstuff Company Limited 福建省沃豐食品有限公司	The People's Republic of China 中華人民共和國	RMB10,000,000 人民幣10,000,000元	Indirectly 100% 間接持有 100%	Indirectly 100% 間接持有 100%	Packaging and sale of seafood products 包裝及銷售海產品

Note: These company are registered as wholly foreign owned enterprise under the law of PRC.

附註：該等公司已根據中國法律註冊為外商獨資企業。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 28. RELATED PARTY TRANSACTIONS

(A) Saved as disclosed elsewhere in these financial statements, during the year, the Group entered into the following transactions with related parties.

### 28. 關連方交易

(A) 除該等財務報表另有披露者外，於年內，本集團與關連方訂立以下交易。

Related party identity and relationship 關連方身份及關係	Type of transaction 交易類型	Transaction amount 交易金額		Balance owed/(owing) 拖欠結餘	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Xiamen Yehong Foodstuffs Company Limited*, A company, which was controlled by the major shareholder's spouse 廈門葉紅食品有限公司 一間由主要股東的配偶控制的公司	Right-of-use asset 使用權資產	186	–	382	–
	Lease liabilities 租賃負債	23	–	(391)	–
	Rental deposit 租賃按金	–	–	36	36
	Rental expense – cost of sales 租賃開支 – 銷售成本	–	119	–	119
	Rental expenses – administrative expenses 租賃開支 – 行政開支	–	79	–	79
			209	198	27
Mr. Liu Rongjian*, Cousin of Mr. Liu Rongru 劉榮建先生 劉榮如先生的堂兄弟	Purchase – cost of sales (Note) 採購 – 銷售成本 (附註)	622	262	(47)	–
Mr. Liu Rongzhong*, Cousin of Mr. Liu Rongru 劉榮忠先生 劉榮如先生的堂兄弟	Purchase – cost of sales (Note) 採購 – 銷售成本 (附註)	696	405	(41)	–

\* The English name is translated for identification purpose only.

Note: The directors confirm that the above purchase transactions are entered into with trading terms similar to those with third parties.

附註：董事確認上述採購交易乃按與第三方訂立的類似交易條款訂立。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 28. RELATED PARTY TRANSACTIONS – continued (B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors for the year are set out below:

		<b>2019</b>	2018
		二零一九年	二零一八年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Short-term benefits	短期福利	<b>2,658</b>	3,256
Contribution to retirement benefit scheme	退休福利計劃供款	<b>36</b>	28
<b>Total</b>	<b>總計</b>	<b>2,694</b>	3,284

The emoluments of senior management for the year are set out below:

		<b>2019</b>	2018
		二零一九年	二零一八年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Short-term benefits	短期福利	<b>1,904</b>	1,416
Contribution to retirement benefit scheme	退休福利計劃供款	<b>41</b>	39
<b>Total</b>	<b>總計</b>	<b>1,945</b>	1,455

### 28. 關連方交易－續 (B) 主要管理人員薪酬

董事於本年度薪酬載列如下：

	<b>2019</b>	2018
	二零一九年	二零一八年
	<b>RMB'000</b>	RMB'000
	人民幣千元	人民幣千元
Short-term benefits	<b>2,658</b>	3,256
Contribution to retirement benefit scheme	<b>36</b>	28
<b>Total</b>	<b>2,694</b>	3,284

高級管理層於本年度薪酬如下：

	<b>2019</b>	2018
	二零一九年	二零一八年
	<b>RMB'000</b>	RMB'000
	人民幣千元	人民幣千元
Short-term benefits	<b>1,904</b>	1,416
Contribution to retirement benefit scheme	<b>41</b>	39
<b>Total</b>	<b>1,945</b>	1,455

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. LEASE

HKFRS 16 was adopted on 1 January 2019 without restatement of comparative figures. For an explanation of the transitional requirements that were applied as at 1 January 2019, see Note 2(a). The accounting policies applied subsequent to the date of initial application, 1 January 2019, are disclosed in note 4.5.

#### NATURE OF LEASING ACTIVITIES

The group leases a number of properties for the purpose of office and factory storage.

#### RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

The net carrying amount of right-of-use assets with remaining lease term of:	使用權資產的賬面淨值，其剩餘租期為：
- 1 to 5 years	- 1至5年

#### LEASE LIABILITIES

31 December 2019

二零一九年十二月三十一日

1 January 2019  
Additions  
Interest expense  
Lease payments  
Early termination of lease

二零一九年一月一日  
添置  
利息支出  
租賃付款  
提早終止租賃

31 December 2019

二零一九年十二月三十一日

### 29. 租賃

香港財務報告準則第16號於二零一九年一月一日在未重列比較數字下被採納。有關自二零一九年一月一日起適用的過渡性要求的說明，請參見附註2(a)。自二零一九年一月一日起首次採用之日後應用會計政策列載於附註4.5。

#### 租賃活動的性質

本集團租賃了若干物業，用於辦公室和工廠存儲。

#### 使用權資產

按基礎資產類別分析的使用權資產的賬面淨值如下：

31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	1 January 2019 二零一九年 一月一日 RMB'000 人民幣千元
--	---

3,235

5,684

#### 租賃負債

Office  
and factory  
辦公室及廠房  
RMB'000  
人民幣千元

5,555

896

221

(1,480)

(1,964)

3,228

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. LEASE – continued

#### LEASE LIABILITIES – continued

Future lease payments are due as follows:

		Minimum lease payments 最低租賃付款 31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	Interest 利息 31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	Present value 現值 31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Not later than one year	不遲於一年	1,194	(129)	1,065
Later than one year and not later than two years	遲於一年但不遲於兩年	1,118	(80)	1,038
Later than two years and not later than five years	遲於兩年但不遲於五年	1,169	(44)	1,125
		<b>3,481</b>	<b>(253)</b>	<b>3,228</b>

### 29. 租賃－續

#### 租賃負債－續

未來租賃付款將按如下到期：

		Minimum lease payments 最低租賃付款 1 January 2019 二零一九年 一月一日 RMB'000 人民幣千元	Interest 利息 1 January 2019 二零一九年 一月一日 RMB'000 人民幣千元	Present value 現值 1 January 2019 二零一九年 一月一日 RMB'000 人民幣千元
Not later than one year	不遲於一年	1,595	(235)	1,360
Later than one year and not later than two years	遲於一年但不遲於兩年	1,464	(170)	1,294
Later than two years and not later than five years	遲於兩年但不遲於五年	3,069	(168)	2,901
		<b>6,128</b>	<b>(573)</b>	<b>5,555</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. LEASE – continued

#### LEASE LIABILITIES – continued

The Group has initially applied HKFRS 16 using the cumulative effect approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. These liabilities have been aggregated with the brought forward balances relating to leases previously classified as finance leases. Comparative information as at 31 December 2018 has not been restated. See note 2(a) for further details about transition.

The present value of future lease payments are analysed as:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
With one years	一年內	1,065	1,360
In the second to fifth year, inclusive	第二至第五年(包括首尾兩年)	2,163	4,195
		<b>3,228</b>	5,555

The amounts recognised in profit or loss in relation to leases are as follows:

		2019 二零一九年 RMB'000 人民幣千元
Interest on lease liabilities	租賃負債之利息	221
Depreciation charge of right-of-use assets	使用權資產之折舊	1,404
Total amount recognised in profit or loss	於損益中確認之總金額	<b>1,625</b>

### 29. 租賃－續

#### 租賃負債－續

本集團已初步採用累積影響法應用香港財務報告準則第16號，並於二零一九年一月一日調整期初餘額以確認與先前根據香港會計準則第17號歸類為經營租賃的租賃相關的租賃負債。這些負債已與相關的結轉餘額合計以前歸類為融資租賃的租賃。截至二零一八年十二月三十一日的比較信息尚未重述。有關過渡的更多詳細信息，請參見附註2(a)。

未來租賃付款的現值分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
With one years	一年內	1,065	1,360
In the second to fifth year, inclusive	第二至第五年(包括首尾兩年)	2,163	4,195
		<b>3,228</b>	5,555

在損益中確認與租賃有關的金額如下：

		2019 二零一九年 RMB'000 人民幣千元
Interest on lease liabilities	租賃負債之利息	221
Depreciation charge of right-of-use assets	使用權資產之折舊	1,404
Total amount recognised in profit or loss	於損益中確認之總金額	<b>1,625</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. LEASE – continued

#### OPERATING LEASES – LESSOR

The Group has sub-lease arrangement of properties with independent farmers. During the years ended 31 December 2018 and 2019 rental income were RMB55,000 and RMB55,000 respectively.

The minimum rent receivables under non-cancellable operating leases are as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Not later than one year	不遲於一年	55	55
Later than one year and not later than two years	遲於一年但不遲於兩年	31	55
Later than two years and not later than three years	遲於兩年但不遲於五年	-	31
		<b>86</b>	<b>141</b>

### 30. COMMITMENTS

The Group has no capital commitments as at 31 December 2018 and 2019.

### 31. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits, respectively.

The directors of the Company reviews the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through the payment of dividends, new shares issue and share buy-back as well as the issue of new debts or redemption of existing debt, if necessary.

Management regards total equity as capital. The amount of capital as at 31 December 2018 and 2019 amounted to approximately RMB447,004,000 and RMB477,831,000, respectively, which the management considers as optimal having considered the projected capital expenditures and the projected strategic investment opportunities.

### 29. 租賃－續

#### 經營租賃－出租人

本集團已與獨立農戶訂立分租物業安排。截至二零一九及二零一八年十二月三十一日止年度的租金收入分別為人民幣55,000元及人民幣55,000元。

不可撤銷的經營租賃下的最低應收租金如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Not later than one year	55	55
Later than one year and not later than two years	31	55
Later than two years and not later than three years	-	31
	<b>86</b>	<b>141</b>

### 30. 承擔

於二零一八年及二零一九年十二月三十一日，本集團並無資本承擔。

### 31. 資本管理政策及程序

本集團管理其資本以確保本集團內的實體能繼續持續經營，同時透過優化債務及股權結餘以盡量提高股東回報。

本集團的資本結構包括債務淨額（扣除現金及現金等價物）及本公司擁有人應佔股權（分別包括已發行股本、儲備及保留溢利）。

本公司董事持續考慮資本成本及與資本有關的風險，以檢討其資本結構。本集團將透過派付股息、發行新股份及購回股份，以及發行新債項或贖回現有債項（如有需要），以平衡其整體資本結構。

管理層將股權總額視為資本。於二零一八年及二零一九年十二月三十一日，資本金額分別約人民幣447,004,000元及約人民幣477,831,000元，管理層經考慮預測資本開支及預測策略投資機會後，認為資本金額的水平適當。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 32. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The following table shows the carrying amount of financial assets and liabilities:

### 32. 按類別劃分的金融資產及金融負債概要

下表載列金融資產及負債的賬面值：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Loans and receivables	貸款及應收款項		
– Cash and cash equivalents	– 現金及現金等價物	242,578	234,253
– Trade and other receivables	– 貿易及其他應收款項	110,306	123,787
		<b>352,884</b>	358,040
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本		
– Trade and other payables	– 貿易及其他應付款項	21,763	47,100
– Lease liabilities		3,228	–
		<b>24,991</b>	47,100

#### (A) FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

Financial instruments not measured at fair value include bank deposits, cash and cash equivalents, trade and other receivables, trade and other payables and interest-bearing borrowings.

Due to their short term nature, the carrying value of bank deposits, cash and cash equivalents, trade and other receivables, trade and other payables approximates fair value.

#### (A) 並非按公平值計量的金融工具

並非按公平值計量的金融工具包括銀行存款、現金及現金等價物、貿易及其他應收款項、貿易及其他應付款項及計息借貸。

由於其性質屬短期，銀行存款、現金及現金等價物、貿易及其他應收款項、貿易及其他應付款項的賬面值均與彼等各自的公平值相若。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

As at 1 January 2018 and 31 December 2018	於二零一八年一月一日及二零一八年十二月三十一日	
Effect of HKFRS 16	香港財務報告準則第16號之影響	5,555
As at 1 January 2019 (restated)	於二零一九年一月一日(經重列)	5,555
Change from financing cash flow	來自融資現金流之變動	
– Repayments	– 付款	(1,480)
		4,075
Non-cash changes	非現金變動	
– Commencement of lease	– 租賃之開始	896
– Early termination of lease	– 租賃之提早終止	(1,964)
– Finance costs	– 財務成本	221
As at 31 December 2019	於二零一九年十二月三十一日	3,228

### 33. 融資活動產生的負債之對賬

**Lease liabilities**  
租賃負債  
RMB'000  
人民幣千元

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade receivables, other receivables, bank balances and cash, trade payables and other payables.

Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include interest rate risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The directors of the Company manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 34. 財務風險管理目的及政策

本集團的主要金融工具包括貿易應收款項、其他應收款項、銀行結餘及現金、貿易應付款項及其他應付款項。

該等金融工具的詳情於各附註內披露。與該等金融工具有關的風險包括利率風險、信貸風險及流動資金風險，有關如何減低該等風險的政策載列如下。本公司董事管理及監察該等風險，以確保及時並有效實施適當措施。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (A) INTEREST RATE RISK

As the Group has no significant interest-bearing assets and liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rate.

#### (B) CREDIT RISK

At the end of reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statements of financial position.

In order to minimise the credit risk, the directors of the Company have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action are taken to recover overdue debts. In addition, the directors of the Company review the recoverable amount of each individual trade receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the credit risk of the Group is significantly reduced.

The Group is exposed to credit risk in relation to its deposits paid to suppliers, trade receivables, deposits, prepayments, amount due from a related party, amount due from a director, other receivables and cash deposits at banks. The carrying amounts of deposits paid to suppliers, trade receivables, deposits, prepayments, amount due from a related party, amount due from a director, other receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash deposits at banks since they are substantially deposited at creditworthy banks and financial institution with no recent history of default. Management does not expect that there will be any significant losses from non-performance by these counterparties. The Group considers these balances have low credit risk and the amount of the loss allowance for impairment was negligible.

### 34. 財務風險管理目的及政策—續

#### (A) 利率風險

由於本集團並無重大計息資產及負債，本集團的收入及經營現金流量基本上不受市場利率變動影響。

#### (B) 信貸風險

於報告期末，本集團因對約方未能履行責任而對本集團構成財務損失的最大信貸風險來自綜合財務狀況表所列各項已確認金融資產的賬面值。

為盡量減低信貸風險，本公司董事已指定團隊負責釐定信貸限額、信貸批核及其他監察程序，以確保採取跟進行動收回逾期債項。此外，本公司董事檢視各項貿易應收款項於報告期末的可收回金額，以確保就不可收回金額作出充分減值虧損。就此，本公司董事認為得以大幅減低本集團的信貸風險。

本集團面臨有關支付於供應商的按金、貿易應收款項、按金、預付款項及其他應收款項以及銀行現金存款的信貸風險。支付於供應商的按金、貿易應收款項、按金、預付款項及其他應收款項以及現金及現金等價物的賬面值為本集團金融資產面臨的最大信貸風險。

本集團預期銀行現金存款並無顯著信貸風險，原因為現金存款大多數儲存於資信良好且並無違約歷史的銀行及金融機構。管理層預期該等對手方並無存在任何來自不良貸款的虧損。本集團認為該等結餘存在低信貸風險及減值虧損撥備金額微不足道。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (B) CREDIT RISK – continued

The credit risk of the Group is concentrated on trade receivables from the Group's five largest customers at 31 December 2018 and 2019 amounting to RMB43,817,000 and RMB42,117,000, respectively, and accounted for 40% and 40% of the Group's total trade receivables. In order to minimise the credit risk, the directors of the Company continuously monitor the level of exposure by frequent review of the credit evaluation of the financial condition and credit quality of its customers to ensure that prompt actions will be taken to lower exposure.

The Group considers the probability of default upon initial recognition of, a financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the debtors
- significant changes in the expected performance and behaviour of the debtors, including changes in the payment status of debtors in the Group and changes in the operating results of the debtors

### 34. 財務風險管理目的及政策－續

#### (B) 信貸風險－續

於二零一八年及二零一九年十二月三十一日，本集團的信貸風險集中於本集團五大客戶的貿易應收款項，分別為約人民幣43,817,000元及約人民幣42,117,000元，佔本集團貿易應收款項總額的約40%及約40%。為盡量減低信貸風險，本公司董事頻密檢討財務狀況的信貸評估及客戶的信貸質量，以確保迅速採取行動減低風險。

本集團於初始確認金融資產時考慮違約的可能性及信貸風險於各報告期間內是否已持續顯著增加。為評估信用風險是否已顯著增加時，本集團將報告日期資產發生違約的風險與初始確認日期之違約風險進行比較，並考慮合理及有根據的現有前瞻性資料。尤其包括下列指標：

- 內部信用評級
- 外部信用評級
- 預期會導致債務人履行責任的能力發生重大變化的業務、財務或經濟狀況的實際或預期重大不利變動
- 債務人經營業績的實際或預期重大變動
- 債務人預期表現及行為的重大變動，包括本集團內債務人付款狀況的變動及債務人經營業績的變動

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (B) CREDIT RISK – continued

As at 31 December 2019 and 2018, the Group applies the general approach to provide for expected credit losses prescribed by HKFRS 9, which permits to recognize 12-month expected credit losses for deposits paid to suppliers, amount due from a related party, amount due from a director and other receivables. Trade receivables applies the simplified approach to provide for expected losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision, which is calculated using a provision matrix. The provision matrix is based on the group's historical credit loss experience adjusted for assessment of both the current and forecast general economic conditions at the reporting date. As the Group's historical credit loss experience does not indicate different loss patterns for different subsidiaries, the loss allowance based on past due status is not further distinguished between the Group's different subsidiaries.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and deposits paid to suppliers:

#### (i) Trade receivables

2019		Expected loss rate 預期虧損率(%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
0-30 days	0至30日	0.41%	40,754	(165)
31-60 days	31至60日	1.14%	36,638	(419)
61-90 days	61至90日	2.52%	22,643	(571)
90-120 days	90至120日	3.78%	3,531	(133)
			<b>103,566</b>	<b>(1,288)</b>

### 34. 財務風險管理目的及政策－續

#### (B) 信貸風險－續

於二零一九年十二月三十一日及二零一八年十二月三十一日，本集團採用香港財務報告準則第9號所規定的一般方法就預期信貸損失作出撥備，該方法允許就支付給供應商的押金，應收關聯方款項，應收董事款項和其他應收款項確認12個月預期信貸損失。應收賬款採用香港財務報告準則第9號所規定的簡化方法以計提預期損失，該準則允許使用預計壽命損失撥備，該準備金是使用撥備矩陣計算的。撥備矩陣基於集團的歷史信用損失經驗，並以評估報告日期的當前和預測的一般經濟狀況加以調整。由於本集團的歷史信貸虧損經驗顯示不同附屬公司的不同虧損模式，根據逾期狀況的虧損撥備在本集團不同附屬公司之間進一步區別。

下表提供有關本集團信貸風險範圍和貿易應收款項及支付予供應商的按金的預期信貸虧損的資料：

#### (i) 貿易應收款項

2019		Expected loss rate 預期虧損率(%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
0-30 days	0至30日	0.41%	40,754	(165)
31-60 days	31至60日	1.14%	36,638	(419)
61-90 days	61至90日	2.52%	22,643	(571)
90-120 days	90至120日	3.78%	3,531	(133)
			<b>103,566</b>	<b>(1,288)</b>

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

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (B) CREDIT RISK – continued

##### (i) Trade receivables – continued

2018		Expected loss rate 預期 虧損率 (%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
0–30 days	0至30日	0.19%	73,467	(138)
31–60 days	31至60日	0.75%	34,504	(259)
61–90 days	61至90日	1.68%	2,408	(40)
			110,379	(437)

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and forward looking information of the group's view of economic conditions over the expected lives of the receivables.

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.

### 34. 財務風險管理目的及政策－續

#### (B) 信貸風險－續

##### (i) 貿易應收款項－續

Expected loss rate 預期 虧損率 (%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
0.19%	73,467	(138)
0.75%	34,504	(259)
1.68%	2,408	(40)
	110,379	(437)

預期虧損率根據過去5年的實際虧損經驗計算。該等比率經調整以反映收集歷史數據期間的經濟狀況、目前狀況與本集團對應收款項預期年期經濟狀況的看法之間的差異。

並無減值的逾期應收款項與多個與本集團往績記錄良好的獨立客戶有關。根據過往經驗，管理層相信，由於信貸品質並無重大變動，而且認為仍可全數追回該等結餘，因此無須就該等結餘計提減值撥備。

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## 綜合財務報表附註

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

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (B) CREDIT RISK – continued (ii) Deposits paid to suppliers

2019		Expected loss rate 預期 虧損率(%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
2 – 4 years to maturity	離到期2至4年	4.2%	6,000	(254)
2018		Expected loss rate 預期 虧損率(%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
2 – 4 years to maturity	離到期2至4年	6.4%	6,000	(384)

Expected loss rates are based on the number of years to maturity. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the group's view of economic conditions over the expected lives of the deposits paid to suppliers.

For other receivables, amount due from a related party and amount due from a director, there were no significant increase in credit risk since initial recognition. The Group assessed the expected credit loss to be immaterial.

預期虧損率根據離到期的年數計算。該等比率經調整以反映收集歷史數據期間的經濟狀況、目前狀況與本集團對支付予供應商的按金預期年期經濟狀況的看法之間的差異。

對於其他應收款，應收關聯方款項和應收董事款項，信用風險自最初確認以來沒有明顯增加。本集團認為預期信貸虧損並不重大。

### 34. 財務風險管理目的及政策－續

#### (B) 信貸風險－續 (ii) 支付予供應商的按金

2019		Expected loss rate 預期 虧損率(%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
2 – 4 years to maturity	離到期2至4年	4.2%	6,000	(254)
2018		Expected loss rate 預期 虧損率(%)	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
2 – 4 years to maturity	離到期2至4年	6.4%	6,000	(384)

Expected loss rates are based on the number of years to maturity. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the group's view of economic conditions over the expected lives of the deposits paid to suppliers.

For other receivables, amount due from a related party and amount due from a director, there were no significant increase in credit risk since initial recognition. The Group assessed the expected credit loss to be immaterial.

預期虧損率根據離到期的年數計算。該等比率經調整以反映收集歷史數據期間的經濟狀況、目前狀況與本集團對支付予供應商的按金預期年期經濟狀況的看法之間的差異。

對於其他應收款，應收關聯方款項和應收董事款項，信用風險自最初確認以來沒有明顯增加。本集團認為預期信貸虧損並不重大。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (B) CREDIT RISK – continued

##### (ii) Deposits paid to suppliers – continued

As at 31 December 2019 and 2018, the loss allowance provision for trade receivables and deposits paid to suppliers reconciles to the opening loss allowance for that provision as follows:

		Trade receivables	Deposits paid to suppliers	Total
		應收款項	供應商之按金	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
At 1 January 2018	於二零一八年一月一日	370	529	899
Provision for loss allowance	計提的虧損撥備	67	–	67
Reversal of loss allowance	計提的虧損撥回	–	(145)	(145)
At 31 December 2018 and 1 January 2019	於二零一八年一月一日及二零一九年一月一日	437	384	821
Provision for loss allowance	計提的虧損撥備	851	–	851
Reversal of loss allowance	計提的虧損撥回	–	(130)	(130)
At 31 December 2019	於二零一九年十二月三十一日	1,288	254	1,542

As at 31 December 2019, the gross carrying amount of trade receivables and deposits paid to suppliers were RMB103,566,000 and RMB6,000,000 thus the maximum exposure to loss was RMB1,288,000 and RMB254,000 respectively.

於二零一九年十二月三十一日，應收賬款及支付供應商按金的賬面總值為人民幣103,566,000元和人民幣6,000,000元，因此最大損失敞口分別為人民幣1,288,000元和人民幣254,000元。

#### (C) LIQUIDITY RISK

Ultimate responsibility for liquidity risk management rests with the directors of the Company, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities.

### 34. 財務風險管理目的及政策－續

#### (B) 信貸風險－續

##### (ii) 支付予供應商的按金－續

年內就貿易應收款項、應收貸款及支付予供應商的按金計提的虧損撥備賬變動如下：

#### (C) 流動資金風險

本公司董事承擔流動資金風險管理的最終責任，彼等已建立適當的流動資金風險管理框架，以管理本集團的短期、中期及長期資金以及流動資金管理規定。本集團維持足夠的儲備及銀行融資，以流動資金風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

#### (C) LIQUIDITY RISK – continued

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from current interest rate at the end of each reporting period.

2019	二零一九年	Carrying amount 賬面值 RMB'000 人民幣千元	Total contractual undiscounted cash flow 合約未貼現現金流量總額 RMB'000 人民幣千元	Within 1 year or on demand 須於一年內或按要求清償 RMB'000 人民幣千元	Within 2 year RMB'000 人民幣千元
Non-derivatives:	非衍生工具				
Trade payables	貿易應付款項	8,716	8,716	8,716	-
Accruals, deposits received and other payables	應計款項、已收按金及其他應付款項	13,568	13,568	13,568	-
Lease liabilities	租賃負債	3,228	3,481	1,194	2,287
		<b>25,512</b>	<b>25,765</b>	<b>23,478</b>	<b>2,287</b>

2018	二零一八年	Carrying amount 賬面值 RMB'000 人民幣千元	Total contractual undiscounted cash flow 合約未貼現現金流量總額 RMB'000 人民幣千元	Within 1 year or on demand 須於一年內或按要求清償 RMB'000 人民幣千元
Non-derivatives:	非衍生工具			
Trade payables	貿易應付款項	39,910	39,910	39,910
Accruals, deposits received and other payables	應計款項、已收按金及其他應付款項	7,271	7,271	7,271
		<b>47,181</b>	<b>47,181</b>	<b>47,181</b>

#### (D) CURRENCY RISK

The Group mainly operated in the PRC with most of the transactions settled in RMB and did not have significant exposure to risk resulting from changes in foreign currency exchange rates.

### 34. 財務風險管理目的及政策－續

#### (C) 流動資金風險－續

下表詳列本集團非衍生金融負債的剩餘合約到期日。該表根據本集團最早可被要求還款當日的金融負債未貼現現金流量擬備，包括利息及本金現金流量。就利率流量為浮動利率而言，未貼現金額按各報告期末的當期利率計算。

#### (D) 貨幣風險

本集團主要於中國經營，大多數交易以人民幣結算，且並無面臨因外幣匯率變動導致的重大風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 35. EVENTS AFTER THE REPORTING DATE

Since the outbreak of Coronavirus Disease 2019 (“COVID-19”) in January 2020, the prevention and control of the COVID-19 has been going on throughout the country. The COVID-19 has certain impacts on the business operation and customer demand for the Group’s products has further declined. In addition, to ensure the health and safety of its employees and customers, the Group has suspended all product promotion activities, which will directly affect the Group’s turnover and performance. Up to the date of the report, the financial effect cannot be estimate. The Group will keep continuous attention on the situation of the COVID-19, assess and react actively to its impacts on the financial position and operating results of the Group.

### 36. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 23 March 2020.

### 35. 報告日期後事項

自二零二零年一月爆發2019年冠狀病毒病(「COVID-19」)以來，在全國範圍內一直在預防和控制COVID-19。COVID-19對業務運營有一定影響，客戶對本集團產品的需求進一步下降。此外，為確保員工和客戶的健康和安全，本集團已暫停所有產品促銷活動，這將直接影響本集團的營業額和業績。截至報告日期，財務影響尚無法估計。本集團將繼續關注COVID-19的狀況，評估其對本集團財務狀況和經營成果的影響並做出積極反應。

### 36. 批准綜合財務報表

綜合財務報表由董事會於二零二零年三月二十三日批准及授權刊發。



## FIVE-YEAR FINANCIAL SUMMARY

### 五年財務摘要

A summary of the results and assets, liabilities and equity of the Group for the last five financial years is depicted below:

本集團最近五個財政年度之業績與資產、負債及權益概要列示如下：

#### RESULTS

#### 業績

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Revenue</b>	收入	<b>472,888</b>	667,958	644,407	468,039	366,968
Cost of sales	銷售成本	<b>(369,119)</b>	(498,864)	(480,901)	(349,642)	(272,862)
<b>Gross profit</b>	毛利	<b>103,769</b>	169,094	163,506	118,397	94,106
Other income and other gains	其他收入及其他收益	<b>1,272</b>	2,363	195	435	411
Selling and distribution expenses	銷售及分銷費用	<b>(43,734)</b>	(54,575)	(23,806)	(17,838)	(14,547)
Administrative expenses	行政費用	<b>(14,098)</b>	(11,553)	(34,912)	(14,039)	(2,707)
Expected credit losses on financial assets	金融資產的預期信貸虧損	<b>(261)</b>	(72)	-	-	-
Other expenses	其他費用	<b>(693)</b>	(842)	(598)	(1,320)	(1,012)
Finance costs	融資成本	<b>(226)</b>	-	-	(219)	(1,028)
<b>Profit before income tax</b>	除所得稅前溢利	<b>46,029</b>	104,415	104,385	85,416	75,223
Income tax expense	所得稅開支	<b>(15,189)</b>	(28,001)	(34,183)	(24,264)	(19,379)
<b>Profit for the year attributable to owners of the Company</b>	本公司擁有人應佔年內溢利	<b>30,840</b>	76,414	70,202	61,152	55,844
<b>Other comprehensive income</b>	其他全面收入					
<i>Items that may be classified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>					
- Exchange differences arising from translation of foreign operations	- 換算海外業務產生的匯兌差額	<b>(13)</b>	547	(1,719)	(804)	-
Other comprehensive income for the year	年內其他全面收入	<b>(13)</b>	547	(1,719)	(804)	-
<b>Profit and total comprehensive income for the year attributable to owners of the Company</b>	本公司擁有人應佔年內溢利及全面收入總額	<b>30,827</b>	76,961	68,483	60,348	55,844
Earnings per share	每股盈利					
- basic and diluted (RMB)	- 基本及攤薄 (人民幣)	<b>0.0308</b>	0.0764	0.0812	0.0815	0.0745

#### ASSETS, LIABILITIES AND EQUITY

#### 資產、負債及權益

		As at 31 December 於十二月三十一日				
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Total Assets	資產總額	<b>508,844</b>	503,103	444,958	222,630	156,967
Total Liabilities	負債總額	<b>31,013</b>	56,099	73,981	67,044	55,929
Total Equity	權益總額	<b>477,831</b>	447,004	370,977	155,586	101,038

