



产业链 好产品



Annual Report 年報

China Foods Limited

中國食品有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 506

Corporate Profile

公司概況

China Foods Limited (“China Foods” or the “Company”) is a subsidiary of COFCO Corporation (“COFCO”) and listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 506). The primary business of the Company includes beverage, wine and kitchen food. The Company is committed to providing consumers with nutritious, healthy, delicious and quality food. Currently, the Company’s product portfolio includes a number of well-known brands, such as “Greatwall” wine, “福臨門” consumer-pack edible oil and “黃中皇” Shaoxing rice wine. As a strategic partner of The Coca-Cola Company in China, the Company also bottles and distributes Coca-Cola beverages.

中國食品有限公司(「中國食品」或「本公司」)為中糧集團有限公司(「中糧」)的附屬公司，並在香港聯合交易所有限公司主板上市(股票代碼：506)。本公司主要業務包括飲料、酒類及廚房食品。本公司致力於為消費者提供營養、健康、美味的優質食品。本公司現時的產品組合包括眾多知名品牌，例如「長城」葡萄酒、「福臨門」包裝食用油及「黃中皇」紹興酒等。作為可口可樂公司在中國的戰略夥伴，本公司也有裝瓶和銷售可口可樂系列飲料。



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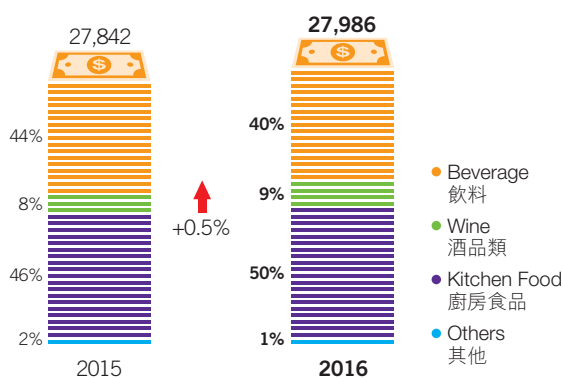
FINANCIAL HIGHLIGHTS

財務摘要

REVENUE FROM CONTINUING OPERATIONS

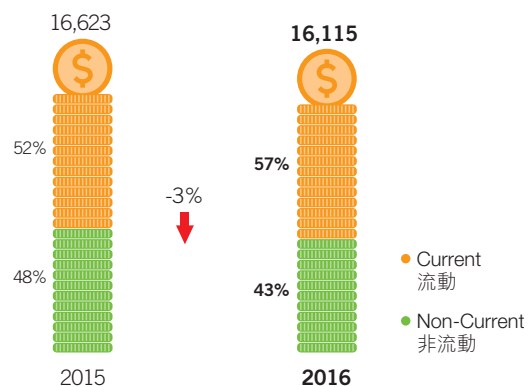
持續經營業務收入

(HK\$' million) (百萬港元)



TOTAL ASSETS 總資產

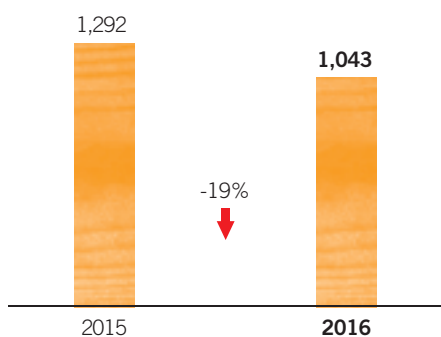
(HK\$' million) (百萬港元)



EBITDA FROM CONTINUING OPERATIONS

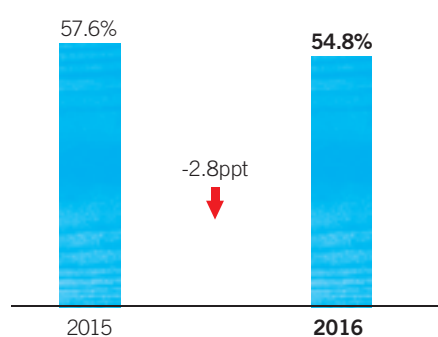
持續經營業務 EBITDA

(HK\$' million) (百萬港元)



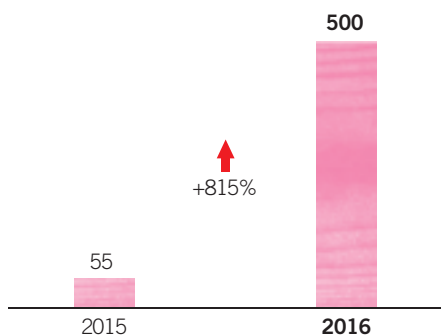
ASSET TO LIABILITY RATIO

資產負債比率



EARNINGS 盈利

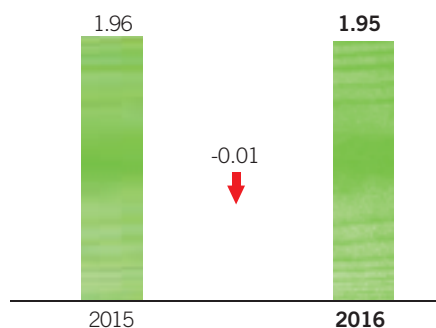
(HK\$' million) (百萬港元)



NET ASSETS PER SHARE (Owners of the Parents)

每股淨資產 (母公司擁有人)

(HK\$/share) (港元/每股)





The following table shows the comparison of the final results for the year ended 31 December 2016 (the “year”) of China Foods and its subsidiaries (together the “Group”) as compared with 2015:

中國食品及其附屬公司(統稱「本集團」)截至2016年12月31日止年度(「本年度」)的末期業績與2015年業績相比如下：

	For the year ended 31 December 2016	For the year ended 31 December 2015	Changes (note ii)
	截至2016年 12月31日止年度 (HK\$' million) (百萬港元)	截至2015年 12月31日止年度 (HK\$' million) (restated) (經重列)	變動 (註ii)
Continuing operations (note i):	持續經營業務 (註i) :		
• Revenue	• 收入 27,985.9	27,842.2	+0.5%
• Operating profit*	• 經營利潤* 424.8	593.4	-28.4%
• EBITDA [^]	• EBITDA [^] 1,043.4	1,291.9	-19.2%
Profit attributable to the owners of the parent	母公司擁有人應佔溢利 499.7	54.6	+815.2%
<i>In which:</i>	<i>其中:</i>		
<i>profits from continuing operations</i>	<i>持續經營業務之溢利</i> 177.8	153.2	+16.1%



FINANCIAL HIGHLIGHTS

財務摘要

* Operating profit from continuing operations represents:

* 持續經營業務的經營利潤指：

		For the year ended 31 December 2016 截至 2016 年 12 月 31 日止年度	For the year ended 31 December 2015 截至 2015 年 12 月 31 日止年度 (restated) (重列)
(HK\$' million) (百萬港元)			
Segment results (continuing operations)	分部業績(持續經營業務)		
• Beverage	• 飲料	640.5	695.2
• Wine	• 酒品類	111.1	94.1
• Kitchen Food	• 廚房食品	85.7	117.1
• Others	• 其他	4.2	11.7
Aggregate	總和	841.5	918.1
Less:	減：		
Corporate and other unallocated expenses (note iv)	公司及其他未分配開支 (附註 iv)	(416.7)	(324.7)
Operating profit from continuing operations	持續經營業務的經營利潤	424.8	593.4



^ EBITDA from continuing operations represents:

* 持續經營業務的EBITDA指：

		For the year ended 31 December 2016 截至2016年 12月31日止年度	For the year ended 31 December 2015 截至2015年 12月31日止年度 (restated) (重列)
(HK\$' million) (百萬港元)			
Profit before tax from continuing operations	持續經營業務的稅前溢利	648.0	675.2
Add:	加：		
Finance costs	融資成本	35.8	64.8
Depreciation	折舊	464.6	500.3
Amortisation of other intangible assets	其他無形資產攤銷	4.2	9.8
Recognition of prepaid land premiums	確認預付土地金	13.3	11.4
Impairments, net of reversal of impairment	減值，扣除減值撥回	34.7	65.5
Provision against inventories	存貨撥備	34.6	36.8
Less:	減：		
Share of profits of associates	應佔聯營公司溢利	(73.0)	(71.9)
Gain on disposal of subsidiaries in relation to Junding Assets (note iii)	與君頂資產有關的出售附屬公司收益 (附註iii)	(118.8)	-
EBITDA from continuing operations	持續經營業務的EBITDA	1,043.4	1,291.9

(Note i): Revenue, EBITDA[^] and operating profit* exclude relevant figures of the confectionery business segment, a business segment categorized as a discontinued operation pursuant to the Hong Kong Financial Reporting Standard 5.

(註i)：收入、EBITDA[^]及經營利潤*不包含按香港財務報告準則第5號分類為終止經營業務之休閒食品業務分部相關的業績數據。

(Note ii): The results in RMB for the year of the Group were translated at the average exchange rate of 2016 of HK\$1: RMB 0.86615, while the 2015 comparative results in RMB were translated at the average exchange rate of HK\$1: RMB 0.81333. The results reported in HKD terms, when compared to the 2015 comparative results, include 6.5% translation effect in relation to the depreciation of RMB.

(註ii)：本集團本年度人民幣業績以2016年度平均匯率1港元兌0.86615人民幣元折算，2015年人民幣業績以平均匯率1港元兌0.81333人民幣元折算，人民幣貶值對港元呈報口徑之業績數據相比2015年有6.5%折算影響。



If the impact of RMB depreciation was excluded by comparing the results in RMB for the year and the 2015 comparative results:

Continuing operations:

- Revenue grew by 7.0%, mainly due to the increase in revenue of the kitchen food business segment and wine business segment, which was partially offset by a decline in beverage business segment revenue, caused by changes in industry-wide consumer trends, and changes in sales mix of its business.
- Operating profit* dropped by 23.8% mainly due to the general increase in spending on marketing and advertising in response to increased competition, recorded as directly attributable expenses in segments results of each of the business segments, and other unallocated expenses in relation to unallocated consultancy, advertising and promotional charges for cross-product events, and for raising the Company's corporate profile and reputation.
- EBITDA[^] dropped by 14.0% mainly due to a decline in Operating profit*, but was partially offset by decreases in provision against inventories, impairments, depreciation and amortization.

(Note iii): One-off gain on disposal of subsidiaries of approximately HK\$118.8 million, in relation to the disposal of equity and debt interests in loss-making winery subsidiaries including COFCO Junding Vineyard Co., Ltd. ("Junding Vineyard") and Shandong COFCO Junding Wines & Spirits Co., Ltd. ("Junding Wines & Spirits") (together "Junding Assets"), which were completed in fourth quarter of 2016.

(Note iv): Corporate and other unallocated expenses mainly comprise of:

- (a) the Company's expenses in relation to the maintenance of its ongoing listing status, its Party Committee office and its chief executive and management offices such as staff costs, rental and office expenses;
- (b) the overhead expenses relating to the finance, information technology, human resources, marketing, legal and product quality assurance departments of the Group such as staff costs and office expenses;
- (c) the general operating and maintenance expenses of the Group's sales platforms such as staff costs, maintenance and office expenses; and
- (d) unallocated advertising and promotional charges in relation to cross-product events and for raising the Company's corporate profile and reputation.

撇除人民幣貶值影響，本年度人民幣業績與2015年人民幣業績相比：

持續經營業務：

- 收入增長7.0%，主要由於飲料業務分部受行業消費趨勢變化影響，品類結構變化，導致分部收入下滑，抵消廚房食品業務分部及酒品類業務分部收入之增長。
- 經營利潤*減少23.8%，主要由於因應競爭增加，市場推廣及宣傳開支普遍增加（於各業務分部的分部業績記錄為直接應佔開支），以及其他未分配開支所致，該等其他未分配開支與未分配的跨產品活動以及為提升公司企業形象及聲譽有關的顧問、宣傳及推廣費用有關。
- EBITDA[^]下降14.0%，主要由於經營利潤*下降，而降幅被存貨撥備、減值、折舊及攤銷減少部份抵銷。

(註iii)：年內出售附屬公司的一次性收益約1.188億港元，乃有關出售虧損酒莊附屬公司的股權及債務權益，包括中糧君頂酒莊有限公司（「君頂酒莊」）及山東中糧君頂酒業有限公司（「君頂酒業」）（統稱「君頂資產」），該等出售已於2016年第四季度完成。

(註iv)：公司及其他未分配開支主要包括：

- (a) 公司開支，與維持公司持續上市地位、其黨委辦公室及行政總裁及管理層辦公室例如員工開支、租金及辦公室等開支有關；
- (b) 日常開支，與本集團財務、資訊科技、人力資源、營銷、法律及產品質量保證等部門例如員工開支及辦公室等開支有關；
- (c) 本集團銷售平台的一般營運及維護開支，例如員工開支、維護及辦公室開支；
- (d) 未分配宣傳及促銷費用，與跨產品活動及為提升公司企業形象及聲譽有關。

MAJOR EVENTS OF CHINA FOODS IN 2016

中國食品2016年大事記



April 四月

During the period from April to July, the 2016 tour of cuisine culture cum the first photo contest carrying the theme of Fortune rapeseed oil “Follow the fragrance of rapeseed flowers, discover home fragrance” was successfully held in China’s major cities, including Chongqing, Hubei, Jiangxi and Qinghai. The event attracted the attention and participation of over 240,000 internet users, and collected over 2,000 pieces of outstanding rapeseed flower photography. The event was also reported by more than 10 television media including CCTV



as well as such portals like Sina and Netease. Major local print media, including Chongqing Commercial newspaper and the Yangtze River Commercial Daily also covered the event.

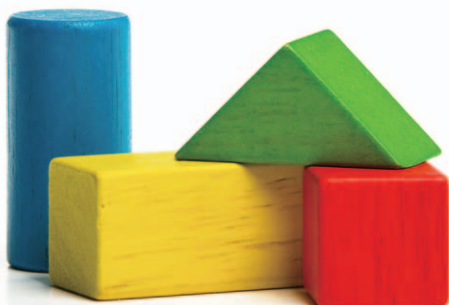
於4月至7月期間，福臨門菜籽油「跟著菜花香，回到家香味」2016美食文化之旅暨第一屆攝影大賽順利舉辦。活動歷經重慶、湖北、江西、青海等地，超過24萬網友關注和參與其中，收集到2,000餘幅優秀油菜花攝影作品，被中央電視台等十餘家電視媒體，新浪、網易等門戶網站，重慶商報、長江商報等主要地方平面媒體連續報道。



May 五月

During the period from May to August, the Fortune sunflower oil contest carrying the theme “I love singing nursery rhymes • Growing up happily” was successfully held in more than 20 cities, including Beijing, Shanghai and Suzhou, helping children who reside in mountain areas to pursue their dreams in music. An agreement was signed with “Changba” APP to jointly promote the development of Chinese nursery rhymes in the country. Nursery rhyme “Little Little Fortune Flower” 《小小幸福花》，written by Le duoduo, a renowned children’s literature writer, was officially released. The event attracted the participation of over a million families, setting a new national record for family nursery rhymes and drawing favorable responses from the community.

於5月至8月期間，中糧福臨門葵花籽油「我愛唱童謠·幸福成長ING」比賽成功舉辦。活動先後來到北京、上海、蘇州等二十多個城市，助力山區孩子實現音樂夢想，並與唱吧APP簽約，攜手推動中國童謠的發展，著名兒童文學作家樂多多創作的童謠《小小幸福花》正式發佈。活動吸引了超過百萬家庭參與，刷新了全國親子家庭一同唱響童謠紀錄，引起了強烈的社會反響。





July 七月

The First National Distributors Conference of COFCO Wines & Wines International with the theme of “Riding the tide to win-win • Jointly creating the future” was successfully held at COFCO LDC. The event highlighted the concept of “the power of a major brand and the value of having a large platform”. During the conference, the development history of COFCO wine import business and its current operation status as well as the company’s development strategies and specific plans going forward were introduced. Over 300 representatives from key distributors across the country participated in the event, resulting in the successful partnership of some 20 different brands.



Over 300 representatives from key distributors across the country participated in the event, resulting in the successful partnership of some 20 different brands.

「乘勢共贏·合創未來」中糧名莊薈國際酒業第一屆全國經銷商大會在忠良書院成功舉辦，強調「大品牌的力量、大平台的價值」，系統介紹了中糧進口酒業務發展歷程與經營現狀，詳細闡述了中糧名莊薈發展戰略與下一步具體規劃。來自全國的300餘位重點經銷商代表參會，新增品牌合作人20餘家。

August 八月

Greatwall Five-star Wine, Greatwall Chateau Sungod Wine and Fortune Golden Original Maize Oil made their appearance at the Rio Olympic “China House” of the 2016 Rio Olympic Games, cheering for the Olympic athletes and showcasing the culture of oriental wines and cuisine to the world. Meanwhile, the Fortune Olympic gold recipes were officially released.



2016里約奧運會期間，長城五星幹紅、長城桑幹酒莊葡萄酒、福臨門黃金產地玉米油亮相里約奧運「中國之家」，為奧運健兒加油助威，向世界展示來自東方的美酒風采與美食文化；「福臨門奧運黃金菜譜」正式對外發佈。





September 九月

A news conference to announce strategies for the “Greatwall • G20-2016 Greatwall Five-Star Wine” was held in Hangzhou. Such strategies include: putting a strong focus on the Greatwall Five-star Wine, strengthening the concept of “state banquet wines and offering a wider choice of wines for consumers”. The important event was witnessed by industry experts and opinion leaders, CCTV and other media elites, international wine masters and representatives of different distributors.



「長城•G20 — 2016長城五星葡萄酒戰略發佈會」在杭州舉行，發佈品牌新戰略 — 聚焦長城五星葡萄酒，強化「國宴用酒，更多消費者的選擇」。行業專家和意見領袖、央視等媒體菁英、國際釀酒大師、經銷商代表共同見證了這一重要時刻。



September 九月

As a major sponsor of the G20 Hangzhou Summit, the company has provided Greatwall wines for 15 state banquets in six cities, witnessing the high-profile G20 meetings throughout the period. Winning the applause of local and overseas VIPs for the summit, Greatwall wine has become a fine wine label in China. Furthermore, as the edible oil sponsor of the G20 Hangzhou Summit, COFCO Fortune was awarded a medal by the G20 Summit Hangzhou Preparatory Office in recognition of the superior quality of the products. The 20 signature dishes of the Hangzhou cuisine were brought to the attention of the consumers at the G20 Hangzhou summit cultural theme exhibition, including the seventeenth (Hangzhou) food festival.



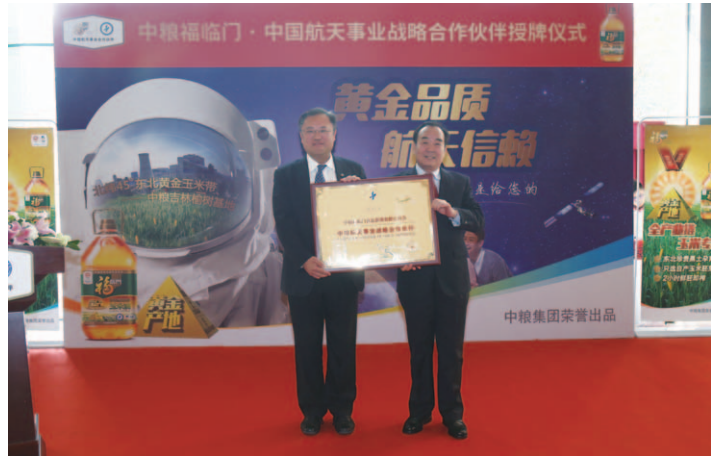
作為G20杭州峰會高級贊助商，長城葡萄酒以6地15場國宴一路見證高規格G20會議，成為中國的「美酒名片」，獲得國內外貴賓一致讚賞。同時，作為G20峰會食用油贊助商，中糧福臨門受到G20峰會杭州市籌備工作領導小組辦公室授牌表彰，並在G20杭州峰會文化主題展、第十七屆（杭州）美食節等活動期間向消費者隆重展現了G20杭州峰會杭幫菜20道峰會菜譜。



October 十月

Fortune corn seeds were sent into the space through the Shenzhou XI spacecraft of China. A “Fortune Corn Escort Team”, comprising 10 Fortune consumers, were invited to the Jiuquan Satellite Launch Center to witness this historic moment. COFCO Fortune was officially promoted as a strategic partner of the China Space Foundation to support the development of China’s space program, which will offer quality products of the “space-exploration” to the general consumers.

福臨門玉米種子搭載中國航天「神舟十一號」火箭升上太空，由10名福臨門消費者組成的「福臨門玉米護航員」來到酒泉衛星發射中心現場見證這一歷史時刻。中糧福臨門正式升級為中國航天基金會戰略合作夥伴，助力中國航天事業騰飛，並將航天品質好產品奉獻給廣大消費者。



November 十一月

With a streamlined structure and hierarchy, a rice wine business unit was officially formed, resulting in a significant improvement in the sales of the wine. “The first COFCO Shaoxing Rice Wine Kong Yiji Winter Brewing Festival” was held in Shaoxing to demonstrate the unique brewing techniques and superior quality of the COFCO Shaoxing rice wine to more than 160 clients from different places across the country, effectively enhancing the impact of the “Kong Yiji” brand.

黃酒事業部正式成立，組織架構、人員結構優化，銷售表現顯著改善。「中糧紹興酒首屆孔乙己冬釀節」在紹興舉行，向160餘位來自全國各地的客戶展現了中糧紹興酒的獨特工藝與優秀品質，有效提升了「孔乙己」的品牌影響力。





December 十二月

COFCO Coca-Cola Beverages Limited (“CCBL”) together with two other Coca-Cola bottling groups in China and Coca-Cola Company jointly announced the completion of a definitive agreement to rebrand Coca-Cola-owned bottling operations in China and entered into relevant agreements. Following the reorganisation, Coca-Cola’s bottling business in China will be operated by two franchise partners, CCBL and Swire. Bottling plants controlled by CCBL will be increased from 12 to 18. The new partnership reflects the confidence of both COFCO and Coca-Cola Company in the extension of their cooperation. The economies of scale effect, regional integration and cost optimisation brought about by the reorganisation is expected to bring greater development opportunities for the business of both CCBL and China Foods.



中糧可口可樂飲料有限公司(「中糧可口可樂」)及其他兩家可口可樂在華裝瓶集團與可口可樂公司聯合宣佈，就可口可樂在華裝瓶業務特許經營權的重組達成最終協議並正式簽約。重組後，可口可樂在中國的裝瓶業務將分別由中糧可口可樂和太古兩家特許經營合作夥伴運營，中糧可口可樂控股的裝瓶廠將從原來的12家增加至18家。此舉標志著中糧集團與可口可樂對雙方合作更具信心，合作規模進一步擴大。本次重組帶來的規模效應、區域整合及成本優化將為中糧可口可樂及中國食品的業務帶來更大的發展機會。

In 2016 二零一六年

Greatwall wines were served during important events such as the First Lancang-Mekong Cooperation Leaders’ Meeting, Boao Forum for Asia, APEC Business Advisory Council and the reception of the 67th Anniversary of National Day, evidencing that the wines have become a frequent choice for high profile state banquets and receptions. As such global attention occasions, “national wine” Greatwall represents China to serve the world.



長城葡萄酒先後在瀾湄合作首次領導人會議、博鰲亞洲論壇、APEC工商諮詢理事會、建國67周年國慶招待會等盛會中亮相，成為高規格國事招待宴會上的美酒常客。全球矚目時刻，國酒長城代表中國款待世界。

A number of mid-and high-end professional wine brands were added to the products imported by COFCO Wine & Wine, including wines from Italian top brand Antinori, Peter Lehmann of Barossa, Australia, Black Stallion of Napa, U.S and French champagne Nicolas, enriching the product mix of COFCO Wine & Wine and a large brand concentration effect is increasingly apparent. At present, wines imported by COFCO Wine & Wine come from 13 major producing countries and 55 producing regions under 80 brands.



中糧名莊薈旗下新添意大利酒王「安東尼世家」、澳洲巴羅薩「彼得利蒙」、美國納帕「黑駿馬」、法國「妮可香檳」等多個中高端專業級葡萄酒品牌，產品線進一步豐富，大品牌集中效應愈發顯現。目前中糧名莊薈進口葡萄酒已覆蓋13個主產國，55個產區，擁有80個品牌。

CHAIRMAN'S STATEMENT

主席函件





Dear Shareholders,

In 2016, the management team of China Food continued to adhere to the business strategy at the beginning of the year, adapt to the new norm under China's economic development and reforms of state-owned enterprises, and make efforts to overcome the difficulties and challenges under the economic slowdown, the sluggish industry and competitive market environment. We strategically disposed of the loss-making businesses and redeploy resources on our core businesses, as well as the development of imported wine business. In respect of operation, the Company strengthened its brand marketing and market exploration, innovation and development of star products, reduce costs and explore new revenue growth drivers, which enhanced the quality of the Company's operation and improved its results. In respect of management, the Company advanced incentive reforms in performance evaluation system and ownership structure at subsidiary level, in order to further promote the entrepreneurial spirit among the management, enhance execution capabilities and attain the goal of enhancement in quality of the Company's operation with continuous improvement in business results. On behalf of the board of directors, I wish to extend my whole-hearted thanks to our shareholders for their trust and support.

In 2017, under the entrepreneurial spirit, our Board will support our management team to further execute incentive reforms, allocate resources on core businesses. Besides, we will further optimize the business mix, explore new revenue growth drivers, further enhance marketing, expand our distribution channels, develop star products as growth drivers, improve corporate management standard and operation efficiency, as well as reduce costs and expenses. By implementing the above measures, our target is to strive for continuous improvement in its operating results.

As the largest shareholder of China Foods, COFCO will continue to support the Company in implementing its focused strategy, deepening its internal reform, strengthening operation and management so as to enhance its market competitiveness and accelerate the growth of its results.

I believe that by leveraging the concerted efforts of the Board and our management team, China Foods will make new breakthroughs in its business development in 2017, succeed in driving better business performance and create greater values for our shareholders.

Ma Jianping
Chairman

Hong Kong, 28 March 2017

致親愛的股東：

2016年，中國食品管理團隊按照年初確定的經營方針，適應中國經濟發展和改革新常態，努力克服國內經濟增速放緩、行業和市場景氣度下降所帶來的困難和挑戰，在戰略上，處置虧損業務，聚焦資源發展重點業務及拓展進口酒業務；在經營上，強化品牌營銷和市場開發，創新和發展明星產品，落實提質增效，實現開源節流；在管理上，推進機制體制改革，激發團隊創業激情，提升執行力，從而保證了公司經營業績持續向好。在此，我本人，並代表本公司董事會，對各位股東的信任和支持深表感謝。

2017年，我本人及董事會各位成員將繼續與管理團隊勳力同心，秉持創業精神，深化改革，聚焦資源，提質增效；進一步優化業務組合，開發新的業績增長點；進一步強化市場營銷，拓展渠道網絡，打造明星產品，拉動銷售增長；進一步提升管理水平和運營效率，降低成本費用。通過實施上述系列舉措，推動公司經營業績繼續改善。

中糧作為中國食品的大股東，將一如既往地支持中國食品推動戰略聚焦，深化內部改革，改善經營管理，提升市場競爭力，加速業績成長。

我相信，在董事會和管理團隊的共同努力下，中國食品2017年一定能夠實現業務發展的新突破，實現經營業績的更大改善，為股東創造更高的回報！

主席
馬建平

香港，2017年3月28日



STATEMENT
FROM
MANAGING
DIRECTOR

董事總經理函件





2016 REVIEW

In 2016, the growth rate of macro-economy in China remained at a low level, with slackened growth in consumption expenditure. In respect of wine industry, domestic wine was hardly hit by imported wine, which caused considerable challenge to the development of domestic wine category. In respect of beverage industry, consumption demand remained weak, coupled with fiercer competition, which put pressure on the revenue growth of beverage category.

Faced with external challenges, the Company has made considerable efforts in streamlining its strategy, continued to promote “Secondary Entrepreneurial Culture” and implemented a series of initiatives to optimize business mix, enhance business competitiveness and improve the quality of operation. During the year, the Company (1) completed the disposals of the confectionery business and certain winery assets, i.e. the disposal of Junding assets (including Junding Vineyard and Junding Wines & Spirits), in order to redeploy capital on our core businesses. In addition, agreements had been reached with bottling partners in respect of the refranchising of bottling operations in Mainland China, so as to capture a golden opportunity to expand the scale of beverage business; (2) upgraded its core product “Greatwall Five-Star 長城五星”, and further promoted “Fortune Corn Oil and sunflower seed oil” star products by spending more on brand promotion, with core products and star products as focus, as well as better brand communication to effectively enhance brand awareness and reputation; (3) continued to increase penetration into county-level markets, with strengthened marketing management, so as to increase number of points of sale and boost the sales execution; (4) actively developed imported wine business, as another growth driver of wine business; (5) optimized performance assessment mechanism based on result oriented approach, in order to incentivize its team with the entrepreneurial spirit.

With these strenuous efforts, we optimized progressively in the business mix and assets, with continued improvement in operation quality and management efficiency. The Company is now on the track for sustainable business development.

2016 年回顧

2016年，國內宏觀經濟持續低位運行，消費增速放緩，國產葡萄酒行業受進口酒強烈衝擊，發展面臨嚴峻挑戰；飲料行業需求疲弱，競爭更趨激烈，發展壓力增大。

面對外部環境的挑戰，公司大力推進戰略聚焦，繼續深入開展「二次創業」，採取了一系列優化業務組合、增強業務競爭力、改善經營質量的舉措：(1)完成休閒食品業務和若干酒業資產，即君頂資產（包括君頂酒莊及君頂酒業）的對外轉讓，回收資金；與合作方就飲料業務重組達成協議，擴大業務規模；(2)升級「長城五星」核心單品，繼續力推「福臨門玉米油、葵籽油」等明星產品，增加品牌投入，聚焦核心單品和明星產品，強化傳播，有效提升了品牌影響力，促進銷售增長；(3)持續推動渠道向縣域市場下沉，強化市場管理，增加終端覆蓋並提升單點賣力；(4)大力發展進口酒業務，助力酒類業務成長；(5)優化考核評價機制，強化業績導向，提升團隊創業動力。

經過努力，公司業務組合和資產質量明顯優化，經營質量和效率繼續提升，步入了良性發展軌道。



2017 PROSPECT

In 2017, the Chinese economy will still face challenges from unfavorable factors, particularly the intensified competition in the food and beverage industry, which will bring enormous difficulties and challenges to our businesses. On the other hand, with increasing contribution of consumption expenditure to economic growth, widening application and innovation of network technology and business models, together with deepening reforms in state-owned enterprises, there will be new opportunities and dynamics for our business development.

The Company will grasp the opportunities and deepen reforms, overcome challenges and push forward our business development. Strategically, we will further optimize the business mix and focus on core products in order to enhance management and improve profitability. Meanwhile, after the completion of refranchising transaction of bottling operations, we will integrate the newly acquired beverage business in order to realize synergy. Under the entrepreneurial spirit, we will continue to improve operational quality and efficiency with enhanced execution. We will strengthen the brand marketing by focusing on promotion of star products and core products, with enhanced execution, in order to drive sales growth. Last but not least, we will further launch market-oriented incentive reforms, with strengthened reward and punishment mechanism. We believe that with the implementation of the above initiatives, in 2017, the Company will achieve breakthrough in its development, with focused strategy on core businesses, enhancement in operational quality and better expected results.

2017 年展望

2017年，中國經濟面臨的不確定性仍然較大，食品飲料和酒類行業競爭還將升級，公司經營將面臨諸多困難和挑戰。與此同時，消費對經濟增長的貢獻率進一步提升，網絡科技應用和商業模式創新層出不窮，國企改革不斷深化，也給業務發展帶來新的機遇和動力。

本公司將努力抓住機遇，深化改革，克服困難，加快發展。在戰略上，進一步優化業務組合，推動產品聚焦，提升專業化水平，增強盈利能力，同時著力做好新併購飲料業務的整合融入，使之儘快創造效益；繼續深化創業理念，強化管理，提升團隊執行力；以強化品牌營銷和打造明星產品為主線，聚焦核心單品，加強市場營銷，拉動銷量實現較快增長，打造明星產品；加快推進市場化改革，強化正負激勵，激發團隊內在動力。我們相信，隨著上述舉措的實施，2017年本公司的業務將更加聚焦，經營質量和盈利水平將繼續提高，發展實現新突破。



On behalf of the management team, I wish to thank our shareholders for their understanding and trust. I would also like to thank our business partners for their efforts and support and express my heartfelt gratitude to each of our staff members for their unrelenting efforts. Let us join hands to create more corporate value and a better future.

Jiang Guojin
Managing Director

Hong Kong, 28 March 2017

在此，本人謹此代表管理團隊，衷心感謝各位股東的理解和信任，感謝各位合作夥伴的努力和支持，感謝每一位員工的辛勤付出。讓我們齊心協力，共同創造更大的企業價值和更加美好的明天。

董事總經理
江國金

香港，2017年3月28日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論析





BUSINESS REVIEW

BEVERAGE BUSINESS

Business Introduction

The beverage business of the Company is primarily carried out by COFCO Coca-Cola Beverages Limited (“CCBL”), an entity jointly established by the Company and The Coca-Cola Company (“The Coca-Cola Company”), in which the Company holds a 65% interest.

CCBL has the exclusive right to manufacture, market and distribute Coca-Cola products in 15 provinces, municipalities and regions including Tianjin, Hebei, Beijing, Shandong, Hunan, Jiangxi, Guizhou, Hainan, Gansu, Ningxia, Qinghai, Tibet, Inner Mongolia, Xinjiang and Guangdong (Zhanjiang and Maoming). CCBL has minority equity stakes in Coca-Cola bottling companies located in Guangdong, Zhejiang and Jiangsu. CCBL also has associate interests in Coca-Cola Bottlers Manufacturing Holdings Limited, a manufacturing company which mainly supplies still beverages to all Coca-Cola franchisees in mainland China.

Development Strategy

The strategic goal of CCBL is to build a world-class bottling group with a well-regarded professional team, to build the most valuable sales and distribution network, and to become the most efficient beverage industry player in every region in which we operate. To this end, CCBL has been implementing the following strategies:

- Insistence on commitment to food safety and quality;
- The continued improvement of our product offering to the trade by ensuring that our core products have enduring appeal to consumers, and by introducing new higher margin products. At the same time, we will seek to develop strategic cooperative relationships with, and to raise gross margin for, both CCBL and its distributors through a reasonable margin sharing model, and inventory turnover at point-of-sale;
- Strengthen our relationship with participants in our outlet delivery partners program, and provide support for the growth of our customers through product category management, and the application of route-to-market strategies for the sales and distribution network;

業務回顧

飲料業務

業務簡介

本公司的飲料業務主要是透過與可口可樂公司(「可口可樂公司」)合作成立的合營公司中糧可口可樂飲料有限公司(「中糧可口可樂」)來經營，其中，本公司持有65%權益。

中糧可口可樂擁有在天津、河北、北京、山東、湖南、江西、貴州、海南、甘肅、寧夏、青海、西藏、內蒙、新疆、廣東(湛茂)15個省、市、地區的可口可樂系列產品的生產、市場營銷及分銷專營權。還通過參股方式，在廣東、浙江及江蘇可口可樂裝瓶企業持有少數權益及一家生產公司的聯屬權益。該生產公司為Coca-Cola Bottlers Manufacturing Holdings Limited，主要向中國內地所有可口可樂專營公司供應不含汽飲料。

發展策略

中糧可口可樂的目標是建立世界級裝瓶集團，擁有業務的所有區域，擁有受贊賞的專業團隊，建設最具價值的營銷網絡，成為最佳效益的裝瓶集團。為此，中糧可口可樂一直奉行以下策略：

- 堅持在食品安全和質量方面的承諾；
- 持續優化產品結構，培育汽水的持續發展，選擇上市高毛利新品，通過合理的價值鏈設計提升中糧可口可樂和客戶的毛利水平，發展戰略合作體系，加快終端產品動銷；
- 加強生意合作夥伴的客戶管理，通過合理的通路策略以及對客戶的品類管理及客戶營銷網絡的管理，攜手客戶一起成長；





- Focus on further improving retail execution as this is our contact point with consumers;
 - Effective control of costs and improvement of efficiency; and
 - Encouragement of creative concepts and innovative ideas in business processes, marketing and management systems.
- 專注做好零售點的市場執行，透過零售點每天向數以百萬計的消費者售賣產品，推廣品牌；
 - 持續有效地管理成本和提高效率；及
 - 鼓勵創新，積極推動觀念創新、流程創新、市場創新和管理機制創新。

Industry Overview

The post-80s and 90s generations have become the mainstream of our consumer groups, who have a preference for more diversified products. Hence, novelty, uniqueness and functionality of the beverages have become the main criteria in their selection of beverages. The overall trend of the beverage industry is moving towards high value-added and diversified products while the volume of sales for conventional beverage categories remains stable with increasing price competitions.

Among the principal beverage products, CCBL is a major player in the sparkling, juice and packaged-water categories. According to industry data for 2016, in terms of volume growth, the overall non-alcohol ready-to-drink (NARTD) beverages market (excluding white milk and bulk water) recorded a positive growth of 2.1%, including a negative growth of 1.4% and 4.8% respectively for the sparkling category (volume share of 12.7%) and juice category (volume share of 9.8%), while the packaged-water category (volume share of 36.2%) grew 5.3%.

行業概覽

80、90後成為消費群體的主流，對於飲料的選擇更多元化，嘗鮮、獨特性及功能性都成為主流消費者的主要選擇要因，飲料行業整體大趨勢是向高附加值、品類多元化過渡，傳統飲料品類規模保持相對穩定，行業價格競爭激烈。

在主要飲料品類中，中糧可口可樂為汽水、果汁和包裝水品類的主要參與者。根據2016年度的行業數據顯示，從銷量增速看，整體可供飲用非酒精飲料行業（不包含白奶和大桶水）增長2.1%，其中，汽水品類和果汁品類分別呈現負增長1.4%和負增長4.8%，在行業中銷量佔比分別保持12.7%和9.8%，包裝水品類增長5.3%，在行業中銷量佔比36.2%。





2016 ANNUAL RESULTS

A comparison of the 2016 annual results with those of 2015 of the beverage business segment is summarized below:

In HK dollar reporting term	港元呈報口徑	For the year ended 31 December 2016 截至2016年 12月31日止全年 (HK\$' million) (百萬港元)	For the year ended 31 December 2015 截至2015年 12月31日止全年 (HK\$' million) (百萬港元)	Changes (note) 變動率 (註)
Revenue	收入	11,290.5	12,335.0	-8.5%
Segment result	分部業績	640.5	695.2	-7.9%
As percentage of revenue	佔收入百分比	5.67 %	5.64%	+0.03 percentage points 個百分點
Percentage point increase of gross profit margin	毛利率增加百分點			+3.5 percentage points 個百分點

(Note): In RMB terms, segment revenue declined by 2.5% whereas the segment result dropped by 1.9%.

While the sales volume for sparkling beverage dropped 1.2%, packaged water products rose 11.4%, both outperforming their respective categories. Meanwhile, the sales volume of juice products dropped 6.1%. As a result, the overall sales volume for beverage products increased by 1.9%. In RMB terms, overall revenue dropped slightly by 2.5% as the volume contribution of packaged water products (with lower average unit price) grew while that of sparkling and juice products (with higher average unit price) dropped.

Benefiting from falling raw material prices, overall gross profit margins increased by 3.5 percentage points. In respect of expenses, spending on marketing increased in response to rising competition while transaction related expenses of RMB15 million were incurred due to Refranchising Transactions mentioned below. By continued enhancement of promotional efficiency and strict expense controls, the ratio of selling and distribution and administrative expenses increased by 3.4 percentage points.

2016 年全年業績

飲料業務分部2016年全年業績與2015年全年業績相比摘要如下：

For the year ended 31 December 2016 截至2016年 12月31日止全年 (HK\$' million) (百萬港元)	For the year ended 31 December 2015 截至2015年 12月31日止全年 (HK\$' million) (百萬港元)	Changes (note) 變動率 (註)
11,290.5	12,335.0	-8.5%
640.5	695.2	-7.9%
5.67 %	5.64%	+0.03 percentage points 個百分點
		+3.5 percentage points 個百分點

(註)：按人民幣口徑，分部收入減少2.5%，分部業績減少1.9%。

整體銷量同比增加1.9%。汽水銷量和包裝水銷量同比分別下降1.2%和上升11.4%，均優於品類表現。果汁銷量同比下降6.1%。由於單價較低的包裝水產品佔比提升，而單價較高的汽水品類及果汁品類佔比下降，按人民幣口徑整體收入略有下降2.5%。

受益於原材料價格同比降低，使得整體毛利率上升3.5個百分點。由於下述重新特許項目的推動，年內發生費用人民幣1,500萬元。同時，由於競爭加劇，營銷開支隨之增加，在持續加強費效比跟進及嚴格控制各項費用支出下，銷售及分銷費用及行政支出佔收入比率增加3.4個百分點。



Attributable to the above factors, segment profit in HKD terms decreased by 7.9% from HK\$695.2 million to HK\$640.5 million. In RMB terms, the amount dropped by 1.9%.

Refranchising of bottling operations in China (“Refranchising Transactions”)

On 17 November 2016, CCBL, The Coca-Cola Company and Swire Beverages Holdings Limited (“Swire”) entered into an inter-conditional non-public sale equity transfer master agreement, pursuant to which: (i) CCBL shall acquire the bottling operations of The Coca-Cola Company in six regions including Heilongjiang, Jilin, Liaoning, Shanxi, Sichuan and Chongqing for an aggregate base consideration (subject to adjustment) of approximately RMB2,900 million; and (ii) CCBL shall acquire the bottling operation of Swire in Shanxi for a base consideration (subject to adjustment) of approximately RMB487 million (collectively, the “Acquisitions”).

On the same day, according to relevant requirements for the sale of state-owned assets, CCBL and the Company decided to publish formal disclosures on the website of the China Beijing Equity Exchange relating to the company’s proceedings with the public sale of its entire interests in the bottling operations in Jiangxi, Hainan and Guangdong (Zhanjiang and Maoming) and its associated and minority interests in the bottling operations of six other regions (including Jiangsu, Zhejiang, Shanghai, Wenzhou, Huizhou and Guangdong). On 16 December 2016, CCBL, the Company and Swire (being the successful bidder in the public sale) entered into a public sale equity transfer master agreement for the disposal of equity interests in the abovementioned bottling operations at an aggregate consideration of RMB2,122 million (collectively, the “Disposals”).

The Acquisitions and Disposals represent part of the Company’s overall strategy to concentrate on expanding its core activities, and reflect its long-term commitment to the Coca-Cola beverages bottling business in China. The Acquisitions are expected to further deepen this important strategic partnership through more cooperation opportunities between the Company and The Coca-Cola Company. The Acquisitions are also the important step for repositioning the Company as one of the largest beverage bottlers in China, presenting a significant opportunity for the Company to scale-up its beverages business expand its geographical coverage, creating economies of scale and capitalizing on the attractive long-term growth trends in China’s beverage market.

綜合上述因素，以港元口徑呈報的分部利潤減少7.9%，由6.952億港元減少至6.405億港元，按人民幣口徑則同比減少1.9%。

內地裝瓶業務重新特許（「重新特許項目」）

於2016年11月17日，中糧可口可樂、可口可樂公司及太古飲料控股有限公司（「太古」）訂立互為條件之非公開出售產權轉讓總合同，據此：(i)中糧可口可樂從可口可樂公司收購黑龍江、吉林、遼寧、山西、四川和重慶六個地區的瓶裝業務，基本代價（可調整）總額約為人民幣2,900,000,000元；及(ii)中糧可口可樂從太古收購其在山西的瓶裝業務，基本代價（可調整）約為人民幣487,000,000元（上述合稱為「收購事項」）。

同日，中糧可口可樂及本公司決定根據出售國有資產的相關規定在北京產權交易所網站刊發進行公開出售其於江西、海南和廣東（湛茂）的瓶裝業務以及其他六個地區（包括江蘇、浙江、上海、溫州、惠州和廣東）的瓶裝業務中的聯屬及少數權益的正式披露。於2016年12月16日，中糧可口可樂及本公司與太古（作為公開出售的成功中標者）訂立公開出售產權轉讓總合同，出售上述裝瓶業務的股權權益的代價總額為人民幣2,122,000,000元（上述合稱為「出售事項」）。

收購及出售事項為本公司專注於擴張核心業務的整體策略，反映本公司在中國長期發展可口可樂飲料裝瓶業務的決心，並預期增加本公司與可口可樂公司的合作機會，進一步加深此重要的戰略夥伴關係。收購事項亦為本公司重新定位為中國其中一家最大的飲料公司之重要一步，能擴大大公司飲料業務、擴張覆蓋區域並創造規模經濟效益，把握中國飲料市場良好的長期增長趨勢提供重要機會。



With over 16 years of experience in the Coca-Cola bottling business, the Company's senior management team has a proven track record and demonstrated capability in the running of the business. We are confident in facilitating a smooth transition and integration of the bottling operations which we will acquire in the new territories. Following the completion of the Acquisitions, we believe that we will be able to create cost synergies through streamlining the operations of the Coca-Cola bottling franchise territories, increasing productivity, improving the flow of the operation and reducing the cost of distribution and transportation. The significant increase in production capacity is expected to provide a favorable factor for future production growth.

As of the date of this report, the closing of the Acquisitions and the Disposals is still subject to the satisfactory approval of certain prerequisites.

OUTLOOK

The annual sales volume and revenue are expected to increase significantly following the completion of the Refranchising Transactions. The unit cost of the products and the rate of expenses are however expected to be under pressure resulting from the impact of the integration, intensifying market competitions and additional costs for the promotion of the new products. Gross profit margins, however, are expected to benefit from stable prices of key packaging materials, continued improvement in packaging mix of CCBL, and the launching and sale of new products (such as Minute Maid Essential Delight “淳萃” high content juice, Ice Dew “Chun Yue” and Aquarius “Shui Dong Le”).

本公司已經營可口可樂瓶裝業務逾16年，本公司的高級管理團隊擁有良好的往績記錄及執行能力，我們有信心能夠促進將予收購在新地域的瓶裝業務順利過渡及整合。預期在交割後，通過標杆、優化相鄰近的可口可樂裝瓶特許經營區域，將有助於本公司實現成本協同效應，包括提升產能利用率、流程化運營並實現分銷及運輸成本節約，大幅增加的產能亦為日後產量增長提供有利條件。

截至本報告之發佈日，收購事項及出售事項的若干交割之先決條件尚待達成。

展望

預計並購整合項目完成後，全年銷量、銷售收入將大幅增長，惟受並購項目首年整合的影響、加劇的市場競爭影響和推動新產品的需要，產品單價及費用率仍將面臨壓力。然而，主要包裝原材料價格預計保持平穩，加上中糧可口可樂持續改善包裝結構及通過新產品（如淳萃高濃度果汁、冰露純悅、水動樂等）的上市和銷售，預計對毛利率表現有助。





WINE BUSINESS

Business Introduction

- The Group's wine business is based on its famous "Greatwall" brand, which has a fine tradition and has long been a leader in the China wine market. Due to the popularity of the brand and the high quality of its products, "Greatwall" wine is the top pick for state banquets.
- The "Greatwall" brand covers a variety of wines which include Cabernet Sauvignon, Merlot, Pinot Noir, Cabernet Franc, Shiraz for red wines; and Chardonnay, Riesling, Sauvignon Blanc for white wines. In addition, brandies and sparkling wines are also produced.
- "Greatwall" wines offer single varietal wines and blended wines using different grape varieties. The majority of the grapes that we use come from vineyards that are either managed by us or from sources with whom we have cooperative agreements. We have four production plants and several wineries in China, namely Huaxia Wine Manor at Changli in Hebei, Chateau Sungod at Huailai in Hebei and Chateau YunMo in Ningxia, and two overseas wineries, Société du Château de Viaud SAS in France and Viña Santa Andrea Limitada in Chile.
- The Group is developing an imported wines platform, COFCO Wine & Wine (中糧名莊薈), based on distribution cooperation with a number of renowned international wine companies and well-known château brands from various countries, for the import of value-added wines into the PRC market.

酒品類業務

業務簡介

- 酒品類業務依靠著名品牌「長城」葡萄酒的優良傳統，在國產葡萄酒市場擁有領導地位。依托品牌知名度和產品高品質，長城葡萄酒為國宴用酒首選品牌。
- 「長城」品牌旗下葡萄酒品種覆蓋各式酒品，包括由赤霞珠(Cabernet Sauvignon)、梅鹿輒(Merlot)、黑比諾(Pinot Noir)、品麗珠(Cabernet Franc)、西拉(Shiraz)等釀成的紅葡萄酒，以及由霞多麗(Chardonnay)、雷司令(Riesling)、長相思(Sauvignon Blanc)等釀成的白葡萄酒。此外，我們還生產白蘭地、起泡酒。
- 「長城」葡萄酒有單品種和混合品種釀製。使用的葡萄主要來自本集團自有管理和協議合作的葡萄園。酒品類業務旗下擁有四家國內酒廠，及數家酒莊分別是位於河北昌黎的華夏酒莊、位於河北懷來的桑干酒莊、位於寧夏的雲漠酒莊、位於法國的雷沃堡酒莊和位於智利的聖利亞酒莊。
- 本集團旗下中糧名莊薈進口酒業務平台與世界眾多國際知名酒商和多國知名酒莊著名品牌建立代理合作，向國內市場引進性價比高的若干進口葡萄酒酒品。





Development Strategy

In order to enhance the competitiveness of the “Greatwall” brand, our focus is to reposition “Greatwall” as a mid-to high-end quality wine icon in China. Our business strategies for the new brand positioning are described as follows:

- Products strategy: to satisfy consumers’ demand for healthy, mid-to high-end quality wine products and focus on developing strategic products for “Greatwall” that will attract consumers to upgrade to higher quality wines;
- Brand promotion strategy: to underscore Greatwall’s national wine status with ongoing promotions for important national events by highlighting “Greatwall” strategic products; to promote experiential marketing and direct communication with consumers to effectively increase brand awareness and loyalty;
- Channel strategy: to streamline the distribution system of “Greatwall”, actively seize sales growth opportunities in third-tier and fourth-tier cities, and enhance our channel penetration; strengthen customer management and control over points of sale and marketing management; and
- Supply chain strategy: to strengthen supply chain management and to promote key supply chain processes benchmark, so as to enhance quality and efficiency.

Industry Overview

The wine industry has been recovering gradually since the second half of 2014 and a single digit growth rate is expected over the next few years. Personal and business consumption will once again lead the market. Red wine consumers will become more sensible and value-for-money products will continue to be a major focus of consumers. Meanwhile, wine is becoming a trendy drink for young people, and with the rise of the middle class, long-term growth is expected for the consumption of wines.

The current wine market in China is mainly dominated by domestic wines. However, imported wine consumption is increasing rapidly, although no individual imported wine brands are currently dominating the market.

發展策略

為提升「長城」品牌的競爭力，本年度明確「長城」品牌新定位，即成為高性價比的中國中高端葡萄酒代表。各項業務策略都將圍繞新品牌定位展開，策略如下：

- 產品策略：以消費者需求為導向，滿足消費者對健康、中高品質和高性價比的訴求，推動產品聚焦，打造長城中高端戰略單品，引領消費升級；
- 品牌傳播策略：以中高端戰略單品為載體，加大品牌投放力度；堅持「國酒」定位，持續聚焦國事傳播；加大開展體驗營銷，強化與消費者直接溝通，有效提升品牌知名度和忠誠度；
- 渠道策略：推動營銷網絡扁平化佈局，積極把握三四線城市的銷售增長機會，大力推動渠道下沉；落實客戶分級管理，加強終端售點掌控，推進精細化營銷管理；及
- 供應鏈策略：加強供應鏈管理，推動關鍵環節對標改善，務求提質增效。

行業概覽

國內葡萄酒行業自2014年下半年開始逐步回暖，預計未來數年市場規模仍然保持個位數年增長率。個人消費和商務消費重新佔據主導地位，紅酒消費漸趨理性，性價比將持續受消費者關注。主動飲用葡萄酒的趨勢在年輕人群中正在逐步形成，加之中產階級的崛起，葡萄酒消費的增長長遠可期。

目前國內葡萄酒市場仍由國產葡萄酒主導，雖然尚無獨立進口葡萄酒的品牌能主導市場，但進口葡萄酒消費正在快速增長。



2016 ANNUAL RESULTS

A comparison of the 2016 annual results with those of the comparative period of 2015 for the wine business segment is summarized below:

		For the year ended 31 December 2016 截至2016年 12月31日止全年 (HK\$' million) (百萬港元)	For the year ended 31 December 2015 截至2015年 12月31日止全年 (HK\$' million) (百萬港元) (restated) (重列)	Changes (note) 變動率 (註)
In HK dollar reporting term	港元呈報口徑			
Revenue	收入	2,503.1	2,295.4	+9.0%
Segment results	分部業績	111.1	94.1	+18.1%
As percentage of revenue	佔收入百分比	4.44%	4.10%	+0.34 percentage points 個百分點
Percentage point increase of gross profit margin	毛利率增加百分點			+3.8 percentage points 個百分點

(Note): In RMB terms, segment revenue and segment profit grew by 16.1% and 25.7% respectively.

During the year, the repositioning exercise for the “Greatwall” brand has been executed as scheduled and is beginning to take effect. Consequently, we focused on the optimization of our product mix, together with raising ex-factory prices and replacing the sales of low-end products by mid-to high-end products. Despite this, the overall sales volume of “Greatwall” wine dropped by 9%, while the improvement in sales mix resulted in its revenue growth of 6% in RMB terms. In addition, the business of our imported wine platform COFCO Wine & Wine (中糧名莊薈) grew substantially by 147% to RMB400 million during the year, albeit from a low base. As a result, segment revenue grew by 16.1% in RMB terms.

2016 年全年業績

酒品類業務分部2016年全年業績與2015年全年業績相比摘要如下：

(註)：按人民幣口徑，分部收入增長16.1%，分部利潤增加25.7%。

年內，「長城」品牌新定位工作按計劃推進已初見成效。圍繞「長城」品牌新定位，推動產品聚焦，通過提高出廠價、取代低端產品銷售、中高端戰略單品上市等舉措，主動優化產品結構。儘管整體「長城」酒銷售量下滑9%，但銷售結構提升帶來人民幣口徑銷售收入增長6%，再加上進口酒平台中糧名莊薈業務收入的同比基數較低，本期間大幅增長147%至人民幣4億元，使人民幣口徑分部收入同比增長16.1%。



Due to the enhancement of our product mix and relatively lower prices of raw wines stored in previous years, the gross profit margin for “Greatwall” wine increased by 4.8 percentage points. Nevertheless, with increased contributions from our imported wine platform COFCO Wine & Wine (中糧名莊薈), which has a relatively lower gross profit margin than “Greatwall” wine, the segment’s overall gross profit margin increased by 3.8 percentage points.

With the repositioning of the “Greatwall” brand, the “Greatwall wine for national celebrations” promotions were held during important national events throughout the year to emphasize “Greatwall”’s credibility as “the designated wine for serving at state banquets”. It was indeed an honour for us that the “Greatwall” wine has been selected to serve guests from around the world in 19 state banquets. Since the second half of the year, “Greatwall” brand’s online advertising investment has been substantially increased and advertisements which focused on “Greatwall Five Stars” were launched on CCTV in order to enhance the brand’s popularity and reputation. As a result, advertising expenses substantially increased by RMB85 million, which partially offsets the effect of a rise in gross profit.

Attributable to the above factors, segment profit in HKD terms grew 18.1% from HK\$94.1 million (restated) to HK\$111.1 million, whereas the amount in RMB terms grew by 25.7%

受益於銷售結構改善，加之前期原酒庫存儲備帶來的成本優勢，整體「長城」酒毛利率同比提高約4.8個百分點。但隨著進口酒平台中糧名莊薈業務比重增加，其毛利率相對「長城」酒較低，使分部整體毛利率同比增加約3.8個百分點。

由於重新定位長城品牌，全年「國有大事，必飲長城」國事傳播貫穿始終，夯實長城「國酒」定位，榮登19場國宴，代表中國款待世界。下半年開始大幅加大品牌線上投入，啟動以長城五星為傳播載體的央視廣告投放，提高品牌知名度和美譽度，導致廣告費用大幅增加人民幣8,500萬元，部分抵銷毛利潤增加的影響。

綜合上述因素，以港元口徑呈報的分部利潤增加18.1%，由9,410萬港元(重列)增加至1.111億港元，按人民幣口徑同比則增加25.7%。



OUTLOOK

In 2017, we will continue to reposition “Greatwall” as a mid-to high-end wine brand. To this end, we will increase brand promotion and investments in advertising and marketing, continue to launch promotions during important national events; focus on “Greatwall Five Stars” strategic products and streamline our product types for the continuous optimization of our product mix. We will also further improve our distribution systems by deepening channel penetration; further cooperating with distributors by employing resources on promotional activities at points of sale so as to improve inventory turnover and to enhance quality and efficiency in the supply chain by benchmarking. With such initiatives, we will strive for the continuing growth of our wine business.

展望

2017年，我們將堅持長城品牌中高端定位，加大品牌促銷及廣告市場費用投入，持續開展國事傳播，聚焦優勢資源打造長城五星戰略單品；推動產品聚焦，落實產品梳理，持續優化產品結構；推動營銷網絡扁平化佈局，落實渠道下沉，加強廠商一體化建設，聚焦資源強化終端和消費者的推廣活動，實現終端良性動銷；深化對標改善，提升供應鏈效率。多措並舉下，我們將致力實現酒品類業務持續發展。





KITCHEN FOOD BUSINESS

Business Introduction

The Kitchen Food business covers the sale, distribution and marketing of edible oil which is the principal product category, as well as the sale, distribution and marketing of sugar, soy sauce, vinegar, MSG, seasoning sauce and cereals. “Fortune” brand is a well-known consumer-pack edible oil brand in China and is ranked number two nationwide in terms of market share.

Development Strategy

The Group’s strategic objective for the kitchen food business is to maintain its position as one of the leading companies in the industry. To this end, we will pursue the following strategies:

- Strengthen the promotion of the core values of the “Fortune” brand and improve the sales network for all products under the brand;
- Conduct product research and development to respond effectively to changes in consumer preferences, develop products that meet consumer preferences, with various characteristics;
- Conduct channel upgrades according to the current status and development trend of channels, enhance channel management to seize opportunities in the fast growing new channels;
- Enhance the supply chain system and save operation costs;
- Continue to explore new business models to drive sales growth.

We have further expanded our sales and distribution of large-pack edible oil (8-20 Litres per container) since the second quarter of 2015 to meet the growing demand of the catering industry in China.

廚房食品業務

業務簡介

廚房食品業務主要從事包裝油和兼營白糖、醬油、醋、味精、調味醬及雜糧的銷售、分銷及市場推廣。「福臨門」品牌是國內著名的小包裝糧油廚房食品品牌，小包裝食用油銷售份額穩居第二位。

發展策略

廚房食品業務策略目標是保持廚房食品行業領導者之一，為此，採取以下策略：

- 強化「福臨門」品牌核心價值的傳播，完善全線品牌產品佈局；
- 推進有效應對消費變化的產品研發，開發、儲備符合細分市場消費特性的產品；
- 根據渠道現狀及發展趨勢，進行與細分市場和產品匹配的渠道升級，加強渠道管理，以便在快速增長的新渠道中抓住機會；
- 精益供應鏈體系，系統性優化運營成本；
- 持續探索創新商業模式推動銷售增長。

自2015年第二季度開始，我們進一步擴大了中包裝油(8-20升包裝)銷售及分銷業務以滿足國內餐飲業日益增長的需求。



Industry Overview

During the year, the overall growth of the volume of sales of packaged edible oil has slackened, but prices remained stable. Corn oil recorded a slower pace of growth as the product has reached its maturity stage. Among the healthy oil products, sunflower seed oil has replaced corn oil to become the growth driver. Meanwhile, more tasty products such as rapeseed oil and peanut oil have grown at a rapid pace. After years of declines, blended oil has staged a mild recovery while soybean oil continued to decline. Consumers tend to prefer a wider variety of nutritious and tasty oils, with increasing demands for products with unique aroma.

2016 ANNUAL RESULTS

A comparison between the 2016 annual results and the 2015 annual results of the Kitchen Food Business segment is extracted as follows:

In HK dollar reporting term	港元呈報口徑	For the year ended 31 December 2016 截至2016年 12月31日止全年 (HK\$' million) (百萬港元)	For the year ended 31 December 2015 截至2015年 12月31日止全年 (HK\$' million) (百萬港元)	Changes (note) 變動率 (註)
Revenue	收入	13,963.2	12,851.9	+8.6%
Segment results	分部業績	85.7	117.1	-26.8%
As percentage of revenue	佔收入百分比	0.61%	0.91%	-0.3 percentage points 個百分點
Percentage (decrease) of gross profit margin	毛利率(減少)百分點			-1.0 percentage point 個百分點

(Note): In RMB terms, segment revenue grew by 15.7% while the segment result dropped by 22.1%.

Sales volume of "Fortune" branded consumer-pack edible oil and large-pack edible oil increased by 14.3% and 16.2% respectively. In RMB terms, sales prices remained stable and overall sales revenue increased by 15.7%.

行業概覽

年內，主營核心品類包裝油整體銷量增長趨緩，市場售價相對穩定。玉米油進入成熟期，增長趨緩；葵籽油接棒玉米油領漲健康油種；菜籽油、花生油風味型產品增速較快；調和油連年下降的趨勢已經觸底呈現微弱回升態勢；大豆油則繼續下降。消費者更傾向於營養與美味、多油種交替使用，且對風味產品需求日趨明顯。

2016 年全年業績

廚房食品業務分部2016年全年業績與2015年全年業績相比摘要如下：

(註)：按人民幣口徑，分部收入增長15.7%，而分部業績減少22.1%。

「福臨門」品牌小包裝油銷量同比增長14.3%，中包裝油銷量同比增長16.2%。按人民幣口徑，同類產品銷售均價保持平穩，整體銷售收入同比增長15.7%。



Affected by changes in the sales mix, the overall gross profit margin for oil products dropped by 1.0 percentage points due to the increasing contribution of large-pack edible oil, with relatively lower margin.

Advertising and marketing expenses continued to increase in view of intensifying competitions in the market. Attributable to enhanced supply chain management, increased marketing efficiency and strict control over administrative expenses, the overall expenses to revenue ratio improved, but not enough to offset the effect of a decline in gross profit margin.

Segment profit in HKD terms dropped 26.8%, from HK\$117.1 million to HK\$85.7 million, whereas the amount in RMB terms decreased by 22.1%.

受銷售結構變化的影響，中包裝油業務貢獻增加但毛利率較低，使整體毛利率同比下降約1.0個百分點。

受市場競爭持續激烈影響，市場投入加大。通過提高供應鏈管理效率，聚焦市場費用和促銷費用投入提高投入產出比，控制營運及管理費用，整體費用率改善但不足以抵消毛利率下降的影響。

以港元口徑呈報的分部利潤減少26.8%，由1.171億港元減少至8,570萬港元，按人民幣口徑同比則減少22.1%。

福臨門 黃金玉米油

健康指數身體

- 源自世界3大黃金玉米帶 中國東北
- 3大核心工藝 保潔大田自然賦予的高純精華
- 2大營養精粹元素 6000-11000ppm-植物甾醇+天然維生素E
- 2大權威機構認可 中國農委會及中國航天基金會
- 1套金產業鏈 從採1粒籽到 從田間到餐桌 您的安心所屬

福臨門黃金產地玉米油

黃金產地健康卡

顧客姓名 測試日期

脂肪指數 BMI指數

身體脂肪率	低	標準	偏高	高
男性	≤10%	10% < 20%	10% ≤ 20%	>25%
女性	≤20%	20% < 30%	30% ≤ 35%	>35%
對應身體狀態	偏瘦	標準	超重	肥胖



OUTLOOK

Changes in supply and demand in edible oils are expected in 2017 due to rising commodity prices with volatility for bulk oil. At the same time, advertising and marketing expenses for major competing brands will increase. Hence, gross profit margins and selling prices for packaged edible oil products will continue to be under pressure.

In this regard, we will adopt different development approaches for different sectors. For medium to high-end oil products, the increasing popularity of non-genetic modified products and new product items, with relatively higher profit margin, will provide excellent opportunities for our business. For the more economy-type of oil product, which we have relative cost advantages, the turnover rate is expected to be accelerated through strengthening execution capability in points-of-sale. As affected by intense competitions, marketing expenses will continue to increase but we will target to enhance our marketing efficiency, together with more effective expense control measures.

展望

2017年，預期國內外供給關係將發生變化，主要原材料油脂行情將呈震盪上行趨勢，同時預期主要競品將加大品牌傳播投放力度，包裝油毛利率及終端價格將受壓，業務經營面臨雙重壓力。

為此，廚房食品業務將採取差異化發展模式：中高端油種將把握非轉基因產品及新興品類普及良機，提升高溢價空間；大眾基礎油種以成本優勢為主，將提升終端銷售執行力，加快產品流轉。受市場競爭持續激烈影響，市場投入仍將加大，需要持續改善市場投入產出比和嚴控營運及管理費用。



FINANCIAL REVIEW

財務回顧

CONTINUING OPERATIONS

持續經營業務

REVENUE

收入

		For	As percentage	For	As percentage
		the year ended	of total	the year ended	of total
(reported in HKD terms)	(以港元口徑呈列)	31 December	revenue	31 December	revenue
		2016		2015	
		截至2016年	佔總收入	截至2015年	佔總收入
		12月31日	百分比	12月31日	百分比
		止年度	%	止年度	%
		(HK\$' million)		(HK\$' million)	
		(百萬港元)		(百萬港元)	
Beverage segment	飲料分部	11,290.5	40.3	12,335.0	44.3
Wine segment	酒品類分部	2,503.1	9.0	2,295.4	8.2
Kitchen food segment	廚房食品分部	13,963.2	49.9	12,851.9	46.2
Others segment	其他分部	229.1	0.8	359.9	1.3
Total	總計	27,985.9	100	27,842.2	100

Revenue from continuing operations of the Group grew by 0.5% in HKD terms, whereas the amount in RMB terms, increased by 7.0%. Revenue growth in RMB terms is mainly attributable to the continuing revenue growth of the kitchen food segment, and the substantial growth in business scale of imported wine platform COFCO Wine & Wine (中糧名莊薈) albeit from a low base, which was partially offset by a decline in Beverage segment revenue caused by changes in industry-wide consumer trends and changes in sales mix of its business, and a decline in others segment revenue due to the Group's decision to focus on core businesses and products.

In view of consolidating the Group's business focus and enhancing shareholders' return, the board of directors decided that the sale and distribution by the Group of certain consumer products including fruit juice beverages, instant noodles, peanuts and others, collectively categorized as the "others" segment (not categorized under the beverage segment, wine segment and kitchen food segment) in operating segment information of financial statements, would be progressively terminated in 2017.

本集團以港元口徑呈報的持續經營業務的收入增長0.5%，然而以人民幣口徑呈報的則上升7%。人民幣口徑呈報的收入增長，主要由於廚房食品分部的收入持續增長，以及進口酒平台中糧名莊薈的業務規模大幅擴展（雖基數較低），而飲料分部受行業消費趨勢變化影響及品類結構變化，導致該分部收入下滑，以及因本集團決定集中於核心業務及產品，其他業務分部收入減少，抵銷了收入的部分增幅。

為聚焦本集團的核心業務及增加股東回報，董事會決定本集團財務報表的經營分部資料中「其他」分部將在2017年逐步終止（即經銷若干消費產品，包括果汁飲料、方便麵、花生及其他類別，惟不能劃分於飲料分部、酒品類分部及廚房食品分部之業務）。



GROSS PROFIT MARGIN

The overall gross profit margin from continuing operations increased from 22.8% (restated) to 23.3%, mainly attributable to the margin improvements in Beverage segment and Wine segment, which was partially offset by a decline in gross profit margin of Kitchen Food segment.

OTHER INCOME AND GAINS

One-off gain on disposal of subsidiaries of approximately HK\$118.8 million, in relation to the disposal of Junding Assets was completed in fourth quarter of 2016.

SELLING AND DISTRIBUTION EXPENSES/ ADMINISTRATIVE EXPENSES

Aggregated amount of selling and distribution expenses and administrative expenses from continuing operations was HK\$6,354.6 million, grew by HK\$344.2 million or 5.7%, mainly due to additional spending in advertising, brand promotion and marketing expenses as a result of intensifying market competition, under management's ongoing efforts to optimize supply chain management, enhance promotional efficiency and control expenses.

FINANCE COSTS

Finance costs were HK\$35.8 million, a decrease of 44.8%, mainly due to lower outstanding loan balances, caused by repayment of certain Hong Kong dollar borrowings by the use of proceeds from the disposals of a discontinued operation and Junding Assets during the year.

SHARE OF PROFITS OF ASSOCIATES

Share of profits of associates (related to Beverage business segment) of approximately HK\$73.0 million were comparable to the results in 2015.

毛利率

來自持續經營業務的整體毛利率由22.8% (重列) 上升至23.3%，主要由於飲料分部及酒品類分部毛利率上升，抵銷廚房食品分部毛利率下降之影響。

其他收入及收益

已於2016年第四季度內完成出售君頂資產有關的附屬公司產生一次性收益約為1.188億港元。

銷售及分銷支出／行政支出

來自持續經營業務的銷售及分銷支出以及行政支出總額為63.546億港元，增長3.442億港元或5.7%，主要由於因應市場競爭加劇，加大宣傳、品牌推廣及營銷費用開支，管理層努力不懈地優化供應鏈管理、提升推廣效益及控制開支。

融資成本

融資成本為3,580萬港元，減少44.8%，主要由於未償還貸款餘額減少所致，原因為年內利用出售終止經營業務及君頂資產所得款項償還若干港元借貸。

應佔聯營公司溢利

應佔聯營公司溢利(與飲料業務分部有關)約為7,300萬港元，與2015年業績相若。



INCOME TAX EXPENSES

Income tax expense was HK\$226.1 million, a decrease of 19.3%, mainly because the gain on disposal of Junding Assets was not subject to income tax.

DISCONTINUED OPERATION

Post-tax gain on disposal of approximately HK\$365.5 million, and a loss from confectionery business segment (a business segment categorized as a discontinued operation pursuant to the HKFRS 5) of approximately HK\$43.5 million for the five months ended 31 May 2016 were recorded during the year.

LIQUIDITY AND FINANCIAL RESOURCES

The Company's treasury function operates as a centralized service for:

- Reallocating financial resources within the Group;
- Procuring cost-efficient funding;
- Managing financial risks, including interest rate and foreign exchange rate risks; and
- Targeting yield enhancement opportunities.

The treasury function regularly and closely monitors its overall cash and debt positions, proactively reviews its funding costs and maturity profiles to facilitate timely refinancing, if appropriate. Cash pooling is applied in mainland China for more efficient utilization of cash. Also, the treasury function formulated financial risk management procedures, which are subject to periodic review by the senior management of the Company.

During the year, EBITDA[^] from continuing operations dropped by HK\$248.5 million to HK\$1,043.4 million (2015: HK\$1,291.9 million (restated)), mainly attributable to the general increase in spending on marketing and advertising in response to increased competition, together with translation effect of amounts in RMB term.

所得稅支出

所得稅支出為2.261億港元，減少19.3%，主要因為出售君頂資產的收益毋須繳納所得稅。

終止經營業務

年內錄得出售業務的稅後收益約3.655億港元，以及休閒食品業務分部（按香港財務報告準則第5號分類為終止經營業務分部）截至2016年5月31日止五個月虧損約4,350萬港元。

流動資金及財務資源

本公司資金部集中管理：

- 重新分配本集團之財務資源；
- 為本集團爭取有成本效益之資金；
- 管理利率及匯率風險在內之財務風險；及
- 抓緊提高收益之機會。

資金部定期及密切監察其整體現金及債務狀況、積極檢討其融資成本及到期情況以方便於適當情況下再融資。為更有效的使用現金，本集團已在中國大陸使用現金池。此外，資金部制定財務風險管理流程，並由本公司高級管理層定期審閱。

年內，持續經營業務的EBITDA[^]減少2.485億港元至10.434億港元（2015年：12.919億港元（重列）），主要由於因應市場競爭增加，市場推廣及宣傳開支普遍增加，以及按人民幣計算金額的折算影響所致。





In the consolidated statement of financial position as at 31 December 2016, the Group's unpledged cash and cash equivalents totalled approximately HK\$1,120 million (31 December 2015: approximately HK\$899 million). The amount of net current assets improved to approximately HK\$1,438 million (31 December 2015: approximately HK\$189 million), mainly attributable to the classification of certain Beverage business segment assets and liabilities in relation to public sale equity transfer agreement of Refranchising Transactions, as "assets of a disposal group classified as held for sale" and "liabilities directly associated with the assets of a disposal group classified as held for sale".

Having considered the (i) budgeted cash flow from operating activities from continuing operations, (ii) existing financial resources and gearing level of the Group, (iii) existing banking facilities available to the Group, and (iv) further borrowings under negotiation with potential lenders in relation to Refranchising Transactions, in the absence of unforeseeable circumstances, the management believes that the Group's financial resources are sufficient to fund its debt payments, day-to-day operations, contracted capital expenditures as at 31 December 2016, and financing the Refranchising Transactions.

CAPITAL STRUCTURE

As at and for the year ended 31 December 2016, the total number of issued shares of the Company remained unchanged at 2,797,223,396.

In the consolidated statement of financial position as at 31 December 2016, the Group had interest-bearing bank borrowings of approximately HK\$1,620 million (31 December 2015: approximately HK\$2,610 million). Bank borrowings carried at annual interest rates, floating in nature, ranging between 0.92% and 1.75% (31 December 2015: between 0.92% and 5.66%, majority of bank borrowings carried at floating rate). All of the Group's bank loans were denominated in Hong Kong Dollars (31 December 2015: all of the Group's bank loans were denominated in HKD except for certain bank loans and other borrowings of approximately HK\$263 million in total were denominated in RMB). As at 31 December 2016, the Group had other borrowings of approximately HK\$25 million, carried at fixed, annual interest rate of 4.28% (31 December 2015: approximately HK\$38 million, carried at fixed, annual interest rate of 5.60%).

於2016年12月31日的綜合財務狀況表，本集團之無抵押現金及現金等值項目合共約為11.20億港元(2015年12月31日：約8.99億港元)。流動資產淨值改善至約14.38億港元(2015年12月31日：約1.89億港元)，主要由於與公開出售產權轉讓合同(重新特許項目)有關的若干飲料業務分部資產及負債分類為「分類為持有待售之出售組合資產」及「直接與分類為持有待售之出售組合資產有關之負債」。

經考慮(i)持續經營業務的經營活動預算現金流量；(ii)本集團的現有財務資源及槓桿水平；(iii)本集團可供使用的現有銀行授信；及(iv)就重新特許項目與潛在貸款人磋商進一步貸款，在無不可預見情況下，管理層相信，本集團有充足財務資源清還債務，為其日常業務營運、於2016年12月31日的已訂約資本開支以及重新特許項目提供資金。

資本結構

於2016年12月31日及截至2016年12月31日止年度，本公司之已發行股份總數保持不變，仍為2,797,223,396股股份。

於2016年12月31日的綜合財務狀況表，本集團有計息銀行借貸約16.20億港元(2015年12月31日：約26.10億港元)。銀行借貸按年利率(浮息)介乎0.92%至1.75%計息(2015年12月31日：介乎0.92%至5.66%，大部分銀行借貸按浮動利率計息)。本集團全部銀行貸款以港元計值(2015年12月31日：本集團全部銀行貸款以港元計值，合計約2.63億港元的若干銀行貸款及其他借貸以人民幣計值除外)。於2016年12月31日，本集團有其他借貸約2,500萬港元，按固定年利率4.28%計息(2015年12月31日：約3,800萬港元，按固定年利率5.60%計息)。



Maturity profile of interest-bearing bank and other borrowings as at 31 December 2016, is analyzed as:

- HK\$820 million borrowings repayable within one year or on demand;
- HK\$800 million borrowings repayable in the second year; and
- HK\$25 million borrowings repayable in the third year.

As at 31 December 2016, net assets attributable to owners of the parent were approximately HK\$5,461 million (31 December 2015: approximately HK\$5,493 million (restated)) and net borrowing position of the Group (interest-bearing bank and other borrowings less unpledged cash and cash equivalents) was approximately HK\$525 million (31 December 2015: approximately HK\$1,748 million) and the net gearing ratio (ratio of net borrowing position of the Group to net assets attributable to owners of the parent) was approximately 9.6% (31 December 2015: approximately 31.8% (restated)).

CONTINGENT LIABILITIES AND ASSETS PLEDGED

As at 31 December 2016, the Group has no significant contingent liabilities (31 December 2015: Nil).

As at 31 December 2015, certain bank borrowings of the Group were secured by charges over certain buildings, land use rights and time deposits of the Group with aggregate net book value of approximately HK\$188 million.

FOREIGN EXCHANGE MANAGEMENT

Majority of monetary assets, monetary liabilities and transactions of the Group were principally denominated in Renminbi and recorded in the books of subsidiaries operating in mainland China (functional currency as Renminbi), while all bank borrowings as at 31 December 2016 were denominated in Hong Kong dollar and recorded in the book of the Company (functional currency as Hong Kong dollars). For consolidated financial statements reporting of the Group (reporting currency as Hong Kong dollars), foreign exchange differences, arising from translation of financial statements of subsidiaries operating in mainland China, are directly recognized in other comprehensive income and accumulated in the exchange fluctuation reserve.

於2016年12月31日，計息銀行借貸及其他借貸的到期詳情分析如下：

- 8.20億港元借貸須於一年內或按要求償還；
- 8.00億港元借貸須於第二年償還；及
- 2,500萬港元借貸須於第三年償還。

於2016年12月31日，母公司擁有人應佔淨資產約為54.61億港元(2015年12月31日：約54.93億港元(重列))，本集團淨借貸(計息銀行借貸及其他借貸減無抵押現金及現金等值項目)約為5.25億港元(2015年12月31日：約為17.48億港元)及淨槓杆比率(本集團淨借貸對比母公司擁有人應佔淨資產比率)約為9.6%(2015年12月31日：約31.8%(重列))。

或有負債及資產抵押

於2016年12月31日，本集團並無任何重大或有負債(2015年12月31日：無)。

於2015年12月31日，本集團若干銀行借貸乃以本集團賬面淨值總額約1.88億港元之若干樓宇、土地使用權和定期存款作抵押。

外匯管理

本集團之貨幣資產、貨幣負債及交易主要以人民幣計值及計入於在中國大陸運營的附屬公司(功能貨幣為人民幣)的賬目，而於2016年12月31日全部銀行借貸均以港元計值及計入於本公司賬目(功能貨幣為港元)。就本集團的綜合財務報表(呈報貨幣為港元)而言，換算於中國大陸運營的附屬公司之財務報表產生的匯兌差額，直接於其他全面收益確認並累計於外匯變動儲備中。



Although the Group has not used any financial instruments for hedging purpose, the treasury function actively and closely monitors foreign exchange rate fluctuation, particularly the exchange rate of Renminbi to Hong Kong dollar. The foreign exchange risk exposure at the operational level is not significant, but entering of hedging agreements would be critically considered to mitigate any material foreign exchange risk exposure.

Nevertheless, the currency mismatch by using Hong Kong dollar borrowings to finance assets and businesses denominated in Renminbi, exposes the Group to the risk of unexpected cash outflows for repayment of such borrowings by realization of assets denominated in Renminbi, if any.

During the year, the Group repaid certain Hong Kong dollar borrowings, mainly by the use of proceeds from the disposals of a discontinued operation and certain winery assets. Upon the maturity of existing bank borrowings denominated in Hong Kong dollars, the Group will gradually repay and/or refinance them by Renminbi financing, if it's appropriate.

HUMAN RESOURCES

As at 31 December 2016, the Group employed 14,015 staff in Mainland China and Hong Kong (31 December 2015: 17,325). Employees are paid according to their positions, performance, experience and prevailing market practices, and are provided with management and professional training.

Employees in Hong Kong are provided with retirement benefits, either under a Mandatory Provident Fund exempted ORSO scheme or under the Mandatory Provident Fund scheme, as well as life insurance and medical insurance. Employees in Mainland China are provided with basic social insurance and housing fund in compliance with the requirements of the laws of China. Details of these benefit schemes will set out in the "Other employee benefits" under note 2.4 "Summary of significant accounting policies" to the financial statements in this annual report.

儘管本集團並無使用任何金融工具用作對沖目的，本集團的資金部積極及密切監察匯率波動，尤其是人民幣兌港元的匯率。運營方面的外匯風險並不重大，但本集團會慎重考慮訂立對沖協議，降低任何重大外匯風險。

然而，使用港元借貸融資以支持人民幣計值的資產及業務的錯配使本集團面對通過變現以人民幣計值的資產及業務(如有)償還該借貸的預期外現金流出風險。

年內，本集團償還若干港元借貸，主要利用出售終止經營業務及若干酒業資產所得款項。於以港元計值的現有銀行借貸到期後，本集團將考慮逐步償還及／或以若干人民幣融資的方式對其進行再融資(如適當)。

人力資源

於2016年12月31日，本集團於中國內地及香港共僱用14,015名僱員(2015年12月31日：17,325名)。本集團根據僱員之崗位、表現、經驗及現時市場慣例釐定僱員薪酬，並提供管理及專業培訓予僱員。

本集團透過豁免強制性公積金職業退休計劃或強制性公積金計劃為在香港的僱員提供退休福利，並提供人壽保險及醫療保險；及為中國內地僱員提供中國法律要求的基本社會保險及住房公積金。此等福利計劃之詳情將載於本年報財務報表附註2.4「主要會計政策概要」中「其他僱員福利」內。



The Company's share option scheme (the "Option Scheme") was adopted on 21 November 2006 for a term of ten years for the purpose of rewarding eligible employees of the Group (including executive directors and non-executive directors of the Company) based on individual merit and the Option Scheme expired on 20 November 2016.

As at 1 January 2016, a total of 25,080,000 share options of the Company remained outstanding. During the year, a total of 2,960,000 share options lapsed. Accordingly, as at 31 December 2016, a total of 22,120,000 share options of the Company remained outstanding.

CHANGE IN THE STRUCTURE OF THE GROUP

During the year, COFCO Food Sales & Distribution Co., Ltd., a wholly-owned subsidiary of the Company, set up a wholly-owned subsidiary in Tianjin named COFCO Fortune Food Sales & Distribution Co., Ltd. 中糧福臨門食品營銷有限公司 which is mainly engaged in sale and distribution of edible oil and other kitchen food products.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the mainland China, France and Chile while the Company itself is listed on the main board of The Stock Exchange of Hong Kong Limited. Our establishment and operations accordingly shall comply with relevant laws and regulations in the mainland China, France, Chile and Hong Kong. During the year ended 31 December 2016 and up to the date of this report, the Group has complied with all the relevant laws and regulations in the mainland China, France, Chile and Hong Kong.

CORPORATE GOVERNANCE

In view of the Board, the Company has applied the principles and complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the year. Details of the Company's work in corporate governance during the year are disclosed in the corporate governance report on pages 92 to 113 of this report.

本公司的購股權計劃(「購股權計劃」)於2006年11月21日獲採納，為期十年，旨在依據僱員個別表現獎勵本集團合資格僱員(包括本公司執行董事及非執行董事)及購股權計劃已於2016年11月20日屆滿。

於2016年1月1日，本公司尚未行使之購股權總數為25,080,000份。於本年度，合共2,960,000份購股權已失效。因此，於2016年12月31日，本公司尚未行使之購股權總數為22,120,000份。

本集團之架構變動

於年內，本公司的全資附屬公司中糧食品營銷有限公司於天津成立一間全資附屬公司中糧福臨門食品營銷有限公司，主要從事食用油及其他廚房食品的銷售及分銷。

遵守法律及法規

本集團的業務主要由本公司於中國內地、法國及智利的附屬公司進行，而本公司本身於香港聯合交易所有限公司主板上市。因此，我們的成立及營運須遵守中國內地、法國、智利及香港的有關法律及法規。截至2016年12月31日止年度及直至本報告日期，本集團已遵守中國內地、法國、智利及香港的適用法律及法規。

企業管治

董事會認為於整個年度內本公司已一直採用香港聯合交易所有限公司證券上市規則附錄十四所載《企業管治守則》之原則並遵守其所有守則條文。本公司於本年度內之企業管治工作詳情載於本報告第92至113頁企業管治報告內。



DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層簡介

CHAIRMAN AND NON-EXECUTIVE DIRECTOR 主席兼非執行董事



MR. MA JIANPING
馬建平先生

MR. MA JIANPING

Mr. Ma, 53, is currently a non-executive director of the Company and was appointed as the chairman of the board of directors of the Company in August 2015; and also as a director and the chairman of the board of COFCO Coca-Cola Beverages Limited and a director of COFCO Coca-Cola Beverages (China) Investment Limited, both of which are non-wholly owned subsidiaries of the Company. Mr. Ma joined COFCO Corporation and/or its subsidiaries (together but excluding the Company and its subsidiaries, collectively referred to as "COFCO Group") in 1986 and is currently a vice president of COFCO Corporation. Mr. Ma holds several directorships in certain subsidiaries in COFCO Group, including the deputy managing director of COFCO (Hong Kong) Limited. Currently, Mr. Ma is also the chairman of the board and a non-executive director of each of China Mengniu Dairy Company Limited and COFCO Meat Holdings Limited, both of which are listed in Hong Kong. Mr. Ma served as a deputy manager of the Company from June 2003 to February 2008 and was an executive director of the Company from March 2007 to March 2008. Mr. Ma was also a non-executive director of China Mengniu Dairy Company Limited from August 2009 to March 2014. Mr. Ma was a director of COFCO Property (Group) Co., Ltd., a company listed in Shenzhen until December 2016, and also a non-executive director of Joy City Property Limited, a company listed in Hong Kong, until January 2017.

Mr. Ma graduated from University of International Business and Economics in China in July 1986 and subsequently received an Executive Master of Business Administration from the same university in December 2005, and he has extensive experience in strategic planning, corporate finance, investment and M&A, and business management.

馬建平先生

馬先生，53歲，現為本公司非執行董事並於2015年8月獲委任為本公司董事會主席；並亦是同為本公司非全資附屬公司中糧可口可樂飲料有限公司董事兼董事長及中糧可口可樂飲料(中國)投資有限公司董事。馬先生於1986年加入中糧集團有限公司及／或其附屬公司(除本公司及其附屬公司外，以下統稱「中糧集團」)，現為中糧集團有限公司副總裁。馬先生於中糧集團若干附屬公司出任多個董事職位，包括中糧集團(香港)有限公司董事副總經理。馬先生亦擔任同為香港上市公司的中國蒙牛乳業有限公司及中糧肉食控股有限公司的董事會主席兼非執行董事。馬先生曾於2003年6月至2008年2月期間擔任本公司副總經理及於2007年3月至2008年3月期間擔任本公司執行董事。馬先生於2009年8月至2014年3月期間曾擔任中國蒙牛乳業有限公司非執行董事。馬先生曾擔任於深圳上市公司中糧地產(集團)股份有限公司董事直至2016年12月及於香港上市的大悅城地產有限公司非執行董事直至2017年1月。

馬先生於1986年7月畢業於中國的對外經濟貿易大學，後於2005年12月獲該校高級管理人員工商管理碩士學位，並於戰略規劃、企業融資、投資併購及企業管理方面擁有廣泛經驗。



EXECUTIVE DIRECTORS 執行董事



MR. JIANG GUOJIN
江國金先生

MR. JIANG GUOJIN

Mr. Jiang, 49, was appointed as the managing director and an executive director of the Company in September 2013 and is currently a director of certain subsidiaries of the Company. Mr. Jiang is also the chairman of the board and a non-executive director of Jiugui Liquor Co., Ltd., a company listed in Shenzhen. Mr. Jiang joined COFCO Group in 1989 and was the general manager of COFCO Malt (Dalian) Co., Ltd. from December 1995 to August 2000, the general manager of the Malt Division of China Foods (Beijing) Company from August 2000 to December 2007 and a deputy general manager of China Agri-Industries Holdings Limited, a company listed in Hong Kong, as well as the general manager of the Brewing Materials Division of China Agri-Industries Holdings Limited from December 2007 to July 2008. Prior to joining the Company, Mr. Jiang was the general manager of COFCO Meat Investment Company Limited.

Mr. Jiang graduated from Beijing Institute of Light Industry (now Beijing Technology and Business University) with a Bachelor's degree in engineering and holds a degree of Executive Master of Business Administration from China Europe International Business School and has extensive experience in food business and general management with strong performance record.

江國金先生

江先生，49歲，於2013年9月獲委任為本公司董事總經理兼執行董事，現為本公司若干附屬公司董事。江先生亦擔任深圳上市公司酒鬼酒股份有限公司董事長兼非執行董事。江先生於1989年加入中糧集團，曾於1995年12月至2000年8月期間擔任中糧麥芽(大連)有限公司總經理、2000年8月至2007年12月期間擔任中國食品(北京)公司麥芽部總經理，以及於2007年12月至2008年7月期間擔任香港上市公司中國糧油控股有限公司副總經理及中國糧油控股有限公司的啤酒原料部總經理。在加入本公司前，江先生為中糧肉食投資有限公司總經理。

江先生畢業於北京輕工業學院(現為北京工商大學)，獲工學學士學位及持有中歐國際工商學院高級管理人員工商管理碩士學位，並在糧油食品業務及綜合管理方面擁有豐富經驗和優秀業績。



MS. LUAN XIUJU
樂秀菊女士

MS. LUAN XIUJU

Ms. Luan, 52, was appointed as an executive director of the Company in January 2017. Ms. Luan is currently a director and the chief executive officer of COFCO Coca-Cola Beverages Limited, a non-wholly owned subsidiary of the Company, and a director of certain subsidiaries of the Company. Ms. Luan joined COFCO Group in 1989 and is currently also a director of certain subsidiaries of COFCO Group. Ms. Luan was an executive director of the Company during the period from March 2007 to September 2013 and the managing director of the Company during the period from February 2011 to September 2013.

Ms. Luan graduated from Renmin University of China with a Bachelor of Arts degree in economics and a Master of Arts degree in economics, and has extensive experience in food and beverage production, marketing and general management.

樂秀菊女士

樂女士，52歲，於2017年1月獲委任為本公司執行董事。樂女士現為本公司非全資附屬公司中糧可口可樂飲料有限公司董事兼行政總裁及本公司若干附屬公司董事。樂女士於1989年加入中糧集團，現時亦於中糧集團若干附屬公司出任董事職位。樂女士曾於2007年3月至2013年9月期間擔任本公司執行董事及於2011年2月至2013年9月期間擔任本公司董事總經理。

樂女士畢業於中國人民大學，獲經濟學學士學位及經濟學碩士學位，並於食品及飲料生產、營銷及綜合性管理方面擁有豐富經驗。



MR. WU FEI
吳飛先生

MR. WU FEI

Mr. Wu, 46, was appointed as an executive director of the Company in September 2016 and is currently served as a deputy general manager of the Company and the general manager of wine category management department. Mr. Wu joined COFCO Group in 1992 and has held various management positions in the Company since 1999, including the general manager of the wine business unit and sales management south center, and also an assistant general manager of the Company.

Mr. Wu graduated from University of International Business and Economics in Beijing with a Bachelor's degree in business administration and has over 20 years of experience in corporate management and wines business.

吳飛先生

吳先生，46歲，於2016年9月獲委任為本公司執行董事，現為本公司副總經理兼酒品類管理部總經理。吳先生於1992年加入中糧集團，並自1999年起曾出任本公司若干管理職位，包括酒類事業部總經理，及南部銷售管理中心總經理；以及本公司總經理助理等。

吳先生畢業於北京對外經濟貿易大學，獲企業管理專業學士學位，並在企業管理和酒類業務方面擁有逾二十年經驗。



MR. ZHOU CHENGUANG
周晨光先生

MR. ZHOU CHENGUANG

Mr. Zhou, 40, was appointed as an executive director and the chief financial officer of the Company in November 2016. Mr. Zhou joined the Company in February 2015 and is currently the head of the Company's finance department. Mr. Zhou joined COFCO Corporation in 2006 and has served as a manager of infrastructure audit department of China Agri-Industries Holdings Limited, a listed company in Hong Kong, and the deputy general manager of audit and supervision department of COFCO Meat Investment Company Limited. Prior to joining COFCO Corporation, Mr. Zhou worked in AIA and Lafarge Shui On Cement Limited.

Mr. Zhou graduated from Dongbei University of Finance and Economics in Dalian with a Bachelor degree in accounting and holds a Master's degree in management studies from The University of Waikato in New Zealand. Mr. Zhou is a certified internal auditor (CIA) and also holds a certification in Risk Management Assurance (CRMA) issued by the Institute of Internal Auditors. Mr. Zhou has extensive experience in finance and auditing.

周晨光先生

周先生，40歲，於2016年11月獲委任為本公司執行董事兼首席財務官。周先生於2015年2月加入本公司，現任本公司財務部負責人。周先生於2006年加入中糧集團有限公司，曾任香港上市公司中國糧油控股有限公司基建審計部經理及中糧肉食投資有限公司審計監察部副總經理。在加入中糧集團有限公司前，周先生曾先後在美國友邦保險公司及拉法基瑞安水泥有限公司任職。

周先生畢業於大連市東北財經大學會計學專業，獲學士學位，及持有紐西蘭懷卡托大學管理學碩士學位。周先生為國際註冊內部審計師(CIA)及獲國際內部審計師協會頒發國際註冊風險管理確認師(CRMA)的專業資格。周先生在財務及審計方面擁有豐富經驗。



NON-EXECUTIVE DIRECTORS 非執行董事



MR. QIN YELONG
覃業龍先生

MR. QIN YELONG

Mr. Qin, 54, was appointed as a non-executive director of the Company in January 2017. Mr. Qin is currently a director of each of COFCO Coca-Cola Beverages Limited and COFCO Coca-Cola Beverages (China) Investment Limited, both of which are non-wholly owned subsidiaries of the Company. Mr. Qin joined COFCO Group in 1992 and has held various management positions, including the vice president of COFCO International Limited during the period from September 2014 to November 2016, the deputy director of the strategy department of COFCO Corporation during the period from May 2013 to September 2014, and the general manager of COFCO Tunhe Co., Ltd., a company listed in Shanghai, during the period from September 2005 to May 2013.

Mr. Qin graduated from Nanchang Institute of Aeronautical Technology (now Nanchang Hangkong University) with Bachelor degree in engineering and holds a Master's degree in technologies and economics from Tsinghua University. Mr. Qin has over 20 years of experience in business management.

覃業龍先生

覃先生，54歲，於2017年1月獲委任為本公司非執行董事。覃先生現時同為本公司非全資附屬公司中糧可口可樂飲料有限公司及中糧可口可樂飲料(中國)投資有限公司董事。覃先生於1992年加入中糧集團，曾歷任多個管理職位，包括於2014年9月至2016年11月期間擔任中糧國際有限公司副總裁、於2013年5月至2014年9月期間擔任中糧集團有限公司戰略部副總監及於2005年9月至2013年5月期間擔任上海上市公司中糧屯河股份有限公司總經理。

覃先生畢業於南昌航空工業學院(現為南昌航空大學)，獲工學學士學位及持有清華大學技術經濟專業碩士學位。覃先生於業務管理方面擁有逾二十年經驗。



MS. XIAO JIANPING
肖建平女士

MS. XIAO JIANPING

Ms. Xiao, 53, was appointed as a non-executive director of the Company in January 2017. Ms. Xiao is currently a director of each of COFCO Coca-Cola Beverages Limited and COFCO Coca-Cola Beverages (China) Investment Limited, both of which are non-wholly owned subsidiaries of the Company. Ms. Xiao was the deputy general manager and the chief accountant of China Merchandise Reserve Management Center during the period from April to November 2016. Ms. Xiao joined The China Huafu Trade & Development Group Corp. in 1999, and has held various positions in the finance department. Ms. Xiao was the chief accountant and the finance manager of The China Huafu Trade & Development Group Corp. during the period from December 2013 to April 2016.

Ms. Xiao graduated from Party School of the Central Committee of Communist Party of China majoring in economics and management. Ms. Xiao is a senior accountant and has extensive experience in finance and accounting.

肖建平女士

肖女士，53歲，於2017年1月獲委任為本公司非執行董事。肖女士現時同為本公司非全資附屬公司中糧可口可樂飲料有限公司及中糧可口可樂飲料（中國）投資有限公司董事。肖女士曾於2016年4月至11月期間擔任華商儲備商品管理中心常務副總經理兼總會計師。肖女士於1999年加入中國華孚貿易發展集團公司，並歷任多個財務部職位。肖女士於2013年12月至2016年4月期間擔任中國華孚貿易發展集團公司總會計師兼財務部經理。

肖女士畢業於中共中央黨校函授學院，主修經濟管理學。肖女士為高級會計師，並於財務及會計方面擁有豐富經驗。



MR. STEPHEN EDWARD CLARK
祈立德先生

INDEPENDENT NON-EXECUTIVE DIRECTORS 獨立非執行董事

MR. STEPHEN EDWARD CLARK

Mr. Clark, 67, was appointed as an independent non-executive director of the Company in January 2005. Mr. Clark is a joint managing director of The Anglo Chinese Investment Company, Limited, the chairman of the Takeovers and Mergers Panel and a member of the Takeovers Appeal Committee of the Securities and Futures Commission, a former director of Hong Kong Securities and Investment Institute and has served as an alternate member of the Listing Committee of The Stock Exchange of Hong Kong Limited. Mr. Clark has extensive experience in corporate finance.

Mr. Clark holds a joint honors degree of Bachelor in history and history of art from the University of Nottingham in England and a degree of Master in Business Administration from the University of Witwatersrand, Johannesburg, South Africa.

祈立德先生

祈先生，67歲，於2005年1月獲委任為本公司獨立非執行董事。祈先生是英高投資有限公司聯席董事總經理、證券及期貨事務監察委員會收購及合併委員會主席及收購上訴委員會委員、前香港證券及投資學會董事及曾擔任香港聯合交易所有限公司上市委員會後補委員。祈先生於企業融資方面擁有廣泛經驗。

祈先生持有英國諾定咸大學歷史及藝術史學士學位及南非約翰尼斯堡維瓦特斯蘭大學工商管理碩士學位。



MR. PAUL KENNETH ETHELLES
包逸秋先生

MR. PAUL KENNETH ETHELLES

Mr. Etchells, 66, was appointed as an independent non-executive director of the Company in August 2012. Mr. Etchells is currently also an independent non-executive director of each of Samsonite International S.A. and Swire Properties Limited, both of which are listed in Hong Kong. Currently, Mr. Etchells also serves as an operational adviser to Cassia Investments Limited. Mr. Etchells was employed by The Coca-Cola Company from July 1998 to June 2010, and worked in the U.S.A., Mainland China and Hong Kong. Mr. Etchells has held various positions at The Coca-Cola Company, including the deputy group president of Pacific Group of The Coca-Cola Company from 2007 to 2010 and the president of China Division of The Coca-Cola Company from 2002 to 2007. Prior to joining The Coca-Cola Company, Mr. Etchells was employed by the Swire Group in Hong Kong from 1976 to 1998. Mr. Etchells was the chairman of the board and a non-executive director of Twenty20 Limited until February 2017.

Mr. Etchells graduated from the University of Leeds in the United Kingdom with a Bachelor of Arts degree in political studies, and holds a degree of Master of Arts in Asia Pacific Studies from the University of Leeds. Mr. Etchells is a fellow of the Institute of Chartered Accountants in England and Wales and of the Hong Kong Institute of Certified Public Accountants.

包逸秋先生

包先生，66歲，於2012年8月獲委任為本公司獨立非執行董事。包先生目前亦擔任同為香港上市公司的新秀麗國際有限公司獨立非執行董事及太古地產有限公司獨立非常務董事。目前，包先生亦擔任 Cassia Investment Limited 的業務顧問。包先生於1998年7月至2010年6月期間受聘於可口可樂公司，於美國、中國內地及香港工作。包先生於可口可樂公司曾擔任多個職位，包括於2007年至2010年期間出任可口可樂公司太平洋副總裁及於2002年至2007年期間出任可口可樂公司中國分區區域總裁。在加入可口可樂公司前，包先生於1976年至1998年期間受聘於香港太古集團。包先生曾擔任 Twenty20 Limited 的董事會主席兼非執行董事直至2017年2月。

包先生畢業於英國利茲大學，獲政治學文學士學位，及持有英國利茲大學亞太研究學碩士學位。包先生亦為英格蘭及威爾斯特許會計師公會及香港會計師公會資深會員。



MR. LI HUNG KWAN, ALFRED
李鴻鈞先生

MR. LI HUNG KWAN, ALFRED

Mr. Li, 64, was appointed as an independent non-executive director of the Company in November 2008. Mr. Li was a member of each of the Takeovers and Mergers Panel of the Securities and Futures Commission and the Listing Committee of The Stock Exchange of Hong Kong Limited and an expert member of the Finance Committee of the Kowloon Canton Railway Corporation and an executive director and the chief finance officer of Hang Lung Group Limited, a company listed in Hong Kong.

Mr. Li holds a Bachelor of Social Sciences degree in economics and sociology from The University of Hong Kong, and is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of Institute of Chartered Accountants of Scotland. Mr. Li has more than 30 years of experience in finance and accounting.

李鴻鈞先生

李先生，64歲，於2008年11月獲委任為本公司獨立非執行董事。李先生曾擔任證券及期貨事務監察委員會收購及合併委員會委員、香港聯合交易所有限公司上市委員會委員、九廣鐵路公司財務委員會專家成員及香港上市公司恒隆集團有限公司執行董事兼財務總監。

李先生持有香港大學經濟及社會科學學士學位，並為香港會計師公會資深會員及蘇格蘭特許會計師公會會員。李先生於財務和會計領域擁有逾三十年經驗。



MR. YUEN TIN FAN, FRANCIS
袁天凡先生

MR. YUEN TIN FAN, FRANCIS

Mr. Yuen, 64, has been an independent non-executive director of the Company since 1993. Mr. Yuen is currently also the independent non-executive deputy chairman of Pacific Century Regional Developments Limited, a company listed in Singapore; an independent non-executive director of Agricultural Bank of China Limited, a company listed in Shanghai and Hong Kong; and an independent non-executive director of Shanghai Industrial Holdings Limited, a company listed in Hong Kong. Mr. Yuen was a chief executive of The Stock Exchange of Hong Kong Limited from 1988 to 1991, an independent non-executive director of China Pacific Insurance (Group) Co., Ltd., a company listed in Shanghai and Hong Kong until June 2013; and an independent non-executive director of China Chengxin International Credit Rating Co., Ltd. until January 2017.

Mr. Yuen holds a Bachelor of Arts degree in economics from the University of Chicago and is currently a member of board of trustees of the university. Mr. Yuen is also the chairman of the board of trustees of Hong Kong Centre for Economic Research, a member of Shanghai People's Political Consultative Conference and a member of the board of trustees of Fudan University in Shanghai.

袁天凡先生

袁先生，64歲，自1993年起擔任本公司獨立非執行董事。袁先生目前亦為新加坡上市公司盈科亞洲拓展有限公司獨立非執行副主席、上海及香港上市公司中國農業銀行股份有限公司獨立非執行董事，以及香港上市公司上海實業控股有限公司獨立非執行董事；袁先生於1988年至1991年期間曾擔任香港聯合交易所有限公司行政總裁、上海及香港上市公司中國太平洋保險(集團)股份有限公司獨立非執行董事直至2013年6月；以及中誠信國際信用評級有限責任公司獨立非執行董事直至2017年1月。

袁先生持有芝加哥大學經濟學文學學士學位，目前為該大學董事會成員。袁先生亦為香港經濟研究中心董事會主席、上海市政治協商會議委員及上海復旦大學董事會成員。



MR. CHEN GANG
陳剛先生

SENIOR MANAGEMENT 高級管理層

MR. CHEN GANG

Mr. Chen, 45, is a deputy general manager of the Company and the general manager of the kitchen food category management department. Mr. Chen joined COFCO Group in 1994 and has held various management positions in the Company since 2008, including the general manager of each of the confectionery business unit, kitchen food business unit, chief legal counsel, procurement department, sales management east center and an assistant general manager of the Company. Mr. Chen has also served as a deputy general manager of the oilseeds processing unit of China Agri-Industries Holdings Limited, a company listed in Hong Kong. Mr. Chen has over 20 years of experience in oils and oilseeds processing, edible oil trading, brand marketing, business model innovation and corporate management. Mr. Chen graduated from Peking University with a Bachelor of Arts degree in law, and from Tsinghua University with a Master of Business Administration degree. Mr. Chen also held a doctorate degree from Institute of Population and Labour Economics, Chinese Academy of Social Sciences.

陳剛先生

陳先生，45歲，為本公司副總經理兼廚房食品品類管理部總經理。陳先生於1994年加入中糧集團，並自2008年起曾出任本公司若干管理職位，包括休閒食品事業部總經理、廚房食品事業部總經理、公司總法律顧問、採購部總經理，東部銷售管理中心總經理及本公司總經理助理等。陳先生亦曾擔任香港上市公司中國糧油控股有限公司油脂部副總經理。陳先生在油脂油料加工、食用油貿易、品牌營銷、商業模式創新，以及企業管理方面擁有逾二十年經驗。陳先生畢業於北京大學，獲法學學士學位，之後畢業於清華大學，獲工商管理碩士學位，其後在中國社會科學院人口與勞動經濟研究所深造，獲博士學位。



MS. XU FEI
徐菲女士

MS. XU FEI

Ms. Xu, 42, is a deputy general manager of the Company and the general manager of human resources department. Ms. Xu joined COFCO Corporation in 1997 and has been the deputy director of human resources department of COFCO Corporation. Ms. Xu joined the Company in October 2013 and has served as an assistant general manager of the Company. Ms. Xu has extensive experience in human resources management. Ms. Xu graduated from Beijing International Studies University with a Bachelor of Arts degree in economics, and then from Hochschule Pforzheim University with a Master degree in economics.

徐菲女士

徐女士，42歲，為本公司副總經理兼人力資源部總經理。徐女士於1997年加入中糧集團有限公司，曾擔任中糧集團有限公司人力資源部副總監。徐女士於2013年10月加入本公司，曾出任為本公司總經理助理。徐女士在人力資源管理方面擁有豐富經驗。徐女士畢業於北京第二外國語學院，獲經濟學學士學位，其後畢業於德國普佛爾茨海姆大學，獲經濟學碩士學位。



MR. ZHANG JIXIANG
張吉綱先生

MR. ZHANG JIXIANG

Mr. Zhang, 54, has been an assistant general manager of the Company since May 2013 and currently also the chief operating officer of the beverage business unit of the Company. Mr. Zhang joined COFCO Group in 1987, and has served as the deputy general manager of Hainan COFCO Coca-Cola since 1996 and the general manager of that company since 1999. In 2002, he was appointed as the general manager of Hunan COFCO Coca-Cola Beverages Company Limited and was appointed as the general manager of Beijing Coca-Cola Beverage Co., Ltd. in 2010. Mr. Zhang has extensive operations and management experience and has more than 20 years of experience in the beverage industry. Mr. Zhang graduated from China Agricultural University and holds a Master of Science degree in agriculture.

張吉綱先生

張先生，54歲，自2013年5月起擔任本公司總經理助理，現時亦為本公司飲料事業部首席運營官。張先生於1987年加入中糧集團，自1996年起任職海南中糧可口可樂飲料有限公司副總經理，其後於1999年擔任該公司總經理。他於2002年獲任為湖南中糧可口可樂飲料有限公司總經理，並於2010年獲任為北京可口可樂飲料有限公司總經理。張先生具有廣泛的運營及管理經驗，在飲料行業擁有逾二十年經驗。張先生畢業於中國農業大學，獲農學碩士學位。



MR. LU XIAOHUI
遠曉輝先生

MR. LU XIAOHUI

Mr. Lu, 39, is an assistant general manager and the general manager of the audit and supervision department of the Company. Mr. Lu was an executive director during September 2013 to August 2015 and served as the chief financial officer of the Company during September 2013 to March 2014. Mr. Lu joined COFCO Corporation in July 2008 and prior to joining the Company, Mr. Lu was the deputy general manager of the Performance Audit Division of the Audit and Supervision Department of COFCO Corporation and the deputy general manager of the Finance Department of China Grain and Logistics Corporation. Prior to joining COFCO Corporation, Mr. Lu worked at Vocation International CPAs (now known as Baker Tilly International) for more than six years. Mr. Lu has extensive experience in the area of accounting and auditing.

Mr. Lu is a senior accountant, a PRC registered accountant and a PRC registered tax adviser as well as a member of China Institute of Internal Auditors (authorised by the Institute of Internal Auditors). He graduated from Tianjin Open University with a college diploma in finance and securities management, and subsequently graduated from Peking University with a Bachelor's degree in economic.

遠曉輝先生

遠先生，39歲，為本公司總經理助理兼審計監察部總經理。遠先生於2013年9月至2015年8月期間，曾任本公司執行董事；並於2013年9月至2014年3月期間曾出任本公司首席財務官。遠先生於2008年7月加入中糧集團有限公司，於加入本公司前，遠先生為中糧集團有限公司審計監察部績效審計部副總經理兼中國華糧物流集團公司財務部副總經理。在加入中糧集團有限公司前，遠先生曾在天職國際會計師事務所有限公司任職逾六年。遠先生於會計及審計方面擁有豐富經驗。

遠先生為高級會計師、中國註冊會計師、中國註冊稅務師及中國內部審計師協會（國際內部審計師協會授權）成員。他畢業於天津廣播電視大學的金融與證券管理專業大學專科；其後，畢業於北京大學，獲經濟學學士學位。



MR. ZHENG YI
鄭軼先生

MR. ZHENG YI

Mr. Zheng, 38, has been the chief legal counsel of the Company and the general manager of the legal department since July 2014. Mr. Zheng joined COFCO Corporation in 2001 and has served as the general manager of contract and corporate law division of the legal department of COFCO Corporation. Mr. Zheng has extensive experience in legal practice and management. Mr. Zheng graduated from Sun Yat-sen University and China University of Political Science and Law with a Master of Arts degree in laws.

鄭軼先生

鄭先生，38歲，自2014年7月起擔任本公司總法律顧問兼法律部總經理。鄭先生於2001年加入中糧集團有限公司，曾擔任中糧集團有限公司法律部合同與公司法部總經理。鄭先生在法律實踐及管理方面擁有豐富經驗。鄭先生畢業於中山大學和中國政法大學，獲法學碩士學位。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION

China Foods Limited (hereinafter referred to as “China Foods” or the “Company”), as a leading food company in the industry, has inherited the social responsibility philosophy of “being loyal to national policies and making people’s life better” and is committed to the corporate mission and responsibility of “offering nutritious, healthy, delicious and quality foods, and achieving value maximization for customers, shareholders and employees”, and striving to achieve sustainable development of itself and the society.

This report is the first *Environmental, Social and Governance Report* (hereinafter referred to as the “Report”) of China Foods Limited. The contents of the report are prepared in accordance with the *Environmental, Social and Governance Reporting Guide* (“ESG Reporting Guide”) in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and are in compliance with the relevant regulations. The scope of the Report covers the Company's major production and operation activities in China and the reporting period is the same as the 2016 financial year. The purpose of this report summarized China Foods’ performance in terms of environmental, social and governance (ESG) aspects in 2016, and responded to the concerns of various stakeholders.

The Company understands that the standard of its management and performance in environmental, social and governance play an important role in achieving the strategic objectives of the sustainable development of China Foods. Through the Report, we hope to receive positive suggestions from various stakeholders of China Foods for further enhancing the management standard and performance in the aspects of environmental, social and governance. If you have any feedback on the Report, please send it by email to zhangpengfei@cofco.com.

緒論

中國食品有限公司(以下簡稱「中國食品」或「本公司」)作為一家行業內領先的食品企業，傳承「忠於國計、良於民生」的社會責任理念，致力於「奉獻營養、健康、美味的優質食品，實現客戶、股東、員工的價值最大化」的企業使命和責任，努力實現企業自身和社會的可持續發展。

本報告乃中國食品有限公司首次發佈的《環境、社會及管治報告》(以下簡稱「本報告」)。本報告內容參照香港聯合交易所有限公司證券上市規則(簡稱「上市規則」)附錄二十七《環境、社會及管治報告指引》(簡稱「ESG報告指引」)而編製，並遵守了相關規定。報告範圍涵蓋本公司在中國的主要生產運營活動，報告期與2016財政年度一致。本報告旨在向社會各界披露中國食品於2016年度在環境、社會及管治「ESG」領域取得的工作成果，並應對各利益相關方之重點關切。

本公司深刻理解我們在環境、社會及管治方面的管理水平和績效表現對實現中國食品可持續發展戰略目標的重要作用，我們希望通過本報告傾聽各利益相關方對中國食品的良好建議，以此來進一步提升公司在環境、社會及管治相關領域的管理水平和績效表現。如閣下對本報告有任何反饋，歡迎以電郵形式發送至：zhangpengfei@cofco.com。

1. ESG MANAGEMENT SYSTEM

1.1 ESG philosophy and management structure

China Foods, a listed subsidiary of COFCO Corporation (hereinafter referred to as “COFCO”) in Hong Kong, always adheres to the sustainable development philosophy of COFCO – “being loyal to national policies and making people’s life better”. We have integrated green operation into the development vision of corporate strategy, vigorously promote low-carbon economy, explored low energy consumption, low pollution, low emission model of operation, and regarded environmental impact reduction as an important benchmark for measuring corporate social responsibility.

1. ESG 管理體系

1.1 ESG 理念與管理架構

中國食品作為中糧集團有限公司（以下簡稱「中糧」）於香港上市的附屬公司，一直傳承中糧的可持續發展理念—「忠於國計、良於民生」，並將綠色運營融入到企業戰略發展願景中，大力推進低碳經濟，探索低能耗、低污染、低排放的運營模式，把降低對環境的影響作為衡量企業社會責任的重要標杆。



1. ESG MANAGEMENT SYSTEM (continued)

1.1 ESG philosophy and management structure (continued)

In order to achieve the vision of sustainable development strategy of China Foods, the Company has set up an ESG Work Leading Group which is led by the Board, managed by the management and participated by each relevant functional departments, as well as established and continuously improved the ESG management system of the Company, optimized its own ESG management measures, and effectively enhanced the performance ability of the social responsibility of China Foods.

1. ESG 管理體系(續)

1.1 ESG 理念與管理架構(續)

為了實現中國食品的可持續發展戰略願景，本公司成立了董事會領導、管理層負責、各相關職能部門參與的ESG工作領導小組，建立並不斷完善公司的ESG管理體系，優化自身的ESG管理措施，有效提升中國食品的社會責任履行能力。



1. ESG MANAGEMENT SYSTEM (continued)

1.2 Stakeholder's communication and response

While developing its own businesses and creating value for the community, China Foods actively identified stakeholders as well as built and maintained good relationship with stakeholders through multi-channel communication, in order to keep abreast of their demands and concerns. The identified key stakeholders includes: government and regulatory institutions, investors/shareholders, employees, consumers, media, suppliers, distributors, universities and colleges/research institutions, and surrounding communities.

1. ESG 管理體系 (續)

1.2 利益相關方溝通與回應

中國食品在發展自身業務、為社會創造價值的同時，積極主動識別利益相關方，並通過多渠道的溝通與各利益相關方建立並保持良好關係，及時了解他們的訴求與關切。我們識別的主要利益相關方包括：政府及監管機構、投資人／股東、員工、消費者、媒體、供應商、經銷商、高校／科研機構、周邊社區等。

Stakeholder 利益相關方	Description of Stakeholder 相關方說明	Communication method 溝通方式
Government and regulatory organizations 政府及監管機構	Departments of Food, Taxation, Environment and Safely, etc., direct management and regulatory institutions which has the authority to exercise national or local laws and regulations (such as local governments) 食品、稅務、環保、安全等部門、地方政府等具備國家或地方法律法規執行權限的直接管理和監督機構	Important meetings, policy advice, case reports, institutional visits, official correspondence, information disclosures, etc. 重大會議、政策諮詢、情況匯報、機構考察、公文往來、信息披露等
Investors/Shareholders 投資人／股東	Natural persons/institutions who hold certain shares of China Foods 持有中國食品一定份額的自然人／機構	General meetings, corporate annual reports, announcements, etc. 股東大會、企業年報、公告等
Employees 員工	Persons who has entered into labor contracts with China Foods and are serving China Foods 與中國食品簽訂勞動合同，服務於中國食品的人員	Employee satisfaction survey, employee activities, employee training, employee handbook, corporate internal publications, etc. 員工滿意度調查、員工活動、員工培訓、員工手冊、企業內部刊物等
Consumers 消費者	People who purchase and consume the products of China Foods 購買和消費中國食品產品的群眾	Customer service hotline, satisfaction survey, etc. 客服熱線、滿意度調查等



1. ESG MANAGEMENT SYSTEM (continued)

1.2 Stakeholder's communication and response (continued)

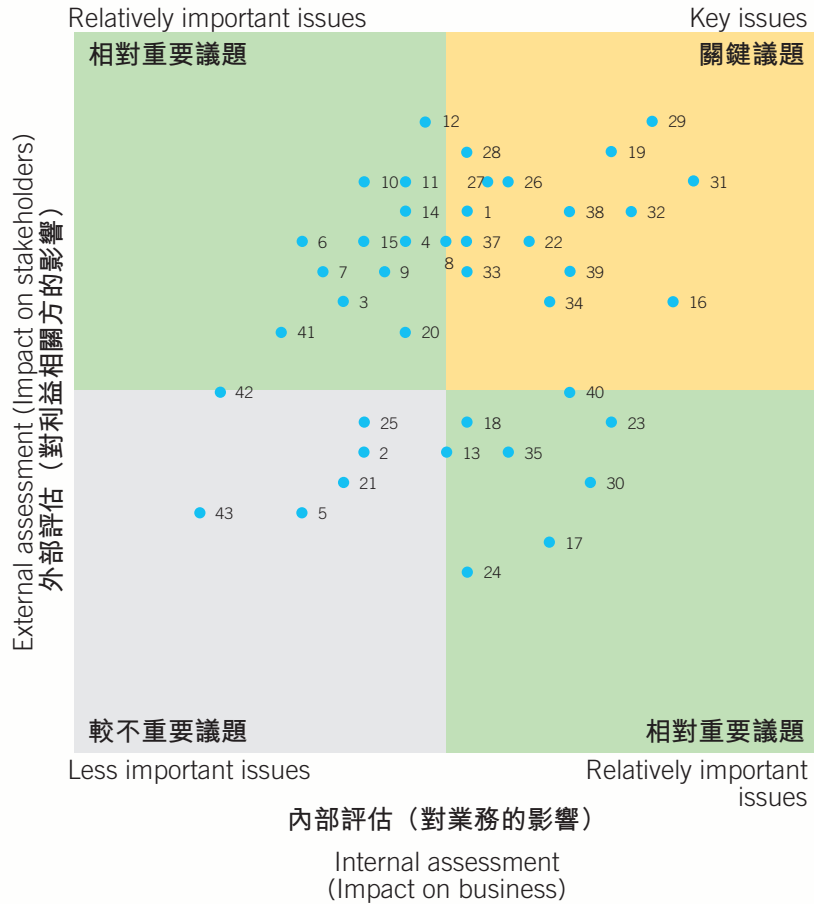
1. ESG 管理體系 (續)

1.2 利益相關方溝通與回應 (續)

Stakeholder 利益相關方	Description of Stakeholder 相關方說明	Communication method 溝通方式
Media 媒體	Newspapers, television stations, websites, etc., and other relevant media organizations 報社、電視台、網站等及相關媒介機構	Corporate operation interviews, corporate culture promotion, media press conferences, special feature activities 企業經營訪談、企業文化宣傳、媒體發佈會、特色專題活動等
Suppliers 供應商	Enterprises, shops or individual businesses who supplies raw materials for production and office supplies to China Foods 向中國食品供應生產原料及辦公用品等的企業、商鋪或個體商戶	Supplier inspection, open tender meetings, strategic cooperation negotiations, exchange visits, etc. 供應商考察、公開招投標會議、戰略合作談判、交流互訪等
Distributors 經銷商	Enterprises, shops or individual businesses who conduct legitimate business of all brand products under China Foods 合法經營中國食品旗下各品牌產品的企業、商鋪或個體商戶	Product exhibition, industry research, cooperation negotiations, distributor meetings, etc. 產品展覽、行業調研、合作談判、經銷商會議等
Surrounding communities 周邊社區	The communities and public of the place of operation 運營所在地社區、社會公眾	Public welfare activities, community activities, volunteer activities, social support projects, etc. 公益活動、社區活動、志願者活動、社會事業支持項目等
Universities and colleges, or research institutions 高校或科研機構	Universities, colleges and research institutions which have established cooperative relations with China Foods 與中國食品建立合作關係的大學、學院、科研機構	Provision of internship opportunities, corporate recruitment, staff training, seminars, academic exchanges and research cooperation projects 提供實習機會、企業招聘宣講、員工進修、研討會、學術交流及科研合作項目等

1. ESG MANAGEMENT SYSTEM (continued)
1.2 Stakeholder's communication and response (continued)

1. ESG 管理體系 (續)
1.2 利益相關方溝通與回應 (續)



中國食品ESG議題重要性評估矩陣¹
Materiality Assessment Matrix of China Foods' ESG Issues¹

Through actively communicating with its stakeholders and understanding their concerns and expectations, the Company identified the focus of the 2016 annual ESG initiative and report, covering key ESG issues such as emissions, use of resources, product responsibility, rights of employees and supply chain management.

通過與各利益相關方的主動聯絡和溝通、了解他們的重點關注和期望，本公司識別出2016年度ESG行動和報告的重點，主要涵蓋排放物、資源使用、產品責任、員工權益、供應鏈管理等ESG關鍵議題。

1 Materiality Assessment Matrix of China Foods ESG Issues: The ESG issue number corresponds to the ESG reporting guide (see the "ESG Reporting Index Table" in the Appendix to the Report).

1 中國食品ESG議題重要性評估矩陣：圖中ESG議題編號與ESG報告指引相對應(參見本報告附錄之「ESG報告指引索引表」)。



2. ENVIRONMENTAL RESPONSIBILITY

China Foods adheres to the sustainable development philosophy of low-carbon environment, and actively identifies and complies with national and local environmental laws and regulations, such as the *Environmental Protection Law of the People's Republic of China* (《中華人民共和國環境保護法》), *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* (《中華人民共和國大氣污染防治法》), *Law of the People's Republic of China on Prevention and Control of Water Pollution* (《中華人民共和國水污染防治法》), *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid* (《中華人民共和國固體廢物污染環境防治法》) and *Law of the People's Republic of China on Environmental Impact Assessment* (《中華人民共和國環境影響評價法》), etc. At the same time, the Company, on the basis of improving its own environmental management system, continuously explores the viable energy-saving and emission reduction technologies and techniques in the operation process, strives to reduce the impact of the Company's production and operation activities on the environment, and earnestly implements sustainable development philosophy of low-carbon environment. According to the results of environmental compliance assessment, there are no significant violations occurred in the environmental management of China Foods in 2016.

2.1 Environmental management system

To further enhance the Company's standard of environmental management, China Foods, in its subordinate production units, actively promotes the establishment and operation of their own environmental management system, with reference to the ISO14001 standard. As of the end of 2016, 12 subordinate plants under a total of 15 units of the Company's subordinate branches/subsidiaries/plants (including China Great Wall Wine Co., Ltd., COFCO Huaxia Greatwall Wine Co., Ltd., COFCO Greatwall Wine (Yantai) Co., Ltd. under the wine business unit and COFCO Coca-Cola Beverages Limited ("CCBL") were certified to ISO14001 environmental management system.

2. 環境責任

中國食品堅持低碳環保的可持續發展理念，積極識別並遵守國家及地方層面環境領域的法律法規，如：《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國固體廢物污染環境防治法》及《中華人民共和國環境影響評價法》等。同時，本公司在完善自身環境管理制度的基礎上，不斷探索運營過程中可行的節能減排技術及工藝，努力降低因公司生產運營活動對環境造成的影響，切實踐行中國食品低碳環保的可持續發展的理念。依照自身環境合規評估結果，2016年度內，中國食品在環境管理領域未發生重大違規事件。

2.1 環境管理體系

為進一步提升公司的環境管理水平，中國食品積極推進下屬各生產單位參照ISO14001標準建立並運行自身的環境管理體系。截至2016年底，本公司下屬分公司／子公司／工廠範圍內共計15家單位（包括酒類事業部下屬中國長城葡萄酒有限公司、中糧華夏長城葡萄酒有限公司、中糧長城葡萄酒（煙台）有限公司以及中糧可口可樂飲料有限公司（簡稱「中糧可口可樂」）下屬12家工廠獲得了ISO14001環境管理體系的認證。

2. ENVIRONMENTAL RESPONSIBILITY (continued)

2.1 Environmental management system (continued)

In the actual management, the Company, in accordance with the relevant provisions of COFCO and taken into account of its own business characteristics, formulated a series of environmental management systems and regulations, including the Procedures of Identification and Evaluation of Environmental Factors (《環境因素識別與評價程序》), Procedures of Evaluation of Laws and Regulations and Compliance (《法律法規及合規性評價程序》), Safety Management System for Hazardous Chemicals (《危險化學品安全管理制度》), Management System for Safety and Environmental Equipment and Facilities (《安全環保設備設施管理制度》), Safety and Environmental Management System for Construction Projects (《建設項目安全環保管理制度》), Management System for Sewage Treatment (《污水處理管理制度》), Management System Energy Conservation and Emission Reduction (《節能減排管理制度》) and Management System for Solid Waste (《固體廢棄物管理制度》), which has provided a system of protection for the Company's environmental management. At the same time, China Foods has focused on the establishment and enhancement of environmental protection awareness of its employees, and developed corresponding training content under the theme of environmental protection, in order to strengthen the sustainable development philosophy of low-carbon environment in the employees' mindset.

2. 環境責任(續)

2.1 環境管理體系(續)

實際管理中，本公司依照中糧的有關規定，結合自身業務特點，制定了一系列的環境管理制度和規定，包括《環境因素識別與評價程序》、《法律法規及合規性評價程序》、《危險化學品安全管理制度》、《安全環保設備設施管理制度》、《建設項目安全環保管理制度》、《污水處理管理制度》、《節能減排管理制度》、《固體廢棄物管理制度》等，為公司的環境管理提供了制度保障。同時，中國食品注重員工環境保護意識的建立和提升，針對環境保護主題開展相應的培訓內容，從員工的思想意識中強化低碳環保的可持續發展理念。





2. ENVIRONMENTAL RESPONSIBILITY (continued)

2.2 Emission control

China Foods has strictly implemented the “Three Simultaneities” management system for environmental protection (「環境保護三同時制度」, which means that installations for the prevention and control of pollution at a construction project must be designed, built and commissioned together with the principal part of the project), carrying out full cycle management, from stages of design, construction to operation, on all projects. At the stage of project design, we conscientiously identify the pollutant emissions and potential environmental impacts arising from the construction and operation phases and propose corresponding prevention and mitigation measures; at the stage of project construction, we strengthen the environmental supervision work to ensure that the environmental protection measures are implemented in detail, and the impact of construction activities on the surrounding environment is minimized; after the project putting into operation, we strictly enforce environmental management systems and regulations of the Company to ensure that the relevant pollution control and environmental protection measures are implemented and effectively operated.

2. 環境責任(續)

2.2 排放物控制

中國食品嚴格落實「環境保護三同時」管理制度，對所有項目從設計、施工建設到運營階段進行全周期管理：項目設計階段認真識別施工和運營階段將產生的污染物排放及潛在的環境影響，提出相應防範和治理措施；項目施工建設階段加強環境監理工作，保證各項環境保護措施得到具體落實，將施工活動對周邊環境的影響降到最低；項目投入運營後嚴格執行公司各項環境管理制度和規定，確保相關污染治理和環境保護措施得到落實並有效運行。

Emission control 排放物控制

China Foods continues to promote various management and control systems on the control of pollutant emission, mainly covering waste gas emissions, re-use of wastewater, management of solid waste and monitoring of emissions:
中國食品在控制污染物排放方面持續推進各項治理和控制措施，主要涵蓋控制廢氣、廢水回用、固廢管理及達標監測四個層面：



Control of waste gases 控制廢氣

Further promoted the re-modelling coal-fired boilers to natural gas boilers and the reduction of the emission of smoke and dust, sulphur dioxides, nitrogen oxides and greenhouse gases in the subordinate plants of China Foods
進一步推進中國食品下屬工廠對鍋爐煤改氣工作，減少煙塵、二氧化硫、氮氧化物及溫室氣體排放



Re-use of waste water 廢水回用

The wine production enterprises under our wine category management department continued to strengthen its efforts in implementing policies on water re-use and greywater re-use, and irrigation with treated water
酒品類管理部下屬葡萄酒生產企業繼續加強實施水循環利用和中水回用政策，處理後的生產廢水回用於灌溉



Management of solid waste 達標管理

Adhered to the categorized collection process of hazardous and non-hazardous waste: recyclable waste (such as waste residues from wine production) to be given to third parties for integrated use; hazardous waste to be given to qualified parties for treatment
堅持無害和有害廢棄物分類收集處理：可回收廢棄物(如葡萄酒生產廢)渣交由第三方進行綜合利用；危險廢棄物交由具備資質的第三方進行回收處理



Monitoring of emissions 達標監測

Further strengthened the monitoring on the emissions of waste gases, waste water and noise to ensure the emissions attain the applicable standards
進一步加強對廢氣排放，污水和噪聲的監測，確保達標排放

2. ENVIRONMENTAL RESPONSIBILITY (continued)

2.2 Emission control (continued)

In 2016, China Foods invested RMB8.9 million into the project of replacing coal-fired boilers with natural gas boilers in plants located in Shaoxing, Huailai, Shacheng and Yantai, etc., to reduce the emissions of atmospheric pollutants from the boilers, and almost all enterprises under the Company have phased out the use of coal-fired boilers; at the same time, China Foods invested RMB270,000 to upgrade sewage treatment stations in Huaxia and Yantai to enhance their efficiency and reduce the emissions of pollutants.

In addition, the Company has used its intranet system to collect, summarize and analyze the data of relevant environmental performance indicators, covering each subordinate branches/subsidiaries, in order to further strengthen the tracking and monitoring of environmental performance of the Company, and based on this to formulate the relevant improvement plans and future development targets.

2.3 Energy saving

China Foods, in its production and operation, has adhered to explore and promote feasible energy-saving technologies and measures, and developed a series of energy, water resources and materials management practices and operating procedures such as the Energy Saving Management System (《節能降耗管理制度》). In day-to-day operation, in accordance with the Measures for the Management of Energy Performance Assessment (《能耗績效考核管理辦法》), the production management departments issue energy consumption targets to the subordinate production units on a regular basis (monthly, quarterly, semiannual or annual), and the production units report the energy consumption data through the intranet system, while the management departments assess the completion of the energy consumption targets of each departments based on the data. For those units which have not reached the targets, the Company would timely arrange relevant employees to analyze the causes and formulate improvement plans.

2. 環境責任 (續)

2.2 排放物控制 (續)

2016年中國食品先後投資人民幣890萬元對紹興、桑干、沙城、煙台等工廠的鍋爐實施煤改氣工程，減少鍋爐大氣污染物排放，公司所屬企業現已基本淘汰燃煤鍋爐；同時，中國食品投資人民幣27萬元對華夏、煙台工廠污水處理站進行升級改造，提高了兩家工廠自有污水處理站的處理效率，減少了污染物的排放量。

另外，本公司利用內部在線系統對相關環境績效指標數據進行收集、匯總和分析，範圍涵蓋各下屬分公司／子公司，進一步加強對公司環境績效表現的跟蹤監測，以此為基礎來制定相應的改進計劃和未來發展目標。

2.3 節能降耗

中國食品在生產運營中堅持探索和推進可行的節能降耗技術和措施，制定了《節能降耗管理制度》等一系列的能源、水資源及物料管理辦法和操作規程。在日常運營中，本公司依照《能耗績效考核管理辦法》，由生產主管部門定期(月度、季度、半年或年度)對下級各生產單位下達能耗指標，各生產單位通過內部在線系統進行能耗數據提報，管理部門以此為基礎對各部門能耗指標的完成情況進行評估。對於未完成指標的單位，本公司及時組織相關人員進行原因分析並制定改進計劃。

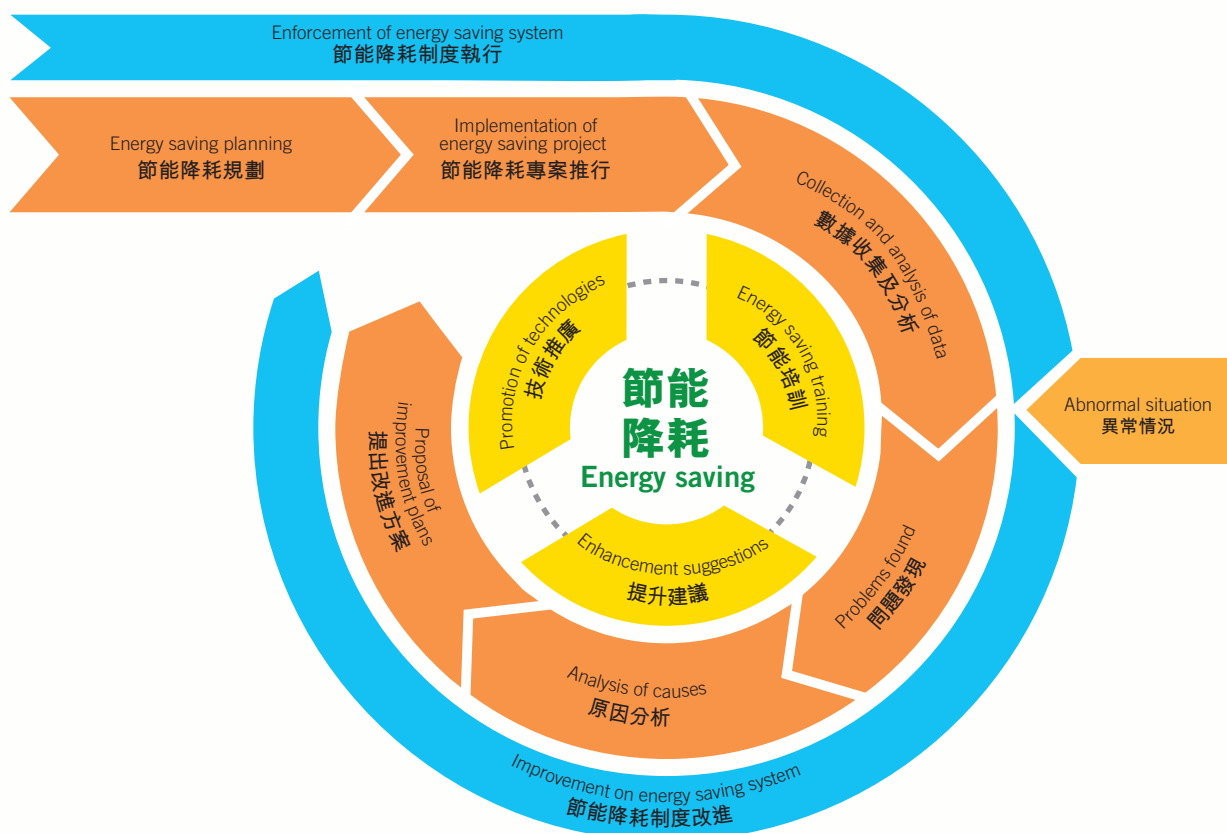


2. ENVIRONMENTAL RESPONSIBILITY (continued)

2.3 Energy saving (continued)

2. 環境責任(續)

2.3 節能降耗(續)



During the year, China Foods launched a series of energy-saving projects, which achieved remarkable results: in 2016, the wine business department reduced water consumption to 1.7 tons of water/ton of product through further implementing water recycling measures. The subordinate plants of COFCO Coca-Cola launched a number of energy saving projects, and achieved positive results in the reduction of water consumption, fuel consumption and greenhouse gas emissions.

本年度內，中國食品開展了一系列節能降耗專案項目，取得了顯著的成效：2016年度酒品事業部通過進一步實施水循環利用等措施，將噸產品耗水量降低到了1.7噸水／噸產品；中糧可口可樂下屬工廠開展了多項節能降耗專案項目，在減少水資源消耗、燃料消耗和溫室氣體排放方面取得了積極的效果。

2. ENVIRONMENTAL RESPONSIBILITY (continued)

2.3 Energy saving (continued)

Cases and results of China Foods' energy saving projects in 2016:

2. 環境責任(續)

2.3 節能降耗(續)

2016年中國食品節能降耗專案案例及所得成果：

COFCO Chateau YunMo 中糧酒業雲漠酒莊	Gaining support from the World Bank, the Israeli drip irrigation technology was introduced to 6,000 acres of vineyard, saving 130 cubic meters of water per acre per year compared with the current irrigation method Yellow River water irrigation: gained the right to the use of Yellow River water of 5.5 million cubic meters per year, and basically no longer taking groundwater for irrigation, saving 2.3 million cubic meters of groundwater per year 獲世界銀行資質，6,000畝葡園引入以色列滴灌技術，較當前灌溉方式每畝葡園每年可節水130立方米 引黃灌溉，獲得每年550萬立方米黃河水取水權，基本上不再取地下水進行灌溉，每年少採地下水230萬立方米
COFCO Coca-Cola Beijing plant 中糧可口可樂北京廠	Launched Sprite continuous mixing-up project, and reduced CIP washing process of syrup tanks, saving 15,000 tons of water 開展雪碧連混項目，減少糖漿儲罐CIP沖洗過程，節水量1.5萬噸
COFCO Coca-Cola Inner Mongolia plant 中糧可口可樂內蒙古廠	Used the waste heat of preform mold and bottle cap blowers for substitution of hot-air blowers to warm the preform molds and bottle caps, saving a total of 130,000 kWh electricity, equivalent to 46.8 tons of standard coal/year in 2016 使用瓶胚、瓶蓋庫用吹瓶機餘熱代替熱風機暖胚暖蓋，2016年共計節約電量13萬度，折合46.8噸標準煤/年
COFCO Coca-Cola Tianjin plant 中糧可口可樂天津廠	Replaced 500-1 line heat shrinkable boilers, with the total saving of electricity equivalent to 235.9 tons of standard coal in 2016 對500-1線熱縮爐進行了更換，2016年共計節約電量折合標準煤235.9噸
COFCO Coca-Cola Shandong plant 中糧可口可樂山東廠	Implemented the LED contract energy management project, and replaced the Company's normal lightings by LED lightings with high-efficiency, saving 768,000 kWh electricity, equivalent to 276 tons of standard coal/year 實施LED合同能源管理項目，將公司內普通照明燈更換為高效節能的LED燈，每年節約用電76.8萬度，折合276噸標準煤/年
COFCO Coca-Cola Zhanjiang plant	Focused on the remodeling of the spraying water pre-heating process of bottle warmers and the process water cooling system of mixer, with the total saving of electricity equivalent to 22 tons of standard coal; implemented linkage control technology on air curtains, with the total saving of electricity equivalent to 15 tons of standard coal in 2016 Implemented a number of water-saving measures (RO concentrated water recycling, washing water linkage control, water-spraying linkage control, syrup pump cooling water system), saving a total of 8,040 tons of water in 2016



2. ENVIRONMENTAL RESPONSIBILITY (continued)

2.3 Energy saving (continued)

2. 環境責任(續)

2.3 節能降耗(續)

中糧可口可樂湛江廠	<p>針對暖瓶機噴淋水預加熱與混比機處理水冷卻綜合利用改造，2016年共計節約電量折合標準煤22噸；施行風幕機聯動控制技術，2016年共計節約電量折合標準煤15噸</p> <p>實施若干項節水措施(水處理RO濃水回收利用、沖瓶水聯動控制、噴淋水聯動控制、糖漿車間糖泵冷卻水改造)，2016年共計節水8,040噸</p>
COFCO Coca-Cola Hebei plant	<p>Promoted the LED project, and replaced lightings in the whole plant, saving 170,000 kWh electricity from October 2016 to January 2017, equivalent to 61.2 tons of coal</p> <p>Promoted the photovoltaic project, and established solar power supply facilities, which is now in trial operation phase and is expected to reduce about 3,972 tons of carbon dioxide emissions, about 38.6 tons of sulfur dioxide emissions, about 17.2 tons of nitrogen oxide emissions in the year</p>
中糧可口可樂河北廠	<p>推動LED專案項目，更換全廠照明燈具，2016年10月至2017年1月共計節約用電170,000度，折合標準煤61.2噸</p> <p>推動光伏專案項目，建立太陽能供電設施，現正在試運行階段，預計全年減少二氧化碳排放約3,972噸、二氧化硫排放約38.6噸、氮氧化物排放約17.2噸</p>

In 2016, subordinate plants of China Foods not only achieved outstanding results in the implementation of energy-saving and emission reduction, but also achieved fruitful results in awarding energy-saving and emission reduction awards from various sectors of the society, including: 9 plants awarded the title of Excellent Water-saving Enterprise of the beverage industry (飲料行業節能優秀企業), 8 plants awarded the title of Excellent Energy-saving Enterprise of the beverage industry (飲料行業節能優秀企業), 1 plant awarded the title of "Clean Production Enterprise of Zhanjiang city in 2016" ("2016年湛江市清潔生產企業"), 1 plant awarded "Water-saving Pacesetter Enterprise" ("節水標兵企業") and 2 plants awarded "Energy-saving Pacesetter Enterprise" ("節能標兵企業").

2016年度，中國食品下屬工廠在踐行節能減排過程中不僅取得突出成效，同時獲得了社會各界節能減排獎項評比的豐碩成果，其中包括：9家工廠獲得飲料行業節水優秀企業稱號，8家工廠榮獲飲料行業節能優秀企業稱號，1家工廠榮獲「2016年湛江市清潔生產企業」稱號，1家工廠獲評「節水標兵企業」，以及2家工廠獲評「節能標兵企業」。

2. ENVIRONMENTAL RESPONSIBILITY (continued)

2.3 Energy saving (continued)

**Awarded the title of
Excellent Water-saving Enterprise
of the beverage industry in 2016**
2016年飲料行業節水優秀企業稱號

- Beijing plant
北京廠
- Hebei plant
河北廠
- Jinan plant
濟南廠
- Shandong plant
山東廠
- Tianjin plant
天津廠
- Jiangxi plant
江西廠
- Gansu plant
甘肅廠
- Zhanjiang plant
湛江廠
- Hunan plant
湖南廠

- Beijing plant awarded "Water-saving Pacesetter Enterprise"
北京廠獲評「節水標兵企業」
- Hebei plant and Shandong plant awarded "Energy-saving Pacesetter Enterprise"
河北廠和山東廠獲評「節能標兵企業」
- Zhanjiang plant awarded the title of "Clean Production Enterprise of Zhanjiang city in 2016"
湛江廠榮獲「2016年湛江市清潔企業」稱號

3. EMPLOYEE CARE

China Foods adheres to the concept of "people-oriented", and in the development process, commits to provide fair and open employment opportunities for those meeting the recruitment conditions. At the same time, we attach importance in providing a favorable career development platform and opportunities to university and college graduates, and hope to attract and develop more talents for the food industry.

2. 環境責任 (續)

2.3 節能降耗 (續)

**Awarded the title of
Excellent Energy-saving Enterprise
of the beverage industry in 2016**
2016年飲料行業節能優秀企業稱號

- Beijing plant
北京廠
- Hebei plant
河北廠
- Jinan plant
濟南廠
- Shandong plant
山東廠
- Jiangxi plant
江西廠
- Gansu plant
甘肅廠
- Hainan plant
海南廠
- Hunan plant
湖南廠

3. 員工關懷

中國食品秉承「以人為本」的理念，在發展的過程中，承諾為社會各界滿足招聘條件的人士提供公平、公開的就業機會。同時，我們重視為高校畢業生提供良好的職業發展平台和機會，希望為食品行業吸引和培養更多的優秀人才。



3. EMPLOYEE CARE (continued)

3.1 Employment and employee benefits

China Foods strongly believes that talent is the Company's most valuable asset and the basis for ensuring the Company's sustainable development. The Company, during operation, actively recognizes and complies with laws and regulations on employment and employees' rights, such as the *Labor Law of the People's Republic of China* (《中華人民共和國勞動法》), the *Labor Contract Law of the People's Republic of China* (《中華人民共和國勞動合同法》), and the *Minimum Wage Regulations* (《最低工資規定》). The Company has established a series of policies and systems on employee recruitment, remuneration and benefits, attendance, training and development, performance appraisal and employee interests protection, etc., in order to protect the basic interests of the employees and ensure that the employees are not discriminated against by nationality, age and gender, etc., while strictly prohibit the hiring of child labor and oppose to any form of forced labor.

During the process of employee recruitment, the Company's human resources department confirms the accuracy of the age and identity of the candidates through examination of the identity and qualification check of the candidates, etc., and enters the personnel information of the successful candidates into the China Foods Human Resource Information Management System, and the System is maintained regularly. The Company enters into labor contracts with all employees legally, and pays social insurance for its employees according to regulations.

For working hour management, the Company has established relevant systems of attendance-leave management regulations, overtime applications, performance management, etc., and the employees' working hour is reviewed and managed by the human resources department. If abnormal situation is discovered, the human resources department immediately communicates with the person in charge of the relevant department with warning, and at the same time arranges leave for the overtime employees.

3. 員工關懷(續)

3.1 僱傭與員工權益

中國食品堅信優秀的人才和公司最寶貴的財富，是保障公司可持續發展的基礎。本公司在運營過程中積極識別並遵守有關僱傭與員工權益的法律法規，如《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《最低工資規定》等。本公司建立了有關員工招聘、薪酬福利、考勤、培訓與發展、績效考核、員工權益保障等一系列政策制度，確保員工的基本權益，保證員工不因民族、年齡、性別等因素受到歧視，嚴禁僱傭童工，反對任何形式的強迫勞動。

在員工招聘過程中，本公司人力資源部門通過對應聘人員身份覆核、資質校驗等方式確認應聘人員年齡及身份的準確性，並將成功應聘的人員信息錄入至中國食品人力資源信息管理系統中，定期進行維護。本公司與所有員工均依法簽訂勞動合同，並按規定為員工繳納社會保險。

對於工時管理，本公司建立了考勤休假管理規定、加班申請、績效管理等相關制度，由人力資源部門對員工的工作時間進行審閱及管理，發現異常情況立即與主管部門負責人進行溝通並提出警告，同時安排超時加班員工進行調休。

3. EMPLOYEE CARE (continued)

3.1 Employment and employee benefits (continued)

At the same time, the Company has promulgated the China Foods Staff Handbook, helping its employees to have a comprehensive insight of China Foods' corporate culture and values, its human resources management system, employee benefits and rights protection, and the relevant assessment criteria, etc. The Company has also established a staff communication and complaint mechanism to ensure that employees can raise their own claims and opinions through reasonable channels.

As at 31 December 2016, China Foods' total number of employees was 14,015, and there was no significant violation of relevant labor laws and regulations in China Foods.

3.2 Employee development and training

China Foods has always adhered to the "people-oriented" concept of talent, and committed to provide its employees with a favorable development platform and a complete training system, in order to achieve a joint development of the enterprise and its employees. The Company has formulated relevant management systems and regulations such as the Training and Management System of China Foods Limited (《中國食品有限公司培訓管理制度》) and the Regulations on Training of New Employees of China Foods Limited (《中國食品有限公司新員工培訓管理規定》), and the Company's Human Resources Department is responsible for the formulation and implementation of the annual training plans. The human resources department of each region/plant is responsible for cooperating with the Human Resources Department of China Foods to promote the implementation of the Company's training programs, to formulate the training plans for its region/plant and to manage the relevant training records.

3. 員工關懷(續)

3.1 僱傭與員工權益(續)

與此同時，本公司頒布了《中國食品員工手冊》，以幫助員工全面了解中國食品的企業文化和價值觀、公司人力資源管理制度、員工的福利待遇和權益保障、相關考核標準等。本公司也建立了員工溝通和申訴機制，以保證員工能夠通過合理途徑提出自身的訴求和意見。

截止至2016年12月31日，中國食品總僱員人人數為14,015人，公司未發生重大違反相關勞動法律法規的事件。

3.2 員工發展與培訓

一直以來，中國食品堅持「以人為本」的人才理念，堅持為員工提供良好的發展平台和完整的培訓體系，實現企業與員工的共同發展。本公司制定了《中國食品有限公司培訓管理制度》和《中國食品有限公司新員工培訓管理規定》等相關管理制度和規定，由公司人力資源部負責年度培訓計劃的制定和實施。各大區／工廠人力資源部負責配合中國食品人力資源部推動公司培訓項目實施、制定本大區／工廠的培訓計劃並管理相關培訓記錄等。



3. EMPLOYEE CARE (continued)

3.2 Employee development and training (continued)

The training contents provided for the employees by the Company mainly include:

Training for new employees – Induction training for new employees, including centralized training organized by the Company and professional training organized by various departments;

General skills training – Training to improve employees' productivity and professional skills;

Professional skills training – Training to enhance the professional skills of the employees, including series of technical-based and research and development-based training;

Leadership training – Training to enhance the leadership ability of the Company's management staff.

The training methods of the Company are classified into internal training, external training and auxiliary education, etc., including the internal training of COFCO and China Foods, the employment of external trainers to provide training for employees, and the arrangement for employees to participate in external open classes and education/degree education. In 2016, the total training of China Foods provided for its employees accumulated to 39,475 hours; the number of trained personnel was 2,588, accounting for 17.2% of the total number of employees.

At the same time, China Foods has built a platform for internal talent flow, launched internal open recruitment, and promoted the reasonable flow of talent, which provided abundant opportunities for the career development of employees.

3. 員工關懷(續)

3.2 員工發展與培訓(續)

本公司為員工提供的培訓內容主要包括：

新員工培訓 – 為新入職員工提供的入職培訓，包括公司統一組織的集中培訓和各部門安排的專業培訓；

通用技能培訓 – 為提升員工工作效率和職業化技能開展的培訓；

專業技能培訓 – 為提升員工專業工作技能開展的培訓，包括技術系列和研發系列培訓等；

領導力培訓 – 為提升公司管理人員領導能力而組織的培訓。

本公司培訓方式分為內訓、外訓以及輔助教育等形式，包括中糧和中國食品內部組織的培訓、公司聘請外部培訓師為員工提供的培訓、安排員工參加外部公開課以及學歷／學位教育。2016年全年中國食品累計為員工提供培訓共計39,475小時，被培訓人數為2,588人，佔公司總員工數17.2%。

同時，中國食品還為公司員工搭建了內部人才流動平台，開展內部公開招聘，促進人才合理流動，為員工提供豐富的職業發展機會。

3. EMPLOYEE CARE (continued)

3.3 Occupational health and safety

China Foods strives to create a safe and healthy working environment for all employees. The Company actively recognizes and abides by the laws and regulations on occupational health and safety management at national and local levels, including the Labor Law of the People's Republic of China, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* (《中華人民共和國職業病防治法》) and the *Law of the People's Republic of China on Work Safety* (《中華人民共和國安全生產法》). In terms of occupational health and safety management, China Foods has formulated a relevant system that includes the occupational health management system, production safety inspection system and employment injury insurance management system, as well as a series of operation safety procedures. The Company has continued to promote the establishment and operation of the occupational health and safety management system in its subsidiaries/plants, as the system is one of the important methods to enhance the occupational health and safety management level of the Company. As at the end of 2016, a total of 15 production units of the Company (including China Great Wall Wine Co., Ltd., COFCO Huaxia Greatwall Wine Co., Ltd, COFCO Greatwall Wine (Yantai) Co., Ltd under the wine business unit) and 12 subordinate plants under COFCO Coca-Cola were certified to OHSAS18001 occupational health and safety management system.

3. 員工關懷(續)

3.3 職業健康與安全

中國食品努力為所有員工營造安全健康的工作環境。本公司積極識別並遵循國家和地方層面有關職業健康和安全管理法律法規，包括《中華人民共和國勞動法》、《中華人民共和國職業病防治法》、《中華人民共和國安全生產法》等。在職業健康和安全管理方面，中國食品制定了相關制度，包含職業健康管理制度、安全生產巡檢制度、工傷保險管理制度等，同時制定了一系列的安全操作流程規定。作為提升本公司職業健康和安全管理水平的重要手段之一，本公司持續推進各下屬公司／工廠建立並運行職業健康安全管理体系。截至2016年底，本公司範圍內共計15家生產單位（包括酒類事業部下屬中國長城葡萄酒有限公司、中糧華夏長城葡萄酒有限公司、中糧長城葡萄酒(煙台)有限公司以及中糧可口可樂下屬12家工廠）獲得了OHSAS18001職業健康安全管理体系的認證。

3. EMPLOYEE CARE (continued)

3.3 Occupational health and safety (continued)

On the implementation of the specific measures provided by the relevant system: China Foods requires its subordinate plants to set up safety and environmental protection departments or quality and safety departments, as well as to establish the position of safety and environmental protection specialists who is responsible for plant safety and the work on environmental protection management; each plant has formulated a compliance list on the EHS (environment, health and safety) regulations, which is renewed and maintained by specialists; the plants identify dangerous operational positions and potential hazards, and provide the operator with personal protective equipment (PPE) such as goggles, helmets, safety gloves and safety shoes; implement strict approval and supervision procedures on special operations, and provide relevant protection measures; for machinery and equipment which may be harmful, adopt appropriate protective measures such as adding protective cover on rotational component, which once the protective cover is opened, the entire production line will automatically stop, and will be examined by production and maintenance staff.

At the same time, China Foods arranges annual body check-up for all employees and arranges annual body check-up on occupational disease for employees of specific work types, and in accordance with the relevant requirements, keep the employees' records for subsequent follow-ups. For example, each plant requires employees who work under noise of over 80 dB to undergo health examinations, and the examination results are organized as a comprehensive report and all employees are informed of the results.

In 2016, the number of work-related fatality in China Foods was zero, and the number of loss of working days due to work-related injury was 542 days.

3. 員工關懷(續)

3.3 職業健康與安全(續)

在落實有關制度規定的具體措施方面：中國食品要求下屬工廠皆需設立安全環保部或者質量安全部，並設立安全環保專員，負責廠區內安全與環境保護管理工作；各工廠內部設立了EHS(環境、健康和安全)法規遵循目錄清單，由專人負責更新維護；工廠對危險性操作崗位和潛在危害因素進行識別，為操作員工配備勞動保護設備，如護目鏡、安全帽、安全手套、安全鞋等；對特殊作業實行嚴格的審批和監管流程，並提供針對性保護措施；對可能帶來危險的機械設備採取相應防護措施，如對旋轉部位加防護罩，一旦防護罩打開則整條生產線自動停止，由生產和維修人員進行自查。

同時，中國食品為所有員工安排年度體檢，對特殊工種員工則每年安排職業病危害體檢，並按照相關要求對其檔案進行保存以便記錄跟蹤。例如，各工廠要求在噪聲80分貝以上的崗位操作員工都須進行健康檢測，檢測結果會整理為統一報告，並告知所有員工。

2016年度內，中國食品因工作關係死亡人數為0人，因工傷損失的工作天數共計542天。

4. PRODUCT LIABILITY

In order to achieve the corporate mission of “offering nutritious, healthy and delicious quality foods, and achieving value maximization for customers, shareholders and employees”, China Foods has always seen product quality assurance as the top priority of daily work and strived to provide consumers with satisfactory and reliable quality products. The Company has continuously followed and strictly abided by national, regional and industry laws and regulations relevant to product liability, including the *Food Safety Law of the People's Republic of China* (《中華人民共和國食品安全法》), the *Product Quality Law of the People's Republic of China* (《中華人民共和國產品質量法》), the *Measures for the Administration of Food Production Licenses* (《食品生產許可管理辦法》) and the *Law of the People's Republic of China on Protection of Consumer Rights and Interests* (《中華人民共和國消費者權益保護法》), etc.

The Company has also been committed in building and enhancing the brand value of the Company, and strengthening brand maintenance and intellectual property protection. In 2016, the Company's Forture brand was awarded BrandZ™ Top 100 Most Valuable Chinese Brand (BrandZ 最具價值中國品牌 100 強) for the sixth consecutive year, and became a strategic partner of China's space business, while Forture's edible oil was appointed as the specific oil used for the G20 Hangzhou Summit.

4. 產品責任

為實現「奉獻營養、健康、美味的優質食品，實現客戶、股東、員工的價值最大化」的企業使命，中國食品一直將產品質量保證作為日常工作的重中之重，努力為消費者提供滿意放心的優質產品。本公司持續追蹤並嚴格遵守產品責任相關的國家、地區及行業法律法規，包括《中華人民共和國食品安全法》、《中華人民共和國產品質量法》、《食品生產許可管理辦法》、《中華人民共和國消費者權益保護法》等。

本公司亦致力於打造和提升公司所屬品牌價值，並加強品牌維護和知識產權保護。在過去的2016年，本公司所屬福臨門品牌連續第六年榮登BrandZ 最具價值中國品牌100強榜單，並成為中國航天事業戰略合作夥伴，福臨門食用油亦作為G20杭州峰會指定用油。





4. PRODUCT LIABILITY (continued)

4.1 Food quality and safety

China Foods continues to promote the Company's quality and safety culture, and continues to enhance the Company's food quality and safety management level. The Company has been promoting and implementing the quality and safety system certification of grassroots factories for six consecutive years and has been audited by a third-party professional certification body. As at the end of 2016, the Company's enterprises officially put into operation were all certified FSSC22000 and ISO9001 system. In the construction of management system, in recent years, China Foods promulgated the China Foods Limited Food Safety Management Regulation (《中國食品有限公司食品安全管理規定》), the China Food Limited Food Safety Accident Emergency Plan (《中國食品有限公司食品安全事故應急預案》), the China Foods Labeling Management Guide (《中國食品標籤標識管理指南》), Product Recall Emergency Plan (《產品召回應急預案》) and product quality inspection related systems of all business products.

Product quality inspection

The subordinate production units of China Foods, on one hand, conduct normal production inspection such as raw materials, semi-finished materials and finished products; and on the other hand, regularly hire qualified third-party institutions to conduct regular inspection on certain nation-required standards, while the other parts of standards are supplementarily inspected by the self-built laboratories of the production units, in order to cover all standards of national requirements. Also, at the beginning of each year, China Foods' Quality and Safety Management Department formulates the supervision and sampling plan for the year and issues the plan to various plants, and the plants quarterly conduct sampling inspection on the finished products, semi-finished products, raw materials, packaging materials, etc.

4. 產品責任(續)

4.1 食品質量和安全

中國食品持續推行公司的質量安全文化，繼續提升本公司食品質量和安全管理水平。本公司連續六年推動和落實基層工廠的質量安全體系認證，並由第三方專業認證機構指派經驗豐富的審核專家負責審核。截至2016年底，本公司所屬正式投產的企業均通過FSSC22000及ISO9001體系認證。在管理制度建設方面，近年來，中國食品發佈實施了《中國食品有限公司食品安全管理規定》、《中國食品有限公司食品安全事故應急預案》、《中國食品標籤標識管理指南》、《產品召回應急預案》及各事業產品品質檢驗相關制度。

產品質量檢驗

本公司下屬各生產單位一方面進行原料、半成品及成品出廠前等日常生產檢驗；另一方面，中國食品定期聘請外部有資質的第三方機構對國家要求的部分指標進行定期檢驗，另一部分指標由各生產單位自建實驗室執行補充檢驗，以涵蓋國標要求的所有指標。同時，中國食品質量與安全管理部每年初都會制定當年的監督抽檢計劃，並下發至各個工廠，由各工廠按季度對成品、半成品、原料包材等進行抽樣送檢。

4. PRODUCT LIABILITY (continued)

4.1 Food quality and safety (continued)

Special capacity building on food safety

Taking full account of the risks of upstream, downstream and manufacturing steps, the Company, on the basis of attaching importance to the traditional manufacturing step of HACCP management system, has extended forward to its production base, suppliers and new product development and backward to the customer services system.

On the basis of the original integrated planning, integrated technology, integrated planting, integrated procurement, standardized pesticide/fertilizer, full-time supervision by the base management department and systemized base management, the seven major production areas of the Company's Great Wall Wine have formulated and completed the China Foods Grape Base Quality and Safety Management Standards(《中國食品葡萄基地質量安全管理標準》), which includes the quality during grape growing process and before harvest, and pesticide residue standards into real-time monitoring, in order to ensure that the sampling monitoring inspection of the safety of the wine in the extracting season are 100% qualified, and that the pesticide residue and heavy metal indicators of wine are safe and in control.

4. 產品責任(續)

4.1 食品質量和安全(續)

食品安全專項能力建設

本公司充分考慮上下游和製造環節的風險，在重視傳統意義製造環節 HACCP 管理體系建設的基礎上，向前延伸至基地、供應商、新產品開發，向後延伸至通路客戶服務系統。

本公司所屬長城葡萄酒七個主產區在原有統一規劃、統一技術、統一種植、統一收購、規範農殘/化肥清單、基地管理部專職監督、基地管理制度化的基礎上，編製完成了《中國食品葡萄基地質量安全管理標準》，將葡萄種植過程中和採收前的質量、農殘指標納入實時監測，確保榨季葡萄酒質量安全監督抽查 100% 合格，葡萄酒產品農殘、重金屬指標安全可控。



4. PRODUCT LIABILITY (continued)

4.1 Food quality and safety (continued)

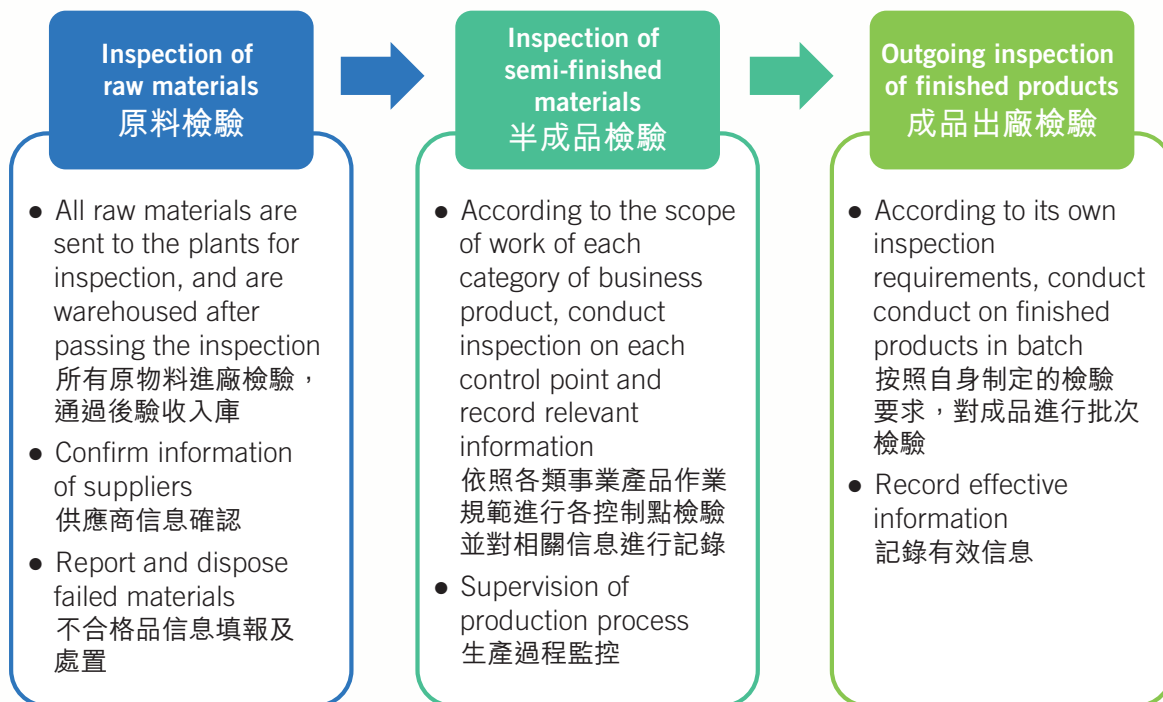
Product quality inspection (continued)

4. 產品責任(續)

4.1 食品質量和安全(續)

產品質量檢驗(續)

Production inspection process of China Foods 中國食品生產過程檢驗流程



The Company has constructed and completed a monitoring platform for wine hygiene standards, and achieved results in a phase manner in precise instrument configuration and professional testing personnel training, in which the investment into the wine monitoring platform has reached RMB8 million, and the wine factories can carry out test of 52 pesticide residue indicators.

本公司搭建完成了葡萄酒衛生指標監測平台，在精密儀器配置、專業檢測人員培訓方面取得階段性成果，其中，葡萄酒監測平台投入達到800萬元，葡萄酒工廠可以開展52項農殘檢測。

4. PRODUCT LIABILITY (continued)

4.1 Food quality and safety (continued)

Special capacity building on food safety (continued)

In addition, the Company developed and completed the SAP-QM sector, which integrated the quality and technology standards and inspection and testing procedures maintenance into the database of the SAP, so as to ensure the information management in respect of the material quality testing is applied to all production process of the plants, such as procurement, manufacturing, warehousing and sales, and to enhance the traceability of the quality and safety standard of the products. The Company has also applied two-dimensional code technology to all wine factories and the traceable precision has changed from the “production batch” into “bottle”, and traceable management has reached the industry’s leading level.

China Foods has established an emergency response plan system for food safety incidents from the Company to plants, and organizes drills on a regular basis. The Company has established a preventive and early warning mechanism through special control of significant risks, in which the special treatments on significant hidden dangers such as raw material plasticizer and wine pesticide residues have achieved remarkable results, and it has reached the target of 100% of passing rate in sample testing. In addition, the Company has continued to rationalize the Industrial Chain Risk Outline (《產業鏈風險大綱》) and prepared the risk list through risk identification and assessment, and developed grading and classification control measures, in order to solidly implement the control measures of significant risks into the normal dynamic control process and ensure the applicability, completeness and effectiveness of the risk outline. The Company has also established a comprehensive product recall and tracing method, verifying the response sensitivity and product traceability of the product recall system through regular drills.

In 2016, there was no incident of recall of sold or delivered products due to safety or health reason in China Foods.

4. 產品責任(續)

4.1 食品質量和安全(續)

食品安全專項能力建設(續)

另外，本公司開發完成SAP-QM模塊，將質量技術標準、檢驗檢測規程維護在SAP主數據中，保證各工廠採購、生產製造、倉儲、銷售出庫各環節的物料質量檢測的信息化管理，提升工廠產品質量安全的可追溯性。公司同時將二維碼技術應用到所有葡萄酒工廠，可追溯的精準度從「生產批」轉變為「瓶」，可追溯管理達到行業內領先水平。

中國食品建立了從公司到工廠的食品安全應急預案體系，並定期組織演練。本公司通過重大隱患專項治理，建立起預防和預警機制，其中，針對原材料塑化劑、葡萄酒農殘等重大隱患的專項治理取得明顯效果，達到監督抽查合格率100%的目標。另外，本公司持續梳理《產業鏈風險大綱》，通過風險識別和評估，編製風險清單，制定分級、分類管控措施，將重大隱患的管控措施固化在日常動態管理過程中，保證風險大綱的適用性、完整性和有效性。本公司同時建立了完善的產品召回和追溯方式，通過定期演練來驗證產品召回系統的反應靈敏性和產品可追溯程度。

2016年度內，中國食品未發生已售或已運送產品因安全 and 健康理由召回的事件。



4. PRODUCT LIABILITY (continued)

4.2 Customer services system

China Foods' objective is to provide consumers with satisfactory products of high-quality. The Company has established a customer services center which is equipped with information service system for recording, transferring and handling information such as customer complaints, enquiries and recommendation. The Company has also developed a consumer complaint handling procedures, and focusing on customer complaints, responded to consumer demands with greatest effort and with the handling attitude of open-minded acceptance, careful investigation, positive feedback and subsequent follow-up.

In 2016, the total number of calls received by China Foods' customer services center was more than 70,000. Through the all-weather operation of the customer services center, skilled customer services staff handled customer advice and maintained a positive customer relationship, which enhanced the reputation of China Foods' services. In 2016, China Foods invested a larger amount of capital for the upgrade of customer information services system, and promoted the use of the online system platform in various major sales regions in the country. The new system provided more convenient and efficient customer services in major sales regions, enhancing consumers' experience and customers' satisfaction after its upgrade.

China Foods' customer services center has made an internal service pledge – to follow-up an oral complaint within 24 hours and to confirm a written complaint within 48 hours. The Company's customer services staff of each sales regions attach great importance to every case, and make every effort to provide consumers and customers with products and services of high-quality. In 2016, China Foods' rate of concluded consumer complaint reached 96%, while customer satisfaction rate reached 98%.

4. 產品責任(續)

4.2 客戶服務體系

為消費者提供滿意放心的優質產品是中國食品的宗旨。本公司建立了客戶服務中心，配備了信息化的客服系統，用於記錄、轉辦、處理客戶投訴、諮詢與建議等信息。本公司亦制定了消費者投訴處理程序，針對客戶投訴，公司本著虛心接受、認真調查、積極反饋、後續跟進的處理態度，盡最大所能應對消費者的訴求。

2016年，中國食品客服中心受理話務量總計7萬餘起，公司通過全天候運作的客戶服務中心，由熟練的客服坐席人員處理客戶諮詢，維護了良好的客戶關係，提升了中國食品服務的口碑。2016年，中國食品投入較大資金升級改造客戶信息服務系統，並在全國各銷售大區系統平台上線推廣使用，為銷售大區提供了更加方便快捷的客戶服務，讓消費者在新系統的升級改造後有了更好的體驗度，提升了客戶滿意度。

中國食品客服中心作出內部服務承諾，在24小時內跟進口頭投訴、在48小時內確認書面投訴。本公司各銷售大區客訴對接人非常重視每一起個案，竭盡全力為消費者及客戶提供優質的產品與服務。2016年，中國食品的客訴結案率達到96%，客戶滿意度達到98%。

4. PRODUCT LIABILITY (continued)

4.2 Customer services system (continued)

For the protection of consumer information, sales orders and their delivery are all completed in the SAP system, and only authorized personnel can access the information and maintain the system, which effectively protects the information and privacy of customers.

4.3 Advertising marketing and brand management

China Foods strictly abides by laws and regulations relevant to advertising and marketing such as the *Advertisement Law of the People's Republic of China* (《中華人民共和國廣告法》) and the relevant regulations of COFCO. The Company, through COFCO, selects the advertising companies and media companies which meet the unified selection standards, and all advertisements are approved by the Company's legal department in relation to risk-control aspect. For the use of COFCO and China Foods' trademarks in cooperation with media and marketing, the Company has also formulated corresponding strict assessment standards, which after stringent review, China Foods proposes the needs in the use of the brand's trademark, and reports to COFCO for approval.

In 2016, there was no violation of laws and regulations relevant to the advertising and marketing of China Foods.

5. SUPPLY CHAIN MANAGEMENT

In order to ensure the Company's product quality and safety and control the risk from its origin, China Foods has continued to strengthen its supervision on supply chain quality and safety. The Company is committed to working with suppliers to build a credible green supply chain, and has continuously improved the operation management performance of its own and of its co-operative partners.

4. 產品責任(續)

4.2 客戶服務體系(續)

對於消費者信息的保護，中國食品銷售訂單的下達、發貨等業務均在SAP系統中完成，僅授權人員可以進行信息查閱及維護，有效保護了客戶的資料及隱私。

4.3 廣告營銷與品牌標識

中國食品嚴格遵守《中華人民共和國廣告法》等廣告營銷相關的法律法規以及中糧的相關規定。本公司通過中糧統一遴選符合標準的廣告公司和媒介公司，並且所有廣告都經過公司法律部風控合規審核。對於在媒體合作、市場推廣中有關中糧、中國食品商標標識的使用，本公司同樣制定有相應的嚴格評估標準，經嚴格審核後，由中國食品提請品牌標識使用需求，上報中糧審批。

2016年度內，中國食品未發生違反廣告營銷相關法律法規的事件。

5. 供應鏈管理

為保障公司產品質量安全、從源頭控制風險，中國食品持續加強對供應鏈的質量安全監管。本公司致力於與供應商攜手打造誠信綠色供應鏈，不斷提升自身及合作夥伴的營運管理表現。



5. SUPPLY CHAIN MANAGEMENT (continued)

In order to ensure the quality of the raw materials purchased by the Company, China Foods has formulated systems such as the Supplier Management Control Procedure (《供應商管理控制程序》), the Rules Governing Supplier On-Site Review Management (《供應商現場審核管理辦法》) and the Rules Governing Quality Management of Raw Materials (《原物料交貨質量管理辦法》). At the same time, China Foods has formulated supplier assessment tools such as the China Foods (Producer) On-Site Review Evaluation Form (《中國食品(生產商)現場審核評估表》), the China Foods (Domestic Trader) On-Site Review Evaluation Form (《中國食品(國內貿易商)現場審核評估表》) and the China Foods (Domestic Trader) On-Site Review Evaluation Form (《中國食品(進口貿易商)現場審核評估表》). The Company's review on the social responsibility of suppliers is one of the basic contents of on-site review, which aims to judge comprehensively the environmental and social risks of the suppliers, including whether the relevant laws and regulations are complied with, whether the relevant license is obtained, whether use of the product additives comply with regulations, and whether the source of water for agricultural products and discharge of waste water have complied with local requirements, etc. For suppliers who fail to meet the requirements, the Company immediately ceases the corporation, and issues a rectification notice requiring rectification be completed within an agreed period.

China Foods has established a supplier information management system, implemented whole process management from supplier access verification, regular audit and performance evaluation, etc. The Company conducts a comprehensive performance evaluation of suppliers on regular basis, and exercises failing exit system on suppliers who fail. After the end of each assessment, the contents of the supplier information management system will be updated, and each unit can timely carry out relevant purchase in accordance with the updated list of suppliers.

The Company has also attached great importance to the business ethics and contract spirits of suppliers, and has signed the Agreement of Cooperation in Good Faith on Anti-Commercial Bribery (《反商業賄賂誠信合作協議》) with all suppliers in order to prevent any improper procurements.

5. 供應鏈管理(續)

為保障公司所採購的原材料質量，中國食品制定了《供應商管理控制程序》、《供應商現場審核管理辦法》及《原物料交貨質量管理辦法》等制度。同時，中國食品制定了《中國食品(生產商)現場審核評估表》、《中國食品(國內貿易商)現場審核評估表》及《中國食品(進口貿易商)現場審核評估表》等供應商評估工具。本公司對供應商的社會責任審核是現場審核的基本內容之一，旨在對供應商的環境及社會風險進行綜合判斷，包括是否遵守相關法律法規、是否獲得相關許可證、其產品添加劑是否合規、農產品的水源和污水排放是否符合當地要求等。公司對不符合要求的供應商立即停止合作，並下發整改通知單，要求在約定期限內進行整改驗收。

中國食品建立了供應商信息管理系統，從供應商准入認證、定期審核和績效評估等方面實行全流程管理。本公司定期對供應商進行綜合績效評估，對不合格的供應商執行不及格退出制。每次評估結束後，供應商信息管理系統的內容將被更新，各單位可及時按照更新後的供應商名錄進行相關採購工作。

本公司亦十分重視供應商的商業道德與合約精神，與所有合作供應商簽署《反商業賄賂誠信合作協議》，抵制一切不正當採購事件的發生。

5. SUPPLY CHAIN MANAGEMENT (continued)

Statistics on the number of suppliers of China Foods by region

Region	Statistics of 2016 (number)
North-east region	17
North China region	97
Central China region	6
East China region	112
South China region	39
North-west region	16
South-west region	15
Total	302

6. ANTI-CORRUPTION

“Integrity” is one of the core values of China Foods, and the Company has “zero tolerance” on the violation of professional ethics and business ethics. The Company has actively identified and abided by the relevant laws and regulations such as the *Criminal Law of the People's Republic of China* (《中華人民共和國刑法》), the *Law of the People's Republic of China Against Unfair Competition* (《中華人民共和國反不正當競爭法》), the Interim Provisions on Banning Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》) and the Opinions on Issues concerning the Application of Law in the Handling of Criminal Cases of Commercial Briberies (《關於辦理商業賄賂刑事案件適用法律若干問題的意見》), and actively implemented COFCO regulations relevant to integrity discipline management.

5. 供應鏈管理 (續)

中國食品按地區劃分供應商數目統計

地區	2016年數據(個)
東北地區	17
華北地區	97
華中地區	6
華東地區	112
華南地區	39
西北地區	16
西南地區	15
合計	302

6. 反貪污

「誠信」是中國食品的核心價值觀之一，本公司對違反職業操守和商業道德的行為「零容忍」。本公司積極識別並遵循《中華人民共和國刑法》、《中華人民共和國反不正當競爭法》、《關於禁止商業賄賂行為的暫行規定》、《關於辦理商業賄賂刑事案件適用法律若干問題的意見》等相關法律法規，並積極落實中糧有關廉潔紀律管理的規定。





6. ANTI-CORRUPTION (continued)

China Foods has long-term adhered to anti-fraud system construction, and constantly improved its internal system to strengthen the relevant mission training. The Company has strictly implemented COFCO's 14 Provisions on COFCO Manager Professional Conduct (Revised Edition) (《中糧經理人職業操守十四條(修訂版)》), which stipulates that all employees shall not "conduct business with relatives, use their authorities to seek benefits for themselves and relatives and friends, obtain benefits from subsidiaries and customers, and take any form of rebate". If the regulations are violated, the employees will be subject to disciplinary action according to the severity of the act, until legal liability is pursued. The Company has also formulated the China Foods Limited Close Relatives Avoidance System (《中國食品有限公司近親屬回避制度》) and the Rules Governing China Foods Limited Staff Indiscipline Report Award (Trial) (《中國食品有限公司員工違紀行為舉報獎勵管理辦法(試行)》) to encourage employees to actively report any violation of laws and regulations and the Company's regulations and any act which damages the Company's economic interests and social reputation, while setting reporting channels such as report line and e-mail.

The Company has attached great importance to the supervision and management of the work of tender and procurement, and implemented the Rules Governing China Foods Tender and Procurement (《中國食品招標採購管理辦法》), in order to avoid incompliance such as fraud in the tender and procurement.

In 2016, China Foods received 18 concern and clue reports, handled and closed 18 cases, of which 2 corruption cases were raised and concluded.

6. 反貪污(續)

中國食品長期堅持反舞弊體系建設，不斷完善內部制度，加強相關宣教培訓。本公司嚴格執行中糧頒佈的《中糧經理人職業操守十四條(修訂版)》，其中明確規定任何員工「不與親屬做生意、不利用職權為自己 and 親友謀利益、不向下屬公司和客戶索取利益、不拿任何形式的回扣」，一旦違反規定將根據情節輕重給予紀律處分直至追究法律責任。公司同時制定了《中國食品有限公司近親屬回避制度》和《中國食品有限公司員工違紀行為舉報獎勵管理辦法(試行)》，鼓勵員工積極舉報任何違反法律法規和公司規定、損害公司經濟利益和社會聲譽的行為，同時設立了舉報專線和郵箱等舉報途徑。

本公司重視對招標採購工作的監督管理，制定並貫徹執行《中國食品招標採購管理辦法》，避免招標採購中的舞弊等不規範行為。

2016年度內，中國食品收到問題線索18件，辦理結案18件，其中提出並已審結的貪污訴訟案件數目為2例。

7. COMMUNITY INVESTMENT

Inheriting the social responsibility philosophy of “being loyal to national policies and making people’s life better”, China Foods provides qualified foods for the market and consumers and at the same time play the role of a corporate citizen, and strives to reward to the society and is committed in the promotion of the joint development and progress of the enterprise and the society. The Company actively responds to the call of the country, proactively understands the expectations and needs of the community and its surroundings, and encourages its employees to participate in various public welfare activities in order to fulfill the corporate social responsibility.

In 2016, the Company launched a series of multi-form social welfare activities, and the cumulative labor hours devoted were about 77,218 hours, while the capital invested was about RMB2.92 million.

Representative Cases

Education

- Donation to Dandelion School:
Dandelion School, located in Daxing District, Beijing, is the first secondary school found specifically for the children of migrant workers approved by the government in Beijing, and is devoted in solving the education difficulties of the children of migrant workers. In order to protect the health of children, China Foods’ kitchen food category management department has donated healthy oil products to the school every semester, so that children are accompanied by care and love on their growth paths. In 2016, The Company continued to donate edible oil products with a value of about RMB13,126 to Dandelion School.

7. 社區投資

傳承「忠於國計、良於民生」的社會責任理念，中國食品在為市場和消費者提供合格食品的同時，也扮演著企業公民的角色，努力回饋社會，致力於推動企業與社會的共同發展與進步。本公司積極響應國家號召，主動了解運營所在社區及周邊的期望與需求，並鼓勵員工參與各種公益活動，以此履行企業社會責任。

在過去的2016年度，本公司開展了一系列多形式的社會公益活動，累計投入人工時數約77,218小時，投入資金約292萬元人民幣。

代表性案例展示

教育事業

- 捐贈蒲公英中學：
蒲公英中學位於北京市大興區，是北京市第一所經政府批准的專門為農民工子女創辦的中學，致力於解決農民工子女上學難的問題。為守護孩子們的健康，中國食品廚房食品品類管理部每學期向學校捐贈健康油品，讓孩子們在成長的道路上關愛隨行。2016年度公司繼續向蒲公英中學捐贈價值約13,126元人民幣食用油品。





7. COMMUNITY INVESTMENT (continued)

- “Flowers Blossom” (“花兒朵朵”) aid program:
Since 2011, COFCO Coca-Cola under China Foods has launched a “Flowers Blossom” aid program, and through its coordination, employees have involved in continuous one-on-one donation for students in poverty areas. As at the end of 2016, the program has been launched in various plants such as COFCO Coca-Cola Hunan plant, Jiangxi plant and Gansu plant. In 2016, the Company's accumulated donated funds reached RMB109,138.
- Campus football promotion:
In recent years, COFCO Coca-Cola has carried out the support of the development of campus football as its long-term public welfare activities. In Shandong, Hunan, Inner Mongolia and other places, COFCO Coca-Cola has become an active promoter of the local campus football development through continuous support, and cultivates hopes for football in China. In 2016, the Company continued to invest RMB883,938 for the activity.

Charity activities

- Environmental protection charity: China Foods has continued to launch environmental protection charity activities such as “Earth Hour” and afforestation, in order to influence more people and enhance their environmental awareness and sense of responsibility. In 2016, the Company continued to invest RMB198,572 in the relevant activities.
- Water Purification Program: COFCO Coca-Cola has actively participated in the “Water Purification Program” charity project initiated by the Coca-Cola China United One Foundation Fund (可口可樂中國聯合壹基金), which aims to ensure that local children are protected from the harm of unsafe drinking water through assisting schools and communities in remote areas to install water purification equipment. In 2016, the Company invested RMB123,302 in the program.

7. 社區投資(續)

- 「花兒朵朵」援助計劃：
自2011年起，中國食品所屬中糧可口可樂發起了「花兒朵朵」援助計劃，通過公司牽線組織、員工參與對貧困地區學生持續進行一對一的捐助。截至2016年底，該計劃已在中糧可口可樂湖南廠、江西廠和甘肅廠等多家工廠展開。2016年度公司累計捐助資金達到109,138元人民幣。
- 校園足球推廣：
近年來，中糧可口可樂將支持校園足球發展作為公司長期性的公益活動來開展。在山東、湖南、內蒙古等地，中糧可口可樂已經通過持續性的支持成為當地校園足球發展的積極推動者，為中國足球播種簇簇希望。2016年度公司繼續為該活動投入資金883,938元人民幣。

公益活動

- 環保公益：中國食品持續開展「地球一小時」和植樹造林等環保公益活動，以此影響更多人提升環境保護意識和責任感。2016年度公司繼續為相關活動投入資金198,572元人民幣。
- 淨水計劃：中糧可口可樂積極參與由可口可樂中國聯合壹基金發起的「淨水計劃」公益項目，該項目旨在通過幫助偏遠地區的學校和社區安裝淨水設備，來保證當地孩子免受不安全飲水的傷害。2016年度公司為該計劃投入資金123,302元人民幣。

7. COMMUNITY INVESTMENT (continued)

Charity activities (continued)

- Voluntary beach-cleaning action: various plants of China Foods located near coastal, such as Huaxia Plant, Yantai Plant, Coca-Cola Qingdao Plant, Coca-Cola Zhanjiang Plant and Coca-Cola Hainan Plant, regularly organize employees to local beaches picking up litter, carrying out beach-cleaning action, in order to arouse the environmental awareness of the general public and tourists through actions.

Love donation

- Giving love to the community: China Foods has regularly donated basic necessities such as food and oil products to the needy residents of Chaowai sub-district in Beijing. In 2016, the Company donated a total of RMB24,701 in value of daily necessities.



- COFCO “Loving old clothing – Donation of clothing to the poverty areas in Xinjiang” (“衣舊情深 – 向新疆貧困地區捐助衣物”) activity: In October 2016, the China Foods actively responded to COFCO’s call to donate more than 2,000 pieces of clothing to the poverty areas in Xinjiang.
- Sending greetings to special groups: In 2016, various plants of China Foods, sent the Company’s greetings to traffic police and sanitation workers, making contribution to creating a harmonious society. This year, the Company invested a total of RMB200,505.

7. 社區投資(續)

公益活動(續)

- 志願淨灘行動：中國食品沿海企業華夏工廠、煙台工廠、青島可樂工廠、湛江可樂工廠、海南可樂工廠定期組織員工到當地海灘義務撿拾垃圾，開展淨灘活動，以實際行動喚起廣大市民和游客愛護環境意識。

愛心捐贈

- 愛心進社區：中國食品定期為北京市朝外街道貧困居民捐贈糧油等生活必需品。2016年度公司累計捐贈價值約24,701元人民幣生活用品。

- 中糧「衣舊情深—向新疆貧困地區捐助衣物」活動：2016年10月，中國食品積極響應中糧號召，向新疆貧困地區捐助衣物2,000餘件。
- 特殊群體慰問：2016年度，中國食品各工廠針對為大眾辛勞奉獻的相關群體—交警和環衛工人送去公司的關懷，為營造和諧社會貢獻力量。本年度公司累計投入資金200,505元人民幣。



APPENDIX: ESG GUIDELINES OF THE STOCK EXCHANGE

附錄：港交所ESG指引索引表

Aspect 議題層面	No. 議題編號	Attributes 議題屬性	Description of Subject 議題描述	Whether the contents are covered in the report 本報告內容是否涵蓋
Aspect A1: Emissions	1	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Yes
層面 A1: 排放物		一般披露	有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	是
	2	KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	No 否
	3	KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	No 否
	4	KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	No 否
	5	KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	No 否
	6	KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	Yes 是
	7	KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Yes 是
Aspect A2: Use of Resources	8	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	Yes 是
層面 A2: 資源使用		一般披露		
	9	KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及/或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	No 否

APPENDIX: ESG GUIDELINES OF THE STOCK EXCHANGE (continued)

附錄：港交所ESG指引索引表
(續)

Aspect 議題層面	No. 議題編號	Attributes 議題屬性	Description of Subject 議題描述	Whether the contents are covered in the report 本報告內容是否涵蓋
	10	KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	No 否
	11	KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	Yes 是
	12	KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	Yes 是
	13	KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位估量。	No 否
Aspect A3: The Environment and Natural Resources 層面 A3: 環境及天然資源	14	General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	Yes 是
	15	KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	Yes 是
Aspect B1: Employment 層面 B1: 僱傭	16	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Yes 是
	17	KPI B1.1 關鍵績效指標 B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	No 否
	18	KPI B1.2 關鍵績效指標 B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	No 否



APPENDIX: ESG GUIDELINES OF THE STOCK EXCHANGE (continued)

附錄：港交所ESG指引索引表
(續)

Aspect 議題層面	No. 議題編號	Attributes 議題屬性	Description of Subject 議題描述	Whether the contents are covered in the report 本報告內容是否涵蓋
Aspect B2: Health and Safety 層面 B2: 健康與安全	19	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Yes 是
	20	KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	Yes 是
	21	KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 因工傷損失工作日數。	Yes 是
	22	KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Yes 是
Aspect B3: Development and Training 層面 B3: 發展及培訓	23	General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Yes 是
	24	KPI B3.1 關鍵績效指標 B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別（如高級管理層、中級管理層等）劃分的受訓僱員百分比。	No 否
	25	KPI B3.2 關鍵績效指標 B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	No 否
Aspect B4: Labour Standards 層面 B4: 勞工準則	26	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Yes 是

APPENDIX: ESG GUIDELINES OF THE STOCK EXCHANGE (continued)

附錄：港交所ESG指引索引表
(續)

Aspect 議題層面	No. 議題編號	Attributes 議題屬性	Description of Subject 議題描述	Whether the contents are covered in the report 本報告內容是否涵蓋
	27	KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	Yes 是
	28	KPI B4.2 關鍵績效指標 B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	Yes 是
Aspect B5: Supply Chain Management 層面 B5: 供應鏈管理	29	General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Yes 是
	30	KPI B5.1 關鍵績效指標 B5.1	Number of suppliers by geographical region. 按地區劃分的供貨商數目。	Yes 是
	31	KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供貨商的慣例，向其執行有關慣例的供貨商數目、以及有關慣例的執行及監察方法。	Yes 是
Aspect B6: Product Responsibility 層面 B6: 產品責任	32	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Yes 是
	33	KPI B6.1 關鍵績效指標 B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	Yes 是
	34	KPI B6.2 關鍵績效指標 B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	Yes 是



APPENDIX: ESG GUIDELINES OF THE STOCK EXCHANGE (continued)

附錄：港交所ESG指引索引表
(續)

Aspect 議題層面	No. 議題編號	Attributes 議題屬性	Description of Subject 議題描述	Whether the contents are covered in the report 本報告內容是否涵蓋
	35	KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Yes 是
	36	KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	Yes 是
	37	KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者數據保障及私隱政策，以及相關執行及監察方法。	Yes 是
Aspect B7: Anti-corruption 層面 B7: 反貪污	38	General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Yes 是
	39	KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於滙報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Yes 是
	40	KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序、以及相關執行及監察方法。	Yes 是
Aspect B8: Community Investment 層面 B8: 社區投資	41	General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Yes 是
	42	KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	Yes 是
	43	KPI B8.2 關鍵績效指標 B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	Yes 是



CORPORATE GOVERNANCE REPORT

企業管治報告

China Foods Limited (the “Company”) is committed to achieve high standards of corporate governance. The board of directors of the Company (the “Board”) recognises the importance of maintaining a good corporate governance standard and practices for the growth of the Company and for safeguarding the interests of our shareholders, investors, customers and staff.

CORPORATE GOVERNANCE PRACTICES

The Company’s corporate governance practices are based on the principles and code provisions (the “Code Provisions”) of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Company has applied the principles of the CG Code and complied with all the Code Provisions throughout the year ended 31 December 2016 (the “year”).

SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as its own code of conduct regarding directors’ securities transactions. Having made specific enquiry of all directors of the Board (“Director(s)”), they confirmed that they have complied with the required standards set out in the Model Code throughout the year.

The Company has also adopted a code for securities transactions by relevant employees (the “Employees Trading Code”) based on the Model Code concerning dealings by relevant employees in the securities of the Company. Relevant employees who are likely to be in possession of unpublished inside information of the Company and its subsidiaries (collectively the “Group”) are required to comply with the Employees Trading Code in respect of their dealings in the securities of the Company. The terms of the Employees Trading Code are no less exacting than the required standards set out in the Model Code. During the year, the Company has not received any non-compliance report from any of such employees.

中國食品有限公司(「本公司」)致力達致高水準的企業管治。本公司董事會(「董事會」)認同維持良好的企業管治水平及常規對本公司的發展及保障我們股東、投資者、客戶及員工利益之重要性。

企業管治常規

本公司的企業管治常規乃根據《香港聯合交易所有限公司證券上市規則》(《上市規則》)附錄十四《企業管治守則》(《企業管治守則》)所載的原則及守則條文(《守則條文》)為基準。

於截至2016年12月31日止年度(「本年度」)，本公司一直採用《企業管治守則》的原則並遵守所有《守則條文》。

董事及有關僱員的證券交易

本公司已採納《上市規則》附錄十所載《上市發行人董事進行證券交易的標準守則》(《標準守則》)作為本公司董事進行證券交易方面之操守守則。經向本公司董事會各董事(「董事」)作出具體查詢後，各董事確認，彼等於本年度內一直遵守《標準守則》所載列之規定標準。

本公司亦已就有關僱員進行本公司證券交易採納一套根據標準守則而編製的有關僱員進行證券交易守則(《僱員交易守則》)。可能擁有有關本公司及其附屬公司(統稱「本集團」)未公開發佈的內幕消息的有關僱員必須就進行本公司證券交易遵守《僱員交易守則》。僱員交易守則之條款不遜於《標準守則》所載列之規定標準。本年度內，本公司並未有收到任何有關僱員的違規報告。



THE BOARD OF DIRECTORS

Composition of the Board

The Board has in its composition a balance of skills and experience necessary for independent decision making and fulfilling its business needs.

The Board currently comprises four executive Directors and seven non-executive Directors of whom four are independent as defined under the Listing Rules. Independent non-executive Directors constitute more than one-third of the Board and at least one of them has appropriate professional qualifications, or accounting or related financial management expertise. The Company has received from each independent non-executive Director an annual confirmation of his independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. The Board has assessed their independence and concluded that all independent non-executive Directors are independent in accordance with the definition of the Listing Rules.

At as the date of this report, the Board comprises eleven directors, two of them are women. The educational background of the directors cover accounting, business management, economics, social science, history, engineering and political studies. The Company considers that the current composition of the Board has the characteristics of diversity, whether from perspectives of gender, professional background and skills.

The biographies of the Board members are set out in Directors and Senior Management Profile on pages 40 to 53 of this annual report. To the best knowledge of the Board, none of the Directors are involved in any relationship as defined in Appendix 16 to the Listing Rules. The Company has also maintained on its website (www.chinafoodsltd.com) and the HKExnews website of Hong Kong Exchanges and Clearing Limited (the "HKEx") (www.hkexnews.hk) an updated list of its Directors identifying their roles and functions. Composition of the Board, by category of Directors, is explicitly identified in all the Company's corporate communications.

董事會

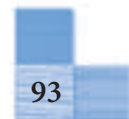
董事會的組成

董事會的成員集各方專長技能和經驗，以達致獨立決策及滿足業務需求。

董事會現時由四名執行董事及七名非執行董事組成。在該七名非執行董事中，四名具有《上市規則》所界定的獨立身份。獨立非執行董事佔董事會人數多於三分之一，且其中至少一名獨立非執行董事具備適當的專業資格，或具備適當的會計或相關的財務管理專長。本公司已收到各獨立非執行董事根據《上市規則》第3.13條所載有關獨立性的指引，確認其獨立性。董事會已評估其獨立性，並作出結論，認為按《上市規則》之釋義，全體獨立非執行董事均為獨立。

於本報告日期，董事會包括十一名董事，其中兩名為女性，各董事教育背景涉及會計、工商管理、經濟、社會科學、歷史、工程學及政治，本公司認為其董事會目前之組成無論於性別、專業背景及技能方面考慮均具有多元化特點。

董事會成員之履歷載於本年報第40至53頁之董事及高級管理層簡介內。就董事會所知悉，各董事概無涉及《上市規則》附錄十六所界定的任何一種關係。本公司亦已於其網站 (www.chinafoodsltd.com) 及香港交易及結算所有限公司(「香港交易所」)之「披露易」網站 (www.hkexnews.hk) 上載其董事之最新名單以識別其角色及職責。本公司所有公司通訊中亦已明確地按董事類別披露董事會的組成。





THE BOARD OF DIRECTORS (continued)

Board Diversity Policy

The Board has adopted a board diversity policy in August 2013. When determining the composition of the Board, the Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, work and professional experience, skills, knowledge and length of service. All appointment of the members of the Board will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity of the Board. The ultimate decision will be based on merits of the candidates and the contribution they will bring to the Board. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. The nomination committee has primary responsibility for identifying and nominating, for approval by the Board, suitably qualified candidates to become members of the Board and, in carrying out this responsibility, will give adequate consideration to the board diversity policy.

Board Meeting and General Meeting

The Board conducts at least four regular Board meetings a year at approximately quarterly intervals with additional Board meetings as and when required.

Notices for regular Board meetings or Board committee meetings are sent to Directors or Board committee members at least fourteen (14) days prior to such meetings and Directors or Board committee members can include matters for discussion in the agenda for such meetings if the need arises. For ad hoc meetings, shorter notice may be given.

The company secretary assists the chairman of the Board or other committees of the Board in preparing the agenda for meetings and ensures that all relevant rules and regulations for meeting proceedings are followed. Board papers were sent to the Directors at least three (3) days before the intended dates of Board meetings or Board committee meetings.

董事會(續)

董事會成員多元化政策

於2013年8月，董事會已採納董事會成員多元化政策。本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，包括(但不局限於)性別、年齡、文化及教育背景、工作及專業經驗、技能、知識及服務任期。所有董事會成員的委任均以用人唯才為原則，並在考慮人選時會按客觀標準並適當考慮董事會成員多元化的裨益。最終將按人選的長處及其可為董事會提供的貢獻而作決定。本公司明白並深信董事會成員多元化對提升本公司的表現素質裨益良多。提名委員會肩負物色及提名具備合適資格可擔任董事會成員的人選供董事會批准的主要職責，並在履行此職責時，將充分考慮董事會成員多元化政策。

董事會及股東大會

董事會每年最少舉行四次常規會議，大約每季一次，並於有需要時召開額外的董事會會議。

召開董事會或董事會委員會常規會議的通告均於該等會議召開前最少十四天發給董事或董事會委員會成員。如有需要，董事可在議程中加入欲討論的事項。就其他特別會議，則可能發出較短時間的通知。

公司秘書協助董事會或其他董事會委員會主席準備會議議程，及確保遵守有關會議程序的所有適用規則及規例。董事會或董事會委員會會議的相關會議文件，最少在董事會或董事會委員會會議日期的三天前發送給董事。



THE BOARD OF DIRECTORS (continued) Board Meeting and General Meeting (continued)

It is the practice of the Company to record in sufficient detail of the matters considered and decisions reached, including concerns raised or dissenting views expressed, by the Board and Board committees. Draft and final versions of minutes of Board meetings and/or Board committee meetings are sent to Directors or committee members (as the case may be) for their comment and records respectively, in both cases within a reasonable time after the meetings. The decision of the Board can be made by written resolutions.

All minutes of Board meetings and Board committee meetings are kept by the company secretary and are available to all Directors for inspection. Every Board member has unrestricted access to the advice and services of the company secretary to enable them to discharge their duties effectively, and has the liberty to seek external professional advice if so required. The cost of procuring these professional services will be borne by the Company.

In case a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, such matter will be discussed through an actual meeting and will not be dealt with by written resolutions. Independent non-executive Directors with no conflict of interest will be present at meetings dealing with such conflict issues.

During the year, other than resolutions of the Board passed by written resolutions, a total of five Board meetings, a special general meeting and an annual general meeting at which the external auditors attended were held and the attendance of such meetings by each Director is set out below. In the following table, the figures in brackets means the total number of meetings held during each Directors' tenure throughout the year ended 31 December 2016:

董事會(續) 董事會及股東大會(續)

本公司設有慣例，董事會及董事會委員會會議中考慮的事項及達致的決定做出足夠的記錄，其中包括董事提出的疑問或表達的反對意見。董事會及／或董事會委員會會議記錄的初稿及終稿會於會議舉行後合理時間內發送給董事或委員會成員(視乎情況而定)，初稿供他們提供意見，終稿則作為其記錄。董事會決議可以書面決議方式作出。

所有董事會及董事會委員會會議記錄均由公司秘書保管，以備董事查閱。每位董事會成員可不受限制地取得公司秘書的意見和服務，以便他們能有效執行其職務及可自由於有需要時尋求外界的專業意見。採用該等專業服務的費用將由本公司承擔。

倘主要股東或董事在董事會將予考慮之事項中存董事會認為重大的利益衝突，有關事宜將於實際會議上討論，並不會以書面決議方式處理。在有關事宜中並無利益衝突之獨立非執行董事將會出席處理有關利益衝突事宜之會議。

本年度內，除由全體董事簽署通過的書面決議外共舉行五次董事會會議、股東特別大會及有外聘核數師出席的股東周年大會，每位董事於該等會議之出席情況載列如下。就下表而言，括號內數字指於截至2016年12月31日止年度期間各董事任期內舉行的會議總數：





THE BOARD OF DIRECTORS (continued)
Board Meeting and General Meeting (continued)

董事會 (續)
董事會的組成 (續)

Name of Director	董事姓名	Board Meetings 董事會會議*	Special General Meeting (Note 6) 股東特別大會* (附註6)	Annual General Meeting (Note 7) 股東周年大會* (附註7)
Executive Directors		執行董事		
Mr. Jiang Guojin	江國金先生	5/(5)	1/(1)	1/(1)
Ms. Wu Wenting (Note 1)	吳文婷女士(附註1)	3/(4)	0/(1)	0/(1)
Mr. Wu Fei (Note 2)	吳飛先生(附註2)	1/(1)	0/(0)	0/(0)
Mr. Zhou Chenguang (Note 3)	周晨光先生(附註3)	0/(0)	0/(0)	0/(0)
Non-executive Directors		非執行董事		
Mr. Ma Jianping (Chairman)	馬建平先生(主席)	5/(5)	0/(1)	1/(1)
Mr. Ning Gaoning (Note 4)	寧高寧先生(附註4)	0/(0)	0/(0)	0/(0)
Mr. Yu Xubo (Note 4)	于旭波先生(附註4)	0/(0)	0/(0)	0/(0)
Ms. Liu Ding (Note 5)	柳丁女士(附註5)	0/(5)	0/(1)	0/(1)
Mr. Wang Zhiying (Note 6)	王之盈先生(附註6)	3/(5)	0/(1)	0/(1)
Independent Non-executive Directors		獨立非執行董事		
Mr. Stephen Edward Clark	祈立德先生	4/(5)	1/(1)	1/(1)
Mr. Paul Kenneth Etchells	包逸秋先生	5/(5)	1/(1)	0/(1)
Mr. Li Hung Kwan, Alfred	李鴻鈞先生	5/(5)	1/(1)	1/(1)
Mr. Yuen Tin Fan, Francis	袁天凡先生	5/(5)	0/(1)	0/(1)

Notes:

- Ms. Wu Wenting has resigned as executive Director with effect from 15 September 2016.
- Mr. Wu Fei was appointed as executive Director with effect from 15 September 2016.
- Mr. Zhou Chenguang was appointed as executive Director with effect from 9 November 2016.
- Mr. Ning Gaoning and Mr. Yu Xubo have resigned as non-executive Directors with effect from 15 February 2016.
- Ms. Liu Ding has resigned as non-executive Director with effect from 9 November 2016.
- Mr. Wang Zhiying has resigned as non-executive Director with effect from 17 January 2017.
- The special general meeting of the Company was held on 6 May 2016, and more details are set out in the circular dated 19 April 2016 and the poll results announcement dated 6 May 2016.
- The annual general meeting of the Company was held on 1 June 2016, and more details are set out in the circular dated 27 April 2016 and the poll results announcement dated 1 June 2016.

附註：

- 吳文婷女士辭任為執行董事，自2016年9月15日起生效。
- 吳飛先生獲委任為執行董事，自2016年9月15日起生效。
- 周晨光先生獲委任為執行董事，自2016年11月9日起生效。
- 寧高寧先生及于旭波先生辭任為非執行董事，自2016年2月15日起生效。
- 柳丁女士辭任為非執行董事，自2016年11月9日起生效。
- 王之盈先生辭任為非執行董事，自2017年1月17日起生效。
- 本公司之股東特別大會已於2016年5月6日舉行，詳情載於日期為2016年4月19日的通函，以及2016年5月6日的投票表決結果公告。
- 本公司之股東周年大會已於2016年6月1日舉行，詳情載於日期為2016年4月27日的通函，以及2016年6月1日的投票表決結果公告。



THE BOARD OF DIRECTORS (continued)

Responsibilities of the Board

The Board, led by the chairman, is responsible for the leadership and control of the Company, and be collectively responsible for formulating the Company's overall strategies and policies, reviewing and monitoring financial and operating performance, reviewing the effectiveness of risk management and internal control systems, supervising and managing management's performance of the Group, and approval of matters or transactions of a material nature or those requiring disclosure under the Listing Rules.

The Board delegates the day-to-day management, administration and operation of the Group and implementation of the strategies and policies set by the Board to the management under the leadership of the managing director.

Corporate Governance Function

No corporate governance committee has been established and the Board is responsible for performing the corporate governance function such as developing and reviewing the Company's policies and practices on corporate governance, reviewing and monitoring the training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements and the Company's compliance with the CG Code and disclosure in the corporate governance report contained in the annual report of the Company.

During the year, the Board has performed the corporate functions by reviewing the Company's corporate governance practices.

董事會(續)

董事會的責任

董事會由主席領導，負責領導及監控本公司、制訂本公司整體策略及政策、評估及監察財務及營運表現、檢討風險管理及內部監控系統之成效、監督及管理本集團管理層之表現，以及批准重大或根據《上市規則》須予以披露的事宜或交易。

董事會委託由董事總經理領導的管理層，負責本集團之日常管理、行政及營運工作，以及落實董事會制定的策略及政策。

企業管治職能

由於並無成立企業管治委員會，因此由董事會負責執行企業管治職能，如制定及檢討本公司企業管治之政策及常規、檢討及監控董事及高級管理層的培訓及持續專業發展、本公司之政策及常規符合法律及監管規定；以及本公司遵守《企業管治守則》之情況及載於本公司年報內的《企業管治報告》之披露。

本年內，董事會已透過檢討本公司的企業管治常規以履行企業管治職能。





THE BOARD OF DIRECTORS (continued) Appointment and Election/Re-Election of Directors

Director who is appointed either to fill a casual vacancy or as an additional director to the Board shall hold office until the first general meeting of the Company after his appointment and be subject to election at such meeting pursuant to bye-law 94 of the Company's bye-laws (the "Bye-laws"). All non-executive Directors (including independent non-executive Directors) were appointed for specific terms of three years. Pursuant to bye-law 111 of the Bye-laws, each Director (including those appointed for specific terms) shall be subject to retirement by rotation at least once every three years and the retiring Directors shall be eligible for re-election. The directors who shall retire from office at the forthcoming annual general meeting of the Company are set out on pages 122 to 123 of this annual report.

All current Directors have signed formal appointment letters with the Company with respect to their directorship with the Company.

Continuous Professional Development

All Directors, including non-executive Directors and independent non-executive Directors, should keep abreast of their collective responsibilities as directors and of the business and activities of the Group. Each newly appointed Director would receive from the chairman or executive Directors' briefings on the operations and business of the Group and an induction package to ensure that he has a proper understanding on his responsibilities under the relevant statutes, laws, rules and regulations.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. From time to time, the company secretary disseminates information on the latest development regarding the Listing Rules and other applicable regulatory requirements to the Directors to ensure compliance and enhance their awareness of good corporate governance practices. The Company will organise seminars on specific topics of significance or interest for Directors and management staff and sponsors Directors to attend professional development seminars or other programmes where necessary.

董事會(續) 委任及選舉/重選董事

根據本公司公司細則(「公司細則」)的細則 94 條獲委任以填補董事會臨時空缺或為新增董事的董事任期一直至其委任後本公司的首個股東大會時結束，並須於該會上膺選。所有非執行董事(包括獨立非執行董事)的委任均設有特定三年的委任年期。根據公司細則的細則 111 條，每位董事(包括設有特定委任年期的董事)須最少每三年輪席退任一次，且合資格膺選連任。將於本公司即將舉行的股東周年大會上退任的董事載於本年報第 122 至 123 頁。

所有現任董事均已就其出任本公司的董事職務與本公司簽訂正式的委任函。

持續專業發展

所有董事(包括非執行董事及獨立非執行董事)均須及時瞭解彼等作為董事之集體職責及本集團之業務及動向。每位新任董事於彼獲委任後從本公司主席或執行董事接受有關本集團營運及業務的介紹，及獲提供啟導檔，確保其對相關條例、法例、規則及法規下的責任有適當程度的瞭解。

本公司鼓勵所有董事參與持續專業發展，以發展及重溫其知識及技能。公司秘書不時向董事提供《上市規則》以及其他適用監管規定的最新發展概況，以確保董事遵守良好的企業管治常規，並提升其對良好企業管治常規的意識。本公司會為董事及管理人員組織有重要性的或值得關注的專題講座。如有需要，本公司亦會資助董事出席專業發展講座或其他課程。



THE BOARD OF DIRECTORS (continued)

Continuous Professional Development (continued)

During the year, a training session provided by a professional institute on the topic of HKEx Environmental, Social and Governance (ESG) Reporting Guide was organized for the Directors.

According to the records provided by the Directors, a summary of training received by the Directors during the year is set out below:

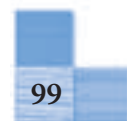
董事會(續)

持續專業發展(續)

本年度內，本公司為董事安排了一個由專業機構提供的香港聯交所《環境、社會及管治(ESG)報告指引》培訓。

按董事提供的記錄，董事於本年度所接受培訓之概要載列如下：

Name of Director	董事姓名	Attending briefings, seminars, conference and/or reading materials relevant to the director's duties and responsibilities 參與簡報會、培訓會、大型會議及／或閱讀與董事職責及職務有關的資料
Executive Directors		
Mr. Jiang Guojin	江國金先生	✓
Ms. Wu Wenting (Note 1)	吳文婷女士(附註1)	✓
Mr. Wu Fei (Note 2)	吳飛先生(附註2)	✓
Mr. Zhou Chenguang (Note 3)	周晨光先生(附註3)	✓
Non-executive Directors		
Mr. Ma Jianping (Chairman)	馬建平先生(主席)	✓
Ms. Liu Ding (Note 4)	柳丁女士(附註4)	✓
Mr. Wang Zhiying (Note 5)	王之盈先生(附註5)	
Mr. Ning Gaoning (Note 6)	寧高寧先生(附註6)	
Mr. Yu Xubo (Note 7)	于旭波先生(附註7)	
Independent Non-executive Directors		
Mr. Stephen Edward Clark	祈立德先生	✓
Mr. Paul Kenneth Etchells	包逸秋先生	✓
Mr. Li Hung Kwan, Alfred	李鴻鈞先生	✓
Mr. Yuen Tin Fan, Francis	袁天凡先生	✓





THE BOARD OF DIRECTORS (continued) Continuous Professional Development (continued)

Notes:

1. Ms. Wu Wenting has resigned as executive Director with effect from 15 September 2016.
2. Mr. Wu Fei was appointed as executive Director with effect from 15 September 2016.
3. Mr. Zhou Chenguang was appointed as executive Director with effect from 9 November 2016.
4. Ms. Liu Ding has resigned as non-executive Director with effect from 9 November 2016.
5. Mr. Wang Zhiying has resigned as non-executive Director with effect from 17 January 2017.
6. Mr. Ning Gaoning has resigned as non-executive Director with effect from 15 February 2016.
7. Mr. Yu Xubo has resigned as non-executive Director with effect from 15 February 2016.

Directors' Insurance

During the year, the Company arranged appropriate insurance for Directors and officers of the Group.

CHAIRMAN AND MANAGING DIRECTOR

The roles of chairman and managing director are segregate and discharged by different individuals. Currently, the chairman of the Board is Mr. Ma Jianping, while the managing director of the Company is Mr. Jiang Guojin.

The chairman of the Board is responsible for the leadership and effective running of the Board, and ensuring all significant and key issues are discussed and where required, resolved by the Board in a timely manner.

The managing director of the Company is delegated with the authority and responsibility to manage the businesses of the Group in all aspects effectively, implement major strategies, make day-to-day decision and coordinate overall business operation and regularly report to the Board.

董事會(續) 持續專業發展(續)

附註：

1. 吳文婷女士辭任為執行董事，自2016年9月15日起生效。
2. 吳飛先生獲委任為執行董事，自2016年9月15日起生效。
3. 周晨光先生獲委任為執行董事，自2016年11月9日起生效。
4. 柳丁女士辭任為非執行董事，自2016年11月9日起生效。
5. 王之盈先生辭任為非執行董事，自2017年1月17日起生效。
6. 寧高寧先生辭任為非執行董事，自2016年2月15日起生效。
7. 于旭波先生辭任為非執行董事，自2016年2月15日起生效。

董事的保險

本年度內，本公司已為本集團董事及高級管理人員投購了適當的保險。

主席及董事總經理

主席及董事總經理之角色已被區分並由不同人士擔任。目前，董事會主席為馬建平先生，而本公司董事總經理則由江國金先生出任。

董事會主席負責領導及有效管理董事會並確保所有重大及主要事項由董事會於必要情況下及時商討並解決。

本公司董事總經理獲授予權力及職責以有效管理本集團各方面之業務、實施主要策略、作出日常決策並協調整體業務經營及定期向董事會匯報。



BOARD COMMITTEES

The Board has established four committees, namely, the executive committee, the audit committee, the remuneration committee and the nomination committee, to oversee corresponding aspects of the Company's affairs. All Board committees of the Company have defined terms of reference.

EXECUTIVE COMMITTEE

The executive committee currently consists of four executive Directors, namely, Mr. Jiang Guojin who is the chairman of this committee, Ms. Luan Xiuju, Mr. Wu Fei and Mr. Zhou Chenguang. Ms. Wu Wenting, a former executive Director, ceased to be a member of the executive committee upon her resignation took effect from 15 September 2016.

The terms of reference of the executive committee are available on the website of the Company (www.chinafoodsltd.com). The primary responsibility of the executive committee is to deal with and supervise the day-to-day business operations, management and administration of the Group. There is no minimum meeting requirements and this committee shall meet as and when necessary for proper discharge of its duties.

REMUNERATION COMMITTEE

The remuneration committee currently consists of four members, including three independent non-executive Directors, namely, Mr. Yuen Tin Fan, Francis who is the chairman of this committee, Mr. Stephen Edward Clark and Mr. Paul Kenneth Etchells and one non-executive Director, namely, Mr. Ma Jianping. Mr. Wang Zhiying, a former non-executive Director, ceased to be a member of the remuneration committee upon his resignation took effect from 17 January 2017.

The terms of the remuneration committee are available on the website of the Company (www.chinafoodsltd.com) and the HKExnews website of the HKEx (www.hkexnews.hk). The duties of the remuneration committee are mainly to make recommendations to the Board on the Company's remuneration policy and structure for all Directors and senior management and make recommendations to the Board on the remuneration packages of individual executive Directors and senior management including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board on the remuneration packages of individual non-executive Directors.

董事委員會

董事會成立了四個委員會，分別為執行委員會、審核委員會、薪酬委員會及提名委員會，以監督本公司事務的有關範疇。本公司所有董事會委員會均有制定其職權範圍書。

執行委員會

執行委員會目前由四名執行董事組成，包括江國金先生（為該委員會主席）、樂秀菊女士、吳飛先生及周晨光先生。前執行董事吳文婷女士自2016年9月15日起辭任後不再擔任執行委員會成員。

執行委員會的職權範圍書已刊載於本公司網站(www.chinafoodsltd.com)。執行委員會之首要責任是處理及監督本集團日常業務的營運、管理及行政。委員會並無規定最少會議次數，將於需要時舉行會議以適當履行其職責。

薪酬委員會

薪酬委員會目前由四名成員組成，包括三名獨立非執行董事，袁天凡先生（為該委員會主席）、祈立德先生(Mr. Stephen Edward Clark)及包逸秋先生(Mr. Paul Kenneth Etchells)；以及一名非執行董事馬建平先生。前非執行董事王之盈先生自2017年1月17日起辭任後不再擔任薪酬委員會成員。

薪酬委員會的職權範圍書已刊載於本公司網站(www.chinafoodsltd.com)及香港交易所之「披露易」網站(www.hkexnews.hk)。薪酬委員會之主要職責為就本公司董事及高級管理層之薪酬政策及架構向董事會提供推薦建議。同時，亦就每位執行董事及高級管理層的個人薪酬待遇，包括非金錢利益、退休金福利及賠償金額（包括任何因喪失或終止職務或委任的賠償）；以及就每位非執行董事的薪酬待遇向董事會提出建議。





REMUNERATION COMMITTEE (continued)

During the year, the remuneration committee held four meetings and the attendance by each committee member is set out below:

薪酬委員會(續)

本年度內舉行了四次會議，每位委員會成員之出席情況載列如下：

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meetings 出席／會議次數
Mr. Yuen Tin Fan, Francis (<i>Chairman</i>)	袁天凡先生 (<i>主席</i>)	4/(4)
Mr. Stephen Edward Clark	祈立德先生	3/(4)
Mr. Paul Kenneth Etchells	包逸秋先生	4/(4)
Mr. Ma Jianping	馬建平先生	4/(4)
Mr. Wang Zhiying (<i>resigned on 17.1.2017</i>)	王之盈先生 (<i>於2017年1月17日起辭任</i>)	2/(4)

The following is a summary of the work performed by the remuneration committee during the year:

薪酬委員會於本年度內的工作概要如下：

- reviewed the Company's remuneration policy and structure for all Directors and senior management;
 - reviewed the remuneration of all Directors and senior management in 2015;
 - reviewed the performance of all executive directors and senior management and made recommendation to the Board on bonus for 2015 for executive Directors and senior management;
 - made recommendation to the Board on the remuneration package of newly appointed executive Directors and the chief financial officer; and
 - made recommendation to the Board on the remuneration package of independent non-executive Directors.
- 檢討本公司全體董事及高級管理層的薪酬政策及架構；
 - 檢討全體董事及高級管理層的2015薪酬情況；
 - 檢討所有執行董事及高級管理層的表現及就執行董事及高級管理層的2015年度獎金向董事會提出推薦建議；
 - 就新委任的執行董事及首席財務官的薪酬待遇向董事會提出推薦建議；及
 - 就獨立非執行董事薪酬待遇向董事會提出推薦建議。



REMUNERATION COMMITTEE (continued)

For the year ended 31 December 2016, the remuneration of senior management (excluding directors of the Company) falls into three bands, 3 individuals in the range of HK\$1,000,001 – HK\$1,500,000; 1 individual in the range of HK\$2,000,001 – HK\$2,500,000 and 1 individual in the range of HK\$3,000,001 – HK\$3,500,000. Such amount includes equity-settled share option expenses and pension scheme contributions.

Details of the remuneration of the Directors for the year ended 31 December 2016 are set out in the note 8 to the financial statements of this annual report.

NOMINATION COMMITTEE

The nomination committee currently consists of three members, including a non-executive Director, namely Mr. Ma Jianping who is the chairman of this committee and two independent non-executive Directors, namely Mr. Li Hung Kwan, Alfred and Mr. Yuen Tin Fan, Francis.

The terms of reference of the nomination committee are available on the website of the Company (www.chinafoodsltd.com) and the HKExnews website of the HKEx (www.hkexnews.hk). The duties of the nomination committee are mainly to review the structure, size and composition of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; identify suitable candidates for appointment as directors; make recommendations to the Board on appointment or re-appointment of Directors and succession planning for Directors; and assess the independence of independent non-executive Directors and review whether non-executive Directors (including independent non-executive Directors) are spending enough time to fulfill their duties annually.

薪酬委員會(續)

截至2016年12月31日止年度應付高級管理層(不包括本公司董事)之薪酬介乎1,000,001港元至1,500,000港元範圍3人;介乎2,000,001港元至2,500,000港元範圍1人及介乎3,000,001港元至3,500,000港元範圍1人,上述金額計入以權益結算的購股權開支及退休金計劃供款。

董事截至2016年12月31日止年度的酬金詳情在於本年報的財務報表附註8。

提名委員會

提名委員會目前由三名成員組成,包括一名非執行董事,馬建平先生(為該委員會的主席);以及兩名獨立非執行董事李鴻鈞先生及袁天凡先生。

提名委員會的職權範圍書已刊載於本公司網站(www.chinafoodsltd.com)及香港交易所之「披露易」網站(www.hkexnews.hk)。提名委員會之主要職責為審閱董事會之架構、規模及成員組合,並就有關董事會之任何建議變動提出推薦建議,以配合本公司之企業策略;物色合適人士以委任為董事;就董事之委任或重新委任以及繼任計劃向董事會提出推薦建議;及評估獨立非執行董事之獨立性;以及非執行董事(包括獨立非執行董事)是否付出足夠的時間以履行其職責作年度評估。





NOMINATION COMMITTEE (continued)

During the year, the nomination committee held four meetings and the attendance by each committee member is set out below:

提名委員會(續)

本年度內舉行了四次會議，每位委員會成員之出席情況載列如下：

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meetings 出席／會議次數
Mr. Ma Jianping (<i>Chairman</i>)	馬建平先生(主席)	4/(4)
Mr. Li Hung Kwan, Alfred	李鴻鈞先生	4/(4)
Mr. Yuen Tin Fan, Francis	袁天凡先生	4/(4)

The following is a summary of the work performed by the nomination committee during the year:

提名委員會於本年度內的工作概要如下：

- reviewed the structure, size and composition of the Board;
 - reviewed the time required from non-executive Directors (independent non-executive Directors) and assess whether they are spending enough time to fulfill their duties;
 - assessed the independence of independent non-executive Directors; and
 - made recommendations to the Board on the appointments of executive Directors and re-appointments of executive Directors and independence non-executive Directors.
- 檢討董事會的架構、規模及成員組合；
 - 檢討非執行董事(包括獨立非執行董事)所需投放的時間；以及評估彼等是否有否付出足夠時間以履行職責；
 - 評估獨立非執行董事的獨立性；及
 - 就委任執行董事及重新委任執行董事以及獨立非執行董事向董事會提出推薦建議。



AUDIT COMMITTEE

The audit committee currently consists of four independent non-executive Directors, namely, Mr. Stephen Edward Clark who is the chairman of this committee, Mr. Paul Kenneth Etchells, Mr. Li Hung Kwan, Alfred and Mr. Yuen Tin Fan, Francis.

The terms of reference of the audit committee are available on the website of the Company (www.chinafoodsltd.com) and the HKExnews website of the HKEx (www.hkexnews.hk). The duties of the audit committee are mainly to assist the Board to ensure objectivity and credibility of financial reporting, and ensuring effective risk management and internal control systems of the Company are in place. The audit committee's responsibilities also include the appointment, compensation and supervision of the external auditors. The audit committee is further authorized by the Board to investigate any activity within its terms of reference, and may make recommendations to the Board to take appropriate actions emanating from such investigations.

During the year, the audit committee held two meetings and the attendance by each committee member is set out below:

審核委員會

審核委員會目前由四名獨立非執行董事組成，包括祈立德先生(Mr. Stephen Edward Clark)(為該委員會主席)、包逸秋先生(Mr. Paul Kenneth Etchells)、李鴻鈞先生及袁天凡先生。

審核委員會的職權範圍書已刊載於本公司網站(www.chinafoodsltd.com)及香港交易所之「披露易」網站(www.hkexnews.hk)。審核委員會的職責主要是協助董事會確保財務報告的客觀性和可信性及確保本公司具備有效的風險管理和內部控制制度。審核委員會的職責還包括外聘核數師的任命、薪酬和監督。審核委員會進一步授權董事會調查其職權範圍內的任何活動，並根據有關調查向董事會提出適當的行動建議。

本年度內舉行了兩次會議，每位委員會成員之出席情況載列如下：

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meetings 出席／會議次數
Mr. Stephen Edward Clark (<i>Chairman</i>)	祈立德先生(主席)	2/(2)
Mr. Paul Kenneth Etchells	包逸秋先生	2/(2)
Mr. Li Hung Kwan, Alfred	李鴻鈞先生	2/(2)
Mr. Yuen Tin Fan, Francis	袁天凡先生	2/(2)





AUDIT COMMITTEE (continued)

The following is a summary of the work performed by the audit committee during the year:

- reviewed the Group's audited consolidated financial statements for the year ended 31 December 2015;
- reviewed the Group's unaudited interim financial statements for the six months ended 30 June 2016;
- reviewed matters relating to the Group's financial and accounting policies and practices;
- reviewed continuing connected transactions;
- reviewed external auditor's management letter;
- reviewed the internal audit results and the effectiveness of the Group's internal control and risk management systems;
- approved the internal audit plan for the year 2016;
- reviewed and assessed the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting and internal audit functions, and their training programs;
- made recommendation to the Board on the re-appointment of the external auditors of the Company;
- reviewed updates on the improvement of the Company's finance function;
- reviewed the audit fee proposal (including audit and non-audit services) for the Group for the year 2016; and
- met with the external auditors to discuss the general scope of their audit work for the financial year ended 31 December 2016.

審核委員會(續)

審核委員會於本年度內的工作概要如下：

- 審閱本集團截至2015年12月31日止年度的經審核綜合財務報表；
- 審閱本集團截至2016年6月30日止六個月的未經審核的中期財務報表；
- 審閱本集團採用的財務及會計政策及常規的相關事宜；
- 審閱持續關連交易；
- 審閱外聘核數師給予管理層的《審核情況說明函件》；
- 審閱內部審計結果及本集團的內部監控系統及風險管理系統的有效性；
- 批准2016年年度的內部審計計劃；
- 檢討並評估本集團會計及財務匯報；以及內控職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程是否充足；
- 就重新委任本公司的外聘核數師向董事會提出推薦建議；
- 審閱本公司財務功能的改善情況更新；
- 審閱及批准本集團2016年度的核數費用(包括核數及非核數服務)建議；及
- 與外聘核數師會面，就截至2016年12月31日財政年度核數工作的一般範圍進行討論。



AUDITORS' REMUNERATION

During the year, the fees paid or to be payable to the Company's external auditors are set out below:

Services rendered	所提供的服務	Fees paid/payable 已付／應付的費用 HK\$'000 千港元
Audit services	審計服務	3,037
Non-audit services*	非審計服務*	1,680
Total	合計	4,717

* Such services included, among others, interim review and compliance review relating to continuing connected transactions and tax advisory services.

核數師的酬金

本年度內，向本公司的外聘核數師已支付或應支付的費用載列如下：

* 該等服務其中包括中期報告審閱及持續關連交易的合規審閱及稅務諮詢服務。

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board, which is responsible for overseeing the preparation of annual financial statements, receives monthly management accounts and updates on the Group's performance and financial position and prospects. In preparing the financial statements for the year ended 31 December 2016, the Board adopted appropriate accounting policies consistently, made prudent and reasonable judgements and estimates. The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the consolidated financial statements of the Company on a going-concern basis.

The Board is committed to presenting a balanced, clear and comprehensible assessment of the Group's affairs to its shareholders and the public in a timely manner. In 2016, the Company published its annual and interim results within three months and two months respectively after the relevant period end.

問責及核數

財務匯報

董事會有責任監督年度財務報表的編制，而董事會會收取每月的管理賬目及有關本集團表現、財務狀況及前景的最新資料。在編制截至2016年12月31日止年度的財務報表時，董事會貫徹採用合適的會計政策、作出審慎合理的判斷及估計。董事並不知悉有任何事件或情況的重大不確定性可能對本公司持續經營的能力產生重大質疑。因此，董事已按照持續經營基準編製本公司的綜合財務報表。

董事會致力為股東及公眾適時本集團的事務提供均衡、清晰及全面的評估。2016年，本公司分別於相關期間結束後三個月及兩個月刊發其年度及中期業績。





RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for maintaining comprehensive and effective risk management and internal control systems, and for reviewing the effectiveness of these systems through the audit committee of the Board.

The Company has established an internal audit and supervision department (the “Internal Audit Department”) which functions independently and reports directly to the managing director and the audit committee. The Internal Audit Department assists the audit committee to assess the effectiveness of the Company’s risk management and internal control systems and attends meetings of the audit committee at least twice a year, and reports on the work it has undertaken and its principal audit findings.

Management of the Company, under the Board supervision, is responsible for the design, implementation and monitoring of the risk management and internal control systems.

The Company has established its risk management and internal control systems based on the COSO (Committee of Sponsoring Organisation of the Treadway Commission) risk management framework.

The Company identifies key risks that would adversely affect the achievement of the Group’s objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans are then established for managing the risks to acceptable level.

The Company has also designed and formulated appropriate policies and control measures to safeguard its assets against unauthorized use and disposition. The Company maintains reliable accounting records, and financial information in accordance with the relevant accounting standards and reporting requirements, and properly identifies and manages risks that may affect the performance of the Company. Such systems and internal controls are designed to manage, rather than eliminate, the risk of failure to achieve business objectives. They can only provide reasonable, and not absolute, assurance against material misstatement or loss.

風險管理及內部監控

董事會確認其對維持全面及有效的風險管理和內部監控制度，並通過董事會審核委員會檢討這些系統的有效性承擔責任。

本公司已設立具有獨立性的審計監察部（「內審部」），直接向本公司董事總經理及審核委員會彙報。審計監察部每年至少2次參加審核委員會會議並彙報內審工作，對重大發現可以不受限制地向審計委員會直接彙報。內審部協助審核委員會來評估公司的風險管理和內部監控系統的有效性，並每年出席審核委員會的會議至少兩次，對已展開的工作及其主要審計結果作出報告。

本公司的管理層在董事會的監督下，負責風險管理和內部監控系統的設計，實施和監督。

本公司依照 COSO (Committee of Sponsoring Organisations of the Treadway Commission) 的風險管理框架搭建風險管理及內部監控系統。

本公司識別對實現本集團目標造成不利影響的主要風險，並根據一套標準準則評估及排列所識別風險的優先次序，制定風險緩解計劃以便將風險監控至可接受水平。

本公司已訂立及制定合適的政策及監控措施，以確保保障資產不會在未經許可下使用會處置。本公司根據相關會計準則及彙報規定保存可靠的會計記錄及財務資料，以及適當地識別及管理可能影響本公司表現的風險。該等系統及內部監控的訂立旨在管理而非消除未能實現業務目標的風險，且只能作出合理而非絕對的保證可以防範重大事實陳述或損失。



RISK MANAGEMENT AND INTERNAL CONTROL (continued)

In respect of 2016, the Board has reviewed, through the audit committee the work of the Internal Audit Department, and its audit findings in relation to the risk management and internal control systems (including financial, operational and compliance controls), and considers the risk management and internal control systems of the Company are effective and adequate, and that the Company had complied with the Code Provisions on risk management and internal controls. The qualifications and experience of the staff of the Company's accounting, financial reporting and internal audit functions, and the training programmes, budgets and the resources available to these functions have been reviewed and are considered to be adequate.

WHISTLE-BLOWING POLICY

The Company formulated a whistle-blowing policy to ensure inappropriate business practices and behaviors are properly reported and handled. The Internal Audit Department has established the discipline supervision department, and provided an email address and telephone number for whistle-blowing and formulated procedures for handling whistle-blowing matters, and the whistleblower protection system. For cases in action, they are recorded in detail, tracked and monitored, and report significant accusations and results of treatment (if any) at a regular meeting to the audit committee.

INSIDE INFORMATION

The Company has formulated the "Inside Information Disclosure Policies and Guidelines of China Foods Limited", which has set out clearly the procedures of identification, report and disclosure of inside information to ensure that the Company is able to disclose inside information properly on a timely, fair and lawful manner, and keep confidential before such information is approved appropriately, so as to enhance the market transparency and provide better protection for shareholders and investors.

風險管理及內部監控(續)

就2016年而言，董事會已通過審核委員會審核了內審部的工作及其有關風險管理及內部監控(包括財務、營運、合規監控)的審計結果，並認為本公司的風險管理及內部監控系統是有效及充足的，並且，本公司已遵守有關風險管理及內部監控的《守則條文》。經檢討本公司會計、財務報告和內部審計職能的工作人員的經驗，以及培訓計劃，預算和資源認為均屬充足。

舉報政策

本公司制定了舉報政策，以確保任何不適當商業操守及行為均被舉報和妥善處理。內審部下設紀檢監察部，設置了舉報郵箱、電話，並建立了舉報事項處理程序、標準及舉報人保護制度等。對於已經訴訟的案件，詳細記錄並跟蹤監控，並於審核委員會的定期會議上彙報重要的檢舉事項及處理成果(如有)。

內幕消息

本公司制定了《中國食品有限公司內幕消息披露政策及指引》，明確識別、上報及披露內幕消息的程序，以確保公司能夠及時公平、合法妥善地披露內幕消息，並在適當批准該等消息前維持保密，以提升市場透明度及為投資者提供更佳保障。





COMPANY SECRETARY

Ms. Liu Kit Yee, Linda has been the company secretary of the Company since 2004. During the year, Ms. Liu undertook not less than 15 hours of the relevant professional training to update her skills and knowledge.

SHAREHOLDERS' RIGHTS

Convening of Special General Meetings on Requisition by Shareholders

Pursuant to bye-law 68 of the Bye-laws and section 74 of the Companies Act 1981 of Bermuda, shareholders shall have a right to request the Board to convene a special general meeting of the Company ("SGM"). Shareholders holding in aggregate of not less than one-tenth (10%) of the paid-up capital of the Company may send a written requisition to the Board to request for convene a SGM.

The written requisition, duly signed by the requisitionists, may consist of several documents in like form each signed by one or more requisitionists, must state the purposes of the meeting and must be deposited at the registered office of the Company. The Company would take appropriate actions and make necessary arrangements.

If the Directors do not within twenty-one (21) days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three (3) months from the said date.

A meeting convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by Directors.

Procedures for Making Proposals at General Meetings by Shareholders

The following shareholders are entitled to put forward a proposal (which may properly be put to the meeting) for consideration at a general meeting of the Company:

- (a) any member(s) representing not less than one-twentieth (5%) of the total voting rights of all the members of the Company; or
- (b) not less than 100 members holding shares in the Company.

公司秘書

廖潔儀女士自2004年起出任本公司公司秘書。本年度內，廖女士接受不少於15個小時的相關專業培訓以更新其技巧及知識。

股東權利

應股東要求召開股東特別大會

根據公司細則的細則68條及百慕達一九八一年公司法第74條，股東有權要求董事會召開本公司的股東特別大會（「股東特別大會」）。持有本公司合共不少於十分之一（10%）繳足股本的股東可向董事會發出請求書以召開股東特別大會。

經提請人簽妥的請求書（可以包含多份相同檔各由一名或多名提請人簽署）須列明會議目的並送交本公司註冊辦事處。本公司於接獲有效請求書時，將採取適當行動及作出必要安排。

倘若董事未能於收到提請人要求後二十一日內召開股東大會，提出要求的提請人或他們任何一人佔他們的總投票權超過一半，可自行召開股東大會，惟該股東大會必須收到請求後三個月內召開。

由提請人召開的會議的召開形式應該與董事召開該等會議的形式相同（或儘可能接近）。

股東於股東大會提呈建議的程序

以下股東有權於本公司股東大會提呈建議（可於會議上正式提呈的建議）以供考慮：

- (a) 佔本公司總投票權不少於二十分之一（5%）的任何成員；或
- (b) 不少於100位持有本公司股份的股東。



SHAREHOLDERS' RIGHTS (continued)

Procedures for Making Proposals at General Meetings by Shareholders (continued)

The requisition specifying the proposal desired to be put forward at the general meeting, duly signed by the requisitionists, may consist of several documents in like form each signed by one or more requisitionists, must be deposited at the registered office of the Company, together with a sum reasonably sufficient to meet the Company's expenses in giving effect thereto, not less than six weeks before the general meeting (in case of a requisition requiring notice of a resolution) or not less than one week before the general meeting (in case of any other requisition). The Company would take appropriate actions and make necessary arrangement once a valid requisition is received.

Procedures for Director's Nomination and Election by Shareholders

If a shareholder wishes to propose a person other than a retiring director for election as a director at a general meeting, the shareholder should lodge at the head office of the Company at 33/F., COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong, (a) a written notice signed by such shareholder (other than the proposed person) duly qualified to attend and vote at the meeting of his/her intention to propose such person for election and (b) a written notice by the proposed person indicating his/her willingness to be elected together with the personal information of the proposed person as required by Rule 13.51(2) of the Listing Rules and consent of publication of his/her personal information.

The period during which the aforesaid notice may be given shall be seven days (or such other period as determined and announced by the Board). Such period will commence on the day after the despatch of the notice of general meeting and end no later than seven days prior to the date of such general meeting. The Company would take appropriate actions and make necessary arrangements, once valid notice is received.

Communication with Shareholders

The Company attaches great importance to communicate with shareholders, both individual and institutional, and the Shareholders Communication Policy was adopted by the Company on 30 March 2012 to ensure the shareholders and potential investors are provided with the Company's information in a timely and effective manner.

股東權利(續)

股東於股東大會提呈建議的程序(續)

經提請人簽妥並載列建議的請求書(可以包含多份相同檔各由一名或多名提請人簽署)連同足夠的金額以支付本公司就有關要求的安排所產生的開支須於股東大會前不少於六星期(倘為要求決議案的通知的請求)或於股東大會前不少於一星期(倘為其他請求)送交本公司註冊辦事處。本公司於接獲有效請求書時,將採取適當行動及作出必要安排。

股東提名及選舉董事的程序

如股東擬於股東大會提名退任董事以外的人士參選董事,有關股東須遞交(a)由正式合資格出席該次大會及於大會上投票的股東(被提名人士以外的人士)簽署確認表明有意提名該人士參選及(b)該被提名人士簽署確認有意參選的書面通知連同根據《上市規則》第13.51(2)條被提名人士的個人資料及刊發其個人資料的同意書至本公司總部,地址為香港銅鑼灣告士打道262號中糧大廈33樓。

可發出上述通知的期間須為七日(或由董事會決定及宣佈的其他期間)。有關期間將於股東大會通告寄發翌日開始,及最遲於有關股東大會日期前七日完結。本公司於接獲有效請求書後,將採取適當行動及作出必要安排。

與股東溝通

本公司極重視與股東,包括個人及機構股東之間的溝通。本公司於2012年3月30日採納股東溝通政策,以確保適時地及有效地向股東及有意投資者提供公司的資料。





SHAREHOLDERS' RIGHTS (continued)

Communication with Shareholders (continued)

The means to communicate with the shareholders and the investment community used by the Company including the following:

- i. corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the website of the Company (www.chinafoodsltd.com) and the HKExnews website of the HKEx (www.hkexnews.hk);
- ii. corporate announcements are made through the HKEx and published on the website of the Company and the HKExnews website of the HKEx;
- iii. corporate information is made available on the website of the Company;
- iv. annual and special general meetings provide a forum for the shareholders to make comments and exchange views with the Directors and management executives; and
- v. Tricor Progressive Limited, the Company's branch share registrar and transfer office in Hong Kong serves the shareholders in respect of share registration, dividend payment and related matters.

Shareholders may at any time send their written enquiries and concerns to the Company, either by post or facsimiles, together with his/her contact details, such as postal address, email address or fax number, via the company secretary whose contact details are as follows:

The Company Secretary
China Foods Limited
33/F., COFCO Tower
262 Gloucester Road
Causeway Bay, Hong Kong
Telephone: (852) 2833 0388
Fax: (852) 2833 0380

股東權利(續)

與股東溝通(續)

本公司利用以下若干途徑與股東及投資大眾溝通：

- i. 企業通訊如年度報告、中期報告及通函均以印刷形式刊發，同時刊載於本公司網站(www.chinafoodsltd.com)及香港交易所之「披露易」網站(www.hkexnews.hk)可供瀏覽；
- ii. 定期透過香港交易所作出公佈，並將公佈刊載於本公司網站及香港交易所之「披露易」網站；
- iii. 於本公司網站提供企業資料；
- iv. 股東周年大會及股東特別大會為股東提供平台，向董事及高級管理層反映意見及交流觀點；及
- v. 本公司在香港的股份過戶登記分處卓佳廣進有限公司可為股東提供股份過戶登記、股息派付及相關事宜之服務。

股東可隨時以書面形式(不論郵寄或傳真)連同其詳細聯絡資料(如郵寄地址、電郵地址或傳真號碼)經公司秘書向本公司發出查詢及提出關注事項，公司秘書的聯絡詳情如下：

公司秘書
中國食品有限公司
香港銅鑼灣
告士打道262號
中糧大廈33樓
電話號碼：(852) 2833 0388
傳真號碼：(852) 2833 0380



SHAREHOLDERS' RIGHTS (continued)

Constitutional Documents

There was no change to the Company's Memorandum of Association and Bye-laws during the financial year 2016. A copy of the latest consolidated version of the Memorandum of Association and Bye-laws is available on the website of the Company (www.chinafoodsltd.com) and the HKExnews website of the HKEx (www.hkexnews.hk).

INVESTOR RELATIONS

With a view to ensure the Company's sustainable development and to enhance shareholder values, the strategic objectives of investor relations function have been clearly defined as follows:

Strategic objectives:

- 1) to raise the profile of the Company as a leading participant in the branded consumer foods industry in China, that is in line with our strategic positioning within the COFCO Group;
- 2) to build a long-term and trusting shareholder base;
- 3) to enhance the knowledge of our investors about the Company; and
- 4) to understand the key concerns of the investment community and provide timely feedback to our management.

Interactions between the Company and the investor community:

We believe effective communication and fair information disclosure builds investor confidence, and also facilitates constructive feedbacks for continuous improvement.

In 2016, apart from disclosing transparent and fair financial and operational information in annual and interim reports and having direct communicate with shareholders at annual and special general meetings, we have also effectively bridging the Company and the investment community through:

- Interactive communications between our management and investors/analysts directly at post-results briefings, investor conferences and regular investor meetings; and
- Collection of market feedback, such as research reports and market views, for the review of our management.

股東權利(續)

憲章文件

本公司組織章程大綱及公司細則於2016年財政年度內概無變動。組織章程大綱及公司細則的最新綜合版本已刊載於本公司網站(www.chinafoodsltd.com)及香港交易所之「披露易」網站(www.hkexnews.hk)。

投資者關係

為支持本公司可持續發展和提升股東價值，投資者關係的策略目標已清晰界定如下：

策略目標：

- 1) 與本公司在中糧集團的策略定位一致，提升本公司作為國內品牌消費食品行業的領導者形象；
- 2) 建立一群長期互信的股東組合；
- 3) 增強投資者對本公司的瞭解；及
- 4) 瞭解投資界的主要關注點並及時向管理層回饋。

本公司與投資界之間的互動：

我們相信有效的溝通和公平資訊披露能為投資者建立信心，並藉著建設性的回饋促進持續改善。

於2016年，(除了在年報及中報中披露透明和公平地財務及營運資訊，以及在股東周年大會及股東特別大會上與股東直接交流外)我們亦透過以下途徑有效地將本公司與投資界聯繫起來：

- 管理層與投資者／分析師在業績後簡報會、投資者會議和定期的投資者會議中直接互動交流；及
- 收集市場回饋(如研究報告和市場看法)給管理層審閱。





REPORT OF THE DIRECTORS

董事會報告

The board of directors of the Company (the “Board”) is pleased to present their report and the audited consolidated financial statements of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2016, which were approved by the Board on 28 March 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Currently, the Company through its subsidiaries and associated companies operates three principal businesses involving beverage, wine and kitchen food.

BUSINESS REVIEW

A business review of the Group’s performance for the year ended 31 December 2016 and material factors underlying its results and financial position, principal risks and uncertainties facing the Group, as well as the Group’s business outlook can be found in the sections headed “Chairman Statement”, “Statement from Managing Director”, “Management Discussion and Analysis”, and “Notes to Financial Statements” in this report. Such review and discussion from parts of this Directors’ report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

Discussion on the Group’s environmental policies and performance is contained in the Environmental, Social and Governance Report on pages 54 to 91 of this annual report.

CORPORATE GOVERNANCE

Information on the Company’s corporate governance practices set out in the Corporate Governance Report on pages 92 to 113 of this annual report.

RESULTS AND DIVIDENDS

The Group’s profit for the year ended 31 December 2016 and the state of affairs of the Company and the Group as of that date are set out in the consolidated financial statements on pages 143 to 268.

本公司董事會(「董事會」)同寅欣然提呈彼等於2017年3月28日批准截至2016年12月31日止年度之本公司及其附屬公司(統稱「本集團」)之報告及經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。目前，本公司透過旗下附屬公司及聯營公司從事三項主要業務，涉及飲料、酒品類及廚房食品。

業務審視

有關本集團截至2016年12月31日止年度表現的業務回顧及有關其業績及財務情況，本集團面臨的主要風險及不確定性的重大因素，以及本集團未來業務展望，詳載於本報告的「主席函件」、「董事總經理函件」、「管理層論析」及「財務報表附註」幾節內。有關回顧及討論構成來董事會報告之一部份。

環保政策及表現

關於本集團的環保政策及表現載於本年報第54頁至第91頁的環境、社會及管治報告內。

企業管治

本公司的企業管治常規資料載於本年報第92頁至第113頁的企業管治報告內。

業績及股息

截至2016年12月31日止年度本集團之溢利，及本公司與本集團於該日之業務狀況，載於綜合財務報表第143頁至第268頁。



RESULTS AND DIVIDENDS (continued)

The Board recommended the payment of a final dividend of HK1.2 cents (31 December 2015: HK1.0 cent) per share for the year ended 31 December 2016, subject to the approval obtained at the annual general meeting to be held on Thursday, 1 June 2017. An interim dividend of HK1.2 cents per share was paid on Friday, 14 October 2016 (30 June 2015: Nil). The proposed final dividend for the year ended 31 December 2016 will be distributed on or after Friday, 7 July 2017 to shareholders of the Company whose names appear on the register of members of the Company on Friday, 16 June 2017.

CLOSURE OF REGISTER OF MEMBERS

For determining the shareholders' eligibility to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from Friday, 26 May 2017 to Thursday, 1 June 2017, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting, all transfer documents, accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Progressive Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Thursday, 25 May 2017.

For determining the shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 15 June 2017 to Friday, 16 June 2017, both days inclusive, during which period no transfer of shares will be registered. The ex-dividend date will be Tuesday, 13 June 2017. In order to qualify for the proposed final dividend, all transfer documents, accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Progressive Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Wednesday, 14 June 2017.

業績及股息(續)

董事會建議派發截至2016年12月31日止年度末期股息每股1.2港仙(2015年12月31日:1.0港仙)(惟須於2017年6月1日(星期四)舉行的股東周年大會上獲得批准)。中期股息每股1.2港仙已於2016年10月14日(星期五)派發(2015年6月30日:無)。該截至2016年12月31日止年度之建議末期股息將於2017年7月7日(星期五)或之後向在2017年6月16日(星期五)名列股東名冊的股東派發。

暫停辦理過戶登記手續

為釐定股東出席即將舉行的股東周年大會並於會上投票的資格，本公司將於2017年5月26日(星期五)至2017年6月1日(星期四)(包括首尾兩天)暫停辦理股份過戶登記手續。為符合資格出席並於即將舉行的股東周年大會上投票，所有辦理登記的股份過戶文件連同有關股票最遲須於2017年5月25日(星期四)下午4時30分前送達本公司在香港的股份過戶登記分處卓佳廣進有限公司，地址為香港皇后大道東183號合和中心22樓。

為釐定股東獲派建議之末期股息之權利，本公司將於2017年6月15日(星期四)至2017年6月16日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續。除淨日為2017年6月13日(星期二)。為符合資格獲派建議之末期股息，所有辦理登記的股份過戶文件連同有關股票最遲須於2017年6月14日(星期三)下午4時30分前送達本公司在香港的股份過戶登記分處卓佳廣進有限公司，地址為香港皇后大道東183號合和中心22樓。



SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited consolidated financial statements, is set out on page 269. This summary does not form part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment and investment properties of the Company and the Group during the year are set out in notes 14 and 15 to the financial statements, respectively.

SHARE CAPITAL

There were no movements in the Company's authorised or issued share capital during the year.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 21 November 2006 (the "Option Scheme") which has a term of 10 years and expired on 20 November 2016. All outstanding options granted under the Option Scheme will continue to be valid and exercisable in accordance with the terms of the Option Scheme. No further option will be granted under the Option Scheme. Pursuant to the resolution passed by the Board on 28 March 2011, the vesting and exercise periods for the options granted under the Option Scheme have been modified. The following are the principle terms of the Option Scheme:

1. Purpose of the Option Scheme

To attract, retain and motivate senior management personnel and key employees of the Company, and to provide eligible participants with an opportunity to acquire interests in the Company so as to encourage eligible participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

2. Participants of the Option Scheme

Participants of the Option Scheme include (i) any executive or non-executive directors (excluding independent non-executive directors) of any members of the Group; (ii) any senior executives, key technical staff, professional staff, managers and employees of any members of the Group; or (iii) any other individuals as may be proposed by the Board.

財務資料概要

本集團過往五個財政年度之業績及資產、負債及非控股權益概要(摘錄自己刊發之經審核綜合財務報表)載於第269頁,該概要並非經審核綜合財務報表之一部份。

物業、廠房及設備及投資物業

本公司及本集團於本年度內之物業、廠房及設備及投資物業變動之詳情,分別載於財務報表附註14及15。

股本

於本年度內,本公司的註冊股本及已發行股本並沒有變動。

購股權計劃

本公司於2006年11月21日採納購股權計劃(「購股權計劃」),該購股權計劃之有效期為10年並於2016年11月20日屆滿。所有根據購股權計劃授予但尚未行使的購股權將繼續有效,並按購股權計劃之條款行使。本公司將不再根據購股權計劃授出購股權。根據董事會於2011年3月28日通過的一項決議,購股權計劃下的購股權歸屬期和行使期已被修訂。以下為購股權計劃之主要條款:

1. 購股權計劃之目的

吸引、挽留及激勵本公司高級管理層人員及主要僱員,讓合資格參與者藉此在本公司購入個人的權益,鼓勵合資格參與者致力於為本公司及其股東整體利益,提升本公司及其股份之價值。

2. 購股權計劃之參與者

購股權計劃之參與者包括(i)本集團任何成員公司之任何執行或非執行董事(但不包括獨立非執行董事);(ii)本集團任何成員公司之任何高級行政人員、主要技術人員、專業人員、經理及僱員;或(iii)董事會可能建議之任何其他人士。



SHARE OPTION SCHEME (continued)

3. Total number of shares available for issue under the Option Scheme

The maximum number of shares which may be issued upon exercise of all options to be granted under the Option Scheme and the maximum number of shares which may be issued upon the exercise of all options to be granted under any other share option schemes of the Company (if any) are in aggregate equal to 10% of the total number of shares in issue as at the date of adoption of the Option Scheme, i.e. 178,508,197 shares.

As at 31 December 2016, a total of 22,120,000 shares may be issued by the Company if all share options which were granted under the Option Scheme have been exercised, representing approximately 0.79% of the issued share capital of the Company as at the date of this report.

4. Maximum entitlement of each participant under the Option Scheme

The total number of shares issued and to be issued upon exercise of the options granted to any grantee (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the shares of the Company in issue (the "Individual Limit") at the relevant time. Any further grant of options in excess of the Individual Limit shall be subject to shareholders' approval with such grantee and his associates abstaining from voting.

5. Period within which an option must be exercised

The directors may in their absolute discretion determine the period during which an option may be exercised, save that in any event such period of time shall not exceed a period of seven years commencing on the date of acceptance of the option and expiring on the last date of such seven-year period, subject to early termination thereof as provided in the Option Scheme.

6. Minimum period for which an option must be held before it can be exercised

An option must be held for a minimum period of two years from the date of grant before it can be exercised.

The first batch of share options, which were granted on 27 September 2007, has lapsed on 27 September 2014 due to the expiry of the exercised period.

購股權計劃(續)

3. 購股權計劃項下可供發行之股份總數

因行使根據購股權計劃將予授出的所有購股權及本公司任何其他購股權計劃(如有)項下將予授出的所有購股權而可能發行的股份總數,最多合共相當於採納購股權計劃當日已發行股份總數的10%,即178,508,197股股份。

於2016年12月31日,倘根據購股權計劃已授出的購股權獲悉數行使,本公司可予發行之股份總數為22,120,000股股份,佔本公司於本報告日期已發行股本約0.79%。

4. 購股權計劃項下每名參與者之最高限額

向任何承授人授出之購股權(包括已行使及未行使之購股權)在行使後所發行及將會發行之股份總數在任何十二個月期間內不得超過本公司於相關時間已發行股份的1%(「個別限額」)。進一步授出任何超逾個別限額之購股權須經股東批准,而有關承授人及其聯繫人均須放棄投票。

5. 購股權須予行使之期限

董事可全權酌情釐定行使購股權之期限,惟在任何情況下,該期限不得超過由接納購股權當日起計七年,並於七年期限最後一日屆滿,惟符合購股權計劃所載有關提早終止之條文者則除外。

6. 購股權行使前必須持有之最短期限

購股權於行使前須自授出日期起持有最短兩年時間。

於2007年9月27日授出的第1批購股權因行使期限屆滿已於2014年9月27日失效。





SHARE OPTION SCHEME (continued)

6. Minimum period for which an option must be held before it can be exercised (continued)

The options granted after 28 March 2011 are subject to the following new vesting schedule:

Periods 期間		Maximum percentage of options which may be exercised 最多可行使 購股權之百分比
– Upon and after the second anniversary of the grant until the third anniversary of the grant	– 自授出日期起計第二周年及其後至第三周年	20%
– Upon and after the third anniversary of the grant until the fourth anniversary of the grant	– 自授出日期起計第三周年及其後至第四周年	40%
– Upon and after the fourth anniversary of the grant until the fifth anniversary of the grant	– 自授出日期起計第四周年及其後至第五周年	60%
– Upon and after the fifth anniversary of the grant until the sixth anniversary of the grant	– 自授出日期起計第五周年及其後至第六周年	80%
– Upon and after the sixth anniversary of the grant until the seventh anniversary of the grant	– 自授出日期起計第六周年及其後至第七周年	100%

7. Time of acceptance and the amount payable on acceptance of the option

The offer of an option made pursuant to the Option Scheme may be accepted within 28 days from the date of the offer and the amount payable on acceptance of the option is HK\$1.

8. Basis for determining the exercise price

The exercise price shall be determined by the Board and shall be the higher of (a) the closing price of the shares as stated in the daily quotation sheets issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on the date of the offer; (b) the average closing prices of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of the offer; or (c) the nominal value of a share.

購股權計劃(續)

6. 購股權行使前必須持有之最短期限(續)

於2011年3月28日以後授出的購股權則須受以下新歸屬時間表限制：

7. 接納購股權之期限及應付款項

根據購股權計劃授出購股權之要約必須於要約日期起計二十八天內獲接納，而就接納購股權應付款項為1港元。

8. 釐定行使價之基準

行使價為董事會釐定，並須為以下三項之最高者：(a)於要約當日香港聯合交易所有限公司(「聯交所」)每日報價表所載股份收市價；(b)於緊接要約日期前五個營業日聯交所每日報價表所載股份之平均收市價；或(c)股份之面值。



SHARE OPTION SCHEME (continued)

9. Duration of the Option Scheme

The Option Scheme is valid for ten year from the date of adoption and expired on 20 November 2016.

10. Movement of share options

Details of the movements in the share options during the year ended 31 December 2016 are as follows:

購股權計劃(續)

9. 購股權計劃之有效期

購股權計劃自採納之日起10年有效期，並已於2016年11月20日屆滿。

10. 購股權之變動

截至2016年12月31日止年度，購股權之變動詳情如下：

Name or category of participant 參與者姓名及類別	Date of grant of share options 授出購股權日期	Number of share options 購股權的數目					At 31.12.2016 於2016年12月31日	Exercise period of share options 購股權行使期	Exercise price of share options 購股權行使價 HK\$ 港元
		At 01.01.2016 於2016年1月1日	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效				
Current Director 現任董事									
Mr. Ma Jianping 馬建平先生	29.03.2011	600,000	-	-	-	600,000	29.03.2013-28.03.2018	4.910	
Mr. Wu Fei (Note 1) 吳飛先生(附註1)	29.03.2011	700,000	-	-	-	700,000	29.03.2013-28.03.2018	4.910	
Former Directors 前任董事									
Mr. Ning Gaoning (Note 2) 寧高寧先生(附註2)	29.03.2011	740,000	-	-	(740,000) (Note 5) (附註5)	-	29.03.2013-28.03.2018	4.910	
Ms. Liu Ding (Note 3) 柳丁女士(附註3)	29.03.2011	600,000	-	-	(120,000) (Note 5) (附註5)	480,000	29.03.2013-28.03.2018	4.910	
Ms. Wu Wenting (Note 4) 吳文婷女士(附註4)	29.03.2011	600,000	-	-	-	600,000	29.03.2013-28.03.2018	4.910	
Other employees 其他僱員	29.03.2011	21,840,000	-	-	(2,100,000) (Note 5) (附註5)	19,740,000	29.03.2013-28.03.2018	4.910	
Total 總數		25,080,000	-	-	(2,960,000)	22,120,000			



SHARE OPTION SCHEME (continued)

10. Movement of share options (continued)

Notes:

1. Mr. Wu Fei was appointed as an executive Director on 15 September 2016 and 700,000 share options was granted to him under the Option Scheme on 29.3.2011.
2. Mr. Ning Gaoning resigned as a non-executive Director with effect from 15 February 2016.
3. Ms. Liu Ding resigned as a non-executive Director with effect from 9 November 2016.
4. Ms. Wu Wenting resigned as an executive Director with effect from 15 September 2016.
5. During the year, 2,114,000 vested share options lapsed upon the expiry of stipulated period in accordance with the term of the Option Scheme, while 846,000 unvested share options lapsed upon the resignations of Mr. Ning Gaoning and Ms. Liu Ding, both former Directors, and certain employees of the Company in accordance with the terms of the Option Scheme.

EQUITY-LINKS AGREEMENTS

Other than the Option Scheme as disclosed above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered by the Company during the year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws (the "Bye-laws") or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in notes 42 and 29 to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2016, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda, amounted to approximately HK\$6,246,834,000.

購股權計劃(續)

10. 購股權之變動(續)

附註：

1. 吳飛先生於2016年9月15日獲委任為執行董事，而吳先生根據購股權計劃於2011年3月29日獲授予700,000份購股權。
2. 寧高寧先生已辭任非執行董事，自2016年2月15日起生效。
3. 柳丁女士已辭任非執行董事，自2016年11月9日起生效。
4. 吳文婷女士已辭任執行董事，自2016年9月15日起生效。
5. 本年度內，根據購股權計劃的條款，2,114,000份已歸屬的購股權在所規定的時間屆滿時失效，而846,000份未歸屬的購股權因前任董事寧高寧先生和柳丁女士及本公司若干僱員辭職而失效。

股票掛鈎協議

除上文披露的購股權計劃外，於年內或年度結束時，本公司概無訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立任何協議將會或可導致本公司發行。

優先購買權

本公司公司細則(「公司細則」)或百慕達法例並無關於要求本公司須向現有股東按比例基準發售新股份之優先購買權規定。

儲備

本年度內，本公司及本集團之儲備變動詳情分別載於財務報表附註42及29，以及綜合股本變動報表。

可供分派儲備

於2016年12月31日，本公司根據百慕達1981年公司法計算之可供分派儲備約為6,246,834,000港元。



MAJOR CUSTOMERS AND SUPPLIERS

During the year, less than 5% of the Group's total sales were attributable to the Group's five largest customers. Approximately 66% of the Group's total purchases were attributable to the Group's five largest suppliers, with the largest supplier accounting for approximately 46%.

Apart from the Company's ultimate controlling shareholder, COFCO Corporation ("COFCO"), which is one of the Group's five largest suppliers, none of the directors of the Company ("Director(s)") or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the other four largest suppliers or the five largest customers of the Group.

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors:

Mr. Jiang Guojin
Ms. Wu Wenting (Note 1)
Ms. Luan Xiuju (Note 2)
Mr. Wu Fei (Note 3)
Mr. Zhou Chenguang (Note 4)

Non-executive Directors:

Mr. Ma Jianping (Chairman)
Mr. Ning Gaoning (Note 5)
Mr. Yu Xubo (Note 6)
Ms. Liu Ding (Note 7)
Mr. Wang Zhiying (Note 8)
Mr. Qin Yelong (Note 9)
Ms. Xiao Jianping (Note 10)

Independent Non-executive Directors:

Mr. Stephen Edward Clark
Mr. Paul Kenneth Etchells (Note 11)
Mr. Li Hung Kwan, Alfred
Mr. Yuen Tin Fan, Francis

主要客戶及供應商

本年度內，本集團對五名最大客戶的銷售額佔本集團總銷售額的比例低於5%。本集團五名最大供應商的採購額約佔本集團總採購額的66%，最大供應商約佔46%。

除本公司之最終控股股東中糧集團有限公司（「中糧」）為本集團五名最大供應商之一外，本公司董事（「董事」）或其任何聯繫人或任何股東（據董事所知擁有逾5%本公司之已發行股本者）概無於本集團其餘四名最大供應商或五名最大客戶中擁有任何實益權益。

董事

於本年度內及截至本報告日期，董事如下：

執行董事：

江國金先生
吳文婷女士 (附註1)
樂秀菊女士 (附註2)
吳飛先生 (附註3)
周晨光先生 (附註4)

非執行董事：

馬建平先生 (主席)
寧高寧先生 (附註5)
于旭波先生 (附註6)
柳丁女士 (附註7)
王之盈先生 (附註8)
覃業龍先生 (附註9)
肖建平女士 (附註10)

獨立非執行董事：

祈立德先生 (Mr. Stephen Edward Clark)
包逸秋先生 (Mr. Paul Kenneth Etchells) (附註11)
李鴻鈞先生
袁天凡先生



DIRECTORS (continued)

Notes:

1. Ms. Wu Wenting resigned as an executive Director with effective from 15 September 2016.
2. Ms. Luan Xiuju was appointed as an executive Director with effective from 17 January 2017.
3. Mr. Wu Fei was appointed as an executive Director with effective from 15 September 2016. Mr. Wu has tendered his resignation as an executive Director with effect from 1 April 2017.
4. Mr. Zhou Chenguang was appointed as an executive Director with effect from 9 November 2016.
5. Mr. Ning Gaoning resigned as a non-executive Director with effective from 15 February 2016.
6. Mr. Yu Xubo resigned as a non-executive Director with effective from 15 February 2016.
7. Ms. Liu Ding resigned as a non-executive Director with effective from 9 November 2016.
8. Mr. Wang Zhiying resigned as a non-executive Director with effective from 17 January 2017.
9. Mr. Qin Yelong was appointed as a non-executive Director with effect from 17 January 2017.
10. Ms. Xiao Jianping was appointed as a non-executive Director with effect from 17 January 2017.
11. Mr. Paul Kenneth Etchells has tendered his resignation as an independent non-executive Director with effective from 1 April 2017.

All Directors including non-executive Directors and independent non-executive Directors are appointed with specific terms.

According to bye-law 94 of the Bye-laws, any director appointed by the Board either to fill a casual vacancy or as an additional director to the Board shall hold office only until the first general meeting of the Company after his appointment and be subject to election at such meeting. In this regard, Ms. Luan Xiuju, Mr. Zhou Chenguang, Mr. Qin Yelong and Ms. Xiao Jianping will retire and, being eligible, offer themselves for election at the forthcoming annual general meeting.

董事(續)

附註:

1. 吳文婷女士已辭任執行董事，自2016年9月15日起生效。
2. 樂秀菊女士獲委任為執行董事，自2017年1月17日起生效。
3. 吳飛先生獲委任為執行董事，自2016年9月15日起生效。吳先生已請辭執行董事職務，並將於2017年4月1日起生效。
4. 周晨光先生獲委任為執行董事，自2016年11月9日起生效。
5. 寧高寧先生已辭任非執行董事，自2016年2月15日起生效。
6. 于旭波先生已辭任非執行董事，自2016年2月15日起生效。
7. 柳丁女士已辭任非執行董事，自2016年11月9日起生效。
8. 王之盈先生已辭任非執行董事，自2017年1月17日起生效。
9. 覃業龍先生獲委任為非執行董事，自2017年1月17日起生效。
10. 肖建平女士獲委任為非執行董事，自2017年1月17日起生效。
11. 包逸耿先生已請辭獨立非執行董事職務，並將於2017年4月1日起生效。

所有董事包括非執行董事及獨立非執行董事均具特定委任年期。

根據公司細則的細則94條，任何獲委任以填補董事會臨時空缺或為新增董事的董事任期一直至其委任後本公司首個股東大會並須於該會上膺選。據此，樂秀菊女士、周晨光先生、覃業龍先生及肖建平女士將於即將舉行之股東周年大會上退任，並符合資格及願意膺選。



DIRECTORS (continued)

Each Director shall be subject to retirement by rotation at least once every three years as required by bye-law 111(A) of the Bye-laws. Accordingly, Mr. Jiang Guojin, Mr. Stephen Edward Clark and Mr. Li Hung Kwan, Alfred will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

The Company considers that all the independent non-executive Directors are independent pursuant to the criteria set out in Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and that a confirmation of independence has been received from each of them.

DIRECTORS AND SENIOR MANAGEMENT PROFILE

Biographical details of the Company's Directors and Senior Management are set out on pages 40 to 53 of this annual report.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for election or re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Director or a connected entity of a director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the Group's business to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party during the year.

董事(續)

根據公司細則的細則111(A)條，每位董事須最少每三年輪值退任一次。據此，江國金先生、祈立德先生(Mr. Stephen Edward Clark)、及李鴻鈞先生將於即將舉行之股東周年大會上退任，並符合資格及願意膺選連任。

根據香港聯合交易所有限公司證券上市規則(「上市規則」)第3.13條所載之準則，本公司認為獨立非執行董事均為獨立人士，並已收到每位獨立非執行董事有關獨立性的確認書。

董事及高級管理層簡介

本公司董事及高級管理層簡介資料，載於本年報第40頁至第53頁。

董事服務合約

於即將舉行之股東周年大會上膺選或膺選連任之董事與本公司或其任何附屬公司之間概無訂立任何本公司或其任何附屬公司須給予賠償(法定賠償除外)始可於一年內終止之服務合約。

董事之交易、安排或合約權益

本年度內，董事或與董事有關連的實體概無在對本集團業務有重大影響之任何交易、安排或合約(本公司、其任何控股公司、附屬公司或同系附屬公司乃合約訂約方)中直接或間接擁有重大權益。



DIRECTORS' REMUNERATION

The Board is authorised by the shareholders to fix the directors' remuneration at general meetings. The directors' emoluments are determined by the Board based on the recommendation by the remuneration committee of the Board with reference to their job complexity, workload and responsibilities and the Company's remuneration policy.

PERMITTED INDEMNITY PROVISION

Pursuant to the Bye-laws, every Director shall be entitled to be indemnified by the Company out of the assets of the Company against all losses or liabilities which he/she may sustain or incur or about the execution and discharge of his/her duties or in relation thereto. The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Company during the year.

MANAGEMENT CONTRACTS

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

CONVERTIBLE SECURITIES, WARRANTS OR OPTIONS

During the year, neither the Company nor any of its subsidiaries issued any convertible securities, warrants or options.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2016, the interests and short positions of the Directors and their associates in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as recorded in the register of interests of the Company required to be kept under section 352 of the SFO; or as notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were deemed or taken to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules (collectively the "Discloseable Interests") were as follows:

董事酬金

於股東大會上，股東授權董事會釐定董事酬金。董事薪酬乃由董事會根據董事會之薪酬委員會的建議並參照他們的工作複雜度、工作量及職責以及本公司的薪酬政策而釐定。

獲准許之彌償條文

根據公司細則，各董事有權就所有在執行及履行本身職責時或就此蒙受或招致或與之有關之損失或負債，獲得本公司從本公司之資產中撥付賠償。本年度內，本公司已就本公司董事及高級人員投購適當的董事及高級人員責任險。

管理合約

本年度內，概無訂立或存在與本集團全部或任何重大部分業務的管理及行政相關之合約。

可換股證券、認股權證或購股權

本年度內，本公司及其任何附屬公司概無發行任何可換股證券、認股權證或購股權。

董事於股份及相關股份之權益及淡倉

於2016年12月31日，董事及彼等之聯繫人於本公司或其任何相聯法團(定義見《證券及期貨條例》(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有之權益及淡倉而根據證券及期貨條例第352條記錄於本公司所存置之權益登記冊內；或根據證券及期貨條例第XV部第7及第8分部(包括據此他們被視作或當作擁有之權益及淡倉)或根據上市規則所載《上市發行人董事進行證券交易的標準守則》知會本公司及聯交所(統稱「須披露權益」)之記錄如下：



DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

董事於股份及相關股份之權益及淡倉(續)

(A) Discloseable interests in the shares and underlying shares of the Company

(A) 於本公司之股份及相關股份之須披露權益

Name of Director	Capacity/ Nature of interest	Number of shares held	Number of underlying shares held	Total number of shares and underlying shares held	Approximate percentage of issued shares
董事姓名	身份/ 權益性質	所持 股份數目 (Note 1) (附註1)	所持相關 股份數目 (Note 2) (附註2)	所持股份 及相關股份 總數	佔已發行 股份的 概約百分比 (Note 3) (附註3)
Mr. Ma Jianping 馬建平先生	Beneficial Owner 實益擁有人	–	600,000	600,000	0.02%
Mr. Jiang Guojin 江國金先生	Beneficial Owner 實益擁有人	426,000	–	426,000	0.02%
Mr. Wu Fei 吳飛先生	Beneficial Owner 實益擁有人	100,000	700,000	800,000	0.03%
Mr. Paul Kenneth Etchells 包逸秋先生	Beneficial Owner 實益擁有人 Interest of Spouse 配偶權益	200,000 90,000	– –	290,000	0.01%

Notes:

- Long positions in the shares of the Company, other than equity derivatives such as share options, warrants or convertible bonds.
- Long positions in the underlying shares of the Company under share options granted to Directors pursuant to the Option Scheme.
- The percentages were calculated based on the total number of shares of the Company in issue as at 31 December 2016, i.e. 2,797,223,396 shares.

附註：

- 本公司股份之好倉(股本衍生工具如購股權、認股權證或可換股債券除外)。
- 根據購股權計劃向董事授出的購股權項下本公司相關股份的好倉。
- 百分比乃根據本公司於2016年12月31日之已發行股份總數(即2,797,223,396股股份)計算。



DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

(B) Discloseable interests in the shares and underlying shares of an associated corporation, China Agri-Industries Holdings Limited ("China Agri")

董事於股份及相關股份之權益及淡倉(續)

(B) 於一家相聯法團(中國糧油控股有限公司(「中國糧油」))之股份及相關股份之須披露權益

Name of Director	Capacity/ Nature of interest	Number of shares held	Number of underlying shares held	Total number of shares and underlying shares held	Approximate percentage of issued shares
董事姓名	身份/ 權益性質	所持 股份數目 (Note 1) (附註1)	所持相關 股份數目 (Note 2) (附註2)	所持股份 及相關股份 總數	佔已發行 股份的 概約百分比 (Note 3) (附註3)
Mr. Jiang Guojin 江國金先生	Beneficial Owner 實益擁有人	100	–	100	0.00%
Mr. Wang Zhiying (Note 4) 王之盈先生(附註4)	Beneficial Owner 實益擁有人	39,000	583,000	622,000	0.01%

Notes:

- Long positions in the shares of China Agri, other than equity derivatives such as share options, warrants or convertible bonds.
- Long positions in the underlying shares of China Agri under share options granted pursuant to a share option scheme of China Agri.
- The percentages were calculated based on the total number of shares of China Agri in issue as at 31 December 2016, i.e., 5,249,880,788 shares.
- Mr. Wang Zhiying resigned as a non-executive Director with effect from 17 January 2017.

Save as disclosed herein, as at 31 December 2016, none of the Directors nor their associates had any other Discloseable Interests.

附註：

- 中國糧油股份之好倉(股本衍生工具如購股權、認股權證或可換股債券除外)。
- 根據中國糧油購股權計劃授出的購股權項下中國糧油相關股份之好倉。
- 百分比乃根據中國糧油於2016年12月31日之已發行股份總數(即5,249,880,788股股份)計算。
- 王之盈先生辭任非執行董事，自2017年1月17日起生效。

除本報告所披露者外，於2016年12月31日，董事及其聯繫人概無其他須披露權益。



SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2016, the interests and short positions of substantial shareholders in the shares and underlying shares of the Company as notified to the Company under Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register of interests of the Company required to be kept under Section 336 of the SFO, were as follows:

主要股東及其他人士於股份及相關股份之權益及淡倉

於2016年12月31日，根據證券及期貨條例第XV部第2及第3分部而知會本公司；或根據證券及期貨條例第336條記錄於本公司所存置之權益登記冊內，主要股東於本公司股份及相關股份之權益及淡倉如下：

Aggregate long positions in the shares and underlying shares of the Company

於本公司股份及相關股份之好倉總數

Name of substantial shareholder 主要股東名稱	Number of shares held (Note 1) 所持股份數目(附註1)			Approximate percentage of issued shares 佔已發行股份的概約百分比 (Note 2) (附註2)
	Directly beneficially owned 直接實益擁有	Through controlled corporations 透過受控法團	Total 總數	
China Foods (Holdings) Limited 中國食品(控股)有限公司	2,072,688,331	–	2,072,688,331	74.10%
COFCO (Hong Kong) Limited 中糧集團(香港)有限公司	–	2,072,688,331 (Note 3) (附註3)	2,072,688,331	74.10%
COFCO 中糧	–	2,072,688,331 (Note 4) (附註4)	2,072,688,331	74.10%

Notes:

- Long positions in the shares of the Company, other than equity derivatives such as share options, warrants or convertible bonds.
- The percentages were calculated based on the total number of shares of the Company in issue as at 31 December 2016, i.e. 2,797,223,396 shares.
- COFCO (Hong Kong) Limited ("COFCO (HK)") was deemed to be interested in 2,072,688,331 shares held by China Foods (Holdings) Limited which was a wholly-owned subsidiary of COFCO (HK).
- COFCO was deemed to be interested in 2,072,688,331 shares held by China Foods (Holdings) Limited and COFCO (HK) which were wholly-owned subsidiaries of COFCO.

附註：

- 本公司股份之好倉(股本衍生工具如購股權、認股權證或可換股債券除外)。
- 百分比乃根據本公司於2016年12月31日之已發行股份總數(即2,797,223,396股股份)計算。
- 中糧集團(香港)有限公司(「中糧香港」)被視為為中國食品(控股)有限公司(為中糧香港的全資附屬公司)所持2,072,688,331股股份中擁有權益。
- 中糧被視為為中國食品(控股)有限公司及中糧香港(均為中糧的全資附屬公司)所持合共2,072,688,331股股份中擁有權益。



Save as disclosed herein, as at 31 December 2016, the Directors were not aware of substantial shareholders and other persons who had interests or short positions in the shares or underlying shares of the Company.

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION

During the year, the Group conducted the following transactions with certain connected persons of the Company. These transactions constituted connected transactions or continuing continued transactions and are subject to reporting requirements under Chapter 14A of the Listing Rules.

I. CONNECTED TRANSACTIONS

1. DISPOSAL OF EQUITY INTERESTS AND ASSIGNMENT OF DEBT OF PRIZED DEVELOPMENTS LIMITED

On 31 December 2015, the Company entered into an equity transfer and debt assignment agreement (the “Agreement”) with Tops Properties Limited (“Top Properties”). Pursuant to the Agreement, the Company will transfer its equity interests and shareholder’s loan, each relating to the Prized Developments Limited, a wholly-owned subsidiary of the Company incorporated in the British Virgin Islands, to Tops Properties for a total consideration of RMB611,000,000, subject to potential adjustments as disclosed in the Agreement (the “PD Disposal”). Details of the Agreement were disclosed in an announcement of the Company dated 3 January 2016 and a circular of the Company dated 19 April 2016.

Tops Properties is a wholly-owned subsidiary of COFCO Property (Group) Co., Ltd., which is 45.67% owned by COFCO, the ultimate controlling shareholder of the Company, hence, a connected person of the Company under the Listing Rules.

The PD Disposal was approved by the independent shareholders at the special general meeting convened on 6 May 2016 and the transactions under the Agreement were completed on 31 May 2016.

除本報告披露者外，於2016年12月31日，董事並不知悉主要股東及其他人士於本公司股份或相關股份中擁有之權益或淡倉。

關連交易及持續關連交易

本年度內，本集團與本公司若干關連人士進行以下交易。該等交易構成關連交易或持續關連交易，及須遵守上市規則第14A章的申報要求。

I. 關連交易

1. 出售PRIZED DEVELOPMENTS LIMITED 的股權及轉讓債務

於2015年12月31日，本公司與華高置業有限公司（「華高置業」）訂立股權及債務轉讓協議（「該協議」）。根據該協議，本公司將向華高置業轉讓其於Prized Developments Limited（本公司於英屬維爾京群島註冊成立的全資附屬公司）的股權權益及股東貸款，總代價為人民幣611,000,000元，須作該協議內所披露的潛在調整（「出售PD」）。該協議的詳情已於本公司日期為2016年1月3日的公告及本公司日期為2016年4月19日的通函中披露。

華高置業為中糧地產（集團）股份有限公司的全資附屬公司，而本公司最終控股股東中糧擁有中糧地產（集團）股份有限公司45.67%權益。因此，根據上市規則華高置業為本公司的關連人士。

出售PD已於2016年5月6日召開股東特別大會上獲獨立股東批准，且該協議項下的交易已於2016年5月31日完成。



CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION (continued)

I. CONNECTED TRANSACTIONS (continued)

2. DISPOSAL OF EQUITY INTERESTS IN COFCO JUNDING VINEYARD CO., LTD. (中糧君頂酒莊有限公司) AND SHAN DONG COFCO JUNDING WINES & SPIRITS CO., LTD. (山東中糧君頂酒業有限公司)

On 12 September 2016, the Company's wholly-owned subsidiaries, COFCO (BVI) No. 30 Limited ("BVI 30"), entered into an asset and equity transaction agreement with Longhua Group Co., Ltd. (隆華集團有限公司) ("Longhua Group") (the "Junding Vineyard Agreement"), pursuant to which BVI 30 shall sell its 55% equity interest in COFCO Junding Vineyard Co., Ltd. (中糧君頂酒莊有限公司) ("Junding Vineyard"), to Longhua Group at a consideration of RMB1.0. As a condition for BVI 30's selling its equity interest in Junding Vineyard, Longhua Group must assume the outstanding debts owed by Junding Vineyard to a wholly-owned subsidiary of the Company. On the same day, COFCO Wines & Spirits Co., Ltd. (中糧酒業有限公司) ("COFCO Wines & Spirits"), another of the Company's wholly-owned subsidiary, entered into an asset and equity transaction agreement with Longhua Group (the "Junding Wines & Spirits Agreement"), pursuant to which COFCO Wines & Spirits shall sell its 55% equity interest in Shandong COFCO Junding Wines & Spirits Co., Ltd. (山東中糧君頂酒業有限公司) ("Junding Wines & Spirits") to Longhua Group at a consideration of RMB1.0. As a condition for COFCO Wines & Spirits, selling its equity interests in Junding Wines & Spirits, Longhua Group must assume the outstanding debts owed by Junding Wines & Spirits to certain wholly-owned subsidiaries of the Company. Details of Junding Vineyard Agreement and Junding Wines & Spirits Agreement were disclosed in an announcement of the Company dated 12 September 2016.

Junding Vineyard and Junding Wines & Spirits are indirect non-wholly owned subsidiaries of the Company; and Longhua Group is a substantial shareholder of both Junding Vineyard and Junding Wines & Spirits, hence, Longhua Group is a connected person of the Company at the subsidiary level under the Listing Rules.

關連交易及持續關連交易(續)

I. 關連交易(續)

2. 出售於中糧君頂酒莊有限公司及山東中糧君頂酒業有限公司的權益

於2016年9月12日，本公司一間全資附屬公司COFCO (BVI) No. 30 Limited (「BVI 30」)與隆華集團有限公司(「隆華集團」)訂立產權交易協議(「君頂酒莊協議」)，據此，BVI 30將向隆華集團出售其於中糧君頂酒莊有限公司(「君頂酒莊」)55%的權益，代價為人民幣為1元。作為BVI 30向隆華集團出售其於君頂酒莊的權益的一項條件，隆華集團必須承擔君頂酒莊欠付本公司全資附屬公司的未償還債務。同日，本公司另一間全資附屬公司中糧酒業有限公司(「中糧酒業」)與隆華集團訂立產權交易協議(「君頂酒業協議」)，據此，中糧酒業將向隆華集團出售其於山東中糧君頂酒業有限公司(「君頂酒業」)55%的權益，代價為人民幣1元。作為中糧酒業向隆華出售其於君頂酒業的權益的一項條件，隆華集團必須承擔君頂酒業欠付本公司若干全資附屬公司的未償還債務。君頂酒莊協議及君頂酒業協議的詳情已於本公司日期為2016年9月12日的公告中披露。

君頂酒莊及君頂酒業均為本公司的間接非全資附屬公司；而隆華集團為君頂酒莊及君頂酒業的主要股東。因此，根據上市規則隆華集團為本公司於附屬公司層面的關連人士。



CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION (continued)

I. CONNECTED TRANSACTIONS (continued)

2. DISPOSAL OF EQUITY INTERESTS IN COFCO JUNDING VINEYARD CO., LTD. (中糧君頂酒莊有限公司) AND SHAN DONG COFCO JUNDING WINES & SPIRITS CO., LTD. (山東中糧君頂酒業有限公司) (continued)

The transactions under each of Junding Vineyard Agreement and Junding Wines & Spirits Agreement were completed on 7 December 2016.

3. ACQUISITIONS OF EQUITY INTERESTS IN THE CERTAIN BOTTLING COMPANIES IN CHINA

On 17 November 2017, COFCO Coca-Cola Beverages Limited (“CCBL”), a 65%-owned subsidiary of the Company, The Coca-Cola Company (“KO”) and Swire Beverages Holdings Limited (“Swire”) entered into a master agreement (the “Non-Public Sale Master Agreement”), pursuant to which, among others, CCBL shall procure its wholly-owned subsidiary (the “CCBL Purchaser”) (1) to purchase from certain subsidiaries of KO (“Non-public Sale KO Sellers”) their respective equity interests in eight bottling companies in China (“KO-CCBL Sale Equity Interests”) at an aggregate base consideration (subject to adjustment) of approximately RMB2,900 million; and (ii) to purchase from a subsidiary of Swire (“Non-public Sale Swire Seller”) its equity interest in a bottling company in China (“Swire-CCBL Sale Equity Interest”) at a base consideration of approximately RMB487 million (subject to adjustment) (collectively, the “Acquisition”).

KO is a connected person of the Company at the subsidiary level under the Listing Rules, the acquisition of the KO-CCBL Sale Equity Interests under the Non-Public Sale Master Agreement and the entering into relevant equity transfer agreements constitute connected transactions of the Company under the Listing Rules.

關連交易及持續關連交易 (續)

I. 關連交易 (續)

2. 出售於中糧君頂酒莊有限公司及山東中糧君頂酒業有限公司的權益 (續)

君頂酒莊協議及君頂酒業協議各自項下的交易已於2016年12月7日完成。

3. 收購於國內若干裝瓶公司的股權權益

於2016年11月17日，中糧可口可樂飲料有限公司(「中糧可口可樂」)(本公司擁有65%之附屬公司)、可口可樂有限公司(「可樂」)及太古飲料控股有限公司(「太古」)訂立了一份總協議(「非公開出售總合同」)，據此，包括其他，中糧可口可樂同意將促使其全資附屬公司(「中糧可口可樂買方」)(i)向可樂的若干附屬公司(「非公開出售可樂賣方」)收購彼等各自在八家國內的裝瓶公司的股權權益(「可樂 - 中糧可口可樂出售股權」)，基本代價總額約為人民幣29億元(可以調整)；及(2)向太古的一家附屬公司收購其於一家國內裝瓶公司的股權權益(「太古 - 中糧可口可樂出售股權」)，基本代價約為人民幣4.87億元(可以調整)(統稱「收購」)。

可口可樂公司為上市規則項下本公司附屬公司層面之關連人士。故根據上市規則，非公開出售總合同項下的收購可樂 - 中糧可口可樂出售股權及簽訂相關的產權轉讓合同權構成本公司於上市規則項下的關連交易。



CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION (continued)

I. CONNECTED TRANSACTIONS (continued)

3. ACQUISITIONS OF EQUITY INTERESTS IN THE CERTAIN BOTTLING COMPANIES IN CHINA (continued)

Written shareholders' approval was obtained on 17 November 2016 from China Foods (Holdings) Limited which holds 2,072,688,331 shares of the Company, representing approximately 74.10% of the issued share capital of the Company as at the date of the announcement, approving, among others, the Acquisitions, the Non-Public Sale Master Agreement and other transactions contemplated thereunder. As the conditions set out in Rule 14.44 of the Listing Rules are satisfied, no general meeting of the shareholders of the Company was convened for the shareholders' approval of the Acquisitions, the Non-Public Sale Master Agreement and the other transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

Details of the Acquisitions and the Non-Public Sales Master Agreement were disclosed in announcements of the Company dated 10 February 2016, 23 August 2016, 17 November 2016 and 24 November 2016; and the circular of the Company dated 21 December 2016.

II. CONTINUING CONNECTED TRANSACTIONS

1. 2014 COFCO MUTUAL PROVISION OF PRODUCTS AND SERVICES AGREEMENT

On 8 December 2014, the Company and COFCO entered into a mutual provision of products and services agreement for a term of three years commencing from 1 January 2015 and expiring on 31 December 2017 (the "2014 COFCO Mutual Provision of Products and Services Agreement"). Pursuant to the 2014 COFCO Mutual Provision of Products and Services Agreement, the COFCO Group and COFCO's associates shall supply certain raw materials, consumer products, packaging materials and other products owned, manufactured, or resold by the COFCO Group and COFCO's associates and provide property leasing and other services to the Group while the Group shall supply certain consumer products

關連交易及持續關連交易(續)

I. 關連交易(續)

3. 收購於國內若干裝瓶公司的股權權益(續)

本公司於2016年11月17日自中國食品(控股)有限公司(持有本公司2,072,688,331股股份,相當於本公司於本公告日期已發行股本之約74.10%)取得批准(包括其他)收購事項、非公開出售總合同以及其項下擬進行之其他交易之股東書面批准。由於上市規則第14.44條所載之條件已獲達成,故根據上市規則第14.44條無需召開股東大會以取得本公司股東對收購事項、非公開出售總合同以及其項下擬進行之其他交易之批准。

有關收購事項及非公開出售總合同的進一步詳情,請參閱本公司日期為2016年2月10日,2016年8月23日,2016年11月17日及2016年11月24日的公告;以及本公司日期為2016年12月21日的通函。

II. 持續關連交易

1. 2014年中糧產品及服務互供協議

於2014年12月8日,本公司與中糧訂立產品及服務互供協議,期限為三年,自2015年1月1日起至2017年12月31日止(「2014年中糧產品及服務互供協議」)。根據2014年中糧產品及服務互供協議,中糧集團及中糧之聯繫人將向本集團供應若干原材料、消費性產品、包裝材料及其他由中糧集團及中糧公司之聯繫人所擁有、生產或轉售的產品,以及提供物業租賃服務及其他服務;而本集團將向中糧集團及中糧之聯繫人供應若干消費性產品及其他由本集團所擁有、生產或轉售



CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION (continued)

II. CONTINUING CONNECTED TRANSACTIONS (continued)

1. 2014 COFCO MUTUAL PROVISION OF PRODUCTS AND SERVICES AGREEMENT (continued)

and other products owned, manufactured, or resold by the Group and provide information technology services and other services to the COFCO Group and COFCO's associates. Details of the 2014 COFCO Mutual Provision of Products and Services Agreement were disclosed in an announcement of the Company dated 8 December 2014 (the "2014 Announcement") and a circular of the Company dated 10 December 2014.

For the year ended 31 December 2016, (a) the total amount paid/payable by the Group to the COFCO Group and COFCO's associates for the purchase of products, raw materials, packaging materials, services and others was approximately RMB10,764 million; and (b) the total amount paid/payable by COFCO Group and COFCO's associates to the Group for the purchase of consumer products, services and others was approximately RMB312 million.

2. 2014 BEVERAGE BASE PURCHASE AGREEMENT

On 8 December 2014, the Company and Tianjin Jin Mei Beverage Company Limited ("Tianjin Jin Mei"), a connected person of the Company, entered into a beverage base purchase agreement for a term of three years commencing from 1 January 2015 and expiring on 31 December 2017 (the "2014 Beverage Base Purchase Agreement"). Pursuant to the 2014 Beverage Base Purchase Agreement, members of the Group with prior written approval from Tianjin Jin Mei shall purchase beverage bases from Tianjin Jin Mei at prices determined by Coca-Cola Beverages (Shanghai) Company Limited ("Coca-Cola (Shanghai)"). Details of the 2014 Beverage Base Purchase Agreement were disclosed in the 2014 Announcement.

For the year ended 31 December 2016, the total amount paid/payable by the Group to Tianjin Jin Mei for the purchase of beverage bases was approximately RMB1.13 million.

關連交易及持續關連交易(續)

II. 持續關連交易(續)

1. 2014年中糧產品及服務互供協議(續)

的產品，以及提供資訊技術服務及其他服務。2014年中糧產品及服務互供協議的詳情已於本公司日期為2014年12月8日的公告(「2014年公告」)及本公司日期為2014年12月10日的通函中披露。

截至2016年12月31日止年度，(a)本集團就採購產品、原材料、包裝材料、服務及其他向中糧集團及中糧之聯繫人支付／應付的總金額約為人民幣107.64億元；及(b)中糧集團及中糧之聯繫人就採購消費性產品、服務及其他向本集團支付／應付的總金額約為人民幣3.12億元。

2. 2014年飲料主劑採購協議

於2014年12月8日，本公司與天津津美飲料有限公司(「天津津美」)(其為本公司關連人士)訂立飲料主劑採購協議，期限為三年，自2015年1月1日起至2017年12月31日止(「2014年飲料主劑採購協議」)。根據2014年飲料主劑採購協議，經天津津美事先書面確認的本集團成員將向天津津美採購飲料主劑，價格由可口可樂飲料(上海)有限公司(「可口可樂(上海)」)釐定。2014年飲料主劑採購協議的詳情已於2014年公告中披露。

截至2016年12月31日止年度，本集團就採購飲料主劑向天津津美支付／應付的總金額約為人民幣113萬元。



CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION (continued)

II. CONTINUING CONNECTED TRANSACTIONS (continued)

3. 2014 CONCENTRATE PURCHASE AGREEMENT

On 8 December 2014, the Company and Coca-Cola (Shanghai), a connected person of the Company, entered into a concentrate purchase agreement for a term of three years commencing from 1 January 2015 and expiring on 31 December 2017 (the “2014 Concentrate Purchase Agreement”). Pursuant to the 2014 Concentrate Purchase Agreement, members of the Group with prior written approval from Coca-Cola (Shanghai) shall purchase concentrates from Coca-Cola (Shanghai) at prices determined by Coca-Cola (Shanghai). Details of the 2014 Concentrate Purchase Agreement were disclosed in the 2014 Announcement.

For the year ended 31 December 2016, the total amount paid/payable by the Group to Coca-Cola (Shanghai) for the purchase of concentrates was approximately RMB1,430 million.

4. 2014 STILL BEVERAGES PURCHASE AGREEMENT

On 8 December 2014, the Company and Coca-Cola Bottlers Management Service (Shanghai) Limited (“Coca-Cola Bottlers (Shanghai)”), a connected person of the Company, entered into a still beverages purchase agreement for a term of three years commencing from 1 January 2015 and expiring on 31 December 2017 (the “2014 Still Beverages Purchase Agreement”). Pursuant to the 2014 Still Beverages Purchase Agreement, certain members of the Group shall purchase still beverages from the Coca-Cola Bottlers (Shanghai) for distribution and resale within designated areas in the PRC. Details of the 2014 Still Beverages Purchase Agreement were disclosed in the 2014 Announcement.

For the year ended 31 December 2016, the total amount paid/payable by the Group to the Coca-Cola Bottlers (Shanghai) for the purchase of still beverages was approximately RMB1,606 million.

關連交易及持續關連交易(續)

II. 持續關連交易(續)

3. 2014年濃縮液採購協議

於2014年12月8日，本公司與可口可樂(上海)(其為本公司關連人士)訂立濃縮液採購協議，期限為三年，自2015年1月1日起至2017年12月31日止(「2014年濃縮液採購協議」)。根據2014年濃縮液採購協議，經可口可樂(上海)事先書面確認的本集團成員將以可口可樂(上海)釐訂的價格向可口可樂(上海)採購濃縮液。2014年濃縮液採購協議的詳情已於2014年公告中披露。

截至2016年12月31日止年度，本集團就採購濃縮液向可口可樂(上海)支付／應付的總金額約為人民幣14.3億元。

4. 2014年不含氣飲料採購協議

於2014年12月8日，本公司與可口可樂裝瓶商管理服務(上海)有限公司(「可口可樂裝瓶商(上海)」)(其為本公司關連人士)訂立不含氣飲料採購協議，期限為三年，自2015年1月1日起至2017年12月31日止(「2014年不含氣飲料採購協議」)。根據2014年不含氣飲料採購協議，本集團若干成員將向可口可樂裝瓶商(上海)採購不含氣飲料於中國指定區域內分銷及轉售。2014年不含氣飲料採購協議的詳情已於2014年公告中披露。

截至2016年12月31日止年度，本集團就採購不含氣飲料向可口可樂裝瓶商(上海)支付／應付的總金額約為人民幣16.06億元。



CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION (continued)

II. CONTINUING CONNECTED TRANSACTIONS (continued)

5. 2014 ZIJIANG PROVISION OF PACKAGING MATERIALS AND SERVICES AGREEMENT

On 8 December 2014, Tianjin Coca-Cola Beverage Co., Ltd. (“Tianjin Bottler”), a deemed subsidiary of the Company and Tianjin Shifa Zijiang Packaging Co., Ltd. (“Zijiang”), a connected person of the Company, entered into a provision of packaging materials and services agreement for a term of three years commencing from 1 January 2015 and expiring on 31 December 2017 (the “2014 Zijiang Provision of Packaging Materials and Services Agreement”). Pursuant to the 2014 Zijiang Provision of Packaging Materials and Services Agreement, Zijiang shall supply packaging materials and provide conversion services and other services to Tianjin Bottler. Details of the 2014 Zijiang Provision of Packaging Materials and Services Agreement were disclosed in the 2014 Announcement.

For the year ended 31 December 2016, the total amount paid/payable by the Tianjin Bottler to Zijiang for the purchase of packaging materials and conversion services was approximately RMB34 million.

6. 2015 FINANCIAL SERVICES AGREEMENT

On 11 December 2015, the Company, COFCO Foods Sales & Distribution Co., Ltd. (“Sales & Distribution Company”) and COFCO Finance Corporation Limited (“COFCO Finance”), a connected person of the Company, entered into a financial services agreement for a term of three years commencing from 1 January 2016 and expiring on 31 December 2018 (the “2015 Financial Services Agreement”). Pursuant to which, COFCO Finance shall provide the Group depository services, fund transfer services, entrustment loan services and the other financial services. Details of the 2015 Financial Services Agreement were disclosed in an announcement of the Company dated 11 December 2015.

For the year ended 31 December 2016, the maximum daily deposit amount (including the corresponding interest accrued thereon) placed by the Group with COFCO Finance was approximately RMB397 million.

關連交易及持續關連交易 (續)

II. 持續關連交易 (續)

5. 2014年紫江包裝材料供應及服務協議

於2014年12月8日，天津可口可樂飲料有限公司(「天津裝瓶廠」)(視為本公司的附屬公司)與天津實發－紫江包裝有限公司(「紫江」)(其為本公司關連人士)訂立包裝材料供應及服務協議，期限為三年，自2015年1月1日起至2017年12月31日止(「2014年紫江包裝材料供應及服務協議」)。根據2014年紫江包裝材料供應及服務協議，紫江將向天津裝瓶廠供應包裝材料及提供來料加工服務及其他服務。2014年紫江包裝材料供應及服務協議的詳情已於2014年公告中披露。

截至2016年12月31日止年度，天津裝瓶廠就採購包裝材料及來料加工服務向紫江支付／應付的總金額約為人民幣3,400萬元。

6. 2015年財務服務協議

於2015年12月11日，本公司、中糧食品營銷有限公司(「營銷公司」)與中糧財務有限責任公司(「中糧財務」)(其為本公司關連人士)訂立財務服務協議，期限為三年，自2016年1月1日起至2018年12月31日止(「2015年財務服務協議」)。根據2015年財務服務協議，中糧財務將向本集團成員提供存款、資金劃轉服務、委託貸款服務，以及其金融服務。2015年財務服務協議詳情已於本公司日期為2015年12月11日的公告中披露。

截至2016年12月31日止年度，本集團向中糧財務存放的每日最高存款金額(包括就此應計相應利息)約為人民幣3.97億元。



ANNUAL REVIEW OF CONTINUING CONNECTED TRANSACTIONS

Ernst & Young, the Company's auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions numbered 1 to 6 disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

The independent non-executive Directors have reviewed the above continuing connected transactions numbered 1 to 6 for the year ended 31 December 2016 and the report of the Company's auditors, and confirmed that these continuing connected transactions were:

1. entered into in the ordinary and usual course of business of the Company;
2. either on normal commercial terms or, on terms no less favourable to the Company than terms available to or from (as appropriate) independent third parties; and
3. in accordance with the terms of respective agreements governing the transactions and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year, no Directors are considered to have interests in any business which is likely to compete directly or indirectly with that of the Group.

持續關連交易之年度審閱

本公司核數師安永會計師事務所已獲聘請根據香港會計師公會發出的香港審驗應聘服務準則第3000號的「歷史財務資料審計或審閱以外的審驗應聘」，及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出匯報。安永會計師事務所已根據上市規則第14A.56條出具無保留意見函件，函件載有對上述本集團已披露的第1至6項持續關連交易的發現和總結。本公司已將有關核數師函件副本送呈聯交所。

獨立非執行董事已審閱上述截至2016年12月31日止年度之第1至6項的持續關連交易及本公司核數師的報告，並確認該等持續關連交易乃：

1. 於本公司日常業務過程中進行；
2. 按一般商業條款進行，或按不遜於給予或來自（視情況而定）獨立協力廠商之條款進行；及
3. 根據約束該等交易之相應協議條款進行，公平合理且符合本公司及其股東的整體利益。

董事於競爭業務之權益

本年度內，概無董事被視為於可能直接或間接與本集團業務構成競爭之任何業務中擁有權益。



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

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

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

DONATIONS

During the year, the Group made charitable and other donations amounting to approximately RMB200,000.

REVIEW BY THE AUDIT COMMITTEE

The Audit Committee has reviewed with the auditors of the Company the audited financial statements for the year ended 31 December 2016 and has also discussed auditing, internal control and financial reporting matters, including the review of the accounting practices and principles adopted by the Group.

EVENTS AFTER THE REPORTING PERIOD

Details of the significant event of the Group after the reporting period is set out in note 40 to the financial statements.

AUDITORS

Ernst & Young shall retire and, being eligible, offers themselves for re-appointment at the forth coming annual general meeting, a resolution for their re-appointment as auditors of the Company will be proposed at the meeting.

ON BEHALF OF THE BOARD

MA Jianping
Chairman

Hong Kong
28 March 2017

購買、出售或贖回本公司之上市證券

本年度內，本公司及其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

足夠公眾持股量

根據本公司所得之公開資料及董事所知，於本報告日期，本公司全部已發行股本中至少有25%由公眾人士持有。

捐贈

本年度內，本集團的慈善及其他捐贈約為人民幣20萬元。

審核委員會審閱

審核委員會已與本公司核數師審閱截至2016年12月31日止年度的經審核財務報表，並已就審計、內部監控及財務報告事宜（包括審閱本集團採納的會計常規及原則）進行討論。

報告期後事項

報告期後本集團的重要事項載於財務報表附註40。

核數師

安永會計師事務所行將於應屆股東周年大會上退任並符合資格及願意膺選連任，大會上將提呈決議案以續聘其為本公司核數師。

謹代表董事會

主席
馬建平

香港
2017年3月28日

Independent Auditors' Report

獨立核數師報告



To the members of China Foods Limited
(Incorporated in Bermuda with limited liability)

Opinion

We have audited the consolidated financial statements of China Foods Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 143 to 268, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss, 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 2016, 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 for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) 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 matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

致中國食品有限公司全體股東
(於百慕達註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第143頁至第268頁中國食品有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於2016年12月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而公允地反映了貴集團於2016年12月31日的綜合財務狀況及貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下進行處理的，我們不對這些事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述也以此為背景。



Key audit matters (continued)

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter

Impairment of goodwill

Management performs goodwill impairment testing annually. The estimation of the value in use of cash-generating units to which the goodwill is allocated is complex and involves significant management judgements and estimates, such as forecasted cash flows, revenue growth rates and discount rates, which are sensitive to the expected future market conditions and the cash-generating units' actual performance.

Related disclosures are included in notes 3 and 17 to the financial statements.

How our audit addressed the key audit matter

Our audit procedures included the evaluation of key assumptions including those related to the revenue growth rates, gross profit margin and discount rates applied. In performing our audit procedures, we involved internal valuation specialists to assess the assumptions applied by benchmarking against independent data. We reviewed historical financial performance of the business units and compared with the original forecast to evaluate the accuracy of management's budgeting process. We also evaluated management's assessment of the sensitivity of the Group's impairment model to reasonably possible changes.

關鍵審計事項(續)

我們已經履行了本報告「核數師就審計綜合財務報表承擔的責任」部分闡述的責任，包括與這些關鍵審計事項相關的責任。相應地，我們的審計工作包括執行為應對評估的綜合財務報表重大錯報風險而設計的審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

關鍵審計事項

商譽減值

管理層每年進行商譽減值測試。現金產生單位的使用價值的估算(商譽分配在其中)複雜並涉及重大的管理層判斷及估算，如預測現金流量、收入增長率及折現率，均對預計的未來市場狀況及現金產生單位的實際表現敏感。

相關之披露載於財務報表附註3及17。

該事項在審計中是如何應對的

我們的審計程序包括主要假設(包括該等關於收入增長率、毛利率及應用折現率的假設)的評估。在執行我們的審計程序時，我們要求內部估值專家以獨立數據作為基準評估採用之假設。我們審閱業務單位過往財務表現並與原本的預測互相比較，以評核管理層制定預算的過程的準確性。我們亦就管理層對貴集團減值模型合理可能變化的敏感性評估作出評價。



Key audit matters (continued)

Key audit matter

How our audit addressed the key audit matter

Provision for inventories

Inventories constituted a significant portion of total assets as at 31 December 2016 and the Group was exposed to risks of excess and obsolete inventories as a result of the macroeconomic challenges. The determination of the provision amount is complex because it depends on the future net recoverable amounts. The determination of the future net recoverable amounts involves significant management judgements and estimates of the market condition, future sales and inventory liquidation plans.

Relevant disclosures are included in notes 3 and 21 to the financial statements.

Recoverability of accounts receivable

Accounts receivable constituted a significant portion of total assets as at 31 December 2016 and the Group was exposed to credit risks thereof. When determining whether an account receivable is collectable, significant management judgements are involved, taking into account various factors including the age of the balance, existence of disputes, recent historical payment patterns and other available information concerning the creditworthiness of the customer.

Relevant disclosures are included in notes 3 and 22 to the financial statements.

Our audit procedures included the gaining an understanding of the Group's accounting policy of provision for inventories. We re-calculated the impairment amounts of the inventories based on the management's methodology at year end. We also considered the inventories turnover days and reviewed the ageing analysis in evaluating the level of provision for inventories as at 31 December 2016.

Our audit procedures included the assessment and testing of the design and operating effectiveness of the Group's controls relating to the monitoring of accounts receivable and the granting of credit terms, and over the quality of underlying data and systems. We reviewed the ageing analysis, obtained direct external confirmations for accounts receivable balances on a sample basis and considered the receipts from customers subsequent to the end of reporting period. We also evaluated the level of the Group's provision for accounts receivable by reference to the Group's debtor collection history.

關鍵審計事項(續)

關鍵審計事項

該事項在審計中是如何應對的

存貨撥備

截至2016年12月31日，存貨構成總資產的主要部分，而貴集團面臨宏觀經濟挑戰引致的存貨過剩及陳舊風險。撥備金額的釐定複雜，因為此取決於未來可收回金額淨額。釐定未來可收回金額涉及重大管理層判斷及對市況的預測、未來銷售及清理存貨的計劃。

相關之披露載於財務報表附註3及21。

應收賬款的可收回性

截至2016年12月31日，應收賬款構成總資產的主要部分，而貴集團亦面對信貸風險。在釐定能否收回應收賬款時，涉及重大的管理層判斷，並考慮不同因素，包括結餘的賬齡、是否存在爭議、近期歷史付款模式及有關客戶信譽的其他可取得的資料。

相關之披露載於財務報表附註3及22。

我們的審計程序包括了解貴集團對於存貨撥備的會計政策。我們於年末根據管理層的方法重新計算存貨的減值金額。於評估截至2016年12月31日的存貨撥備水平時，我們亦考慮存貨周轉日數，並審閱賬齡分析。

我們的審計程序包括評估及測試貴集團對關於監察應收賬款及授出信用期之控制的設計和運作成效，以及相關數據和系統的質量。我們審閱賬齡分析，以抽樣形式取得客戶的直接外部確認，以確認應收賬款結餘，並考慮報告期結束後來自客戶的收款。在評估貴集團對應收賬款的撥備程度時，我們亦會參考貴集團債項收回的歷史情況。





Other information included in the Annual Report

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of the directors for the consolidated financial statements

The directors of the Company 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

刊載於年度報告內的其他信息

貴公司董事須對其他信息負責。其他信息包括刊載於年度報告內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯報的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯報，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而公允的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯報所需的內部控制負責。

在擬備綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用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，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助貴公司董事履行彼等監督本集團財務報告過程的責任。



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. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, 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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional 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.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對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報取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)按照百慕達1981年公司法第90條報告，除此之外本報告並無其他用途。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯報存在時總能發現。錯報可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯報可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯報的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯報的風險高於未能發現因錯誤而導致的重大錯報的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提醒使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。





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

The engagement partner on the audit resulting in this independent auditor's report is Ng Siu Ki Ricky.

Ernst & Young
Certified Public Accountants

22/F CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

28 March 2017

核數師就審計綜合財務報表承擔的責任(續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公允反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是吳紹祺。

安永會計師事務所
執業會計師

香港
中環
添美道1號
中信大廈22樓

2017年3月28日

Consolidated Statement of Profit or Loss

綜合損益報表

Year ended 31 December 2016 截至2016年12月31日止年度



		Notes 附註	2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元 (Restated) (重列)
CONTINUING OPERATIONS REVENUE	持續經營業務收入	5	27,985,881	27,842,170
Cost of sales	銷售成本		(21,468,896)	(21,517,628)
Gross profit	毛利		6,516,985	6,324,542
Other income and gains	其他收入及收益	5	489,264	423,136
Selling and distribution expenses	銷售及分銷支出		(5,639,499)	(5,266,204)
Administrative expenses	行政支出		(715,146)	(744,116)
Other expenses and losses	其他支出及虧損		(40,908)	(69,240)
Finance costs	融資成本	7	(35,750)	(64,822)
Share of profits of associates	應佔聯營公司溢利		73,010	71,872
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	持續經營業務之除稅前溢利	6	647,956	675,168
Income tax expense	所得稅支出	10	(226,085)	(280,110)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務之年度溢利		421,871	395,058
DISCONTINUED OPERATION	終止經營業務			
Profit/(loss) for the year attributable to a discontinued operation	終止經營業務應佔之年度溢利/(虧損)	11	321,964	(98,523)
PROFIT FOR THE YEAR	年度溢利		743,835	296,535
Attributable to:	應佔方：			
Owners of the parent	母公司擁有人	13	499,735	54,633
Non-controlling interests	非控股權益		244,100	241,902
			743,835	296,535
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股權益持有人應佔每股盈利	13		
Basic	基本			
– For the profit for the year	– 年度溢利		HK17.87 cents 港仙	HK1.95 cents 港仙
– For the profit from continuing operations	– 持續經營業務之溢利		HK6.36 cents 港仙	HK5.47 cents 港仙
Diluted	攤薄			
– For the profit for the year	– 年度溢利		HK17.87 cents 港仙	HK1.95 cents 港仙
– For the profit from continuing operations	– 持續經營業務之溢利		HK6.36 cents 港仙	HK5.47 cents 港仙



Consolidated Statement of Comprehensive Income

綜合全面收入報表

Year ended 31 December 2016 截至2016年12月31日止年度

	Note 附註	2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元 (Restated) (重列)
PROFIT FOR THE YEAR	年度溢利	743,835	296,535
OTHER COMPREHENSIVE LOSS	其他全面虧損		
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:	將於以後期間重新分類至損益之其他全面虧損：		
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	(543,168)	(544,033)
Share of other comprehensive income of an associate	應佔一間聯營公司其他全面收入	548	682
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods	將於以後期間重新分類至損益之其他全面虧損淨額	(542,620)	(543,351)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	將不會於以後期間重新分類至損益之其他全面收入：		
Gains on property revaluation	物業重估之收益	–	5,586
Income tax effect	所得稅影響	–	(1,397)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	將不會於以後期間重新分類至損益之其他全面收入淨額	–	4,189
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	年度其他全面虧損 (已扣除稅項)	(542,620)	(539,162)
TOTAL COMPREHENSIVE PROFIT/ (LOSS) FOR THE YEAR	年度全面溢利/ (虧損) 總額	201,215	(242,627)
Attributable to:	應佔方：		
Owners of the parent	母公司擁有人	32,690	(397,357)
Non-controlling interests	非控股權益	168,525	154,730
		201,215	(242,627)

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2016 2016年12月31日



			31 December 2016 2016年 12月31日 HK\$'000 千港元	31 December 2015 2015年 12月31日 HK\$'000 千港元 (Restated) (重列)	1 January 2015 2015年 1月1日 HK\$'000 千港元 (Restated) (重列)
NON-CURRENT ASSETS		非流動資產			
Property, plant and equipment	物業、廠房及設備	14	4,012,050	4,670,644	4,901,078
Investment properties	投資物業	15	32,644	34,735	98,331
Prepaid land premiums	預付土地金	16	472,574	459,851	424,026
Prepayments for items of property, plant and equipment	物業、廠房及設備項目之預付款項		54,304	15,500	14,286
Goodwill	商譽	17	1,522,354	1,684,061	1,742,224
Other intangible assets	其他無形資產	18	11,272	15,610	27,370
Investments in associates	於聯營公司之投資	19	726,412	780,759	758,932
Available-for-sale investments	可供出售投資	20	12,975	209,637	214,106
Deferred tax assets	遞延稅項資產	26	154,964	182,837	184,521
Total non-current assets	非流動資產總值		6,999,549	8,053,634	8,364,874
CURRENT ASSETS		流動資產			
Inventories	存貨	21	4,007,825	4,038,615	4,301,418
Accounts and bills receivables	應收賬款及票據	22	1,319,672	1,376,410	1,771,192
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		1,269,455	1,372,867	1,186,912
Due from fellow subsidiaries	同系附屬公司欠款	35	321,552	351,977	578,278
Due from the immediate holding company	直系控股公司欠款	35	162	162	171
Due from the ultimate holding company	最終控股公司欠款	35	13,037	14,157	15,202
Due from non-controlling shareholders of subsidiaries	附屬公司之非控股股東欠款	35	946	15,394	37,711
Due from associates	聯營公司欠款	19	26,297	10,496	16,273
Prepaid tax	預繳稅項		26,722	42,703	41,225
Available-for-sale investments	可供出售投資		-	-	399,305
Equity investments at fair value through profit or loss	按公平值列入損益之權益投資		-	-	14,728
Restricted bank balances	受限制銀行結餘	23	-	6,974	-
Pledged deposits	抵押存款	23	51,607	64,980	162,947
Cash and cash equivalents	現金及現金等值項目	23	1,120,224	899,170	1,356,458
Assets of a disposal group classified as held for sale	分類為持有待售之出售組合資產	11	958,220	375,131	-
Total current assets	流動資產總值		9,115,719	8,569,036	9,881,820



Consolidated Statement of Financial Position (continued)
綜合財務狀況表(續)

31 December 2016 2016年12月31日

			31 December 2016 2016年 12月31日 HK\$'000 千港元	31 December 2015 2015年 12月31日 HK\$'000 千港元 (Restated) (重列)	1 January 2015 2015年 1月1日 HK\$'000 千港元 (Restated) (重列)
CURRENT LIABILITIES	流動負債				
Accounts and bills payables	應付賬款及票據 其他應付款項及 應計負債	24	1,199,220	1,300,096	1,372,106
Other payables and accruals			3,146,051	3,246,483	3,368,978
Due to fellow subsidiaries	欠同系附屬公司款項	35	1,885,271	1,270,244	1,253,117
Due to the ultimate holding company	欠最終控股公司款項	35	23,989	25,467	27,915
Due to related companies	欠關連公司款項	35	6,232	9,817	88,765
Due to non-controlling shareholders of subsidiaries	欠附屬公司之非控股 股東款項	35	64,612	553,991	48,103
Due to associates	欠聯營公司款項	19	124,753	176,405	154,453
Interest-bearing bank and other borrowings	計息銀行貸款及 其他貸款	25	820,000	1,647,650	1,360,994
Tax payable	應付稅項		78,371	48,536	96,784
			7,348,499	8,278,689	7,771,215
Liabilities directly associated with the assets of a disposal group classified as held for sale	直接與分類為持有 待售之出售組合 資產有關之負債	11	329,299	101,694	-
Total current liabilities	流動負債總值		7,677,798	8,380,383	7,771,215
NET CURRENT ASSETS	流動資產淨值		1,437,921	188,653	2,110,605
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		8,437,470	8,242,287	10,475,479

Consolidated Statement of Financial Position (continued)
綜合財務狀況表(續)

31 December 2016 2016年12月31日



			31 December 2016 2016年 12月31日	31 December 2015 2015年 12月31日	1 January 2015 2015年 1月1日
	<i>Notes 附註</i>		HK\$'000 千港元	HK\$'000 千港元 (Restated) (重列)	HK\$'000 千港元 (Restated) (重列)
NON-CURRENT LIABILITIES					
非流動負債					
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	25	825,086	1,000,000	2,100,000
Due to non-controlling shareholders of subsidiaries	欠附屬公司之非控股股東款項	35	-	-	28,446
Deferred income	遞延收入		294,719	155,888	160,613
Deferred tax liabilities	遞延稅項負債	26	25,545	34,200	63,873
Total non-current liabilities	非流動負債總值		1,145,350	1,190,088	2,352,932
Net assets	資產淨值		7,292,120	7,052,199	8,122,547
EQUITY					
股本					
Equity attributable to owners of the parent					
母公司擁有人應佔股本					
Issued capital	已發行股本	27	279,722	279,722	279,722
Other reserves	其他儲備	29	5,181,359	5,213,039	5,607,927
			5,461,081	5,492,761	5,887,649
Non-controlling interests	非控股權益		1,831,039	1,559,438	2,234,898
Total equity	股本總值		7,292,120	7,052,199	8,122,547

Jiang Guojin
江國金
Director
董事

Zhou Chenguang
周晨光
Director
董事





Consolidated Statement of Changes in Equity

綜合股本變動報表

Year ended 31 December 2016 截至2016年12月31日止年度

		Attributable to owners of the parent 母公司擁有人應佔										
		Issued capital	Share premium account	Employee share-based compensation reserve	Capital reserve	Reserve funds	Exchange fluctuation reserve	Asset revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價賬	僱員股本結算薪酬儲備	資本儲備	儲備金	匯兌波動儲備	資產重估儲備	保留溢利	總計	非控股權益	股本總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(note 27)			(note 29)	(note 29)						
		(附註27)			(附註29)	(附註29)						
At 1 January 2016	於2016年1月1日											
As previously reported	原先呈列	279,722	37,367	31,074	3,247,332	352,019	673,553	16,573	878,677	5,516,317	1,559,857	7,076,174
Prior year adjustments	過往年度之調整	-	-	-	-	-	964	-	(24,520)	(23,556)	(419)	(23,975)
As restated	經重列	279,722	37,367	31,074	3,247,332	352,019	674,517	16,573	854,157	5,492,761	1,559,438	7,052,199
Profit for the year	年度溢利	-	-	-	-	-	-	-	499,735	499,735	244,100	743,835
Other comprehensive income/(loss) for the year:	年度其他全面收入/(虧損):											
Exchange differences related to foreign operations	有關海外業務匯兌差額	-	-	-	-	-	(467,401)	-	-	(467,401)	(75,767)	(543,168)
Share of other comprehensive income of associate	應佔一間聯營公司其他全面收入	-	-	-	356	-	-	-	-	356	192	548
Total comprehensive profit/(loss) for the year	年度全面溢利/(虧損)總額	-	-	-	356	-	(467,401)	-	499,735	32,690	168,525	201,215
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	(6,910)	6,910	-	162,629	162,629
Equity-settled share option arrangements	股本結算購股權安排	-	-	(2,821)	-	-	-	-	-	(2,821)	-	(2,821)
Transfer from retained profits	自保留溢利轉撥	-	-	-	-	2,829	-	-	(2,829)	-	-	-
Transfer of employee share-based compensation reserve upon the forfeiture or expiry of share options	於購股權沒收或到期時轉撥僱員股本結算薪酬儲備	-	-	(4,475)	-	-	-	-	4,475	-	-	-
Final 2015 dividends	2015年末期股息	-	-	-	-	-	-	-	(27,977)	(27,977)	-	(27,977)
Interim 2016 dividends	2016年中期股息	-	-	-	-	-	-	-	(33,572)	(33,572)	-	(33,572)
Dividends attributable to non-controlling shareholders of subsidiaries	附屬公司之非控股股東應佔之股息	-	-	-	-	-	-	-	-	-	(59,553)	(59,553)
At 31 December 2016	於2016年12月31日	279,722	37,367*	23,778*	3,247,688*	354,848*	207,116*	9,663*	1,300,899*	5,461,081	1,831,039	7,292,120

Consolidated Statement of Changes in Equity (continued)

綜合股本變動報表(續)

Year ended 31 December 2016 截至2016年12月31日止年度



		Attributable to owners of the parent 母公司擁有人應佔										
		Issued capital	Share premium account	Employee share-based compensation reserve 僱員股本結算薪酬儲備	Capital reserve	Reserve funds	Exchange fluctuation reserve	Asset revaluation reserve [#]	Retained profits	Total	Non-controlling interests	Total equity
		已發行股本 HK\$'000 千港元 (note 27) (附註27)	股份溢價賬 HK\$'000 千港元	薪酬儲備 HK\$'000 千港元	資本儲備 HK\$'000 千港元 (note 29) (附註29)	儲備金 HK\$'000 千港元 (note 29) (附註29)	匯兌波動儲備 HK\$'000 千港元	資產重估儲備 HK\$'000 千港元	保留溢利 HK\$'000 千港元	總計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	股本總值 HK\$'000 千港元
At 1 January 2015	於2015年1月1日	279,722	37,367	29,807	3,246,889	250,813	1,131,139	12,384	899,528	5,887,649	2,234,898	8,122,547
Profit for the year (restated)	年度溢利(重列)	-	-	-	-	-	-	-	54,633	54,633	241,902	296,535
Other comprehensive income/(loss) for the year:	年度其他全面收入/(虧損):											
Exchange differences on translation of foreign operations (restated)	換算海外業務時之匯兌差額(重列)	-	-	-	-	-	(456,622)	-	-	(456,622)	(87,411)	(544,033)
Share of other comprehensive income of an associate	應佔一間聯營公司其他全面收入	-	-	-	443	-	-	-	-	443	239	682
Gains on property revaluation, net of tax	物業重估之收益(已扣除稅項)	-	-	-	-	-	-	4,189	-	4,189	-	4,189
Total comprehensive income/(loss) for the year (restated)	年度全面收入/(虧損)總額(重列)	-	-	-	443	-	(456,622)	4,189	54,633	(397,357)	154,730	(242,627)
Equity-settled share option arrangements	股本結算購股權安排	-	-	2,469	-	-	-	-	-	2,469	-	2,469
Transfer of employee share-based compensation reserve upon the forfeiture or expiry of share options	於購股權沒收或到期時轉發僱員股本結算薪酬儲備	-	-	(1,202)	-	-	-	-	1,202	-	-	-
Transfer from retained profits	自保留溢利轉發	-	-	-	-	101,206	-	-	(101,206)	-	-	-
Contribution from a non-controlling shareholder of a subsidiary	一間附屬公司非控股股東供款	-	-	-	-	-	-	-	-	-	9,374	9,374
Dividends attributable to non-controlling shareholders of subsidiaries	附屬公司之非控股股東攤佔之股息	-	-	-	-	-	-	-	-	-	(839,564)	(839,564)
At 31 December 2015 (restated)	於2015年12月31日(重列)	279,722	37,367*	31,074*	3,247,332*	352,019*	674,517*	16,573*	854,157*	5,492,761	1,559,438	7,052,199

* These reserve accounts comprise the consolidated other reserves of HK\$5,181,359,000 (31 December 2015: HK\$5,213,039,000 (restated)) in the consolidated statement of financial position.

* 該等儲備賬目構成綜合財務狀況表中的綜合其他儲備5,181,359,000港元(2015年12月31日: 5,213,039,000港元(重列))。

The asset revaluation reserve arose from changes in use from owner-occupied properties to investment properties carried at fair value.

自用物業轉變為投資物業產生的資產重估儲備按公平值列賬。



Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2016 截至2016年12月31日止年度

	Notes 附註	2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元 (Restated) (重列)
CASH FLOWS FROM OPERATING ACTIVITIES			
經營業務之現金流量			
Profit/(loss) before tax:			
From continuing operations		647,956	675,168
Attributable to a discontinued operation	11	374,519	(98,470)
Adjustments for:			
Finance costs	7	35,750	64,822
Share of profits of associates		(73,010)	(71,872)
Interest income		(18,494)	(27,924)
Dividend income from available-for-sale investments	5	(48,689)	(46,862)
Gain on disposal of equity investments at fair value through profit or loss	5	-	(4,466)
Impairment of receivables, net		31,842	49,525
Equity-settled share option expense (write-back)	6	(2,821)	2,469
Amortisation of other intangible assets	6	4,242	9,794
Depreciation		468,897	520,140
Fair value loss/(gains) on investment properties		59	(2,004)
Loss on disposal/write-off of items of property, plant and equipment		6,299	4,546
Impairment of available-for-sale investments	6	378	3,477
Impairment of items of property, plant and equipment	14	2,431	15,873
Recognition of prepaid land premiums	6	13,265	11,359
Provision against inventories		35,452	54,966
Government grants		(155,122)	(168,054)
Gain on disposal of subsidiaries	11, 31	(537,016)	-
		785,938	992,487

Consolidated Statement of Cash Flows (continued)
綜合現金流量表(續)

Year ended 31 December 2016 截至2016年12月31日止年度



		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元 (Restated) (重列)
Increase/(decrease) in inventories	存貨增加/(減少)	(211,639)	118,794
Decrease in accounts and bills receivables	應收賬款及票據減少	5,477	325,196
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(370,293)	(229,412)
Decrease in amounts due from fellow subsidiaries	同系附屬公司欠款減少	59,567	201,461
Decrease in an amount due from the ultimate holding company	最終控股公司欠款減少	1,120	1,045
Decrease in an amount due from the immediate holding company	中間控股公司欠款減少	-	9
Decrease in amounts due from non-controlling shareholders of subsidiaries	附屬公司非控股股東欠款減少	14,448	22,317
Decrease/(increase) in amounts due from associates	聯營公司欠款減少/(增加)	(15,802)	5,777
Increase/(decrease) in accounts and bills payables	應付賬款及票據增加/(減少)	6,337	(33,896)
Increase/(decrease) in other payables and accruals	其他應付款項及應計負債增加/(減少)	179,438	(71,877)
Increase in amounts due to fellow subsidiaries	欠同系附屬公司款項增加	536,708	19,020
Decrease in an amount due to the ultimate holding company	欠最終控股公司款項減少	(1,478)	(2,448)
Decrease in amounts due to related companies	欠關連公司款項減少	(3,647)	(78,886)
Decrease in amounts due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項減少	(53,783)	(66,852)
Increase/(decrease) in amounts due to associates	欠聯營公司款項增加/(減少)	(24,680)	21,952
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(30,465)	(92,885)
Cash generated from operations	經營業務所得之現金	877,246	1,131,802
Interest received	已收利息	18,494	27,924
Interest paid	已付利息	(35,750)	(64,822)
Mainland China income tax paid	已付中國大陸所得稅	(204,042)	(352,145)
Net cash flows from operating activities	經營業務產生之現金流淨額	655,948	742,759





Consolidated Statement of Cash Flows (continued)
綜合現金流量表(續)

Year ended 31 December 2016 截至2016年12月31日止年度

	Notes 附註	2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元 (Restated) (重列)
CASH FLOWS FROM INVESTING ACTIVITIES			
投資活動之現金流量			
Increase in restricted bank balances		-	(6,974)
Decrease in pledged deposits		10,997	97,967
Dividends received from associates		39,756	50,727
Dividends received from available-for-sale investments		48,689	46,862
Proceeds from disposal of items of property, plant and equipment		77,159	23,209
Proceeds from disposal of equity investment though profit or loss		-	19,194
Purchases of items of property, plant and equipment		(815,130)	(786,725)
Additions to prepaid land premiums		(15,088)	(75,126)
Increase in deposits for purchase of items of property, plant and equipment		(38,860)	(1,214)
Receipt of government grants		206,454	186,501
Proceeds from redemption of available-for-sale investments		-	387,297
Disposal of subsidiaries	11, 31	647,436	-
Repayment of amounts due from a former non-controlling shareholder of subsidiaries	31	340,411	-
Net cash flows from/(used in) investing activities		501,824	(58,282)
CASH FLOWS FROM FINANCING ACTIVITIES			
融資活動之現金流量			
New bank borrowings		3,278,036	618,985
New other borrowings		-	3,376
Repayments of bank borrowings		(3,619,506)	(1,415,145)
Contribution from a non-controlling shareholder of a subsidiary		-	9,374
Dividends paid		(58,960)	-
Dividends paid to non-controlling shareholders of subsidiaries		(470,063)	(295,270)
Net cash flows used in financing activities		(870,493)	(1,078,680)

	Note 附註	2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元 (Restated) (重列)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 增加/(減少)淨額	287,279	(394,203)
Cash and cash equivalents at beginning of year	年初之現金及現金等值項目	908,470	1,356,458
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(62,753)	(53,785)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及現金等值項目	1,132,996	908,470
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目 結餘分析		
Cash and bank balances and cash and cash equivalents as stated in the consolidated statement of financial position	綜合財務狀況表 所載之現金及銀行結餘以及現金及現金等值項目	1,120,224	899,170
Cash and cash equivalents attributable to a discontinued operation and a disposal group classified as held for sale	終止經營業務及分類為持有待售 之出售組合應佔的現金 及現金等值項目 11	12,772	9,300
Cash and cash equivalents as stated in the consolidated statement of cash flows	綜合現金流量表所載之現金 及現金等值項目	1,132,996	908,470



Notes to Financial Statements

財務報表附註

31 December 2016 2016年12月31日

1. CORPORATE AND GROUP INFORMATION

China Foods Limited (the “Company”) is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

During the year, the Company and its subsidiaries (collectively referred to as the “Group”) were involved in the following principal activities:

- processing, bottling and distribution of sparkling beverage products, and distribution of still beverage products;
- production, sale and trading of grape wine and other wine products;
- distribution of packaged cooking oil and seasoning products;
- distribution of other consumer food and beverage products that are not categorised under the aforementioned activities; and
- production and distribution of chocolate and other related products, which have been discontinued during the year (note 11).

The immediate holding company of the Company is China Foods (Holdings) Limited, a company incorporated in the British Virgin Islands, and the ultimate holding company of the Company is COFCO Corporation (“COFCO”), which is a state-owned enterprise registered in the People’s Republic of China (the “PRC”).

1. 公司及集團資料

中國食品有限公司(「本公司」)為一家於百慕達註冊成立之有限責任公司。本公司之註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本年度內，本公司及其附屬公司(統稱「本集團」)從事下列主要業務：

- 加工、裝瓶及分銷汽水產品及分銷不含氣飲料產品；
- 葡萄酒及其他酒品類產品的生產、銷售及貿易；
- 分銷包裝烹調油及調味品；
- 分銷未經上述業務劃分之其他消費食品及飲料產品；及
- 生產及分銷巧克力及其他相關產品，該業務已於年內終止(附註11)。

本公司之直接控股公司為在英屬維爾京群島註冊成立之中國食品(控股)有限公司，其最終控股公司則為於中華人民共和國(「中國」)註冊的國有企業中糧集團有限公司(「中糧集團」)。



1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

1. 公司及集團資料(續)

有關附屬公司之資料

本公司主要附屬公司之詳情如下：

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued ordinary/registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
China Great Wall Wine Co., Ltd.* 中國長城葡萄酒有限公司*	The PRC/Mainland China 中國/中國大陸	RMB180,000,000 人民幣180,000,000元	100	Production and sale of grape wine and beverage products 生產及銷售葡萄酒及飲料產品
Yantai Greatwall Wines and Spirits Co., Ltd.* 煙台長城酒業銷售有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Wholesale of grape wine 批發葡萄酒
Qinhuangdao Huaxia Greatwall Wines & Spirits Co., Ltd.* 秦皇島華夏長城酒業有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Wholesale of grape wine 批發葡萄酒
COFCO Greatwall Winery (Yantai) Co., Ltd.* 中糧長城葡萄酒(煙台)有限公司*	The PRC/Mainland China 中國/中國大陸	RMB146,900,000 人民幣146,900,000元	100	Production and sale of grape wine 生產及銷售葡萄酒
COFCO Huaxia Greatwall Wine Co., Ltd.* 中糧華夏長城葡萄酒有限公司*	The PRC/Mainland China 中國/中國大陸	RMB200,000,000 人民幣200,000,000元	100	Production and sale of grape wine 生產及銷售葡萄酒
COFCO Huaxiahong Wines & Spirits (Shenzhen) Co., Ltd.** 中糧華夏紅酒業(深圳)有限公司**	The PRC/Mainland China 中國/中國大陸	RMB3,000,000 人民幣3,000,000元	80	Wholesale of grape wine 批發葡萄酒
COFCO & Arrive Vine Plant (Yantai) R&D Co., Ltd.* 中糧長城阿海威葡萄苗木(煙台)研發 有限公司*	The PRC/Mainland China 中國/中國大陸	EUR500,000 500,000歐元	58.38	Plantation of vine and production of related products 種植葡萄及生產相關產品
COFCO Wines & Spirits Co., Ltd.* 中糧酒業有限公司*	The PRC/Mainland China 中國/中國大陸	RMB11,760,000 人民幣11,760,000元	100	Wholesale of grape wine 批發葡萄酒
COFCO Foods Penglai Co., Ltd.* 中糧食品蓬萊有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Wholesale of grape wine 批發葡萄酒
COFCO Shaoxing Winery Co., Ltd.* 中糧紹興酒有限公司*	The PRC/Mainland China 中國/中國大陸	RMB68,670,000 人民幣68,670,000元	100	Production and sale of Chinese yellow rice wine 生產及銷售中國黃米酒



**1. CORPORATE AND GROUP INFORMATION (continued)****Information about subsidiaries (continued)**

Particulars of the Company's principal subsidiaries are as follows: (continued)

1. 公司及集團資料(續)**有關附屬公司之資料(續)**

本公司主要附屬公司之詳情如下：
(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued ordinary/registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
Huailai Greatwall Vine Base Development Co., Ltd.** 懷來縣長城葡萄基地開發有限公司**	The PRC/Mainland China 中國/中國大陸	RMB6,860,000 人民幣6,860,000元	75	Plantation of vine 種植葡萄
COFCO Greatwall Sungod Chateau (Huailai) Co., Ltd.* 中糧長城桑干酒莊(懷來)有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Production and sale of grape wine 生產及銷售葡萄酒
COFCO Greatwall Wines (Zhuolu) Co., Ltd.* 中糧長城葡萄酒(涿鹿)有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Wine processing and bottling, sale and distribution of wine products 葡萄酒加工及裝瓶、銷售及 分銷酒類產品
COFCO Greatwall Wine (Ningxia) Co., Ltd.* 中糧長城葡萄酒(寧夏)有限公司*	The PRC/Mainland China 中國/中國大陸	US\$16,080,000 16,080,000美元	100	Import and export of grape wine and related materials 進出口葡萄酒及相關輔料
COFCO Coca-Cola Beverages Limited 中糧可口可樂飲料有限公司	Hong Kong 香港	HK\$2,524,855,402 2,524,855,402港元	65	Investment holding 投資控股
COFCO Coca-Cola Beverages (China) Investment Ltd.* 中糧可口可樂飲料(中國)投資有限公司*	The PRC/Mainland China 中國/中國大陸	US\$110,000,000 110,000,000美元	65	Investment holding 投資控股
Tianjin Coca-Cola Beverages Co., Ltd.** 天津可口可樂飲料有限公司**	The PRC/Mainland China 中國/中國大陸	US\$15,500,000 15,500,000美元	32.5 [#]	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
Hainan COFCO Coca-Cola Beverages Limited* 海南中糧可口可樂飲料有限公司*	The PRC/Mainland China 中國/中國大陸	US\$11,700,000 11,700,000美元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
Hunan COFCO Coca-Cola Beverages Company Limited* 湖南中糧可口可樂飲料有限公司*	The PRC/Mainland China 中國/中國大陸	US\$8,000,000 8,000,000美元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
Zhanjiang COFCO Coca-Cola Beverages Limited* 湛江中糧可口可樂飲料有限公司*	The PRC/Mainland China 中國/中國大陸	RMB23,000,000 人民幣23,000,000元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送



1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

1. 公司及集團資料(續)

有關附屬公司之資料(續)

本公司主要附屬公司之詳情如下：
(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued ordinary/registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
Gansu COFCO Coca-Cola Beverages Limited* 甘肅中糧可口可樂飲料有限公司*	The PRC/Mainland China 中國/中國大陸	US\$5,000,000 5,000,000美元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
COFCO Coca-Cola Beverages (Xinjiang) Limited** 中糧可口可樂飲料(新疆)有限公司**	The PRC/Mainland China 中國/中國大陸	RMB60,000,000 人民幣60,000,000元	52	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
COFCO Coca-Cola Beverages (Jiangxi) Limited* 中糧可口可樂飲料(江西)有限公司*	The PRC/Mainland China 中國/中國大陸	RMB40,000,000 人民幣40,000,000元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
COFCO Coca-Cola Beverages (Shandong) Limited** 中糧可口可樂飲料(山東)有限公司**	The PRC/Mainland China 中國/中國大陸	US\$12,500,000 12,500,000美元	48.75*	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
COFCO Coca-Cola Beverages (Jinan) Limited** 中糧可口可樂飲料(濟南)有限公司**	The PRC/Mainland China 中國/中國大陸	US\$5,000,000 5,000,000美元	48.75*	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
Beijing Coca-Cola Beverage Co., Ltd.** 北京可口可樂飲料有限公司**	The PRC/Mainland China 中國/中國大陸	US\$19,500,000 19,500,000美元	48.75*	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
COFCO Coca-Cola Beverages (Inner Mongolia) Limited** 中糧可口可樂飲料(內蒙古)有限公司**	The PRC/Mainland China 中國/中國大陸	RMB48,000,000 人民幣48,000,000元	43.55*	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
COFCO Coca-Cola Huabei Beverages Limited** 中糧可口可樂華北飲料有限公司**	The PRC/Mainland China 中國/中國大陸	RMB78,000,000 人民幣78,000,000元	58.5	Beverage bottling production 飲料裝瓶生產
COFCO Coca-Cola Huazhong Beverages Limited* 中糧可口可樂華中飲料有限公司*	The PRC/Mainland China 中國/中國大陸	RMB78,000,000 人民幣78,000,000元	65	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送



**1. CORPORATE AND GROUP INFORMATION (continued)****Information about subsidiaries (continued)**

Particulars of the Company's principal subsidiaries are as follows: (continued)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued ordinary/registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
COFCO Food Sales & Distribution Co., Ltd.* 中糧食品營銷有限公司*	The PRC/Mainland China 中國/中國大陸	RMB370,000,000 人民幣370,000,000元	100	Distribution of consumer pack edible oils and other consumer food products 分銷小包裝食用油及其他消費食品
COFCO Foods Management Co., Ltd.* 中糧食品管理有限公司*	The PRC/Mainland China 中國/中國大陸	US\$10,000,000 10,000,000美元	100	Research and development in food, wine and beverage, management and consulting services 研究及開發食品、酒及飲料，管理及諮詢服務
COFCO Fortune Food Sales & Co., Ltd.* 中糧福臨門食品營銷有限公司*	The PRC/Mainland China 中國/中國大陸	RMB100,000,000 人民幣100,000,000元	100	Distribution of consumer pack edible oils and other consumer food products 分銷小包裝食用油及其他消費食品
Vina Santa Andrea Limitada	Chile 智利	CLP7,750,000,000 7,750,000,000 智利比索	100	Exploitation and operation of vineyards, production and sale of grape wine 開發及經營葡萄園，生產及銷售葡萄酒
COFCO Wines & Spirits (Huailai) Co., Ltd.* 中糧酒業(懷來)銷售有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Sale of grape wine, brandy and beverage 銷售葡萄酒、白蘭地及飲料
COFCO (Ningxia) Vine Plantation Co., Ltd.* 中糧(寧夏)葡萄種植有限公司*	The PRC/Mainland China 中國/中國大陸	US\$7,040,000 7,040,000美元	100	Plantation and sale of vines, production and sale of grape 種植及銷售葡萄苗木、生產及銷售葡萄
COFCO Coca-Cola Supply Chain (Tianjin) Limited** 中糧可口可樂供應鏈(天津)有限公司**	The PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	63.5	Retails of bulk foods and relevant materials, information consulting and management 散裝食品及相關原料的零售，信息諮詢及管理

1. 公司及集團資料(續)**有關附屬公司之資料(續)**

本公司主要附屬公司之詳情如下：
(續)



1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

1. 公司及集團資料(續)

有關附屬公司之資料(續)

本公司主要附屬公司之詳情如下：
(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued ordinary/registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
Top Glory Wines & Spirits Europe SAS	France 法國	EUR4,150,000 4,150,000 歐元	100	Investment holding 投資控股
Société du Château de Viaud SAS	France 法國	EUR3,920,000 3,920,000 歐元	100	Exploitation and operation of vineyards, production and sale of grape wine 開發及經營葡萄園、生產及 銷售葡萄酒
COFCO Coca-Cola Beverages (Hebei) Limited** 中糧可口可樂飲料(河北)有限公司**	The PRC/Mainland China 中國/中國大陸	RMB83,000,000 人民幣83,000,000元	32.5 [#]	Beverage bottling production, sale and distribution 飲料裝瓶生產、銷售及配送
Tibet COFCO Coca-Cola Commerce & Trade Limited* 西藏中糧可口可樂商貿有限公司*	The PRC/Mainland China 中國/中國大陸	RMB2,000,000 人民幣2,000,000元	65	Beverage sale and distribution 飲料銷售及分銷
COFCO Greatwall Winery (Xinjiang) Co., Ltd.* 中糧長城葡萄酒(新疆)有限公司*	The PRC/Mainland China 中國/中國大陸	RMB38,900,000 人民幣38,900,000元	100	Production and sale of grape wine 生產及銷售葡萄酒
COFCO Greatwall Huaxia Chateau (Changli) Co., Ltd.* 中糧長城華夏酒莊(昌黎)有限公司*	The PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	100	Production and sale of grape wine 生產及銷售葡萄酒
Beijing Cheng Xiang Foods Co., Ltd.** 北京盛翔食品有限公司**	The PRC/Mainland China 中國/中國大陸	RMB58,211,932 人民幣58,211,932元	48.75 [#]	Wholesale of packaged foods 批發預包裝食品
Changli Huaxia Travel Chateau Co., Ltd.* 昌黎縣華夏莊園旅游有限公司*	The PRC/Mainland China 中國/中國大陸	RMB300,000 人民幣300,000元	100	Tourism and catering 旅遊及餐飲

* Wholly-foreign-owned enterprises

** Sino-foreign equity joint ventures

These are subsidiaries of non-wholly-owned subsidiaries of the Company. Accordingly, they are accounted for as subsidiaries by virtue of the Company's control over them.

All of the above principal subsidiaries are indirectly held by the Company.

* 外方獨資企業

** 中外合資企業

該等均為本公司非全資附屬公司之附屬公司，並且因本公司對該等公司有控制權而列為附屬公司。

以上所有主要附屬公司均由本公司間接持有。





1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Except for COFCO Coca-Cola Beverages Limited, Top Glory Wines & Spirits Europe SAS and Société du Château de Viaud SAS, the statutory audits of the above subsidiaries were not performed by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

The above table lists the subsidiaries of the Company which, in the opinion of the board, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the board, result in particulars of excessive length.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties which have been measured at fair value. A disposal group held for sale is stated at the lower of its carrying amount and fair value less cost to sell as further explained in note 2.4. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

1. 公司及集團資料(續)

有關附屬公司之資料(續)

除中糧可口可樂飲料有限公司、Top Glory Wines & Spirits Europe SAS及 Société du Château de Viaud SAS外，上述附屬公司並非由香港安永會計師事務所或安永全球網絡的其他成員公司進行法定審核。

上表列示本公司之附屬公司，而本公司董事會認為，該等附屬公司可對本年度業績產生重大影響或構成本集團資產淨值之主要部份。董事會認為，詳列其他附屬公司之詳情將會引致內容過於冗長。

2.1 編製基準

本財務報表乃根據由香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(其中包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋、香港公認會計原則及香港公司條例披露要求而編製。本財務報表乃根據歷史成本慣例而編製，惟按公平值計量之投資物業除外。持作出售之出售組合按其賬面值與公平值減出售成本的較低者呈列(如附註2.4進一步詳述)。本財務報表以港元(「港元」)呈列，而除另有註明者外，所有金額均已精確至千位。

綜合基準

綜合財務報表包括本公司及其附屬公司截至2016年12月31日止年度的財務報表。附屬公司指本公司直接或間接控制的實體(包括結構性實體)。當本集團通過參與被投資方的相關活動而承擔可變動回報的風險或有權享有可變動回報，並且有能力運用對被投資方的權力(即使是本集團目前有能力主導被投資方的相關活動的現有權利)影響該等回報時，即取得控制權。



2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合基準(續)

當本公司直接或間接擁有少於被投資方大多數的表決或類似權利，在評估其是否擁有對被投資方的權力時，本集團會考慮所有相關事實和情況，包括：

- (a) 與被投資方其他表決權持有者的合同安排；
- (b) 其他合同安排產生的權利；及
- (c) 本集團的表決權及潛在表決權。

附屬公司財務報表乃就與本公司相同之報告期按相同會計政策編製。附屬公司之業績自本集團取得控制權之日起綜合入賬，並至該控制權終止為止。

溢利或虧損及其他全面收入之各項目乃歸屬於本集團母公司擁有人及非控股權益，即使此舉引致非控股權益結餘為負數。本集團內各公司間交易相關之集團內所有資產及負債、權益、收入、開支及現金流量於綜合入賬時悉數撇銷。

倘有事實及情況顯示下文有關附屬公司之會計政策所述三項控制權要素有一項或多項出現變動，則本集團會重新評估其是否對被投資方擁有控制權。於附屬公司擁有權權益之變動(並無失去控制權)於入賬時列作權益交易。

倘本集團失去附屬公司之控制權，則會終止確認(i) 該附屬公司之資產(包括商譽)及負債；(ii) 任何非控股權益之賬面值；及(iii) 計入權益的累計匯兌差額；並確認(i) 已收代價的公平值；(ii) 任何獲保留投資的公平值；及(iii) 計入損益的任何相關盈餘或虧損。先前於其他全面收入已確認的本集團應佔成份，乃視乎情況按倘本集團直接出售相關資產或負債所規定之相同基準重新分類至損益或保留溢利。





2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to , HKFRS 10, HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i>	香港財務報告準則 第10號、香港財務 報告準則第12號 及香港會計準則 第28號(2011年) (修訂本)	投資實體：應用綜合 入賬的例外情況
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>	香港財務報告準則 第11號(修訂本)	收購合營業務權益之 會計法
HKFRS 14	<i>Regulatory Deferral Accounts</i>	香港財務報告準則 第14號	監管遞延賬戶
Amendments to HKAS 1	<i>Disclosure Initiative</i>	香港會計準則第1號 (修訂本)	披露方案
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	香港會計準則第16號 及香港會計準則 第38號(修訂本)	釐清可予接受之折舊 及攤銷方法
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i>	香港會計準則第16號 及香港會計準則 第41號(修訂本)	農業：生產性植物
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i>	香港會計準則第27號 (2011年)(修訂本)	獨立財務報表之 權益法
<i>Annual Improvements 2012-2014 Cycle</i>	Amendments to a number of HKFRSs and HKASs	2012年至2014年週期 之年度改進	若干香港財務報告 準則及香港會計準 則(修訂本)

2.2 會計政策及披露之變動

本集團已於本年度財務報表中首次採納以下新頒布及經修訂香港財務報告準則。



2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Except for the amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011), amendments to HKFRS 11, HKFRS 14, amendments to HKAS 27 (2011), and certain amendments included in the Annual Improvements 2012-2014 Cycle, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the amendments are described below:

(a) Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:

- (i) the materiality requirements in HKAS 1;
- (ii) that specific line items in the statement of profit or loss and the statement of financial position may be disaggregated;
- (iii) that entities have flexibility as to the order in which they present the notes to financial statements; and
- (iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss. The amendments have had no significant impact on the Group's financial statements.

2.2 會計政策及披露之變動(續)

除與本集團編製財務報表不相關的香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號(2011年)(修訂本)、香港財務報告準則第11號(修訂本)、香港財務報告準則第14號、香港會計準則第27號(2011年)(修訂本)及2012年至2014年週期之年度改進的若干修訂外，各項修訂之性質及影響說明如下：

(a) 香港會計準則第1號(修訂本)載有對財務報表的呈報及披露範疇內具針對性的改善。修改說明如下：

- (i) 香港會計準則第1號內的重大的規定；
- (ii) 損益表及財務狀況表內之特定項目可予細分；
- (iii) 實體就彼等呈列財務報表附註的順序擁有靈活性；及
- (iv) 使用權益法入賬的分佔聯營公司及合營公司的其他全面收入必須作為單獨項目匯總呈列，並且在將會或不會其後重新分類至損益的該等項目間進行歸類。

此外，該等修訂釐清於財務狀況表及損益表內呈列額外小計時適用的規定。該等修訂並無對本集團的財務報表產生任何重大影響。





2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (b) Amendments to HKAS 16 and HKAS 38 clarify the principle in HKAS 16 and HKAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are applied prospectively. The amendments have had no impact on the financial position or performance of the Group as the Group has not used a revenue-based method for the calculation of depreciation of its non-current assets.
- (c) Amendments to HKAS 16 and HKAS 41 change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants are within the scope of HKAS 16 instead of HKAS 41. After initial recognition, bearer plants are measured under HKAS 16 at accumulated cost before maturity. After the bearer plants mature, they are measured either using the cost model or revaluation model in accordance with HKAS 16. The amendments also require that produce growing on the bearer plants remains in the scope of HKAS 41 and is measured at fair value less costs to sell. Government grants relating to bearer plants are accounted for in accordance with HKAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*.

2.2 會計政策及披露之變動(續)

- (b) 香港會計準則第16號及香港會計準則第38號(修訂本)釐清香港會計準則第16號及香港會計準則第38號之原則，即收益反映自經營業務(該資產為其一部份)產生之經濟利益而非透過使用資產消耗之經濟利益之模式。因此，收益法不得用於折舊物業、廠房及設備，且僅在非常有限之情況下可用於攤銷無形資產。該等修訂按預期基準應用。該等修訂並無對本集團之財務狀況或表現產生任何影響，原因為本集團並未使用收益法計算其非流動資產之折舊。
- (c) 香港會計準則第16號及香港會計準則第41號(修訂本)對符合生產性植物定義的生物資產的會計處理要求作出變更。根據該等修訂，符合生產性植物定義的生物資產屬於香港會計準則第16號而非香港會計準則第41號的範圍。於初步確認後，生產性植物根據香港會計準則第16號於成熟前按累計成本計量。於生產性植物成熟後，按香港會計準則第16號使用成本模型或重新估值模型計量。該等修訂亦規定，生產性植物的農產品保留於香港會計準則第41號的範圍內並按公允價值減銷售成本計量。有關生產性植物的政府補助根據香港會計準則第20號政府補助的會計法及政府援助的披露入賬。



2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(c) (continued)

The application of amendments to HKAS 16 and HKAS 41 has affected the accounting for the Group's grape vines. Upon the adoption of amendments to HKAS 16 and HKAS 41 on 1 January 2016, retrospective adjustments have been made to the previous accounting and grape vines have been accounted for as properties, plant and equipment since 1 January 2015, using their corresponding fair values as at 1 January 2015 as their deemed costs at that date. The opening balances as at 1 January 2015 and comparative information for the year ended 31 December 2015 have been restated in the financial statements. The quantitative impact on the financial statements is summarised below:

Impact on the consolidated statement of profit or loss:

		2015 2015年 HK\$'000 千港元
Increase in cost of sales	銷售成本增加	19,695
Decrease in gross profit	毛利減少	(19,695)
Increase in other expenses and losses	其他開支及虧損增加	10,769
Decrease in profit before tax from continuing operations	來自持續經營業務之除稅前溢利減少	(30,464)
Decrease in income tax expense	所得稅支出減少	5,512
Decrease in profit for the year from continuing operations and profit for the year	年內來自持續經營業務之溢利及年內溢利減少	(24,952)
Decrease in profit for the year attributable to:	應佔方年內溢利減少：	
Owners of the parent	母公司擁有人	(24,520)
Non-controlling interests	非控股權益	(432)
		(24,952)
Decrease in earnings per share attributable to ordinary equity holders of the parent:	母公司普通股權益持有人應佔每股盈利減少：	
Basic and diluted	基本及攤薄	
– For the profit for the year	– 年內溢利	(0.88) cents 港仙
– For the profit from continuing operations	– 來自持續經營業務之溢利	(0.88) cents 港仙

(c) (續)

應用香港會計準則第16號及香港會計準則第41號(修訂本)對本集團葡萄藤的會計處理產生影響。香港會計準則第16號及香港會計準則第41號(修訂本)於2016年1月1日採納後，先前有關物業、廠房及設備處理會計處理已進行追溯調整，而葡萄藤於2015年1月1日按其於2015年1月1日的公平值為該日期的認定成本。於2015年1月1日的年初餘額與截至2015年12月31日止年度的比較資料已於財務報表中重列。對財務報表的量化影響概述如下：

對綜合損益報表之影響：



2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 會計政策及披露之變動(續)

(c) (continued)

Impact on the consolidated statement of comprehensive income:

(c) (續)

對綜合全面收入報表之影響：

		2015 2015年 HK\$'000 千港元
Decrease in profit for the year	年內溢利減少	(24,952)
Decrease in exchange differences on translation of foreign operations	換算海外業務時之匯兌差額減少	977
Decrease in net other comprehensive loss to be reclassified to profit or loss in subsequent periods and other comprehensive loss for the year, net of tax	將於以後期間重新分類至損益之其他全面虧損淨額及年內其他全面虧損(已扣除稅項)減少	977
Increase in total comprehensive loss for the year	年內全面虧損總額增加	(23,975)
Increase in total comprehensive loss for the year attributable to:	應佔方年內全面虧損總額增加：	
Owners of the parent	母公司擁有人	(23,556)
Non-controlling interests	非控股權益	(419)
		(23,975)



2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 會計政策及披露之變動(續)

- (c) (continued)
Impact on the consolidated statement of financial position:

- (c) (續)
對綜合財務狀況表之影響：

		31 December 2015 2015年 12月31日 HK\$'000 千港元	1 January 2015 2015年 1月1日 HK\$'000 千港元
Increase in properties, plant and equipment	物業、廠房及設備增加	168,910	200,806
Decrease in biological assets	生物資產減少	(198,172)	(200,806)
Decrease in total non-current assets	非流動資產總值減少	(29,262)	-
Decrease in deferred tax liabilities and total non-current liabilities	遞延稅項負債及非流動負債總值減少	5,287	-
Decrease in net assets	資產淨值減少	(23,975)	-
Decrease in equity attributable to owners of the parent	母公司擁有人應佔股本減少	(23,556)	-
Decrease in non-controlling interests	非控股權益減少	(419)	-
Decrease in total equity	股本總值減少	(23,975)	-

- (d) Amendments *Annual Improvements to HKFRSs 2012-2014 Cycle* issued in October 2014 sets out amendments to a number of HKFRSs. Details of the amendments are as follows:

- (d) 於2014年10月頒佈的香港財務報告準則2012年至2014年週期之年度改進載列多項香港財務報告準則的修訂。該等修訂詳情如下：

- HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*: Clarifies that changes to a plan of sale or a plan of distribution to owners should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. Accordingly, there is no change in the application of the requirements in HKFRS 5. The amendments also clarify that changing the disposal method does not change the date of classification of the non-current assets or disposal group held for sale. The amendments are applied prospectively. The amendments have had no impact on the Group as the Group did not have any change in the plan of sale or disposal method in respect of the disposal group held for sale during the year.

- 香港財務報告準則第5號持有待售之非流動資產及終止經營業務：澄清向擁有人進行出售或作出分派的計劃的變動不應被視為一項新的處置計劃，而應被視為原計劃的延續。因此，應用香港財務報告準則第5號的規定並無變動。該等修訂亦釐清變更處置方式不會改變持有待售及非持續經營業務分類日期。該等修訂於未來應用。由於本集團於本年度持有待售及非持續經營業務出售計劃或處置方式並無任何變動，故該等修訂對本集團並無影響。





2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ²
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ²
HKFRS 9	<i>Financial Instruments</i> ²
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
HKFRS 15	<i>Revenue from Contracts with Customers</i> ²
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> ²
HKFRS 16	<i>Leases</i> ³
Amendments to HKAS 7	<i>Disclosure Initiative</i> ¹
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ¹
Annual Improvements 2014-2016 Cycle	Amendments to a number of HKFRSs ^{1,2}
1	Effective for annual periods beginning on or after 1 January 2017
2	Effective for annual periods beginning on or after 1 January 2018
3	Effective for annual periods beginning on or after 1 January 2019
4	No mandatory effective date yet determined but available for adoption

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並未於該等財務報表中應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第2號(修訂本)	以股份為基礎之付款交易之分類及計量 ²
香港財務報告準則第4號(修訂本)	採用香港財務報告準則第4號「保險合約」時一併應用香港財務報告準則第9號「金融工具」 ²
香港財務報告準則第9號	金融工具 ²
香港財務報告準則第10號及香港會計準則第28號(二零一一年)(修訂本)	投資者與其聯營公司或合營企業間之資產出售或貢獻 ⁴
香港財務報告準則第15號	來自客戶合約的收入 ²
香港財務報告準則第15號(修訂本)	香港財務報告準則第15號來自客戶合約的收入的澄清 ²
香港財務報告準則第16號	租賃 ³
香港會計準則第7號(修訂本)	披露計劃 ¹
香港會計準則第12號(修訂本)	就未變現虧損確認遞延稅項資產 ¹
2014年至2016年週期之年度改進	多項香港財務報告準則之修訂 ^{1,2}
1	於2017年1月1日或之後開始年度期間生效
2	於2018年1月1日或之後開始年度期間生效
3	於2019年1月1日或之後開始年度期間生效
4	尚未釐定強制性生效日期但可供採納



2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

The HKICPA issued amendments to HKFRS 2 in August 2016 that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet the employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The Group expects to adopt the amendments from 1 January 2018. The amendments are not expected to have any significant impact on the Group's financial statements.

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 January 2018. The Group is currently assessing the impact of the standard.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

預期適用於本集團之該等香港財務報告準則之進一步資料如下：

香港會計師公會於2016年8月頒佈之香港財務報告準則第2號(修訂本)闡述三大範疇：歸屬條件對計量以現金結算以股份付款交易之影響；對附有預扣若干金額之淨額結算特質以滿足與以股份付款相關之僱員稅務責任之以股份付款交易作出分類；以及對因修訂以股份付款交易之條款及條件而導致其分類由現金結算變為股本結算時之會計處理方法。該等修訂釐清，於計量以股本結算以股份付款之交易時，用於計入歸屬條件之方法亦適用於以現金結算以股份付款交易。該等修訂引入一個例外情況，致使在符合若干條件之情況下，附有預扣若干金額之淨額結算特質以滿足僱員稅務責任之以股份付款之交易乃完全分類為以股本結算以股份付款之交易。此外，該等修訂釐清，倘以現金結算以股份付款交易之條款及條件有所修訂，導致其變為以股本結算以股份付款之交易，該交易自修訂日期起乃入賬列為以股本結算之交易。本集團預期自2018年1月1日起採納該等修訂。該等修訂預期不會對本集團財務報表產生任何重大影響。

2014年9月，香港會計師公會頒佈香港財務報告準則第9號之最終版本，將金融工具項目之所有階段集於一起以代替香港會計準則第39號及香港財務報告準則第9號之全部先前版本。該準則引入分類及計量、減值及對沖會計處理之新規定。本集團預期自2018年1月1日起採納香港財務報告準則第9號。本集團現正評估該準則之影響。





2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for application now.

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group expects to adopt HKFRS 15 on 1 January 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第10號及香港會計準則第28號(2011年)(修訂本)針對香港財務報告準則第10號及香港會計準則第28號(2011年)之間有關投資者與其聯營或合營公司之間之資產出售或注資兩者規定之不一致情況。該等修訂規定，當投資者與其聯營或合營公司之間的資產出售或注資構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務之資產時，由該交易產生之收益或虧損於該投資者之損益內確認，惟僅以不相關投資者於該聯營或合營公司之權益為限。該等修訂即將應用。香港會計師公會已於2016年1月剔除香港財務報告準則第10號及香港會計準則第28號(2011年)(修訂本)之以往強制生效日期，而新的強制生效日期將於完成對聯營及合營公司之會計處理作更廣泛審查後釐定。然而，該等準則可於現時應用。

香港財務報告準則第15號新設一套五步模式，以應用於自客戶合同產生之收益。根據香港財務報告準則第15號，收益按能反映實體預期就交換向客戶轉讓貨物或服務而有權獲得之代價金額確認。香港財務報告準則第15號之原則為計量及確認收益提供更加結構化之方法。該準則亦引入廣泛之定性及定量披露規定，包括分拆收益總額，關於履行責任、不同期間之間合約資產及負債賬目結餘之變動以及主要判斷及估計之資料。該準則將取代香港財務報告準則項下所有現時收益確認之規定。於2016年6月，香港會計師公會頒佈香港財務報告準則第15號(修訂本)，以處理各項實施問題，包括識別履約責任、知識產權之主事人與代理人以及知識產權許可之應用指引，以及過渡之處理。該等修訂亦擬協助各實體採納香港財務報告準則第15號，確保在應用方面更加一致，並降低準則應用之成本及複雜性。本集團預期於2018年1月1日採納香港財務報告準則第15號，現正評估於採納香港財務報告準則第15號時的影響。



2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKFRS 16 replaces HKAS 17 *Leases*, 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*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. The Group expects to adopt HKFRS 16 on 1 January 2019 and is currently assessing the impact of HKFRS 16 upon adoption.

Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the financial statements. The Group expects to adopt the amendments from 1 January 2017.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第16號取代香港會計準則第17號*租約*、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約*、香港(準則詮釋委員會)–詮釋第15號*經營租約–優惠及香港(準則詮釋委員會)–詮釋第27號評估涉及租約法律形式之交易之內容*。該準則載列確認、計量、呈列及披露租約之原則，並要求承租人就大多數租約確認資產及負債。該準則包括就兩類租約給予承租人確認豁免–低價值資產租約及短期租約。於租約開始日期，承租人將確認於租期內作出租金付款為負債(即租金負債)及反映於租期內可使用相關資產之權利為資產(即有使用權資產)。除非有使用權資產符合香港會計準則第40號有關投資物業之定義，否則有使用權資產其後按成本減累計折舊及任何減值虧損計量。租金負債將於其後增加，以反映租金負債之利息；以及減少以反映租金付款。承租人將須個別確認租金負債之利息開支及有使用權資產之折舊開支。承租人亦須於若干事件發生(例如租約年期變更或因用於釐定租金付款之一項指數或比率變更而引致未來租金付款變更)時重新計量租金負債。承租人一般將租金負債之重新計量金額確認為有使用權資產之調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人之會計處理方式。出租人將繼續使用與香港會計準則第17號相同之分類原則對所有租約進行分類，並將之分為經營租約及融資租約。本集團預期自2019年1月1日起採納香港財務報告準則第16號，現正評估於採納香港財務報告準則第16號時的影響。

香港會計準則第7號(修訂本)要求實體作出披露，以讓財務報表使用者可評估融資活動所產生之負債變動，包括現金流量產生之變動及非現金變動。該等修訂將須於財務報表內作額外披露。本集團預期自2017年1月1日起採納該等修訂。





2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 12 were issued with the purpose of addressing the recognition of deferred tax assets for unrealised losses related to debt instruments measured at fair value, although they also have a broader application for other situations. The amendments clarify that an entity, when assessing whether taxable profits will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The Group expects to adopt the amendments from 1 January 2017.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

雖然香港會計準則第12號(修訂本)可更廣泛應用於其他情況,但其頒佈目的乃為說明就與以公平值計量之債務工具相關之未變現虧損確認遞延稅項資產。該等修訂釐清實體於評估是否有應課稅溢利可用作抵扣可扣減暫時差異時,需要考慮稅務法例是否對於可扣減暫時差異轉回時可用作抵扣之應課稅溢利之來源有所限制。此外,該等修訂就實體應如何釐定未來應課稅溢利提供指引,並解釋應課稅溢利可包括收回超過賬面值之部分資產之情況。本集團預期自2017年1月1日起採納該等修訂。

2.4 主要會計政策概要

於聯營公司之投資

聯營公司是本集團持有長期權益,且一般具有不少於20%股本投票權及對其可發揮重大影響力之公司。重大影響力指參與投資對象財務及營運決策之權力,但對決策並無控制權或共同控制權。

本集團於聯營公司之投資以權益會計法計算所佔資產淨值扣除任何減值虧損後列於綜合財務狀況表內。為使任何可能存在之不同會計政策符合規定而作出相應調整。

本集團所佔聯營公司收購後業績及其他全面收入分別計入綜合損益報表及綜合其他全面收入內。此外,倘聯營公司權益項內直接確認一項變動,本集團會於綜合股本變動表內確認任何有關變動的所佔部分(如適用)。本集團與其聯營公司之間交易所產生之未變現損益,均按本集團於聯營公司所佔之投資比率抵銷,惟可提供證據的未變現虧損是由所轉讓資產減值導致的則除外。收購聯營公司產生之商譽列入本集團於聯營公司投資之一部份。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates (continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

2.4 主要會計政策概要(續)

於聯營公司之投資(續)

倘若於聯營公司之投資變成於合營企業之投資，則保留權益不予以重新計量，反之亦然。相反，該投資繼續按權益法計算入賬。在其他所有情況下，於失去對聯營公司的重大影響力的情況下，本集團按其公平值計量及確認其任何剩餘投資。於對聯營公司失去重大影響力時的賬面值與剩餘投資的公平值及出售所得款項之間的任何差額乃於損益內確認。

當聯營公司或合營公司的投資歸類為持作出售時，則按香港財務報告準則第5號持作出售之非流動資產及終止經營業務入賬。

業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公平值計算，該公平值為本集團轉讓的資產於收購日期的公平值、本集團自被收購方之前度擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公平值或被收購方可識別資產淨值的應佔比例，計算於被收購方屬現時擁有人權益的非控股權益，並賦予擁有人權利，於清盤時按比例分佔實體的淨資產。非控制權益之一切其他成分乃按公平值計量。收購相關成本於產生時列為開支。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適合的分類及標示，其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

倘業務合併分階段進行，先前持有的股權於收購日期按公平值重新計量，因此產生之任何損益於損益確認。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

由收購方將予轉讓的任何或然代價將於收購日期按公平值確認。分類為資產或負債的或然代價根據公平值的變動按公平值計量，並確認為損益。分類為權益的或然代價毋須重新計量，其後結算於權益中入賬。

商譽起初按成本計量，即已轉讓總代價、已確認非控股權益及本集團先前由持有的被收購方股權的公平值總額，超逾與所收購可識別資產淨值及所承擔負債的差額。如總代價及其他項目低於所收購資產淨值的公平值，於評估後其差額將於損益中確認為議價收購收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢討。本集團於12月31日進行商譽之年度減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配予該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額釐定。當現金產生單位(或現金產生單位組別)的可收回金額低於賬面金額時，減值虧損便予以確認。已就商譽確認的減值虧損不得於未來期間撥回。

倘商譽分配至現金產生單位(或現金產生單位組別)而該單位的部份業務已出售，則在釐定所出售業務的收益或虧損時，與所出售相關的商譽會計入該業務的賬面值。在該等情況下出售的商譽，乃根據所出售業務的相對價值及現金產生單位的保留份額進行計量。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

The Group measures its investment properties at fair value at the each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策概要(續)

公平值計量

本集團於各報告期末按公平值計量其投資物業。公平值乃在市場參與者於計量日期進行之有序交易中出售資產所收取或轉移負債所支付之價格。公平值計量乃基於假設出售資產或轉移負債的交易於資產或負債的主要市場或於未有主要市場的情況下，則於資產或負債的最有利市場進行。主要或最有利市場須為本集團可進入市場。資產或負債的公平值乃基於市場參與者為資產或負債定價所用的假設計量(假設市場參與者依照彼等的最佳經濟利益行事)。

非金融資產之公平值計量乃考慮市場參與者通過使用其資產之最高及最佳用途或將其出售予將使用其最高及最佳用途之另一市場參與者，而能夠產生經濟利益之能力。

本集團使用適用於不同情況的估值方法，而其有足夠資料計量公平值，以盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

公平值於財務報表計量或披露的所有資產及負債基於對公平值計量整體屬重要的最低輸入參數水平按如下所述在公平值層級中分類：

- 第一層 – 根據相同資產或負債於活躍市場中所報價格(未調整)
- 第二層 – 根據對公平值計量有重大影響之最低輸入參數可直接或間接被觀察之估值方法
- 第三層 – 根據對公平值計量有重大影響之不可觀察最低輸入參數之估值方法

對於在財務報表按經常性基準確認之資產及負債，本集團於各報告期末根據對於公平值計量整體有重大影響之最低輸入參數通過重估分類以確定各層級之間是否出現轉移。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, investment properties and a disposed group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are 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. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 主要會計政策概要(續)

非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(不包括存貨、遞延稅項資產、金融資產、投資物業及分類為持作出售之出售組合),則會估計資產之可收回金額。資產之可收回金額按資產或現金產生單位之使用價值或公平值減出售成本(以較高者為準)而計算,並就個別資產而釐定,除非有關資產不會產生現金流入及很大程度上獨立於其他資產或資產類別。在此情況下,可收回金額就資產所屬之現金產生單位而釐定。

減值虧損僅於資產賬面值超逾可收回金額時確認。於評估使用價值時,估計日後現金流量按可反映現時市場評估之貨幣時間價值及資產特定風險之稅前貼現率貼現至現值。減值虧損乃於其在與該已減值資產的功能一致的該等開支類別中產生期間自損益報表中扣除。

於每個報告期末會就是否有跡象顯示過往年度確認之減值虧損不再存在或可能已經減少進行評估。倘有任何該等跡象,便會估計可收回金額。僅當用以釐定資產之可收回金額之估計有所轉變時,先前所確認之減值虧損(商譽除外)方可撥回,惟撥回之金額不可高於假設過往年度該資產在並無減值虧損予以確認情況下資產之賬面值(扣除任何折舊/攤銷)。撥回之減值虧損於其產生之期間計入損益報表內。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group 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;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either 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 the key management personnel of the entity (or of a parent of the entity); and
 - (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 parent of the Group.

2.4 主要會計政策概要(續)

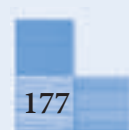
關連人士

在下列情況下，有關人士將視為本集團之關連人士：

- (a) 該方為該名人士家族成員或直系親屬，而該名人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團施加重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；

或

- (b) 倘該方為符合下列任何條件的實體：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營公司；
 - (iii) 該實體及本集團均為同一第三方的合營公司；
 - (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體為離職後福利計劃，而該計劃的受益人為本集團或與本集團有關的實體的僱員；
 - (vi) 該實體由(a)項所述人士控制或共同控制；
 - (vii) (a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理層成員；及
 - (viii) 向本集團或向本集團的母公司提供主要管理人員服務的實體或其所屬集團的任何成員公司。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5, as further explained in the accounting policy for “Non-current assets and disposal groups held for sale”. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. On disposal of a revalued asset, the relevant position of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated
Buildings	2% to 18%
Plant, machinery and equipment	6% to 33.3%
Bearer plants	3% to 16%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

2.4 主要會計政策概要(續)

物業、廠房及設備及折舊

除在建工程外，物業、廠房及設備按成本減累計折舊及任何減值虧損後列賬。倘物業、廠房及設備項目歸類為持作出售或屬於歸類為持作出售之出售組合，則不予折舊並根據香港財務報告準則第5號入賬，其進一步詳述於「持作出售之非流動資產及出售組合」之會計政策。物業、廠房及設備項目成本包括購入價及使資產處於擬定用途之運作狀況及地點之任何直接應佔成本。

物業、廠房及設備項目投入運作後所產生之支出(例如維修及保養)，則一般於產生該筆支出期間從損益報表中扣除。倘若能滿足確認標準，則主要檢查之開支將撥作該項資產之資本化賬面值作為替代項目。倘物業、廠房及設備之重大部份須不時替換，則本集團確認有關部份為具有特定使用年期之獨立資產並相應對其進行折舊。

物業、廠房及設備價值之變動列作資產重估儲備變動處理。於出售重估資產時，按以往估值變現之資產重估儲備有關部份撥入保留溢利作儲備變動。

折舊以直線法計算，按每項物業、廠房及設備項目之估計使用年期撇銷其成本至其剩餘價值。就此而言，所使用之主要年率如下：

永久業權土地	不折舊
樓宇	2%至18%
廠房、機械及設備	6%至33.3%
生產性植物	3%至16%

當一項物業、廠房及設備的各部份擁有不同的可使用年期時，則該項目各部份的成本將按合理基準分配，且各部份將作單獨折舊。剩餘價值、可使用年期和折舊方法至少於每個財政年末進行覆核和調整(倘適用)。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and machinery and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above.

2.4 主要會計政策概要(續)

物業、廠房及設備及折舊(續)

一項物業、廠房及設備包括初始確認之任何重大部份於出售時或經其使用或出售而估計日後不再有經濟效益時，將不再被確認。於不再被確認之年度，資產因其出售或報廢於損益報表確認之任何收益或虧損乃有關資產之銷售所得款項淨額與賬面值之差額。

在建工程按成本減任何減值虧損後列賬，不作折舊。成本包括施工期間之直接建築及機械成本及有關借貸資金之已資本化借貸成本。在建工程落成後及可投入使用時重新列入適當之物業、廠房及設備類別。

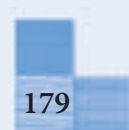
投資物業

投資物業乃指持有之土地及樓宇權益(包括原符合投資物業之定義之物業經營租約之租賃權益)，以賺取租金收入及/或資本增值，而非用作生產或供應貨品或提供服務或行政用途；或於日常業務範圍內出售。該等物業乃初步按成本(包括交易成本)計量。初步確認後，投資物業乃按公平值列賬，以反映於報告期末之市場狀況。

投資物業公平值變動而產生之收益或虧損，乃列入該產生年度之損益報表內。

因報廢或出售一項投資物業而產生之任何收益或虧損於報廢或出售年度於損益報表確認。

就轉為自用物業的投資物業而言，用作日後入賬的推定物業成本，為改變用途之日的公平值。若本集團擁有的自用物業轉變為投資物業，本集團將根據「物業、廠房及設備及折舊」的政策把該等物業入賬，直至改變用途之日，並計算物業在該日的賬面值和公平值的差額根據上述「物業、廠房及設備及折舊」所載政策確認之重估賬。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-current assets and disposal groups held for sale

Non-current assets and the disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and the disposal group (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Computer software

Purchased computer software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of three to eight years.

Water rights

Water rights are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of forty years.

2.4 主要會計政策概要(續)

持有待售之非流動資產及出售組合

倘非流動資產及出售組合之賬面值將主要透過出售交易(而非透過持續使用)收回,則有關非流動資產及出售組合會分類為持有待售。在此情況下,資產或出售組合必須可按現狀即時出售,惟須符合出售該等資產或出售組合的慣常條款及相當可能會被出售。分類為出售組合的附屬公司所有資產及負債重新分類為持有待售,而不論出售後本集團有否保留所持前附屬公司的非控股權益。

分類為持有待售的非流動資產及出售組合(投資物業及金融資產除外)按賬面值與公平值減去出售成本的較低者計量。分類為持有待售的物業、廠房及設備與無形資產不予折舊或攤銷。

無形資產(不包括商譽)

單獨購買的無形資產以初始成本計量。業務合併中獲得的無形資產的成本為收購日的公平值。無形資產的可使用年期被評估為有限或者無限。可使用期有限之無形資產其後於可使用經濟年期內攤銷,並評估是否有跡象顯示無形資產可能出現減值。可使用期有限之無形資產之攤銷年期及攤銷方法至少於各財務年末覆核一次。

電腦軟件

所購入之電腦軟件按成本減任何減值虧損列賬,並以直線法於估計可使用年期三至八年攤銷。

水權

水權乃按成本減任何減值虧損呈列,並於其估計可使用年期四十年按直線法攤銷。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases, net of any incentives received from the lessor, are charged to the statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land premiums under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, or available-for-sale financial investments. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

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 marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets 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 as defined by HKAS 39.

2.4 主要會計政策概要(續)

經營租約

凡資產擁有權帶來之絕大部份回報及風險仍歸出租人所有，則有關租賃列為經營租約。倘本集團為出租人，由本集團於經營租約下出租之資產乃計入非流動資產，而經營租約下之應收租金則按租期以直線法計入損益報表；倘本集團為承租人，經營租約項下之應付租金(扣除向出租人收取之任何激勵)則按租期以直線法於損益報表內扣除。

根據經營租約預付之土地金均初步按成本列賬，其後於租期內按直線法予以確認。

投資及其他金融資產

最初確認及計量

金融資產於初步確認時分類為按公平值列入損益之金融資產、貸款及應收款項或可供出售金融投資。金融資產初步確認時按公平值加收購金融資產應佔之交易成本計算，惟倘為按公平值列入損益之金融資產則除外。

正常情況下買入及出售之金融資產於交易日(即本集團承諾購買或出售資產之日)確認。正常情況下買入及出售指於規例或市場慣例一般設定之期間內交付金融資產之買入或出售。

其後計量

金融資產之其後計量取決於彼等之以下分類：

按公平值列入損益之金融資產

按公平值列入損益之金融資產包括持作買賣之金融資產及於首次確認後劃分為按公平值列入損益之金融資產。計劃於短期內出售而購入之金融資產，均列作為交易而持有之金融資產。各項衍生工具(包括已分開之嵌入式衍生工具)亦分類為持作買賣，除非彼等被指定為香港會計準則第39號所界定之有效對沖工具。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Financial assets at fair value through profit or loss (continued)

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as other expenses and losses in the statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for “Revenue recognition” below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the statement of profit or loss. The loss arising from impairment is recognised in other expenses and losses in the statement of profit or loss.

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

按公平值列入損益之金融資產(續)

按公平值計入損益之金融資產以公平值在財務狀況表中入賬，公平值正向淨變動於損益報表中呈列為其他收入及收益，公平值負向淨變動於損益報表中呈列為其他支出及虧損。該等公平淨值之變動並不包括該等金融資產按下文「收入之確認」所載政策確認之任何股息或利息。

於初步確認時指定為按公平值列入損益之金融資產乃於初步確認日期指定並僅當符合香港會計準則第39號之標準方予指定。

貸款及應收款項

貸款及應收款項指固定或可釐定付款金額而活躍市場中並無報價之非衍生金融資產。該等資產於初步計量後以實際利率法按已攤銷成本減任何減值虧損列賬。計算已攤銷成本時會計及任何收購折價或溢價，且包括為實際利率之組成部份之費用或成本。實際利率攤銷載於損益報表之其他收入及收益。因減值而產生之虧損於損益報表之其他支出及虧損內確認。

可供出售金融投資

可供出售金融投資乃於非上市權益投資及債務證券中之非衍生金融資產。分類為可供出售之權益投資為既非屬於持作交易類又非指定為按公平值列入損益之投資。此類別之債務證券即為有意無限期持有且可能為滿足流動資金需求或為應對市場狀況變動而出售之證券。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss in other income and gains, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the statement of profit or loss in other expenses and losses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively, and are recognised in the statement of profit or loss as other income in accordance with the policies set out for “Revenue recognition” below.

When the fair value of unlisted equity investments and financial products cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

可供出售金融投資(續)

可供出售金融投資於初始確認後以公平值入賬。未實現之盈利或虧損於可供出售之投資重估儲備中確認為其他全面收入，直至該投資取消確認為止，此時累計盈利或虧損於損益報表內之其他收入及收益確認，或直至該投資被確認為減值為止，此時累計盈利或虧損由可供出售投資之重估儲備重新分類至損益報表內之其他支出及虧損。持有可供出售金融投資時賺取之利息及股息分別按利息收入及股息收入入賬，並根據下文「收入確認」所載列之政策於損益報表內確認為其他收入。

當非上市權益投資及金融產品的公平值，因為(a)合理的公平值估計範圍的變動對該投資而言屬重大的，或(b)在上述範圍內的各種估計值的概率不能夠合理地評估及用於估計公平值，而不能可靠計量時，該等投資以成本減任何減值虧損列賬。

本集團評估於近期出售其可供出售金融資產之能力及意向是否仍然合適。倘於極少情況下本集團由於市場呆滯而無法交易該等金融資產，且管理層有能力及有意於可預見未來持有該等資產或直至其到期日，則本集團或會重新分類該等金融資產。

就自可供出售類別重新分類之金融資產而言，於重新分類日期之公平值賬面金額成為其新攤銷成本，而任何之前已於權益中確認之該資產之盈利或虧損，均於該投資之餘下年限使用實際利率攤銷至損益。新攤銷成本與到期金額之間之任何差額亦於該資產之餘下年限使用實際利率攤銷。倘該資產隨後被確認為減值，則記錄為權益之金額須重新分類至損益報表。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)

取消確認金融資產

金融資產(或一項金融資產的一部份或一組同類金融資產的一部份)在下列情況將基本取消確認(即從本集團綜合財務狀況表移除):

- 收取該項資產所得現金流量的權利經已屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,或已根據「轉道」安排向第三方承擔全額支付已收取現金流量之責任並無重大延誤;且(a)本集團已轉讓該項資產的絕大部份風險及回報;或(b)本集團並無轉讓或保留該項資產絕大部份風險及回報,但已轉讓該項資產的控制權。

本集團凡轉讓其收取該項資產所得現金流量的權利或已訂立轉道安排,會評估其有否保留該項資產擁有權的風險及回報,以及其程度。倘本集團並無轉讓或保留該項資產的絕大部份風險及回報,且並無轉讓該項資產的控制權,則只要本集團持續涉及該項資產,本集團將繼續確認該項轉讓資產。於該情況下,本集團亦確認一項關連負債。轉讓資產及關連負債乃以反映本集團保留的權利及責任為基準計量。

持續參與之形式乃就已轉讓資產作出保證,並以該項資產之原賬面值及本集團或須償還之代價數額上限(以較低者為準)計量。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

2.4 主要會計政策概要(續)

金融資產減值

本集團於每個報告期末評估是否存在客觀證據顯示一項或一組金融資產出現減值。若於資產最初確認後發生之一項或多項事項對該項或該組金融資產之估計未來現金流量產生影響，且能可靠估計，則該項或該組金融資產出現減值。減值證據可能包括欠債人或一組欠債人出現重大財政困難、拖欠或延遲繳交利息或本金、彼等有可能進行破產或其他財務重組等跡象，並有可視數據顯示估計未來現金流量出現可予計算之減少，如與欠款有關之拖欠情況或經濟狀況變化。

按攤銷成本列賬之金融資產

就按攤銷成本列賬之金融資產而言，本集團首先個別評估個別而言屬重大的金融資產有否出現減值，或共同評估個別而言並不重大的金融資產有否出現減值。若本集團判定就個別評估之金融資產而言並無客觀減值證據(不論重大與否)出現，則其將該項資產列入一組具有類似信貸風險特色之金融資產內，並共同評估其減值情況。個別評估減值及就此確認或持續確認減值虧損之資產在共同評估減值中概不包括在內。

已識別之任何減值虧損金額按該資產賬面值與估計未來現金流量(不包括並未產生的未來信貸虧損)現值之差額計量。估計未來現金流量之現值以金融資產之初始實際利率(即初次確認時計算之實際利率)折現。

該資產之賬面值會通過使用備抵賬而減少，而虧損於損益報表確認。利息收入於賬面值減少後持續計入，且採用計量減值虧損時用以折現未來現金流量之利率累計。若日後收回不可實現，則撇銷貸款及應收款項連同任何相關撥備，而所有抵押品已變現或轉至本集團。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses and losses in the statement of profit or loss.

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the statement of profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss – is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

2.4 主要會計政策概要(續)

金融資產減值(續)

按攤銷成本列賬之金融資產(續)

倘若在其後期間估計減值虧損金額由於確認減值之後發生之事項增加或減少，則透過調整撥備賬目增加或減少先前確認之減值虧損。倘於其後收回撇銷，該項收回將計入損益報表內之其他支出及虧損內。

按成本入賬之資產

倘有客觀跡象顯示因其公平值不能可靠計量而不按公平值入賬之無報價權益工具已產生減值虧損或該衍生資產與無報價權益工具相聯繫並以該無報價權益工具進行交割，該虧損數額按該資產之賬面值與按同類金融資產之現時市場回報率折算之估計未來現金流量現值之差額而計量。該等資產之減值虧損不予撥回。

可供出售金融投資

對於可供出售之金融投資，本集團於各報告期末評估是否存在客觀證據顯示一項投資或一組投資出現減值。

若可供出售投資出現減值，則其成本(扣除任何本金付款及攤銷)與當前公平值之差額，再扣減以往於損益報表確認之任何減值虧損之金額，將自其他全面收入轉出並於損益報表中確認。

就列為可供出售投資之權益投資而言，客觀證據應包括投資之公平值大幅或持久低於其成本。「大幅」乃與該項投資之原成本比較後評估，而「持久」則按公平值低於其原成本之期間而評估。若有證據顯示出現減值，按收購成本與本期公平值之間差額計量之累計虧損(減往期就該項投資於損益報表確認之任何減值虧損)於其他全面收入中轉出，並於損益報表中確認。分類為可供出售權益工具之減值虧損不會透過損益報表撥回。減值後公平值之增幅乃直接於其他全面收入中確認。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments (continued)

The determination of what is “significant” or “prolonged” requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings.

All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

2.4 主要會計政策概要(續)

金融資產減值(續)

可供出售金融投資(續)

釐定「大幅」或「持久」時需要判斷。在作出判斷時，本集團評估(其中包括)投資之公平值低於其成本值之時間或程度。

金融負債

初步確認及計量

金融負債於初步確認時分類為貸款以及借款。

所有金融負債於初步確認時按公平值確認及扣除直接應佔交易成本確認。

其後計量

金融負債之其後計量乃根據如下所示分類：

貸款及借款

於初步確認後，計息貸款及借款其後採用實際利率法按攤銷成本計量，惟倘折現之影響並不重大，則按成本計量。盈虧於終止確認負債時於損益報表透過實際利率攤銷程序確認。

攤銷成本乃經計及收購之任何折讓或溢價，以及構成實際利率一部份之費用或成本計算。實際利率攤銷計入損益報表之融資成本。

取消確認金融負債

當負債下的義務已被履行、取消或期滿，本集團取消確認該金融負債。

倘若一項現有金融負債被來自同一貸款方且大部份條款均有差別之另一項金融負債所取代，或現有負債之條款被大幅修改，此種置換或修改作取消確認原有負債並確認新負債處理，而兩者的賬面值之間的差額於損益報表確認。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

2.4 主要會計政策概要(續)

抵銷金融工具

倘現時存在一項可依法強制執行的權利，可抵銷已確認金額，且亦有意以淨額結算或同時變現資產及償付債務，則金融資產及金融負債均可予抵銷，並將淨金額列入財務狀況表內。

存貨

存貨乃按成本或可變現淨值(以較低者為準)列賬。成本乃按加權平均基準釐定，倘屬在製品及製成品，則包括直接物料、直接人工及間接成本適當部份。可變現淨值乃根據估計售價減去任何估計在完成及出售時產生之成本計算。

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括手頭現金、通知存款及短期高流動性之投資，可即時兌換為已知金額之現金，價值變動風險輕微，且於收購時起計三個月內到期，再減去按要求應付銀行透支，屬本集團現金管理一部份。

就財務狀況表而言，現金及現金等值項目包括使用不受限制的手頭與銀行現金(包括定期存款)。

撥備

倘因過往事宜產生目前債務(法定或推定)及將來可能需要有資源流出，以償還債務，則撥備予以確認，惟該債務之金額須可予準確估計。

倘折現之影響屬重大者，就撥備之已確認金額乃是於報告期末償還債務預期所須之現值金額。折現現值金額因時間推移產生之增幅於損益報表計入融資成本。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要(續)

所得稅

所得稅包括即期及遞延稅項。於損益外確認之項目有關之所得稅於損益外確認，於其他全面收入確認或直接計入權益。

即期稅項資產及負債，按預期自稅務當局退回或付予稅務當局的金額計算。以於報告期末前已實行或實際已實行之稅率(及稅法)為基準，經計及本集團營運所在國家之現行詮釋及慣例。

遞延稅項乃採用負債法就報告期末資產及負債之稅基與兩者用作財務報表之賬面值之間之各項暫時性差額作出撥備。

所有應課稅暫時性差額均被確認為遞延稅項負債，惟：

- 由商譽初始確認產生之遞延稅項負債或於進行交易時初次確認(非業務合併交易)之資產或負債並不對會計溢利或應課稅溢利或虧損構成影響；及
- 有關從附屬公司與聯營公司之投資中產生之應課稅暫時性差額，惟轉撥暫時性差額之可受控制時間及暫時性差額於可預見之將來可能不會轉撥除外。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4 主要會計政策概要(續)

所得稅(續)

所有可扣減之暫時性差額及未被動用之稅項抵免與稅務虧損之結轉均被確認為遞延稅項資產。遞延稅項資產之確認只限於可能以應課稅溢利抵扣可扣減暫時性差額，及可動用結轉之未被動用之稅項抵免及稅務虧損，惟：

- 倘與可扣稅暫時差異有關的遞延稅項資產因於交易中首次確認有關資產或負債而起，而有關交易並非業務合併，及在交易進行時，對會計盈利或應課稅盈利或虧損均無影響；及
- 有關從附屬公司與聯營公司之投資中產生之可扣減暫時性差額，遞延稅項資產只限於暫時性差額可能於可預見將來轉撥及可動用應課稅溢利可用以抵扣暫時性差額時確認除外。

遞延稅項資產之賬面值於每個報告期末複核，並扣減至當不再可能有足夠應課稅溢利讓所有或部份遞延稅項資產被動用止。當未被確認遞延稅項資產可能有足夠應課稅溢利讓所有或部份遞延稅項資產被追回時於各報告期末被重新評估及確認。

當資產被變現或負債被清還時，遞延稅項資產及負債以該期間預期之適用稅率衡量，並根據於報告期末之前已制定或實際會制定之稅率(及税法)計算。

倘若擁有合法可強制執行權利以即期稅項資產抵銷即期稅項負債且該等遞延稅項關乎同一課稅實體及同一稅務機關，則遞延稅項資產與遞延稅項負債可互相抵銷。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets and released to the statement of profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from the rendering of services, in the period in which the services are rendered;
- (c) rental income, on a time proportion basis over the lease terms;
- (d) interest income, on an accrual basis using the effective interest rate method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (e) dividend income, when the shareholders' right to receive payment has been established.

2.4 主要會計政策概要(續)

政府補助

政府補助在合理確保可收取有關撥款及符合一切附帶條件下按其公平值予以確認。如補助與開支項目有關，會按擬用以彌償已列支成本的期間以系統化基準確認為收入。

如補助與資產有關，則先按其公平值於遞延收入賬內入賬，並在該有關資產之預期可用年期內以每年相同金額之方式轉入損益報表。

如本集團收取非貨幣資產資助，則該資助乃按該非貨幣資產的公允價值列賬，並於相關資產的預期可使用年期內按等額分期形式每年轉入損益報表。

收入確認

收入於本集團將可獲得有關經濟利益並能夠可靠地衡量時按以下基準入賬：

- (a) 銷售貨物收入，於擁有權之重大風險及回報已轉移至買方而本集團不再保有通常與擁有權有關之管理或對售出貨物之有效控制；
- (b) 提供服務收入，在提供服務期間確認；
- (c) 租金收入，於資產租出期間在租賃期按時間比例基準確認；
- (d) 利息收入以應計方式按金融工具的估計年期內或較短期間(倘適合)實際利率將未來估計的現金收入確切貼現至金融資產的賬面淨值；及
- (e) 股息收入，於確立股東收款之權利時確認。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial option pricing model, further details of which are given in note 28 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Services and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also services and/or performance conditions.

For awards that do not ultimately vest, because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

2.4 主要會計政策概要(續)

股份為本支付

本公司採納購股權計劃，作為對曾為本集團取得之成就作出貢獻之合資格參與人士之鼓勵及獎勵。本集團僱員(包括董事)獲授以股份支付形式發出之酬金，而僱員則提供服務作為獲授權益工具之代價(「股本結算交易」)。

與僱員進行對其授出購股權以股權支付之交易之成本，乃參照授出日期之公平值計量。公平值由外界估值師採用二項式期權定價模式釐定，進一步詳情載於財務報表附註28。

股本結算交易之成本連同股本之相應增加會於達到表現及／或服務條件之期間內在僱員福利開支內確認。由各報告期末直至歸屬日就股本結算交易確認之累計開支反映歸屬期屆滿時之程度，以及本集團就最終將會歸屬之權益工具數目作最佳估計。期內於損益報表扣除或計入損益報表之項目指於期初及期終確認之累計開支之變動。

釐定獎勵之授出日公平值並不考慮服務及非市場表現條件，惟能達成條件之可能性則被評定為將最終歸屬之權益工具數目為本集團之最佳估計之一部份。市場表現條件將反映在授出日之公平值。附帶於獎勵中但並無相關聯服務要求之其他任何條件皆視為非歸屬條件。獎勵的非歸屬條件反映在公平值並即時列作支出，除非當中包含服務及／或表現條件。

因未能達至非市場表現及／或服務條件，而導致最終並無歸屬之獎勵並不會確認為支出，惟包括一項市場或非歸屬條件之獎勵，無論市場或非歸屬條件是否達成，其均會被視為已歸屬，前提是所有其他表現及／或服務條件須已達成。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings or loss per share.

Other employee benefits

Pension schemes

Retirement benefits are provided to certain staff employed by the Group. In accordance with the Mandatory Provident Fund Schemes Ordinance, the Group's Hong Kong employees enjoy retirement benefits under either the Mandatory Provident Fund Exempted Occupational Retirement Schemes Ordinance ("ORSO") Scheme, or the Mandatory Provident Fund Scheme under which employer contributions have to be made. The assets of the schemes are held separately from those of the Group in independently administered funds. The Group's contributions to both schemes are at a maximum of 10% of the monthly salaries of the employees. When an employee leaves employment prior to his or her interest in the Group's employer contributions vesting fully, the ongoing ORSO Scheme contributions payable by the Group may be reduced by the relevant amount of the forfeited contributions, in accordance with the rules of the Mandatory Provident Fund Exempted ORSO Scheme. However, in respect of the Mandatory Provident Fund Scheme, only the employer voluntary contribution amounts are refundable to the Group when the members leave employment prior to their contributions vesting fully. The Group's mandatory contributions vest fully with the employees when the employees leave employment.

2.4 主要會計政策概要(續)

股份為本支付(續)

當股本結算報酬之條款修訂時，會確認最少之支出，猶如條款並無修訂一般，惟須符合獎勵之原始條款。此外，會就導致以股份支付之公平值總額增加，或按於修訂日期計量而對僱員有利之任何修訂確認支出。

當股本結算報酬註銷時，會被視作於註銷當日經已歸屬處理，而報酬尚未確認之任何支出會即時確認。該報酬包括當非歸屬條件在本集團或其僱員的控制下未能得到滿足時的報酬。然而，倘已註銷報酬有任何替代之新報酬，並指定為授出當日之替代報酬，則該項註銷及新報酬會如上段所述被視為原有報酬(修訂本)般處理。

未行使購股權之攤薄影響，反映於計算每股盈利或虧損時之額外股份攤薄。

其他僱員福利

退休金計劃

本集團為受僱之若干僱員提供退休福利。根據《強制性公積金計劃條例》，本集團香港僱員享有根據強制性公積金豁免職業退休金計劃或強制性公積金計劃提供之退休福利。僱主須根據計劃作出供款。該等計劃之資產由獨立管理基金與本集團之資產分開處理。本集團向該兩個計劃之供款最多為僱員月薪之10%。根據強制性公積金豁免職業退休金計劃規則，倘本集團僱員於合資格全數取得其於強制性公積金規則豁免之職業退休金計劃之供款權益前離職，則本集團須持續作出之職業退休金計劃供款可由沒收供款填補。然而，就強制性公積金計劃而言，倘僱員在全數取得供款前離職，本集團僅可獲退還僱主自願供款。僱員離職時可悉數收取本集團之強制性供款。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits (continued)

Pension schemes (continued)

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the relevant authorities of the provinces or the local municipal governments in Mainland China in which the Group's subsidiaries are located. The Group contributes to this scheme in respect of its employees in Mainland China and such costs are charged to the statement of profit or loss as incurred.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

2.4 主要會計政策概要(續)

其他僱員福利(續)

退休金計劃(續)

本集團在中國大陸營運之附屬公司僱員須參加中央公積金計劃，計劃乃由本集團之附屬公司所在中國大陸省份之有關政府機構或當地市政府運作。本集團須替中國大陸僱員向該計劃供款，該等費用於產生時自損益報表中扣除。

借貸成本

購買、建築或生產指定資產(即資產需經一段長時間，方能作擬定用途或銷售)所直接涉及之借貸成本，一律資本化，並列作該等資產成本之一部份。一旦資產之大部份已可作擬定用途或銷售，有關借貸成本即不再資本化。指定借貸所作臨時性質之投資在扣除指定資產所耗之開支後所賺得之投資收入於資本化之借貸成本中予以扣除。所有其他借貸成本於其產生期間內列作支出。借貸成本包括利息及一個實體於有關資金借貸產生之其他成本。

股息

末期股息將於股東大會上獲股東批准後確認為負債。

中期股息由本公司同時建議及宣派，因本公司之組織大綱及公司章程授權董事會宣派中期股息之權利。故此，中期股息於建議派付及宣派時隨即確認為負債。

外幣

財務報表以港元呈報，即本公司的功能貨幣。本集團內的實體各自決定其功能貨幣為何，各實體的財務報表項目均以所定功能貨幣計量。本集團各實體錄得的外幣交易初步按交易日彼等各自的功能貨幣的現行匯率換算入賬。以外幣計價單位的貨幣資產及負債，按有關功能貨幣於報告期末的匯率換算。結算或換算貨幣項目產生的匯兌差額於損益報表確認。



2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to the statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries and associates are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.4 主要會計政策概要(續)

外幣(續)

因貨幣項目結算或換算產生的差額於損益報表確認，惟指定為本集團境外業務投資淨額對沖部分的貨幣項目除外。該等差額於其他全面收入確認，直至出售該投資淨額為止，屆時累計金額重新分類至損益報表。該等貨幣項目匯兌差額的稅項支出及抵免亦於其他全面收入列賬。

按歷史成本列賬以外幣計量的非貨幣項目，採用初始交易日期的匯率換算。按公平值列賬以外幣計量的非貨幣項目，採用釐定公平值日期的匯率換算。換算非貨幣項目而產生的按公平值計量之收益或虧損，按與確認該項目的公平值變動的收益或虧損一致的方法處理(即於其他全面收入或損益已確認的項目的公平值收益或虧損，其換算差額亦分別於其他全面收入或損益確認)。

部份海外附屬公司及聯營公司的功能貨幣為港元以外之貨幣。於報告期末，有關實體的資產與負債乃按報告期末的現行匯率換算為港元，其損益報表則按本年度的加權平均匯率換算為港元。

因此而產生的匯兌差額，於其他全面收入中確認及累計於外匯變動儲備中。出售外國業務時，有關該項外國業務的其他全面收入的組成部份會在損益報表中確認。

因收購海外業務產生的任何商譽及因收購產生的資產及負債賬面值的任何公平值調整，均被視為該海外業務的資產及負債，並以呈報期間完結時的匯率換算。





2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill, including those classified as held for sale at 31 December 2016, was HK\$1,625,136,000 (2015: HK\$1,684,061,000). More details are given in note 17 to the financial statements.

2.4 主要會計政策概要(續)

外幣(續)

就綜合現金流量表而言，海外附屬公司之現金流量乃按現金流量日期之有關匯率折算為港元。海外附屬公司於本年度內產生之經常性現金流量則按本年度內加權平均匯率折算為港元。

3. 主要會計判斷及估計

編製本集團財務報表需要管理層作出判斷、估計及假設，而此等將影響收入、開支、資產及負債之呈報金額及其相關披露及或然負債之披露。該等假設及估計之不明朗因素可能導致需要對未來有關資產或負債之賬面值作出重大調整。

估計之不明朗因素

下文載述存在重大風險之未來主要假設及於報告期末存在的其他主要估計不明朗原因，極可能會導致須對下一個財政年度資產及負債賬面值作出重大調整。

商譽減值

本集團至少每年釐定商譽有否出現減值。有關釐定需估計商譽所獲分配至之現金產生單位之使用價值。就估計使用價值而言，本集團需估計預計來自現金產生單位之未來現金流量及挑選合適貼現率以計算該等現金流量之現值。於2016年12月31日，商譽之賬面值(包括分類為持作出售之商譽)為1,625,136,000港元(2015年：1,684,061,000港元)。更多詳情載於財務報表附註17。

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of receivables

Impairment of receivables is made based on an assessment of the recoverability of accounts and other receivables and the timing of their recovery. The identification of impairment of receivables requires management judgement and estimation. Where the actual outcome or expectation in future is different from the original estimates, such differences will impact on the carrying value of the accounts and other receivables and the amount of impairment/write-back of impairment in the periods in which such estimates have been changed. Net impairment of the Group's receivables, including those classified as held for sale, of HK\$31,842,000 (2015: HK\$49,525,000) was recognised in the consolidated statement of profit or loss for the year. The aggregate carrying amount of the Group's accounts and bills receivables, and prepayments, deposits and other receivables, including those classified as held for sale at 31 December 2016, was HK\$2,634,765,000 (2015: HK\$2,786,050,000).

Provision for inventories

Management reviews the ageing analysis of inventories of the Group and makes provision for obsolete and slow-moving inventory items identified that are no longer suitable for sales. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. A considerable amount of judgement is required in assessing the ultimate realisation of these inventories. If the market conditions were to change, resulting in a change of provision for obsolete items, the difference will be recorded in the period it is identified. The carrying amount of inventories, including those classified as held for sale as at 31 December 2016 was HK\$4,158,341,000 (2015: HK\$4,127,658,000).

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets relating to recognised tax losses at 31 December 2016 was HK\$42,003,000 (2015: HK\$45,153,000). The amount of unrecognised tax losses including those attributable to the discontinued operation at 31 December 2016 was HK\$2,988,343,000 (2015: HK\$3,154,777,000). Further details are contained in note 26 to the financial statements.

3. 主要會計判斷及估計(續)

估計之不明朗因素(續)

應收款項減值

應收款項減值乃根據應收賬款及其他應收款項的可收回性及收回時間評估計提。識別應收款項減值需要管理層作出判斷及估計。若日後之實際結果或預期與原來估計有別，該等差額將於有關估計變動之期間影響賬目及其他應收款項之賬面值及減值／減值撥回金額。本年度本集團應收款項(包括分類為持作出售之應收款項)減值淨額31,842,000港元(2015年：49,525,000港元)已在綜合損益報表中確認。於2016年12月31日，本集團應收賬款及應收票據、預付款項、按金及其他應收款項(包括分類為持作出售之應收款項)的賬面值總額為2,634,765,000港元(2015年：2,786,050,000港元)。

存貨撥備

管理層會審閱本集團存貨之賬齡分析，並就確定不再適合用作出售之陳舊及滯銷存貨項目計提撥備。管理層主要依據最近期之發票價格及現行市況，估計該等存貨之可變現淨值。在評估該等存貨能否最終變現之過程中須作大量判斷。倘市況會改變，導致其陳舊項目計提撥備改變，則將記錄該期間辨認之差額。於2016年12月31日，存貨(包括分類為持作出售之存貨)的賬面值為4,158,341,000港元(2015年：4,127,658,000港元)。

遞延稅項資產

倘應課稅溢利可供扣減虧損，則會就未使用稅項虧損確認遞延稅項資產。釐定可予確認的遞延稅項資產數額，須管理層根據可能出現未來應課稅溢利的時間及數額連同未來稅務計劃策略作出重大判斷。與已確認稅項虧損有關的遞延稅項資產於2016年12月31日的賬面價值為42,003,000港元(2015年：45,153,000港元)。於2016年12月31日的未確認稅項虧損(包括終止經營業務應佔虧損)金額為2,988,343,000港元(2015年：3,154,777,000港元)。進一步詳情載於財務報表附註26。



4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and has five reportable segments as follows:

- (a) the beverage segment is engaged in the processing, bottling and distribution of sparkling beverage products and the distribution of still beverage products;
- (b) the wine segment is engaged in the production, sale and trading of grape wine and other wine products;
- (c) the kitchen food segment is engaged in the distribution of packaged cooking oil and seasoning products;
- (d) the confectionery segment is engaged in the production and distribution of chocolate and other related products (discontinued operation (note 11)); and
- (e) the “others” segment is engaged in the distribution of other consumer food and beverage products that are not categorised under the aforementioned segments.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax from continuing operations is measured consistently with the Group’s profit/loss before tax from continuing operations except that interest income, dividend income, gain on disposal of subsidiaries, finance costs, share of profits of associates, as well as unallocated head office and corporate results are all excluded from such measurement.

Segment assets exclude deferred tax assets, prepaid tax, restricted bank balances, pledged deposits, cash and cash equivalents, available-for-sale investments, investments in associates and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

4. 經營分部資料

為管理目的，本集團按其產品性質劃分不同的業務單元並擁有五項可予呈報經營分部如下：

- (a) 飲料分部，從事汽水產品的加工、裝瓶及分銷及不含氣飲料產品的分銷；
- (b) 酒品類分部，從事生產、銷售及買賣葡萄酒及其他酒品類產品；
- (c) 廚房食品分部，從事分銷包裝烹調油及調味品；
- (d) 休閒食品分部，從事生產及分銷巧克力及其他相關產品(終止經營業務(附註11))；及
- (e) 「其他」分部，從事分銷未經上述分部所劃分之其他消費食品及飲料產品。

管理層監察本集團個別經營分部的業績，藉此作出有關資源分配的決定及評估表現。分部表現乃根據可予呈報分部溢利／虧損(其乃經調整持續經營業務除稅前溢利／虧損之計量)進行評估。經調整持續經營業務除稅前溢利／虧損與本集團之持續經營業務除稅前溢利／虧損之計量保持一致，惟該計量中不包括利息收入、股息收入、出售附屬公司收益、融資成本、應佔聯營公司溢利及未分配總部及公司業績。

分部資產不包括遞延稅項資產、預繳稅項、受限制銀行結餘、抵押存款、現金及現金等值項目、可供出售投資、於聯營公司之投資及其他未分配總部及公司資產，因為該等資產按集團基準管理。

分部負債不包括計息銀行貸款及其他貸款、應付稅項、遞延稅項負債及其他未分配總部及公司負債，因為該等負債按集團基準管理。



4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分部資料(續)

Year ended 31 December 2016 截至2016年12月31日止年度		Beverage 飲料 HK\$'000 千港元	Wine 酒品類 HK\$'000 千港元	Kitchen food 廚房食品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Segment revenue:	分部收益：					
Sales to external customers	對外銷售	11,290,514	2,503,101	13,963,214	229,052	27,985,881
Other revenue	其他收益	151,109	88,565	12,051	51,669	303,394
Revenue from continuing operations	持續經營業務收益	11,441,623	2,591,666	13,975,265	280,721	28,289,275
Segment results	分部業績	640,510	111,148	85,657	4,169	841,484
<i>Reconciliation:</i>	<i>對賬：</i>					
Interest income	利息收入					18,407
Dividend income	股息收入					48,689
Finance costs	融資成本					(35,750)
Share of profits of associates	應佔聯營公司溢利					73,010
Gain on disposal of subsidiaries	出售附屬公司收益					118,774
Corporate and other unallocated expenses	公司及其他未分配支出					(416,658)
Profit before tax from continuing operations	持續經營業務除稅前溢利					647,956
Segment assets	分部資產	5,532,300	4,296,663	2,987,885	251,826	13,068,674
<i>Reconciliation:</i>	<i>對賬：</i>					
Investments in associates	於聯營公司之投資					726,412
Corporate and other unallocated assets	公司及其他未分配資產					1,361,962
Assets of a disposal group classified as held for sale	分類為持有待售之出售組合資產					958,220
Total assets	資產總值					16,115,268





Notes to Financial Statements (continued)
財務報表附註(續)

31 December 2016 2016年12月31日

4. OPERATING SEGMENT INFORMATION
(continued)

4. 經營分部資料(續)

Year ended 31 December 2016 截至2016年12月31日止年度		Beverage 飲料 HK\$'000 千港元	Wine 酒品類 HK\$'000 千港元	Kitchen food 廚房食品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Segment liabilities	分部負債	2,764,734	680,321	3,247,436	-	6,692,491
<i>Reconciliation:</i>						
<i>對賬:</i>						
Corporate and other unallocated liabilities	公司及其他未分配負債					1,801,358
Liabilities directly associated with the assets classified as held for sale	直接與分類為持有待售之資產有關之負債					329,299
Total liabilities	負債總值					8,823,148
Other segment information:						
其他分部資料:						
Net impairment losses/(gains) recognised in the statement of profit or loss	於損益報表確認之減值淨虧損/(收益)	(137)	33,634	907	247	34,651
Provision against/(write-back of provision against) inventories	存貨撥備/(撥備撥回)	7,046	31,133	(5,630)	2,087	34,636
Loss on disposal/write-off of items of property, plant and equipment	出售/撇銷物業、廠房及設備項目之虧損	5,191	1,057	9	-	6,257
Depreciation and amortisation	折舊及攤銷	334,003	138,985	4,805	-	477,793
Unallocated amounts	未分配數額					4,295
						482,088
Capital expenditure	資本開支	848,610	72,960	2,051	-	923,621

* Capital expenditure consists of additions to property, plant and equipment and prepaid land premiums.

* 資本開支包括添置物業、廠房及設備及預付土地金。



4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分部資料(續)

Year ended 31 December 2015 截至2015年12月31日止年度		Beverage 飲料 HK\$'000 千港元	Wine 酒品類 HK\$'000 千港元 (Restated) (重列)	Kitchen food 廚房食品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元 (Restated) (重列)
Segment revenue:	分部收益:					
Sales to external customers	對外銷售	12,334,997	2,295,403	12,851,913	359,857	27,842,170
Other revenue	其他收益	173,046	57,457	42,037	75,864	348,404
Revenue from continuing operations	持續經營業務收益	12,508,043	2,352,860	12,893,950	435,721	28,190,574
Segment results	分部業績	695,227	94,077	117,070	11,668	918,042
<i>Reconciliation:</i>	<i>對賬:</i>					
Interest income	利息收入					27,870
Dividend income	股息收入					46,862
Finance costs	融資成本					(64,822)
Share of profits of associates	應佔聯營公司溢利					71,872
Corporate and other unallocated expenses	公司及其他未分配支出					(324,656)
Profit before tax from continuing operations	持續經營業務除稅前溢利					675,168
Segment assets	分部資產	6,174,395	4,846,579	2,768,845	243,919	14,033,738
<i>Reconciliation:</i>	<i>對賬:</i>					
Investments in associates	於聯營公司之投資					780,759
Corporate and other unallocated assets	公司及其他未分配資產					1,433,042
Assets of a disposal group classified as held for sale	分類為持有待售之出售組合資產					375,131
Total assets	資產總值					16,622,670





4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分部資料(續)

Year ended 31 December 2015 截至2015年12月31日止年度		Beverage 飲料 HK\$'000 千港元	Wine 酒品類 HK\$'000 千港元	Kitchen food 廚房食品 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元 (Restated) (重列)
Segment liabilities	分部負債	3,537,542	767,142	2,426,477	680	6,731,841
<i>Reconciliation:</i>	<i>對賬:</i>					
Corporate and other unallocated liabilities	公司及其他未分配負債					2,736,936
Liabilities directly associated with the assets classified as held for sale	直接與分類為持有待售之 資產有關之負債					101,694
Total liabilities	負債總值					9,570,471
Other segment information:	其他分部資料:					
Net impairment losses recognised in the statement of profit or loss	於損益報表確認 之減值淨虧損	4,742	37,908	22,889	-	65,539
Provision against/(write-back of provision against) inventories	存貨撥備/(撥備撥回)	10,921	36,314	(10,425)	-	36,810
Loss/(gain) on disposal/write-off of items of property, plant and equipment	出售/撇銷物業、廠房及設備 項目之虧損/(收益)	6,138	1,137	(3,574)	-	3,701
Depreciation and amortisation	折舊及攤銷	351,234	153,735	11,778	-	516,747
Unallocated amounts	未分配數額					8,265
						525,012
Capital expenditure	資本開支	726,887	127,494	2,380	-	856,761

* Capital expenditure consists of additions to property, plant and equipment and prepaid land premiums.

* 資本開支包括添置物業、廠房及設備及預付土地金。

Geographical information

Over 90% of the Group's revenue is derived from customers operating in Mainland China and over 90% of the Group's non-current assets, other than financial instruments and deferred tax assets, are situated in Mainland China.

地域資料

超過90%之本集團收入源於中國大陸經營的客戶，以及本集團除金融工具及遞延稅項資產外的非流動資產超過90%位於中國大陸。

Information about a major customer

During the year, there was no single customer from which the revenue derived has accounted for 10% or more of the Group's revenue (2015: Nil).

主要客戶資料

在本年度，並無來自單一客戶之收入達本集團收入的10%或以上(2015年：無)。



5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold during the year, after allowances for returns and trade discounts.

An analysis of other income and gains from continuing operations is as follows:

5. 收入、其他收入及收益

收入乃指於本年度扣除退貨及貿易折扣後的已售出貨品發票淨值。

持續經營業務的其他收入及收益分析如下：

			2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
	Notes 附註			
Other income		其他收入		
Gross rental income		租金收入總額	2,722	3,060
Bank interest income		銀行利息收入	18,407	22,168
Interest income from financial products		金融產品之利息收入	-	5,702
Dividend income from available-for-sale investments		可供出售投資之股息收入	48,689	46,862
Government grants *		政府補助*	155,122	167,668
Compensation income		補償收入	3,016	18,191
Sale of by-products and scrap items		出售副產品及廢料項目	26,035	35,045
Commission income		佣金收入	102,126	115,220
Others		其他	14,258	4,139
			370,375	418,055
Gains		收益		
Gain on disposal of subsidiaries	31	出售附屬公司收益	118,774	-
Gain on disposal of equity investments at fair value through profit or loss		出售按公平值列入損益之權益投資之收益	-	4,466
Fair value gains on investment properties	15	投資物業之公平值收益	115	615
			118,889	5,081
			489,264	423,136

* Various government grants were granted for investments in certain provinces in Mainland China in which the Company's subsidiaries operate. Government grants for which related expenditure has not yet been undertaken are included in deferred income (non-current portion) and other payables and accruals (current portion) in the statement of financial position, respectively. There are no unfulfilled conditions or contingencies relating to these grants.

* 本集團已獲授多項政府補助，用作投資本公司附屬公司經營所在之中國大陸若干省份。政府補助相關的未承辦支出已分別包括在財務狀況表中的遞延收入（非流動部份）及其他應付款項及應計負債（流動部份）內。該等補助並無任何尚未符合之條件或有事項。





Notes to Financial Statements (continued)
財務報表附註(續)

31 December 2016 2016年12月31日

6. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging/(crediting):

6. 除稅前溢利

本集團之持續經營業務除稅前溢利乃扣除/(計入)下列各項：

		Notes 附註	2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元 (Restated) (重列)
Cost of inventories sold	售出存貨成本		21,434,260	21,480,818
Provision against inventories	存貨撥備		34,636	36,810
Cost of sales	銷售成本		21,468,896	21,517,628
Auditor's remuneration	核數師薪酬		3,037	3,227
Depreciation	折舊		464,581	503,859
Amortisation of other intangible assets	其他無形資產攤銷	18	4,242	9,794
Recognition of prepaid land premiums	確認預付土地金	16	13,265	11,359
Minimum lease payments under operating leases	經營租賃的最低租金款項		206,980	213,631
Employee benefit expense (including directors' and chief executive's remuneration (note 8)):	僱員福利開支 (包括董事及行政總裁薪酬(附註8)):			
Wages and salaries	工資及薪金		1,671,879	1,685,553
Equity-settled share option expense	以股本結算的購股權開支		(2,821)	2,469
Pension schemes contributions*	退休計劃供款*		177,735	181,176
			1,846,793	1,869,198
Foreign exchange differences, net	匯兌差額·淨額		8,863	14,935
Other expenses and losses include the following:	其他開支及虧損 包括以下各項:			
Loss on disposal/write-off of items of property, plant and equipment	物業、廠房及設備項目之出售虧損/撇銷		6,257	3,701
Impairment of available-for-sale investments	可供出售投資之減值	20	378	3,477
Impairment of items of property, plant and equipment	物業、廠房及設備項目之減值		2,431	15,119
Impairment of accounts receivable	應收賬款減值		32,183	46,738
Impairment/(reversal of impairment) of other receivables	其他應收款項減值/(減值撥回)		(341)	205

* At 31 December 2016, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2015: Nil).

* 於2016年12月31日，本集團概無已沒收供款可用以抵銷其於未來年度對退休計劃的供款(2015年：無)。



7. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Interest on:	利息：		
Bank loans wholly repayable within five years	五年內全數償還之銀行貸款	33,493	61,062
Loans from non-controlling shareholders of subsidiaries (note 35)	來自附屬公司非控股股東之貸款(附註35)	1,699	2,590
Others	其他	558	1,170
		35,750	64,822

7. 融資成本

持續經營業務的融資成本分析如下：

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

8. 董事及行政總裁酬金

本年度董事及行政總裁酬金根據聯交所證券上市規則(「上市規則」)、香港公司條例第383(1)(a)、(b)、(c)及(f)及公司(披露董事利益資料)規例第2部披露如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
	Group 本集團		
Fees:	袍金：		
Executive directors	執行董事	-	-
Non-executive directors	非執行董事	-	-
Independent non-executive directors	獨立非執行董事	1,375	1,275
		1,375	1,275
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	4,381	3,927
Discretionary bonuses	酌情花紅	6,517	3,430
Equity-settled share option expense	股本結算購股權開支	173	330
Pension scheme contributions	退休計劃供款	589	501
		11,660	8,188
		13,035	9,463





8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

In prior years, certain directors were granted share options of the Company, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 28 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' and chief executive's remuneration disclosures.

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Mr. Stephen Edward Clark	祈立德先生	340	320
Mr. Paul Kenneth Etchells	包逸秋先生	345	320
Mr. Li Hung Kwan, Alfred	李鴻鈞先生	345	315
Mr. Yuen Tin Fan, Francis	袁天凡先生	345	320
		1,375	1,275

There were no other emoluments payable to the independent non-executive directors during the year (2015: Nil).

8. 董事及行政總裁酬金(續)

於以前年度，根據本公司購股權計劃，若干董事就彼等向本集團提供之服務而獲授予本公司購股權，其詳情載於財務報表附註28。該等購股權之公平值(已於歸屬期在損益報表內確認)乃於授出日期釐定，其金額計入本年度財務報表，並於上述董事及行政總裁酬金內披露。

(a) 獨立非執行董事

年內向獨立非執行董事支付之袍金如下：

年內，並無向獨立非執行董事支付其他酬金(2015年：無)。



8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

8. 董事及行政總裁酬金(續)

(b) Executive directors, non-executive directors and the chief executive

(b) 執行董事、非執行董事及行政總裁

		Salaries, allowances and benefits in kind		Discretionary bonuses	Equity-settled share option expense	Pension scheme contributions	Total remuneration
		Fees	薪金、津貼及實物利益		酌情花紅	股本結算購股權開支	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
2016	2016年						
Executive directors:	執行董事：						
Mr. Jiang Guojin*	江國金先生*	-	1,967	3,043	-	328	5,338
Ms. Wu Wenting ¹	吳文婷女士 ¹	-	898	1,134	30	40	2,102
Mr. Wu Fei ²	吳飛先生 ²	-	1,081	2,028	46	143	3,298
Mr. Zhou Chenguang ²	周晨光先生 ²	-	435	312	-	78	825
		-	4,381	6,517	76	589	11,563
Non-executive directors:	非執行董事：						
Mr. Ma Jianping	馬建平先生	-	-	-	39	-	39
Mr. Yu Xubo ³	于旭波先生 ³	-	-	-	-	-	-
Mr. Ning Gaoning ³	寧高寧先生 ³	-	-	-	10	-	10
Ms. Liu Ding ⁴	柳丁女士 ⁴	-	-	-	35	-	35
Mr. Wang Zhiying	王之盈先生	-	-	-	-	-	-
		-	-	-	84	-	84
		-	4,381	6,517	160	589	11,647

* Mr. Jiang Guojin is also the chief executive of the Company.

* 江國金先生亦為本公司行政總裁。

¹ Ms. Wu Wenting resigned as an executive director of the Company with effect from 15 September 2016.

¹ 吳文婷女士辭任本公司執行董事，自2016年9月15日起生效。

² Mr. Wu Fei and Mr. Zhou Chenguang were appointed as executive directors of the Company with effect from 15 September and 9 November 2016, respectively, and the remuneration during their tenure as executive directors accounted to approximately HK\$400,000 and HK\$80,000, respectively.

² 吳飛先生及周晨光先生獲委任為本公司執行董事，分別自2016年9月15日及11月9日生效，而彼等擔任執行董事之酬金分別約為400,000港元及80,000港元。

³ Mr. Yu Xubo and Mr. Ning Gaoning resigned as non-executive directors of the Company with effect from 15 February 2016.

³ 于旭波先生及寧高寧先生辭任本公司非執行董事，自2016年2月15日起生效。

⁴ Ms. Liu Ding resigned as a non-executive director of the Company with effect from 9 November 2016.

⁴ 柳丁女士辭任本公司非執行董事，自2016年11月9日起生效。





8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors, non-executive directors and the chief executive (continued)

		Salaries, allowances and benefits in kind		Discretionary bonuses	Equity-settled share option	Pension scheme contributions	Total remuneration
		Fees	薪金、津貼及實物利益		酌情花紅	股本結算購股權開支	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
2015	2015年						
Executive directors:	執行董事：						
Mr. Jiang Guojin*	江國金先生*	–	1,965	1,863	–	261	4,089
Ms. Wu Wenting	吳文婷女士	–	1,233	896	78	137	2,344
Mr. Lu Xiaohui ¹	遠曉輝先生 ¹	–	729	671	–	103	1,503
		–	3,927	3,430	78	501	7,936
Non-executive directors:	非執行董事：						
Mr. Ma Jianping	馬建平先生	–	–	–	78	–	78
Mr. Yu Xubo ²	于旭波先生 ²	–	–	–	–	–	–
Mr. Ning Gaoning ²	寧高寧先生 ²	–	–	–	96	–	96
Ms. Liu Ding	柳丁女士	–	–	–	78	–	78
Mr. Wang Zhiying	王之盈先生	–	–	–	–	–	–
		–	–	–	252	–	252
		–	3,927	3,430	330	501	8,188

* Mr. Jiang Guojin is also the chief executive of the Company.

¹ Mr. Lu Xiaohui resigned as an executive director of the Company with effect from 26 August 2015 (The remuneration during his tenure as executive director was HK\$1,212,000).

² Mr. Yu Xubo and Mr. Ning Gaoning resigned as non-executive directors of the Company with effect from 15 February 2016.

* 江國金先生亦為本公司行政總裁。

¹ 遠曉輝先生辭任本公司執行董事，自2015年8月26日起生效(其擔任執行董事的酬金為1,212,000港元)。

² 于旭波先生及寧高寧先生辭任本公司非執行董事，自2016年2月15日起生效。

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year (2015: Nil).

於年內概無董事或行政總裁放棄或同意放棄任何酬金的安排(2015年：無)。



9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2015: one) directors and one of them is also the chief executive, details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining three (2015: four) highest paid employees who are neither a director nor chief executive of the Company for the year are as follows:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	5,285	6,613
Discretionary bonuses	酌情花紅	3,809	5,284
Equity-settled share option expense	股本結算購股權開支	140	369
Pension scheme contributions	退休計劃供款	459	574
		9,693	12,840

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2016 2016年	2015 2015年
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1	1
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	1	2
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1	1
		3	4

In prior years, the non-director and non-chief executive highest paid employees were granted share options of the Company in respect of their services to the Group, further details of which are set out in note 28 to the financial statements. The fair value of these options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

9. 五名最高薪酬之僱員

年內五名最高薪酬之僱員，包括兩名董事(2015年：一名)，其中一名亦為行政總裁，其酬金詳情載於上文附註8。年內，其餘三名(2015年：四名)最高薪酬之非本公司董事或行政總裁僱員之年度酬金載列如下：

最高薪僱員(非董事及行政總裁)之薪酬介於下列組別之人數如下：

於過往年度，非董事及行政總裁最高薪酬僱員就彼等對本集團提供的服務獲授予本公司的購股權，有關詳情載於財務報表附註28。該等購股權的公平值已於歸屬期間的損益報表內確認，於授出日期釐定以及本年財務報表中包括的金額已包括於上述非董事及行政總裁最高薪酬僱員的酬金披露內。





10. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% on estimated assessable profits arising in Hong Kong during the year (2015: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Pursuant to the approvals issued by the State Administration of Taxation of the PRC in 2013, the Company and certain of its subsidiaries are regarded as Chinese Resident Enterprises (collectively the “CREs”) and relevant enterprise income tax policies of the PRC are applicable to the CREs commencing from 1 January 2013.

10. 所得稅

本集團乃就年內於香港產生之估計應課稅溢利，按16.5%之稅率作出香港利得稅撥備(2015年：無)。從其他地區賺取應課稅溢利則按照本集團經營業務所在司法管轄區所奉行之現行稅率計算稅項。

根據2013年中國國家稅務總局發出之批文，本公司及若干附屬公司被視為中國居民企業(統稱「中國居民企業」)，中國相關企業所得稅政策由2013年1月1日起適用於中國居民企業。

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(重列)
Current – Mainland China	即期－中國大陸		
Charge for the year	於本年度扣除	218,115	290,746
Underprovision in prior years	過往年度撥備不足	1,963	10,167
Current – Hong Kong	即期－香港		
Underprovision in prior years	過往年度撥備不足	130	–
Current – Elsewhere	即期－其他地區		
Charge for the year	於本年度扣除	56	–
Deferred (note 26)	遞延(附註26)	5,821	(20,803)
Total tax charge for the year	年度總稅款	226,085	280,110



10. INCOME TAX (continued)

A reconciliation of the tax expense applicable to profit/(loss) before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

2016

		Hong Kong 香港		Mainland China 中國大陸		Elsewhere 其他地區		Total 合計	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before tax	稅前溢利	19,241		626,795		1,920		647,956	
Tax at the statutory tax rates	按法定稅率計算之稅項	3,175	16.5	156,699	25.0	(134)	(6.9)	159,740	24.7
Lower tax rate for specific provinces or enacted by a local authority*	個別省或地方機構制定的較低稅率*	-	-	(5)	-	-	-	(5)	-
Profits attributable to associates	聯營公司應佔溢利	-	-	(18,253)	(2.9)	-	-	(18,253)	(2.8)
Income not subject to tax	無須課稅之收入	(3,707)	(19.3)	(36,999)	(5.9)	-	-	(40,706)	(6.3)
Expenses not deductible for tax	不可扣稅之支出	532	2.8	14,993	2.4	546	28.4	16,071	2.5
Adjustments in respect of current tax of previous periods	過往期間即期稅項之調整	130	0.7	1,963	0.3	-	-	2,093	0.3
Adjustments in respect of deferred tax of previous periods	過往期間遞延稅項之調整	-	-	(4,011)	(0.6)	-	-	(4,011)	(0.6)
Tax losses utilised from previous periods	動用過往期間之稅損	-	-	(855)	(0.1)	(1,298)	(67.6)	(2,153)	(0.3)
Tax losses not recognised	未確認稅損	-	-	111,849	17.8	1,460	76.0	113,309	17.4
Tax charge at the Group's effective rate	按本集團有效稅率計算之稅項支出	130	0.7	225,381	36.0	574	29.9	226,085	34.9

10. 所得稅(續)

以下為利用本公司、其大部份附屬公司註冊所在司法區之法定稅率計算而適用於稅前溢利/(虧損)之稅項支出，按照有效稅率計算之調節項目，以及適用稅率(即法定稅率)與有效稅率之調節項目：

2016年





10. INCOME TAX (continued)

2015

10. 所得稅(續)

2015年

		Hong Kong 香港		Mainland China 中國大陸		Elsewhere 其他地區		Total 合計	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
		(Restated) (重列)	(Restated) (重列)	(Restated) (重列)	(Restated) (重列)	(Restated) (重列)	(Restated) (重列)	(Restated) (重列)	(Restated) (重列)
Profit/(loss) before tax	稅前溢利/(虧損)	(29,878)		730,023		(24,977)		675,168	
Tax at the statutory tax rates	按法定稅率計算之稅項	(4,930)	16.5	182,506	25.0	(3,513)	14.1	174,063	25.8
Lower tax rate for specific provinces or enacted by a local authority*	個別省或地方機構制定的較低稅率*	-	-	(764)	(0.1)	-	-	(764)	(0.1)
Profits attributable to associates	聯營公司應佔溢利	-	-	(17,968)	(2.5)	-	-	(17,968)	(2.7)
Income not subject to tax	無須課稅之收入	(4,432)	14.8	(5,503)	(0.8)	-	-	(9,935)	(1.5)
Expenses not deductible for tax	不可扣稅之支出	9,763	(32.6)	18,825	2.6	2,693	(10.8)	31,281	4.6
Adjustments in respect of current tax of previous periods	過往期間即期稅項之調整	-	-	10,167	1.4	-	-	10,167	1.5
Adjustments in respect of deferred tax of previous periods	過往期間遞延稅項之調整	-	-	23,507	3.2	-	-	23,507	3.5
Tax losses utilised from previous periods	動用過往期間之稅損	(401)	1.3	(2,015)	(0.3)	-	-	(2,416)	(0.3)
Tax losses not recognised	未確認稅損	-	-	68,381	9.5	3,794	(15.2)	72,175	10.7
Tax charge at the Group's effective rate	按本集團有效稅率計算之稅項支出	-	-	277,136	38.0	2,974	(11.9)	280,110	41.5

* Under the PRC income tax laws, enterprises are subject to corporate income tax ("CIT") at a rate of 25%. However, certain of the Group's subsidiaries are operating in specific development zones in Mainland China, and relevant authorities have granted these subsidiaries a preferential CIT rate of 15%.

* 根據中國所得稅法，企業須按25%的稅率繳納企業所得稅(「企業所得稅」)。然而，本集團若干附屬公司乃於中國大陸的特別開發區經營業務，有關當局已授予該等附屬公司15%的優惠企業所得稅率。

The share of tax attributable to associates amounting to HK\$21,374,000 (2015: HK\$24,623,000) is included in "Share of profits of associates" in the consolidated statement of profit or loss.

聯營公司應佔稅項達21,374,000港元(2015年：24,623,000港元)，乃計入綜合損益報表之「應佔聯營公司溢利」內。



11. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

(1) Discontinued operation

Prized Developments Limited and its subsidiaries (the “Target Group”) are engaged in the production of the Group’s chocolate and other confectionary products, which are sold and distributed via COFCO Food Sales & Distribution Co., Ltd., a wholly-owned subsidiary of the Group. Together these two components comprise the Group’s confectionery segment (the “Discontinued Segment”).

On 31 December 2015, the Company announced the decision of its board of directors to dispose of the Target Group by entering into an equity transfer and debt assignment agreement with Tops Properties Limited, a wholly-owned subsidiary of COFCO Property (Group) Co., Ltd. which is a Shenzhen-listed company owned as to 45.67% by COFCO, for a total consideration of RMB611,000,000 (subject to certain potential adjustments). The Group has decided to cease the Discontinued Segment because it plans to focus its resources on its other business.

As a result, the Discontinued Segment was classified as a disposal group held for sale and as a discontinued operation. With the Discontinued Segment being classified as a discontinued operation, it is no longer included in the note for operating segment information.

On 31 May 2016, the disposal transaction in relation to the Target Group was completed.

11. 終止經營業務及分類為持有待售之出售組合

(1) 終止經營業務

Prized Developments Limited 及其附屬公司(統稱「目標集團」)從事生產本集團的巧克力及其他休閒食品產品。該等產品通過本集團的一家全資附屬公司中糧食品營銷有限公司進行出售及分銷。這兩部份共同組成本集團的休閒食品分部(「終止經營業務分部」)。

於2015年12月31日，本公司宣佈其董事會決定，通過與中糧地產(集團)股份有限公司(一家深圳上市公司，由中糧集團持有45.67%)的全資附屬公司華高置業有限公司訂立股權及債務轉讓協議出售目標集團，總代價為人民幣611,000,000元(可進行若干潛在調整)。為將本公司資源投入其他業務分部，本公司已決定退出終止經營業務分部。

因此，終止經營業務分部分類為持作出售之出售組合及終止經營業務。由於終止經營業務分部分類為終止經營業務，故其不再包括在經營分部資料附註內。

於2016年5月31日，有關目標集團的出售交易已完成。





11. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

11. 終止經營業務及分類為持有待售之出售組合(續)

(1) Discontinued operation (continued)

The net assets of Discontinued Segment as at the date of disposal were as follows:

(1) 終止經營業務(續)

終止經營業務分部於出售日期的資產淨值如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	128,207
Investment properties	投資物業	79,297
Inventories	存貨	43,891
Accounts and bills receivables	應收賬款及票據	10,553
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,878
Prepaid tax	預繳稅項	1,490
Due from fellow subsidiaries	同系附屬公司欠款	5,666
Cash and bank balances	現金及銀行結餘	17,329
Accounts and bills payables	應付賬款及票據	(18,353)
Other payables and accruals	其他應付款項及應計負債	(23,474)
Due to fellow subsidiaries	欠同系附屬公司款項	(946)
Deferred tax liabilities	遞延稅項負債	(14,879)
		230,659
Exchange fluctuation reserve	外匯變動儲備	(43,110)
		187,549
Gain on disposal of the discontinued operation	出售終止經營業務之收益	418,242
Related income tax expense	相關所得稅費用	(52,760)
		365,482
Post-tax gain on disposal of the discontinued operations	出售終止經營業務之稅後收益	365,482
		553,031
Satisfied by:	以下列方式償付：	
Cash	現金	677,997
Due to fellow subsidiaries	欠同系附屬公司款項	(94,758)
Tax payable	應付稅項	(30,208)
		553,031



11. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

(1) Discontinued operation (continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

		HK\$'000 千港元
Cash consideration	現金代價	700,549
Related income tax paid	相關所得稅費用	(22,552)
		677,997
Cash and bank balances disposed of	於出售時之現金及現金結餘	(17,329)
		660,668
Net inflow of cash and cash equivalents in respect of the disposal of the discontinued operation	有關出售終止經營業務之現金及現金等值項目流入淨額	660,668

The results of the Discontinued Segment for the year are presented below:

終止經營業務分部於本年度的業績呈列如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Revenue	收入	114,747	388,907
Cost of sales	銷售成本	(77,377)	(232,682)
Other income and gains	其他收入及收益	1,917	9,581
Selling and distribution expenses	銷售及分銷支出	(77,576)	(246,553)
Administrative expenses	行政支出	(5,218)	(13,562)
Other expenses and losses	其他支出及虧損	(216)	(4,161)
Loss before tax from the discontinued operation	終止經營業務之除稅前虧損	(43,723)	(98,470)
Income tax credit/(expense) related to pre-tax loss	有關除稅前虧損之所得稅抵免/(支出)	205	(53)
Loss for the year from the discontinued operation	終止經營業務之年度虧損	(43,518)	(98,523)
Post-tax gain on disposal of the discontinued operation	出售終止經營業務之稅後收益	365,482	-
Profit/(loss) for the year attributable to the discontinued operation	終止經營業務應佔之年度溢利/(虧損)	321,964	(98,523)
Profit/(loss) before tax attributable to the discontinued operation	終止經營業務應佔之除稅前溢利/(虧損)	374,519	(98,470)
Income tax expense attributable to the discontinued operation	終止經營業務應佔之所得稅支出	(52,555)	(53)
Profit/(loss) for the year attributable to the discontinued operation	終止經營業務應佔之年度溢利/(虧損)	321,964	(98,523)





11. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

(1) Discontinued operation (continued)

The major classes of assets and liabilities of the Discontinued Segments classified as held for sale as at 31 December are as follows:

11. 終止經營業務及分類為持有待售之出售組合(續)

(1) 終止經營業務(續)

於12月31日分類為持有待售的終止經營業務分部的資產及負債的主要分類如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Assets	資產		
Property, plant and equipment	物業、廠房及設備	–	133,338
Investment properties	投資物業	–	80,331
Inventories	存貨	–	89,043
Accounts and bills receivables	應收賬款及票據	–	21,112
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	–	15,661
Due from fellow subsidiaries	同系附屬公司欠款	–	24,840
Prepaid tax	預繳稅項	–	1,506
Cash and cash equivalents	現金及現金等值項目	–	9,300
Assets classified as held for sale	分類為持有待售之資產	–	375,131
Liabilities	負債		
Accounts and bills payables	應付賬款及票據	–	(38,114)
Other payables and accruals	其他應付款項及應計負債	–	(46,379)
Due to fellow subsidiaries	欠同系附屬公司款項	–	(1,893)
Due to related companies	欠關連公司款項	–	(62)
Deferred tax liabilities (note 26)	遞延稅項負債(附註26)	–	(15,246)
Liabilities directly associated with the assets classified as held for sale	直接與分類為持有待售之資產有關的負債	–	(101,694)
Net assets directly associated with the Discontinued Segment	直接與終止經營業務分部有關的資產淨值	–	273,437
Asset revaluation reserve of the Discontinued Segment	終止經營業務分部的資產重估儲備	–	6,910
Exchange fluctuation reserve of the Discontinued Segment	終止經營業務分部的 外匯變動儲備	–	45,511



11. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

(1) Discontinued operation (continued)

The net cash flows incurred by the Discontinued Segment are as follows:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Operating activities	經營活動	9,612	3,450
Investing activities	投資活動	(1,583)	(3,683)
Net cash flow inflow/(outflow)	現金流量流入/ (流出)淨額	8,029	(233)
Earnings/(loss) per share:	每股盈利/(虧損):		
Basic, attributable to the discontinued operation	基本, 終止經營業務	HK11.51 cents 港仙	(HK3.52 cents 港仙)
Diluted, attributable to the discontinued operation	攤薄, 終止經營業務	HK11.51 cents 港仙	(HK3.52 cents 港仙)

The calculations of basic and diluted earnings/(loss) per share attributable to the discontinued operation are based on:

計算終止經營業務應佔的每股基本及攤薄盈利/(虧損)乃基於:

		2016 2016年	2015 2015年
Profit/(loss) attributable to ordinary equity holders of the parent attributable to the discontinued operation	母公司普通股權益持有人應佔終止經營業務的應佔溢利/(虧損)	HK\$321,964,000 港元	(HK\$98,523,000 港元)
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation (note 13)	計算每股基本及攤薄虧損使用的年內已發行普通股加權平均數(附註13)	2,797,223,396	2,797,223,396

11. 終止經營業務及分類為持有待售之出售組合(續)

(1) 終止經營業務(續)

終止經營業務分部產生的現金流量淨額如下:





11. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

(2) Disposal group classified as held for sale

On 16 December 2016, COFCO Coca-Cola Beverages Limited, a 65%-owned subsidiary of the Company, and the Company entered into the public sale equity transfer master agreement with Swire Beverages Holdings Limited pursuant to which the Company agreed to dispose of its entire equity interests in Hainan COFCO Coca-Cola Beverages Limited, COFCO Coca-Cola Beverages (Jiangxi) Limited and Zhanjiang COFCO Coca-Cola Beverages Limited, and its associates Swire Coca-Cola Beverages Jiangsu Limited, Swire Coca-Cola Beverages Zhejiang Limited and Swire Coca-Cola Beverages Wenzhou Limited and its available-for-sale investments in Swire Guangdong Coca-Cola Limited, Swire Guangdong Coca-Cola (Huizhou) Limited and The Coca-Cola Bottling Unit of Shanghai Shen-Mei Beverage and Food Co., Ltd. (collectively referred to as the "Public Sale Companies") to Swire Beverages Holdings Limited at an aggregate consideration of approximately RMB2,122 million.

The Public Sale Companies are engaged in the processing, bottling and distribution of sparkling beverage, and distributing still beverage in various regions in Mainland China, which are part of the Group's beverage segment. The above transactions, which are expected to be completed within one year, together with the acquisition of various beverage companies from The Coca-Cola Company and Swire Beverages Holdings Limited expected to be completed in 2017 as well as the disposal of the Discontinued Segment during the year, form part of the Group's overall strategy of concentrating on expanding its core activities.

11. 終止經營業務及分類為持有待售之出售組合(續)

(2) 分類為持有待售之出售組合

於2016年12月16日，本公司擁有65%權益之附屬公司中糧可口可樂飲料有限公司及本公司與太古飲料控股有限公司訂立公開出售產權轉讓總合同，據此，本公司同意向太古飲料控股有限公司出售本公司於其附屬公司海南中糧可口可樂飲料有限公司、中糧可口可樂飲料(江西)有限公司及湛江中糧可口可樂飲料有限公司，以及於其聯營公司江蘇太古可口可樂飲料有限公司、浙江太古可口可樂飲料有限公司及溫州太古可口可樂飲料有限公司，以及其於可供出售投資廣東太古可口可樂有限公司、廣東太古可口可樂惠州有限公司及上海申美飲料食品有限公司可口可樂裝瓶單位(統稱「公開出售公司」)的全部股權，總代價約人民幣21.22億元。

公開出售公司在中國大陸不同地區從事汽水產品的加工、裝瓶及分銷及不含氣飲料產品的分銷，為本集團飲料業務分部的一部份。預期於一年內完成的上述交易，連同預期於2017年完成的向可口可樂公司及太古飲料控股有限公司收購多間飲料公司，以及年內出售終止經營業務分部，為本集團專注於擴張核心業務的整體策略。



11. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (continued)

(2) Disposal group classified as held for sale (continued)

The major classes of assets and liabilities of the Public Sale Companies classified as held for sale as at 31 December 2016 are as follows:

11. 終止經營業務及分類為持有待售之出售組合(續)

(2) 分類為持有待售之出售組合(續)

於2016年12月31日，公開出售公司分類為持有待售之主要類別資產及負債如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Assets	資產		
Property, plant and equipment	物業、廠房及設備	316,405	—
Prepaid land premiums	預付土地金	34,043	—
Prepayments for items of property, plant and equipment	購買物業、廠房及設備項目之預付款項	25	—
Goodwill	商譽	102,782	—
Investments in associates	於聯營公司之投資	88,148	—
Available-for-sale investments	可供出售投資	195,393	—
Deferred tax assets	遞延稅項資產	9,946	—
Inventories	存貨	150,516	—
Accounts and bills receivables	應收賬款及票據	25,134	—
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20,504	—
Due from associates	聯營公司欠款	1	—
Prepaid tax	預繳稅項	175	—
Pledged deposits	抵押存款	2,376	—
Cash and cash equivalents	現金及現金等值項目	12,772	—
Assets classified as held for sale	分類為持有待售之出售組合資產	958,220	—
Liabilities	負債		
Accounts and bills payables	應付賬款及票據	(115,879)	—
Other payables and accruals	其他應付款項及應計負債	(182,881)	—
Due to associates	欠聯營公司款項	(26,972)	—
Tax payable	應付稅項	(3,567)	—
Liabilities directly associated with the assets classified as held for sale	直接與分類為持有待售之出售組合資產有關之負債	(329,299)	—
Net assets directly associated with the Public Sale Companies	直接與公開出售公司有關之資產淨值	628,921	—
Exchange fluctuation reserve of the Public Sale Companies	公開出售公司之外匯變動儲備	35,100	—





12. DIVIDENDS

12. 股息

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Interim – HK1.2 cents (2015: Nil) per ordinary share	中期－每股普通股 1.2港仙(2015年：無)	33,572	–
Proposed final – HK1.2 cents (2015: HK1.0 cent) per ordinary share	建議末期－每股普通股 1.2港仙(2015年： 1.0港仙)	33,567	27,977
		67,139	27,977

The board has resolved to recommenced to shareholders the payment of a final dividend of HK1.2 cents per share for the year (2015: HK1.0 cent per share) to the shareholders of the Company whose names appear on the register of members on Friday, 16 June 2017.

董事會宣佈向在2017年6月16日(星期五)名列本公司股東名冊的本公司股東派發本年度的末期股息每股1.2港仙(2015年：每股1.0港仙)。

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,797,223,396 (2015: 2,797,223,396) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2016 and 2015 in respect of a dilution because the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

13. 母公司普通股權益持有人應佔每股盈利

每股基本盈利數額乃按母公司普通股權益持有人應佔本年度溢利，以及本年度已發行加權平均普通股數目2,797,223,396股(2015年：2,797,223,396股)計算。

由於尚未行使購股權對所呈列每股基本盈利金額帶來反攤薄影響，故並無對截至2016年及2015年12月31日止年度所呈列每股基本盈利金額作出有關攤薄的調整。



13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

13. 母公司普通股權益持有人應佔每股盈利(續)

The calculation of basic earnings per share is based on:

計算每股基本盈利乃基於：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元 (Restated) (重列)
Earnings			
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation:	盈利 母公司普通股權益持有人應佔溢利，用於計算每股基本盈利：		
From continuing operations	持續經營業務	177,771	153,156
From a discontinued operation	終止經營業務	321,964	(98,523)
		499,735	54,633
Shares			
Weighted average number of ordinary shares in issue during the year used in the basic and diluted earnings per share calculation	股份 用於計算每股基本及攤薄盈利的年內已發行普通股加權平均數	2,797,223,396	2,797,223,396





14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Freehold land 永久業權 土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Plant machinery and equipment 廠房、 機械及設備 HK\$'000 千港元	Bearer plants 生產性植物 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 December 2016	於2016年12月31日						
At 31 December 2015 and at 1 January 2016 (restated)	於2015年12月31日及 2016年1月1日(重列)：						
Cost	成本	76,737	2,745,756	4,946,268	188,498	272,186	8,229,445
Accumulated depreciation and impairment	累計折舊 及減值	-	(864,602)	(2,674,611)	(19,588)	-	(3,558,801)
Net carrying amount	賬面淨值	76,737	1,881,154	2,271,657	168,910	272,186	4,670,644
At 1 January 2016, net of accumulated depreciation and impairment (restated)	於2016年1月1日， 扣除累計折舊及減值 (重列)	76,737	1,881,154	2,271,657	168,910	272,186	4,670,644
Additions	添置	-	12,844	325,145	-	476,506	814,495
Amount included in the assets held for sale (note 11)	計入持有待售之 金額(附註11)	-	(104,130)	(212,275)	-	-	(316,405)
Disposals/write - off	出售/撇銷	-	(2,046)	(81,370)	-	-	(83,416)
Disposal of subsidiaries (note 31)	出售附屬公司(附註31)	-	(267,238)	(40)	(51,789)	-	(319,067)
Depreciation provided during the year	年內折舊撥備	-	(104,257)	(355,281)	(5,043)	-	(464,581)
Impairment	減值	-	-	(2,431)	-	-	(2,431)
Transfers from construction in progress	轉撥自在建工程	-	120,348	122,630	-	(242,978)	-
Exchange realignment	匯兌調整	1,730	(116,425)	(140,865)	(7,057)	(24,572)	(287,189)
At 31 December 2016, net of accumulated depreciation and impairment	於2016年12月31日， 扣除累計折舊及 減值	78,467	1,420,250	1,927,170	105,021	481,142	4,012,050
At 31 December 2016: Cost	於2016年12月31日： 成本	78,467	2,183,638	4,226,762	119,013	481,142	7,089,022
Accumulated depreciation and impairment	累計折舊及減值	-	(763,388)	(2,299,592)	(13,992)	-	(3,076,972)
Net carrying amount	賬面淨值	78,467	1,420,250	1,927,170	105,021	481,142	4,012,050



14. PROPERTY, PLANT AND EQUIPMENT (continued)

14. 物業、廠房及設備(續)

		Freehold land 永久業權 土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Plant machinery and equipment 廠房、 機械及設備 HK\$'000 千港元	Bearer plants 生產性植物 HK\$'000 千港元 (Restated) (重列)	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元 (Restated) (重列)
31 December 2015	於2015年12月31日						
At 1 January 2015:	於2015年1月1日:						
Cost	成本	88,318	2,779,733	5,119,203	200,806	412,494	8,600,554
Accumulated depreciation and impairment	累計折舊 及減值	-	(857,086)	(2,842,390)	-	-	(3,699,476)
Net carrying amount	賬面淨值	88,318	1,922,647	2,276,813	200,806	412,494	4,901,078
At 1 January 2015, net of accumulated depreciation and impairment	於2015年1月1日， 扣除累計折舊及減值	88,318	1,922,647	2,276,813	200,806	412,494	4,901,078
Additions	添置	-	60,312	466,418	3,590	256,405	786,725
Assets included in the discontinued operation (note 11)	計入終止經營業務之 資產(附註11)	-	(58,390)	(72,377)	-	(2,571)	(133,338)
Disposals/write-off	出售/撇銷	-	(124)	(26,595)	(1,036)	-	(27,755)
Depreciation provided during the year	年內折舊撥備	-	(112,327)	(398,341)	(9,472)	-	(520,140)
Surplus on revaluation	重估之盈餘	-	5,586	-	-	-	5,586
Impairment	減值	-	-	(5,104)	(10,769)	-	(15,873)
Transfers to investment properties (note 15)	轉撥至投資物業 (附註15)	-	(24,344)	-	-	-	(24,344)
Transfer from investment properties (note 15)	轉撥自投資物業 (附註15)	-	3,197	-	-	-	3,197
Transfers from construction in progress	轉撥自在建工程	-	201,797	171,741	-	(373,538)	-
Exchange realignment	匯兌調整	(11,581)	(117,200)	(140,898)	(14,209)	(20,604)	(304,492)
At 31 December 2015, net of accumulated depreciation and impairment	於2015年12月31日， 扣除累計折舊及 減值	76,737	1,881,154	2,271,657	168,910	272,186	4,670,644
At 31 December 2015:	於2015年12月31日:						
Cost	成本	76,737	2,745,756	4,946,268	188,498	272,186	8,229,445
Accumulated depreciation and impairment	累計折舊及減值	-	(864,602)	(2,674,611)	(19,588)	-	(3,558,801)
Net carrying amount	賬面淨值	76,737	1,881,154	2,271,657	168,910	272,186	4,670,644



14. PROPERTY, PLANT AND EQUIPMENT (continued)

An impairment of HK\$2,431,000 (2015: HK\$15,873,000 (restated)) was recognised for certain property, plant and equipment with an aggregate carrying amount of HK\$32,153,000 (2015: HK\$112,597,000 (restated)) (before deducting the impairment loss) during the year because those property, plant and equipment had been dormant and/or obsolete.

At 31 December 2015, certain of the Group's buildings with an aggregate net carrying amount of approximately HK\$171,461,000 were pledged to banks to secure the bank loans granted to the Group (note 25).

At 31 December 2016, certificates of ownership in respect of certain buildings of the Group in Mainland China with an aggregate net carrying amount of HK\$222,351,000 (2015: HK\$140,960,000) had not been issued by the relevant PRC authorities.

14. 物業、廠房及設備(續)

因本年內若干物業、廠房及設備已經閒置和／或廢棄，故賬面值合計為32,153,000港元(2015年：112,597,000港元(重列))(扣除減值損失前)的這些物業、廠房及設備確認2,431,000港元(2015年：15,873,000港元(重列))的減值。

於2015年12月31日，本集團賬面合計淨值約為171,461,000港元，乃就本集團獲授銀行貸款而抵押予銀行(附註25)。

於2016年12月31日，本集團於中國大陸賬面淨值合共222,351,000港元(2015年：140,960,000港元)的若干樓宇尚未獲相關中國機關發出所有權證。



15. INVESTMENT PROPERTIES

15. 投資物業

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Carrying amount at 1 January	於1月1日之賬面值	34,735	98,331
Transfer from owner-occupied properties (note 14)	轉撥自業主自用物業(附註14)	-	24,344
Transfer to owner-occupied properties (note 14)	轉撥至業主自用物業(附註14)	-	(3,197)
Net gain from a fair value adjustment	因公平值調整而產生收益淨額	115	2,004
Exchange realignment	匯兌調整	(2,206)	(6,416)
		32,644	115,066
Less: Assets included in the discontinued operation (note 11)	減：計入終止經營業務之資產(附註11)	-	(80,331)
Carrying amount at 31 December	於12月31日之賬面值	32,644	34,735

The Group's investment properties consist of three commercial properties in Mainland China. The directors of the Company have determined that the investment properties are commercial properties based on the nature, characteristics and risks of each property. The Group's investment properties were revalued on 31 December 2016 based on valuations performed by Savills Valuation and Professional Services Limited, independent professionally qualified valuers, at HK\$32,644,000 (2015: HK\$34,735,000).

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 33(a) to the financial statements.

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

本集團之投資物業包括於中國大陸的三項商用物業。本公司董事根據各投資物業之性質、特點及風險，確立投資物業為商用物業。於2016年12月31日，獨立專業合資格估值師第一太平戴維斯估值及專業顧問有限公司對本集團之投資物業重新估值為32,644,000港元(2015年：34,735,000港元)。

該等投資物業均根據經營租約而租予第三方，其他詳情概述於財務報表附註33(a)。

公平值層級

下表列明本集團投資物業的公平值計量層級：

		Fair value measurement as at 31 December 2016 using 於2016年12月31日採用下列方式計量的公平值			
		Quoted prices in active markets (Level 1) 活躍 市場報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 主要可 觀察參數 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 主要不可 觀察參數 (第三層) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Recurring fair value measurement for:	就下列項目進行經常性公平值計量：				
Commercial properties	商用物業	-	-	32,644	32,644



15. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

		Fair value measurement as at 31 December 2015 using 於2015年12月31日採用下列方式計量的公平值			Total 總計
		Quoted prices in active markets (Level 1) 活躍 市場報價 (第一層) HK\$'000 千港元	Significant observable inputs (Level 2) 主要可 觀察參數 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 主要不可 觀察參數 (第三層) HK\$'000 千港元	
Recurring fair value measurement for:	就下列項目進行經常性 公平值計量：				
Commercial properties	商用物業	–	–	34,735	34,735

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2015: Nil).

於年內，公平值計量在第一層與第二層之間並無進行結轉，亦無與第三層進行轉入或轉出(2015年：無)。

Below is a summary of the valuation technique used and the key inputs to the valuation of investment properties:

下表概述在對投資物業進行估值時所採用的估值方法及主要參數：

	Valuation technique 估值方法	Significant unobservable inputs 主要不可觀察參數	Range or weighted average 範圍或加權平均	
			2016 2016年	2015 2015年
Commercial properties 商用物業	Discounted cash flow method 貼現現金流量法	Estimated rental value (per sq.m and per month) 估計租賃價值 (每平方米及每月) Rent growth (p.a.) 租金漲幅(每年) Long term vacancy rate 長期空置率 Discount rate 貼現率	HK\$19 to HK\$85 19港元至 85港元	HK\$21 to HK\$218 21港元至 218港元
			0%	0% to 5%
			0%	0% to 5%
			0% to 2%	0% to 20%
			0% to 2%	0% to 20%
			2.5% to 7%	2.5% to 7%
			2.5% to 7%	2.5% to 7%

Under the discounted cash flow method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life. This method involves the projection of a series of cash flows on a property interest. A market-derived discount rate is applied to the projected cash flow in order to establish the present value of the income stream associated with the asset.

按照貼現現金流量法，公平值乃採用有關資產年期內所有權的利益及負債的假設進行估計。該方法涉及對物業權益的一連串現金流量的預測。市場衍生的貼現率適用於預測現金流量以便確立與資產有關的收入來源的現值。



15. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related reletting, redevelopment or refurbishment. The appropriate duration is driven by market behaviour that is a characteristic of the class of property. The periodic cash flow is estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance costs, agent and commission costs and other operating and management expenses. The series of periodic net operating income is then discounted.

A significant increase/decrease in the estimated rental value and the market rent growth rate per annum in isolation would result in a significant increase/decrease in the fair value of the investment properties. A significant increase/decrease in the long term vacancy rate and the discount rate in isolation would result in a significant decrease/increase in the fair value of the investment properties. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and the discount rate and an opposite change in the long term vacancy rate.

15. 投資物業(續)

公平值層級(續)

現金流量的持續時間及流入額和流出額的具體時間乃由租金檢討、租約續租及相關轉租、重建或翻新等事件決定。適當的持續時間受市場行為(為物業類別的特性)影響。定期現金流量按總收益扣除空置、不可回收費用、收賬損失、租賃獎勵、維護費用、代理和佣金成本及其他經營和管理費用估算。該一連串定期經營收入淨額進行貼現處理。

估計租賃價值及市場租金年增長率單獨大幅增加/減少將導致投資物業的公平值大幅增加/減少。長期空置率及貼現率單獨大幅增加/減少將導致投資物業的公平值大幅減少/增加。一般而言，就估計租賃價值作出的假設變動會伴隨着租金年增長率及貼現率出現正向變動，而長期空置率出現反向變動。

16. PREPAID LAND PREMIUMS

16. 預付土地金

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Carrying amount at 1 January	於1月1日之賬面值	471,842	435,351
Additions	添置	109,126	75,126
Recognised during the year	年內確認	(13,265)	(11,359)
Disposal of subsidiaries (note 31)	出售附屬公司(附註31)	(14,419)	-
Amount included in the disposal group classified as held for sale (note 11)	包括於分類為持有待售之出售組合之金額(附註11)	(34,043)	-
Exchange realignment	匯兌調整	(32,852)	(27,276)
Carrying amount at 31 December	於12月31日之賬面值	486,389	471,842
Current portion included in prepayments, deposits and other receivables	包括於預付款項、按金及其他應收款項之即期部份	(13,815)	(11,991)
Non-current portion	非即期部份	472,574	459,851

At 31 December 2016, certificates of land use rights in respect of certain land of the Group in Mainland China with an aggregate net carrying amount of HK\$20,926,000 (2015: HK\$89,780,000) had not been issued by the relevant PRC authorities.

於2016年12月31日，本集團於中國大陸賬面淨值合共為20,926,000港元(2015年：89,780,000港元)的若干土地，尚未獲相關中國機關發出與之有關的土地使用權證。





17. GOODWILL

17. 商譽

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
At 1 January:	於1月1日：		
Cost	成本	1,684,061	1,753,834
Accumulated impairment	累計減值	–	(11,610)
Net carrying amount	賬面淨值	1,684,061	1,742,224
Cost at 1 January, net of accumulated impairment	於1月1日之成本，扣除累計減值	1,684,061	1,742,224
Attributable to the disposal group classified as held for sale (note 11)	持有待售之出售組合應佔部份(附註11)	(102,782)	–
Exchange realignment	匯兌調整	(58,925)	(58,163)
Cost and net carrying amount at 31 December	於12月31日之成本及賬面淨值	1,522,354	1,684,061

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash-generating units, which are reportable segments, for impairment testing:

- Beverage cash-generating unit
- Wine cash-generating unit

The recoverable amount of each of the above cash-generating units has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rates applied to the cash flow projections ranged from 12% to 13% (2015: 12% to 13%) and cash flows beyond the five-year period are extrapolated using a growth rate of 3% (2015: 3%).

商譽之減值測試

透過業務合併而收購之商譽，已分配至以下現金產生單位(可予呈報分部)以作減值測試：

- 飲料現金產生單位
- 酒品類現金產生單位

上述各現金產生單位之可收回款額，乃根據使用價值釐定。使用價值則按照高級管理層批准涵蓋五年期間財政預算下運用現金流量預算計算。現金流量預算所應用之貼現率介乎於12%至13%(2015年：12%至13%)，而超過五年期間的現金流乃按3%(2015年：3%)之增長率予以推測。



17. GOODWILL (continued)

The carrying amounts of goodwill allocated to each of the cash-generating units are as follows:

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Beverage	飲料	1,109,906	1,190,583
Wine	酒品類	412,448	493,478
		1,522,354	1,684,061

Assumptions were used in the value in use calculation of the cash-generating units for 31 December 2016 and 31 December 2015. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the years immediately before the budget year, increased for expected market development.

Discount rates – The discount rates used are before tax and reflect specific risks relating to the relevant units.

17. 商譽(續)

分配至各現金產生單位之商譽賬面值如下：

於2016年12月31日及2015年12月31日，在計算現金產生單位之使用價值時，已應用若干假設。以下載述管理層設定現金流量預算所依據之每一關鍵假設，以進行商譽減值測試：

預算毛利率 – 用作釐定預算毛利率所指定價值之基準，為緊接預算年度前若干年度取得之平均毛利率，並隨預期市場發展而上升。

貼現率 – 所使用貼現率為計算稅項前，並反映相關單位所涉及之特定風險。





18. OTHER INTANGIBLE ASSETS

18. 其他無形資產

		Computer software 電腦軟件 HK\$'000 千港元	Water rights 水權 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 December 2016	2016年12月31日			
At 1 January 2016:	於2016年1月1日:			
Cost	成本	75,433	7,389	82,822
Accumulated amortisation	累計攤銷	(66,067)	(1,145)	(67,212)
Net carrying amount	賬面淨值	9,366	6,244	15,610
Cost at 1 January 2016, net of accumulated amortisation	於2016年1月1日之成本，扣除累計攤銷	9,366	6,244	15,610
Amortisation provided during the year	年內攤銷撥備	(4,025)	(217)	(4,242)
Exchange realignment	匯兌調整	(466)	370	(96)
Cost at 31 December 2016, net of accumulated amortisation	於2016年12月31日之成本，扣除累計攤銷	4,875	6,397	11,272
At 31 December 2016:	於2016年12月31日:			
Cost	成本	70,648	7,834	78,482
Accumulated amortisation	累計攤銷	(65,773)	(1,437)	(67,210)
Net carrying amount	賬面淨值	4,875	6,397	11,272
31 December 2015	2015年12月31日			
At 1 January 2015:	於2015年1月1日:			
Cost	成本	80,109	8,654	88,763
Accumulated amortisation	累計攤銷	(60,297)	(1,096)	(61,393)
Net carrying amount	賬面淨值	19,812	7,558	27,370
Cost at 1 January 2015, net of accumulated amortisation	於2015年1月1日之成本，扣除累計攤銷	19,812	7,558	27,370
Amortisation provided during the year	年內攤銷撥備	(9,568)	(226)	(9,794)
Exchange realignment	匯兌調整	(878)	(1,088)	(1,966)
Cost at 31 December 2015, net of accumulated amortisation	於2015年12月31日，扣除累計攤銷	9,366	6,244	15,610
At 31 December 2015:	於2015年12月31日:			
Cost	成本	75,433	7,389	82,822
Accumulated amortisation	累計攤銷	(66,067)	(1,145)	(67,212)
Net carrying amount	賬面淨值	9,366	6,244	15,610



19. INVESTMENTS IN ASSOCIATES

19. 於聯營公司之投資

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Share of net assets	分佔資產淨值	726,412	780,759

The amounts due from and to associates included in current assets and current liabilities of HK\$26,297,000 (2015: HK\$10,496,000) and HK\$124,753,000 (2015: HK\$176,405,000), respectively, are unsecured, interest-free and are repayable on demand.

計入流動資產及流動負債之聯營公司欠款及欠聯營公司款項分別為26,297,000港元(2015年: 10,496,000港元)及124,753,000港元(2015年: 176,405,000港元), 均為無抵押、免息及按要求償還。

Particulars of the Group's principal associates as at 31 December 2016 are set out in note 36 to the financial statements.

本集團於2016年12月31日之主要聯營公司的詳情載於財務報表附註36。

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

下表列明本集團並不單獨重大的聯營公司的匯總財務資料:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Share of the associates' profit for the year	應佔聯營公司年度溢利	73,010	71,872
Share of the associates' other comprehensive income	應佔聯營公司的其他全面收入	548	682
Share of the associates' total comprehensive income	應佔聯營公司的全面收入總額	73,558	72,554
Aggregate carrying amount of the Group's investments in associates	本集團於聯營公司之投資的賬面值合計	726,412	780,759





20. AVAILABLE-FOR-SALE INVESTMENTS

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Unlisted equity investments	非上市權益投資	12,975	209,637

As at 31 December 2016, the Group's available-for-sale investments were stated at cost less impairment because the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair value cannot be measured reliably. The Group does not intend to dispose of them in the near future. During the year, an impairment of HK\$378,000 (2015: HK\$ 3,477,000) was recognised for an available-for-sale investment in the wine segment with a carrying amount of HK\$9,929,000 (before deducting the impairment loss), because there are objective evidences indicating that such investment was impaired.

20. 可供出售投資

於2016年12月31日，本集團之可供出售投資以成本值扣除減值列賬，此乃由於合理的公平值估計範圍甚大，董事認為其公平值無法可靠計量。本集團無意在短期內出售該等投資。於年內，酒品類分部內賬面值為9,929,000港元（於扣除減值虧損前）之可供出售投資確認減值378,000港元（2015年：3,477,000港元），原因為有客觀證據證明此項投資出現減值。

21. INVENTORIES

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Raw materials	原料	1,939,219	1,927,016
Work in progress	在製品	6,752	9,290
Finished goods	製成品	2,061,854	2,102,309
		4,007,825	4,038,615

21. 存貨



22. ACCOUNTS AND BILLS RECEIVABLES

22. 應收賬款及票據

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Accounts and bills receivables	應收賬款及票據	1,446,904	1,481,028
Impairment	減值	(127,232)	(104,618)
		1,319,672	1,376,410

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for one to three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its account and bill receivables balances. Accounts and bills receivables are non-interest-bearing.

An ageing analysis of the accounts and bills receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

除新客戶外，本集團與客戶之貿易條款乃主要按信貸訂立，一般規定新客戶預先付款。信貸期一般介乎一至三個月。每名客戶都設有信貸額上限。本集團尋求維持嚴格控制其未償還應收賬款及設有信貸控制部，務求將信貸風險減至最低。高級管理層定期審核逾期結餘。鑒於上述，以及本集團涉及大量不同客戶之應收賬款，故信貸風險之集中程度並不嚴重。本集團並無就其應收賬款及票據結餘持有任何抵押品或其他信用增級。應收賬款及票據為不計息。

於報告期末之應收賬款及票據賬齡按發票日期並扣除撥備分析如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Within 3 months	三個月內	1,039,048	1,298,638
3 to 12 months	三個月至十二個月內	252,501	55,587
1 to 2 years	一年至二年內	19,296	13,309
Over 2 years	超過二年	8,827	8,876
		1,319,672	1,376,410

The accounts and bills receivables included in a disposal group classified as held for sale (note 11) of HK\$24,551,000 are aged within three months and the remaining balance of HK\$583,000 is aged within one year.

計入分類為持有待售之出售組合(附註11)的24,551,000港元應收賬款及票據的賬齡為三個月內及餘下的583,000港元應收賬款及票據的賬齡則為一年內。





22. ACCOUNTS AND BILLS RECEIVABLES (continued)

The movements in provision for impairment of accounts receivable are as follows:

22. 應收賬款及票據(續)

應收賬款減值撥備變動如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
At 1 January	於1月1日	104,618	71,867
Impairment losses recognised	已確認減值虧損	32,183	48,474
Amount written off as uncollectible	列為壞賬被撇銷之數額	(1,988)	(1,674)
Exchange realignment	匯兌調整	(7,581)	(5,561)
		127,232	113,106
Less: Amounts included in the discontinued operation (note 11)	減：計入終止經營業務的金額(附註11)	-	(8,488)
At 31 December	於12月31日	127,232	104,618

Included in the above provision for impairment of accounts receivable is a provision for individually impaired accounts receivable of HK\$127,232,000 (2015: HK\$104,618,000) with a carrying amount before provision of HK\$428,556,000 (2015: HK\$138,211,000).

The individually impaired accounts receivable relate to customers that were in financial difficulties or were in default in interest and/or principal payments and only a portion of the receivables is expected to be recovered.

上述應收賬款減值撥備包括個別減值應收賬款之撥備約127,232,000港元(2015年：104,618,000港元)，該等應收賬款撥備前之賬面值約為428,556,000港元(2015年：138,211,000港元)。

已個別減值之應收賬款乃與處於財政困難或拖欠利息及／或本金之客戶有關，預期該應收賬款僅部份能夠收回。



22. ACCOUNTS AND BILLS RECEIVABLES (continued)

The ageing analysis of the accounts and bills receivables that are not individually nor collectively considered to be impaired is as follows:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Neither past due nor impaired	未逾期亦未減值	1,001,693	1,333,882
Within 1 year past due	逾期一年以內	16,655	8,935
		1,018,348	1,342,817

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

Financial assets that are not derecognised in their entirety

At 31 December 2016, the Group endorsed certain bills receivable accepted by banks in Mainland China (the "Endorsed Bills") with a carrying amount of HK\$52,412,000 (2015: HK\$12,247,000) to certain of its suppliers in order to settle the trade payables due to these suppliers (the "Endorsement"). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Bills, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Bills and the associated trade payables settled. Subsequent to the Endorsement, the Group did not retain any rights on the use of the Endorsed Bills, including sale, transfer or pledge of the Endorsed Bills to any other third parties. The aggregate carrying amount of the trade payables settled by the Endorsed Bills during the year to which the suppliers have recourse was HK\$52,412,000 (2015: HK\$12,247,000) as at 31 December 2016.

22. 應收賬款及票據(續)

非個別或共同認定減值之應收賬款及票據之賬齡分析如下：

未逾期亦未減值之應收賬款乃與多名近期並無出現拖欠情況之各類客戶有關。

已逾期但未減值之應收賬款乃與多名過往與本集團交易記錄良好之獨立客戶有關。基於以往經驗，本公司董事認為，由於該等結餘之信貸質素並無出現重大變動且仍被視為可悉數收回，故並無必要就該等結餘作出減值撥備。

未全部取消確認之金融資產

於2016年12月31日，本集團向其若干供應商簽署中國大陸銀行接納的賬面值為52,412,000港元(2015年：12,247,000港元)之若干應收票據(「背書票據」)，以清償欠付該等供應商的應付貿易賬款(「背書」)。董事認為，本集團已保留大部份風險及回報，包括與該等背書票據有關的違約風險，因此，其繼續確認背書票據及相關已清償應付貿易賬款的全數賬面值。背書後，本集團並無保留使用背書票據之任何權利，包括向任何第三方出售、轉讓或抵押背書票據。於2016年12月31日，年內以附追索權的背書票據清償之應付貿易賬款之賬面值總額為52,412,000港元(2015年：12,247,000港元)。





22. ACCOUNTS AND BILLS RECEIVABLES (continued)

Financial assets that are derecognised in their entirety

At 31 December 2016, the Group endorsed certain bills receivable accepted by banks in Mainland China (the “Derecognised Bills”) with a carrying amount in aggregate of HK\$64,318,000 (2015: HK\$45,823,000) to certain of its suppliers in order to settle the trade payables due to these suppliers. The Derecognised Bills had a maturity from one to six months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the PRC banks default (the “Continuing Involvement”). In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group’s Continuing Involvement in the Derecognised Bills are not significant.

During the year, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Bills. No gains or losses were recognised from the Continuing Involvement, both during the year or cumulatively. The endorsement has been made evenly throughout the year.

22. 應收賬款及票據(續)

所有終止確認的金融資產

於2016年12月31日，本集團向其若干供應商簽署中國大陸銀行接納的若干應收票據(「取消確認票據」)，以清償欠付該等供應商的應付貿易賬款，賬面值總額為64,318,000港元(2015年：45,823,000港元)。於報告期末，取消確認票據的屆滿期介乎一至六個月。根據中國票據法，倘該等中國大陸銀行拖欠，取消確認票據持有人對本集團擁有追索權(「持續涉及」)。董事認為，本集團已轉移有關取消確認票據的大部份風險及回報。因此，其已取消確認該取消確認票據及相關應付貿易賬款的全數賬面值。本集團因持續涉及取消確認票據以及回購取消確認票據的未折現現金流而面對的最高虧損風險相等於其賬面值。董事認為，本集團持續涉及取消確認票據的公平值並不重大。

年內，本集團並無於轉讓取消確認票據之日確認任何損益。本集團並無就持續涉及確認年內或累計損益。背書已於年內均勻序時進行。



23. CASH AND CASH EQUIVALENTS, RESTRICTED BANK BALANCE AND PLEDGED DEPOSITS

23. 現金及現金等值項目、受限制銀行結餘及抵押存款

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	1,120,224	899,170
Time deposits	定期存款	51,607	71,954
		1,171,831	971,124
Less: Restricted bank balances [#]	減：受限制銀行結餘 [#]	-	(6,974)
Time deposits pledged for bills payable (note 24)	就應付票據而抵押之定期存款(附註24)	(51,607)	(64,980)
Cash and cash equivalents	現金及現金等值項目	1,120,224	899,170

[#] The amounts were restricted solely for the purpose of the payment of refurbishment costs to a former landlord of a property in which the Group has moved out.

[#] 該等金額僅限於向物業(本集團已搬離)的前業主支付重新裝修費用。

At the end of the reporting period, the cash and cash equivalents, restricted bank balances and pledged deposits of the Group denominated in Renminbi ("RMB") amounted to HK\$1,020,218,000 (2015: HK\$834,802,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於報告期末，本集團以人民幣(「人民幣」)為單位之現金和現金等值項目、受限制銀行結餘以及抵押存款為1,020,218,000港元(2015年：834,802,000港元)。人民幣不可自由兌換為其他貨幣，然而，根據中國大陸外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過特許進行外匯業務之銀行將人民幣兌換為外幣。

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of within one year depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances, restricted bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

存放於銀行之現金乃按每日銀行存款利率計算之浮息利率賺取利息。視乎本集團即時之現金需求而定，短期定期存款乃按一年內不等之期間存放，並按各短期定期存款利率賺取利息。銀行結餘、受限制銀行結餘及抵押存款存入最近並無違約記錄之信譽良好之銀行。





24. ACCOUNTS AND BILLS PAYABLES

An ageing analysis of the accounts and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		2016	2015
		2016年	2015年
		HK\$'000	HK\$'000
		千港元	千港元
Within 3 months	三個月內	1,114,518	1,173,579
3 to 12 months	三個月至十二個月內	75,035	107,137
1 to 2 years	一年至二年內	1,251	11,615
Over 2 years	超過二年	8,416	7,765
		1,199,220	1,300,096

The accounts and bills payables are non-interest-bearing and are normally settled in one to three months and one to six months, respectively.

The accounts and bills payables included in a disposal group classified as held for sale (note 11) of HK\$115,759,000 are aged within three months, HK\$69,000 are aged within one year and the remaining balance of HK\$51,000 is aged within two years.

Certain of the Group's bills payable are secured by the pledge of the Group's bank deposits amounting to HK\$51,607,000 (2015: HK\$64,980,000).

24. 應付賬款及票據

於報告期末之應付賬款及票據賬齡按發票日期分析如下：

應付賬款及票據為不計息，一般的付款期分別為一至三個月及一至六個月。

列入分類為持有待售的出售組合(附註11)的115,759,000港元、69,000港元及剩下之51,000港元結餘應付賬款及票據賬齡分別為三個月內、一年內及兩年內。

本集團若干應付票據以金額為51,607,000港元(2015年：64,980,000港元)之本集團銀行存款予以擔保。



25. INTEREST-BEARING BANK AND OTHER BORROWINGS

25. 計息銀行貸款及其他貸款

		2016 2016年			2015 2015年		
		Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$'000 千港元	Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$'000 千港元
Current	即期						
Bank loans – secured	銀行貸款 – 有抵押	-	-	-	5.34	2016	167,108
Bank loans – unsecured	銀行貸款 – 無抵押	1.25-1.50	On demand 按通知	820,000	1.55-5.66	2016	1,442,971
Other loans – unsecured	其他貸款 – 無抵押	-	-	-	5.60	2016	37,571
				820,000			1,647,650
Non-current	非即期						
Bank loans – unsecured	銀行貸款 – 無抵押	0.92-1.75	2018	800,000	0.92-2.12	2017	1,000,000
Other loans – unsecured	其他貸款 – 無抵押	4.28	2019	25,086	-		-
				825,086			1,000,000
				1,645,086			2,647,650
Analysed into:	分析:						
Bank loans repayable:	待償還之銀行 貸款到期:						
Within one year	於一年內			820,000			1,610,079
In the second year	第二年內			800,000			1,000,000
				1,620,000			2,610,079
Other loans repayable:	待償還之其他 貸款到期:						
Within one year	於一年內			-			37,571
In the third year	第三年內			25,086			-
				25,086			37,571
				1,645,086			2,647,650





25. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes:

- (a) At 31 December 2015, certain of the Group's bank loans were secured by:
- (i) mortgages over certain of the Group's buildings, which had an aggregate carrying amount of approximately HK\$171,461,000; and
 - (ii) mortgages over certain of the Group's land use rights, which had an aggregate carrying amount of approximately HK\$16,416,000.
- (b) Except for other loans of HK\$25,086,000 denominated in RMB, all other borrowings were denominated in Hong Kong dollars (2015: except for bank loans of HK\$210,079,000 and other loans of HK\$53,088,000 denominated in RMB, all other borrowings were denominated in Hong Kong dollars).

25. 計息銀行貸款及其他貸款(續)

附註：

- (a) 於2015年12月31日，本集團之部份銀行貸款乃以以下各項作擔保：
- (i) 抵押本集團面值總額約為171,461,000港元之若干樓宇；及
 - (ii) 抵押本集團面值總額約為16,416,000港元之若干土地使用權。
- (b) 除了25,086,000港元之其他貸款以人民幣為單位，其他所有借款均以港元為單位(2015年：除了210,079,000港元之銀行貸款及53,088,000港元之其他貸款以人民幣為單位，其他所有借款均以港元為單位)。

26. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

		Fair value adjustments arising from investment properties, bearer plants and acquisition of subsidiaries 投資物業、生產性植物及收購附屬公司產生之公平值調整 HK\$'000 千港元
At 1 January 2015	於2015年1月1日	63,873
Deferred tax credited to the statement of profit or loss during the year (restated)	於本年度損益報表內計入之遞延稅項(重列)	(1,762)
Deferred tax charged to other comprehensive income during the year	於本年度其他全面收入內扣除之遞延稅項	1,397
Exchange realignment (restated)	匯兌調整(重列)	(4,248)
At 31 December 2015 and at 1 January 2016 (restated)	於2015年12月31日及2016年1月1日(重列)	59,260
Disposal of subsidiaries (notes 11 and 31)	出售附屬公司(附註11及31)	(22,212)
Deferred tax credited to the statement of profit or loss during the year	於本年度損益報表內計入之遞延稅項	(2,887)
Exchange realignment	匯兌調整	(1,326)
Gross deferred tax liabilities at 31 December 2016	於2016年12月31日之遞延稅項負債總額	32,835

26. 遞延稅項

本年度內遞延稅項負債及資產之變動如下：

遞延稅項負債



26. DEFERRED TAX (continued)

Deferred tax assets

		Provision against inventories	Impairment of receivables	Losses available for offsetting against future taxable profits 可用於抵銷 未來應課稅 利潤的虧損	Accruals	Unrealised profits	Deferred income	Others	Total
		存貨撥備 HK\$'000 千港元	應收款項減值 HK\$'000 千港元	利潤的虧損 HK\$'000 千港元	預提費用 HK\$'000 千港元	未變現溢利 HK\$'000 千港元	遞延收入 HK\$'000 千港元	其他 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2015	於2015年1月1日		2,044	56,200	59,984	21,586	24,366	13,913	184,521
Deferred tax credited/(charged) to the statement of profit or loss during the year	於本年度損益報表內計入/ (扣除)之遞延稅項	(1,106)	(95)	(8,310)	37,713	(7,403)	(1,441)	(370)	18,988
Exchange realignment	匯兌調整	(87)	(372)	(2,737)	(4,603)	(878)	(1,380)	(801)	(10,858)
At 31 December 2015 and at 1 January 2016	於2015年12月31日及 2016年1月1日	851	5,961	45,153	93,094	13,305	21,545	12,742	192,651
Deferred tax credited/(charged) to the statement of profit or loss during the year	於本年度損益報表內計入/ (扣除)之遞延稅項	259	(1,063)	(296)	6,838	(8,019)	(4,293)	(1,929)	(8,503)
Exchange realignment	匯兌調整	(62)	(344)	(2,854)	(6,121)	(590)	(1,230)	(747)	(11,948)
Gross deferred tax assets at 31 December 2016	於2016年12月31日之 遞延稅項資產總額	1,048	4,554	42,003	93,811	4,696	16,022	10,066	172,200

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for the financial reporting purposes:

為作呈列之用，若干遞延稅項資產及負債已於財務狀況表抵銷。為作財務呈報之用，本集團的遞延稅項結餘分析如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認的 遞延稅項資產淨額	154,964	182,837
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認的 遞延稅項負債淨額	(25,545)	(34,200)
Net deferred tax liabilities included in the discontinued operation (note 11)	計入終止經營業務的 遞延稅項負債淨額(附註11)	—	(15,246)
Net deferred tax assets included in the disposal group classified as held for sale (note 11)	計入分類為持有待售之出售 組合的遞延稅項資產淨額 (附註11)	9,946	—
		139,365	133,391





26. DEFERRED TAX (continued)

The Group has tax losses arising in Mainland China of HK\$2,961,759,000 (2015: HK\$3,124,278,000) that are available for offsetting against future taxable profits to a maximum period of five years of the companies in which the losses arose. The Group also has tax losses arising in France and Chile of HK\$26,584,000 (2015: HK\$30,499,000) that are available indefinitely for offsetting against future taxable profits of the company in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China or offshore incorporated enterprises which are regarded as Chinese Resident Enterprise ("CRE"). The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China or offshore incorporated enterprises which are regarded as CRE in respect of earnings generated from 1 January 2008.

Pursuant to the approvals received by the Company from the State Administration of Taxation of the PRC, the Company and most of its subsidiaries are regarded as CRE and relevant enterprise income tax policies shall be applicable to the Company and these subsidiaries starting from 1 January 2013. As a result, the Company and these subsidiaries are therefore no longer liable for withholding taxes on dividends distributed by their subsidiaries established in Mainland China in respect of retained earnings generated from 1 January 2008 to 31 December 2012. No deferred tax has been recognised for withholding taxes on the unremitted earnings of the Group's subsidiaries or associates established in Mainland China at 31 December 2016.

26. 遞延稅項(續)

本集團來自中國大陸之稅損為2,961,759,000港元(2015年:3,124,278,000港元)可供產生虧損之公司在日後最長達五年之期間用於抵銷未來應課稅溢利。本集團本年度來自法國與智利之稅損為26,584,000港元(2015年:30,499,000港元)，可供產生虧損之公司在日後不定期用於抵銷未來應課稅溢利。由於該等虧損來自已處於虧損狀態一段時間之附屬公司，而且不認為有應課稅溢利可供動用該等稅損，故並無就該等虧損確認遞延稅項資產。

根據中國企業所得稅法，在中國大陸成立之外資企業或在國外註冊成立之中國居民企業(「中國居民企業」)向外國投資者宣派股息，有關股息須繳納10%之預扣稅。此規定於2008年1月1日生效並適用於2007年12月31日之後獲得之盈利。倘中國與該等外國投資者所在司法權區域訂有稅收優惠條約，則預扣稅率准予下調。因此，本集團須承擔於中國大陸成立之該等附屬公司或在國外註冊成立之中國居民企業就於2008年1月1日起所獲盈利分派股息產生之預扣稅。

根據本公司獲中國國家稅務局頒發的批文，本公司及其大部份附屬公司被認定為中國居民企業，及自2013年1月1日起適用有關企業所得稅法。因此，本公司及此等附屬公司將無須就其於中國大陸成立之附屬公司自2008年1月1日起至2012年12月31日止期間產生的保留盈利分派的股息繳納預扣稅。於2016年12月31日，並未就本集團在中國大陸成立之附屬公司或聯營公司之未匯付盈利預扣稅確認遞延稅項。



27. SHARE CAPITAL

Shares

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Authorised:	法定：		
4,000,000,000 (2015: 4,000,000,000) ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股4,000,000,000股 (2015年：4,000,000,000股)	400,000	400,000
Issued and fully paid:	已發行及繳足：		
2,797,223,396 (2015: 2,797,223,396) ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股2,797,223,396股 (2015年：2,797,223,396股)	279,722	279,722

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 28 to the financial statements.

27. 股本

股份

購股權

本公司購股權計劃及已根據計劃發行的購股權詳情載於財務報表附註28。

28. SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed on 21 November 2006, the Company conditionally adopted a share option Scheme (the "Option Scheme"). The Option Scheme became effective on 21 November 2006 (the "Effective Date"), which has a term of 10 years and expired on 20 November 2016. All outstanding options granted under the Option Scheme will continue to be valid and exercisable in accordance with the terms of the Option Scheme. No further option will be granted under the Option Scheme.

The purpose of the Option Scheme is to attract, retain and motivate senior management personnel and key employees of the Company, and provide eligible participants with an opportunity to acquire proprietary interests in the Company and to encourage eligible participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

The maximum number of unexercised share options currently permitted to be granted under the Option Scheme is an amount equivalent, upon their exercise, to 10% of the issued shares of the Company at the date of the adoption of the Option Scheme. The maximum number of shares issuable under share options granted to each eligible participant pursuant to the Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at the relevant time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

28. 購股權計劃

根據於2006年11月21日通過之一項普通決議案，本公司有條件採納一項購股權計劃(「購股權計劃」)。該購股權計劃於2006年11月21日(「生效日期」)生效，期限10年，並已於2016年11月20日屆滿。根據購股權計劃授出的所有未行使購股權將根據購股權計劃的條款繼續有效及可行使。本公司不會根據購股權計劃再授出任何購股權。

購股權計劃旨在吸引、挽留及激勵本公司高級管理層人員及主要僱員，讓合資格參與者藉此在本公司購入個人的權益，鼓勵合資格參與者致力於為本公司及其股東整體利益提升本公司及其股份之價值。

按購股權計劃目前可授予而未行使之購股權於行使時可認購之本公司股份最高上限數目，相當於本公司於採納購股權計劃當天已發行股份之10%。於任何十二個月期間，根據購股權計劃授予每位合資格參與者之購股權可發行股份之最高數目於相關時間均限於本公司已發行股份之1%。超越此限額之任何進一步授出之購股權須先獲得股東於股東大會批准。





28. SHARE OPTION SCHEME (continued)

Share options granted to a director or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder of the Company, or to any of its associates, in excess of 0.1% of the shares of the Company in issue at the relevant time or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of offer. The exercise periods of the share options granted commence subject to the applicable vesting schedule and in any event end on a date which is not later than seven years from the date of acceptance of the share options, subject to early termination thereof as provided in the Option Scheme.

The exercise price shall be determined by the board and shall be the higher of (a) the closing price of the shares as stated in the daily quotation sheet issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of the offer; (b) the average of the closing prices of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of the offer; or (c) the nominal value of a share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

On 29 March 2011, a total of 30,880,000 share options were granted to certain directors of the Company and certain employees of the Group in respect of their services to the Group. The exercise price of such options is HK\$4.91. The closing price of the Company's shares immediately before the date of grant was HK\$4.80 per share.

28. 購股權計劃(續)

授予本公司董事或主要股東或彼等任何聯繫人之購股權須先由獨立非執行董事批准。此外，於任何十二個月期間內，授予本公司主要股東或其任何聯繫人之任何購股權，倘超逾本公司於相關時間已發行股份之0.1%，或按本公司於授出日期之股份收市價計算的總值超逾5,000,000港元，則須先由股東於股東大會批准。

購股權可於授出日期起計28日內接納。已授出購股權的行使期(須受制於適合的歸屬期)無論如何不得超過接納購股權日期起計七年，惟符合購股權計劃所載有關提早終止的條文者除外。

行使價為董事會釐定，並須為以下三項之最高者：(a)於要約當日香港聯合交易所有限公司(「聯交所」)每日報價表所載股份收市價；(b)於緊接要約日期前五個營業日聯交所每日報價表所載股份之平均收市價；或(c)股份之面值。

購股權並無賦予持有人收取有關股息或於股東大會投票之權利。

於2011年3月29日，本公司就本公司若干董事及本集團若干僱員向本集團提供服務而授出合共30,880,000份購股權。該購股權的行使價為4.91港元。緊接授出購股權日期前本公司股份的收市價為每股4.80港元。



28. SHARE OPTION SCHEME (continued)

The following options were outstanding under the Option Scheme during the year:

28. 購股權計劃(續)

年內，根據購股權計劃下列購股權尚未行使：

		2016 2016年		2015 2015年	
		Weighted average exercise price 加權 平均行使價 HK\$ 港元每股	Number of options 購股權 數目 '000 千份	Weighted average exercise price 加權 平均行使價 HK\$ 港元每股	Number of options 購股權 數目 '000 千份
At 1 January	於1月1日	4.910	25,080	4.910	25,700
Lapsed during the year	年內失效	4.910	(2,960)	4.910	(620)
At 31 December	於12月31日	4.910	22,120	4.910	25,080

The exercise price and exercise periods of the options outstanding as at the end of the reporting period are as follows:

於報告期末尚未行使之購股權之行使價及行使期如下：

2016

2016年

Directors 董事 '000 千份	Number of options granted to 授出購股權數目		Vesting period 歸屬期	Exercise price* 行使價* HK\$ per share 港元每股	Exercise period 行使期
	Employees 僱員 '000 千份	Total 總計 '000 千份			
260	4,188	4,448	29-3-2011 to 28-3-2013	4.910	29-3-2013 to 28-3-2018
260	4,188	4,448	29-3-2011 to 28-3-2014	4.910	29-3-2014 to 28-3-2018
260	4,188	4,448	29-3-2011 to 28-3-2015	4.910	29-3-2015 to 28-3-2018
260	4,188	4,448	29-3-2011 to 28-3-2016	4.910	29-3-2016 to 28-3-2018
260	4,068	4,328	29-3-2011 to 28-3-2017	4.910	29-3-2017 to 28-3-2018
1,300	20,820	22,120			





28. SHARE OPTION SCHEME (continued)

2015

Number of options granted to 授出購股權數目			Vesting period 歸屬期	Exercise price* 行使價* HK\$ per share 港元每股	Exercise period 行使期
Directors 董事 '000 千份	Employees 僱員 '000 千份	Total 合計 '000 千份			
508	4,508	5,016	29-3-2011 to 28-3-2013	4.910	29-3-2013 to 28-3-2018
508	4,508	5,016	29-3-2011 to 28-3-2014	4.910	29-3-2014 to 28-3-2018
508	4,508	5,016	29-3-2011 to 28-3-2015	4.910	29-3-2015 to 28-3-2018
508	4,508	5,016	29-3-2011 to 28-3-2016	4.910	29-3-2016 to 28-3-2018
508	4,508	5,016	29-3-2011 to 28-3-2017	4.910	29-3-2017 to 28-3-2018
2,540	22,540	25,080			

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

The fair value of the equity-settled share options was estimated as at the date of grant, using a binomial option pricing model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Date of grant	授出日期	29 March 2011 2011年3月29日
Dividend yield (%)	股息率(%)	2.109
Expected volatility (%)	預期波幅(%)	33.716
Historical volatility (%)	過往波幅(%)	33.716
Risk-free interest rate (%)	無風險利率(%)	2.40
Expected life of options (year)	購股權預計年期(年)	7
Weighted average share price (HK\$)	加權平均股份價格(港元)	4.910

28. 購股權計劃(續)

2015年

* 倘本公司進行供股、發行紅股或其股本出現其他類似變動，則購股權之行使價須予調整。

股本結算購股權之公平值乃於授予購股權當日以二項式期權定價模式作出估計，並已考慮授出購股權之條款及條件。下表列出該模式之輸入數值：



28. SHARE OPTION SCHEME (continued)

The expected life of the options is determined with reference to the vesting term and original contractual term of the Option Scheme and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

At the end of the reporting period, a total of 22,120,000 (2015: 25,080,000) share options remained outstanding under the Option Scheme. The options outstanding at 31 December 2016 had remaining contractual lives 1.25 years (2015: 2.25 years). The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 22,120,000 (2015: 25,080,000) additional ordinary shares of the Company and additional share capital of approximately HK\$2,212,000 (2015: approximately HK\$2,508,000) and additional share premium of approximately HK\$106,397,000 (2015: HK\$120,635,000) (before issue expenses).

28. 購股權計劃(續)

購股權預計年期乃參考購股權計劃之歸屬期限及原有合約條款而釐定，未必能顯示行使購股權的模式。預期波幅反映過往波幅可顯示未來趨勢的假設，惟未來趨勢未必是實際結果。

並無其他已授出購股權的特點列入公平值的計算當中。

於報告期末，購股權計劃項下尚未行使的購股權合共22,120,000份(2015年：25,080,000份)。於2016年12月31日尚未行使的購股權剩餘合約期限為1.25年(2015年：2.25年)。在本公司現時的資本結構下全面行使尚未行使的購股權將導致本公司發行22,120,000股(2015年：25,080,000股)額外普通股及額外股本約2,212,000港元(2015年：約2,508,000港元)及額外股份溢價約106,397,000港元(2015年：約120,635,000港元)(扣除發行開支前)。





29. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 148 to 149 of the financial statements.

Pursuant to the relevant laws and regulations for Sino-foreign joint venture enterprises, a portion of the profits of certain of the Company's subsidiaries and associates in Mainland China has been transferred to reserve funds which are restricted as to use.

The Group's capital reserve includes:

- (1) the differences between the consideration and the book value of the share of net assets acquired/disposed of when there is a change in the ownership interest of a subsidiary, without a loss of control;
- (2) share of other comprehensive income of an associate; and
- (3) the contributed surplus which represents:
 - (i) the excess value of the shares acquired over the nominal value of the Company's shares issued in exchange therefor under the group reorganisation in 1991, less the goodwill arising on the acquisition of subsidiaries and associates which remains eliminated against the capital reserve; and
 - (ii) the excess value of the shares acquired over the nominal value of the Company's shares issued in exchange therefor under the reorganisation as completed during the year ended 31 December 2006.

On 15 April 2008, the Board passed a resolution in relation to a share premium cancellation pursuant to Section 46 of the Companies Act 1981 of Bermuda, which was approved by shareholders on a special resolution on 19 May 2008, and was later approved by the registrar of companies of Bermuda on 3 June 2008. Accordingly, the share premium accounting for approximately HK\$3,660,432,000 was transferred to the contributed surplus during the year ended 31 December 2008.

29. 儲備

本集團當年及過往年度之儲備金額及其變動呈列於第148至149頁財務報表之綜合股本變動報表中。

根據中外合營企業之有關法例及法規，本公司若干中國大陸附屬公司及聯營公司之溢利部份已轉撥至用途受限制之儲備金內。

本集團之資本儲備包括：

- (1) 在尚未失去控制權的情況下，倘附屬公司所有權權益出現變動，所收購／出售資產淨值之代價與所佔所收購／出售資產淨值之賬面值之差額；
- (2) 應佔一間聯營公司其他全面收入；及
- (3) 繳入盈餘，即：
 - (i) 於1991年集團重組時所收購股份之價值超過本公司因此而發行之股份面值之數額，減去仍然在資本儲備中扣除之收購附屬公司及聯營公司所產生之商譽；及
 - (ii) 根據截至2006年12月31日止年度完成的重組所收購股份之價值超過本公司因此而發行之股份面值之數額。

於2008年4月15日，董事會通過一項有關根據百慕達1981年公司法第46節註銷股份溢價之決議案，有關決議案已於2008年5月19日透過特別決議案形式獲股東批准，並其後於2008年6月3日獲百慕達公司註冊處批准。因此，截至2008年12月31日年度內股份溢價賬約3,660,432,000港元已轉撥至繳入盈餘。



30. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTEREST

Details of COFCO Coca-Cola Beverages Limited, a subsidiary of the Group, which has material non-controlling interests are set out below:

30. 擁有重大非控股權益之非全資附屬公司

本集團擁有重大非控股權益之附屬公司中糧可口可樂飲料有限公司之詳情載列如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Percentage of equity interest held by non-controlling interests	非控股權益所持有之股權百分比	35%	35%
Profit for the year allocated to non-controlling interests	非控股權益應佔之本年度溢利	264,486	272,789
Dividends attributable to non-controlling interests of COFCO Coca-Cola Beverages Limited	中糧可口可樂飲料有限公司非控股權益攤佔之股息	59,553	839,564
Accumulated balances of non-controlling interests at the reporting date	非控股權益於報告日期之累計結餘	1,817,132	1,696,147





30. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTEREST (continued)

The following tables illustrate the summarised consolidated financial information of COFCO Coca-Cola Beverage Limited. The amounts disclosed are before any inter-company eliminations:

30. 擁有重大非控股權益之非全資附屬公司(續)

下表列示中糧可口可樂飲料有限公司的綜合財務資料概要。所披露金額未扣除任何公司間對銷項目：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Revenue	收入	11,290,514	12,334,997
Total expenses	總開支	(10,712,119)	(11,732,707)
Profit for the year	年度溢利	578,395	602,290
Total comprehensive income for the year	年度全面收入總額	390,143	387,655
Current assets	流動資產	3,279,058	2,407,283
Non-current assets	非流動資產	5,048,202	6,021,756
Current liabilities	流動負債	(2,897,395)	(3,501,546)
Non-current liabilities	非流動負債	(239,067)	(67,285)
Net cash flows from operating activities	經營活動產生之現金流淨額	969,303	441,962
Net cash flows from/(used in) investing activities	投資活動產生/(所用)之現金流淨額	(582,713)	1,445,586
Net cash flows used in financing activities	融資活動所用之現金流淨額	(470,063)	(2,226,520)
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(83,473)	(338,972)



31. DISPOSAL OF SUBSIDIARIES

31. 出售附屬公司

			2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Net assets disposed of:	出售資產淨值如下：			
Property, plant and equipment	物業、廠房及設備		319,067	-
Prepaid land premiums	預付土地金		14,419	-
Prepayments for items of property plant and equipment	購買物業、廠房及設備項目之預付款項		31	-
Inventories	存貨		101,613	-
Accounts and bills receivables	應收賬款及票據		4,503	-
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		462,610	-
Prepaid tax	預繳稅項		83	-
Restricted bank balances	受限制銀行結餘		6,694	-
Cash and cash equivalents	現金及現金等值項目		13,232	-
Accounts and bills payables	應付賬款及票據		(11,095)	-
Other payables and accruals	其他應付款項及應計負債		(119,894)	-
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款		(378,108)	-
Due to a non-controlling shareholder of subsidiaries	欠附屬公司之非控股股東款項		(321,437)	-
Tax payable	應付稅項		122	-
Deferred tax liabilities	遞延稅項負債		(7,333)	-
Non-controlling interests	非控股權益		162,629	-
			247,136	-
Exchange fluctuation reserve	外匯變動儲備		(25,499)	-
			221,637	-
Gain on disposal of subsidiaries	出售附屬公司收益	5	118,774	-
			340,411	-
Satisfied by:	以下列方式償付：			
Cash	現金		-	-
Repayment of amounts due from a former non-controlling shareholder of subsidiaries	應收附屬公司一名前非控股股東之償還款項		340,411	-
			340,411	-



31. DISPOSAL OF SUBSIDIARIES (continued)

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Cash consideration	現金代價	–	–
Cash and bank balances disposed of	出售之現金及銀行結餘	(13,232)	–
Net outflow of cash and cash equivalents in respect of the disposal of subsidiaries	有關出售附屬公司之現金及現金等值項目流出淨額	(13,232)	–

32. CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities.

33. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 15) under operating lease arrangements, with leases negotiated for terms ranging from one or six years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

31. 出售附屬公司(續)

有關出售附屬公司之現金及現金等值項目流出淨額分析如下：

32. 或有負債

於報告期末，本集團並無任何重大或然負債。

33. 經營租約安排

(a) 作為出租人

本集團根據經營租約安排出租其投資物業(附註15)，經協商之租期由一至六年不等。一般而言，租約之條款亦規定租戶支付按金，並訂明可定期根據當時市況調整租金。

於報告期末，本集團根據其與租戶訂立之不可撤銷經營租約應收之未來最低租金總額如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Within one year	一年內	6,161	6,393
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	18,856	21,524
After five years	五年後	–	4,175
		25,017	32,092



33. OPERATING LEASE ARRANGEMENTS (continued)

(b) As lessee

The Group leases certain of its office properties and some grape farms under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to forty years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Within one year	一年內	60,163	91,973
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	13,631	59,430
After five years	五年後	4,089	4,753
		77,883	156,156

34. CAPITAL COMMITMENTS

In addition to the operating lease commitments detailed in note 33(b) above, the Group had the following capital commitments at the end of the reporting period:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Contracted but not provided for: Property, plant and equipment:	已訂約但尚未計提： 物業、廠房及設備	297,986	343,702

33. 經營租約安排(續)

(b) 作為承租人

本集團根據經營租約安排租用若干辦公室物業及葡萄園，該等物業租約經協商之租期由一年至四十年不等。

於報告期末，本集團根據不可撤銷經營租約應付之未來最低租金總額如下：

34. 資本承擔

除於上文附註33(b)詳述之經營租約承擔外，本集團於報告期末有以下資本承擔：



35 RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances disclosed elsewhere in the financial statements, the Group had the following material transactions with related parties during the year:

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Transactions with fellow subsidiaries:	與同系附屬公司之交易：		
Sales of goods*	銷售貨品*	296,483	285,201
Purchases of goods*	購買貨品*	12,188,242	10,892,498
Service fee income*	服務費收入*	54,063	75,864
Rental expenses*	租金支出*	16,400	18,025
Service fee expenses*	服務費支出*	13,079	35,513
Transactions with the ultimate holding company:	與最終控股公司之交易：		
Sales of goods*	銷售貨品*	22	20
Rental expenses*	租金支出*	31,213	32,447
Service fee income*	服務費收入*	-	920
Service fee expenses*	服務費支出*	3,959	8,394
Transactions with associates:	與聯營公司之交易：		
Sales of goods	銷售貨品	21	38
Purchases of goods*	購買貨品*	1,854,481	1,970,059
Service fee income	服務費收入	70,962	66,511
Transactions with related companies#:	與關連公司之交易#：		
Purchases of goods*	購買貨品*	174,375	50,447

* These related party transactions constituted continuing connected transactions discloseable in accordance with the Listing Rules.

Related companies are companies under significant influence by the Group's ultimate holding company.

These transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.

35. 關連人士交易

- (a) 除財務報表其他地方所披露之交易及結餘外，本集團於本年度內與關連人士進行之重大交易如下：

* 該等關連人士交易根據上市規則規定，構成須予披露之持續關連交易。

關連公司為受本集團最終控股公司重大影響之公司。

該等交易乃按根據各參與方互相議定之條款及條件進行。



35. RELATED PARTY TRANSACTIONS (continued)

(b) Other transactions with related parties and a non-controlling shareholder of the Group's subsidiaries

- (i) Pursuant to certain licensing agreements entered into between the Group and COFCO, the Group was granted the exclusive rights to use certain trademarks for its kitchen food business. The licensing fees for the current year and the prior year were waived by COFCO.
- (ii) During the year, the Group disposed a subsidiary, Prized Developments Limited, to a subsidiary of the Company's ultimate holding company. Further details of the transaction are included in note 11(1) to the financial statements.
- (iii) During the year, the Group disposed subsidiaries, COFCO Junding Vineyard Co., Ltd. and Shandong COFCO Junding Wines Spirits Co., Ltd., to their non-controlling shareholder. Further details of the transaction are included in note 31 to the financial statements.

(c) Commitments with related parties

Pursuant to certain lease agreements entered into between the Group and COFCO Plaza Development Co. Ltd., a subsidiary of COFCO, the Group's future minimum lease payments amounted to approximately HK\$13,822,000 (2015: HK\$30,723,000) as at 31 December 2016.

(d) Outstanding balances with related parties and non-controlling shareholders of the Group's subsidiaries

Except for (1) amounts due to non-controlling shareholders of subsidiaries of the Group of HK\$25,086,000 (2015: Nil) which are unsecured, interest-bearing at the rate of 4.3% and are not repayable within one year (2015: Nil); and (2) amounts due to the ultimate holding company of HK\$12,789,000 (2015: HK\$13,655,000) which are unsecured, interest-free and repayable within one year, the remaining balances with the holding companies, fellow subsidiaries, associates, related companies and non-controlling shareholders of the Group's subsidiaries are unsecured, interest-free and have no fixed terms of repayment. In addition, there were amounts due to a non-controlling shareholder of subsidiaries of the Group of HK\$37,571,000, which were unsecured, interest-bearing at the rate of 5.6% per annum and not repayable within one year and amounts due to non-controlling shareholders of subsidiaries of the Group of HK\$55,778,000, which are unsecured, interest-free and repayable within one year as at 31 December 2015.

35. 關連人士交易(續)

(b) 與關連人士及一名本集團附屬公司的非控股股東之其他交易

- (i) 根據本集團與中糧集團訂立之若干特許協議，本集團獲授獨家許可權，可於其廚房食品業務使用若干商標，而本年度及過往年度該特許權費用獲中糧集團豁免。
- (ii) 年內，本集團向本公司的最終控股公司的一間附屬公司出售一間附屬公司 Prized Developments Limited。交易之詳情載於財務報表附註 11(1)。
- (iii) 年內，本集團向彼等之非控股股東出售附屬公司中糧君頂酒莊有限公司及山東中糧君頂酒業有限公司。交易之詳情載於財務報表附註 31。

(c) 與關連人士之承諾

根據本集團與中糧集團一間附屬公司中糧廣場發展有限公司訂立的若干租賃協議，於2016年12月31日本集團未來最小租賃付款額約為13,822,000港元(2015年：30,723,000港元)。

(d) 關連人士及本集團附屬公司非控股股東之未償還餘額

除(1)欠一名本集團附屬公司非控股股東貸款25,086,000港元(2015年：無)為無抵押、按4.3厘計息及毋須於一年內償還(2015年：無)；(2)欠最終控股公司款項12,789,000港元(2015年：13,655,000港元)為無抵押、免息及須於一年內償還，本集團附屬公司之控股公司、同系附屬公司、聯營公司、關連公司及非控股股東的其餘結餘均無抵押、免息且無固定還款期。此外，在2015年12月31日欠本集團附屬公司一名非控股股東金額為37,571,000港元欠款為無抵押、按年利率5.6厘計息及不須於一年內償還及欠本集團附屬公司一名非控股股東金額為55,778,000港元欠款為無抵押、不計息並須於一年內償還。





35. RELATED PARTY TRANSACTIONS (continued)

(e) Compensation of key management personnel of the Group

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	21,292	19,083
Equity-settled share option expense	股本結算購股權開支	265	603
Pension scheme contributions	退休計劃供款	1,196	1,085
Total compensation paid to key management personnel	付予主要管理人員之報酬總額	22,753	20,771

Further details of directors' and the chief executive's emoluments are included in note 8 to the financial statements.

35. 關連人士交易(續)

(e) 本集團主要管理人員之報酬

董事及行政總裁酬金的進一步詳情載於財務報表附註8。

(f) Transactions and balances with other state-owned enterprises

The Group operates in an economic environment predominated by enterprises directly or indirectly owned or controlled by the PRC government through its numerous authorities, affiliates or other organisations (collectively "State-owned Enterprises"). During the year, the Group entered into extensive transactions covering, but not limited to, sales of goods, purchases of raw materials, property, plant and equipment and other assets, receiving of services, and making deposits and borrowings with certain State-owned Enterprises, other than COFCO and its affiliates, at terms comparable to those with non-state-owned enterprises. The directors consider that transactions with those State-owned Enterprises were entered into in the ordinary and usual course of business of the Group, and that dealings of the Group have not been significantly or unduly affected by the fact that the Group and those State-owned Enterprises are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for products and services, and such policies do not depend on whether or not the customers are State-owned Enterprises.

(f) 與其他國有企業的交易及結餘

本集團運營的經濟環境中的企業大多為中國政府通過其眾多機關、聯屬機構或其他組織直接或間接擁有或控制的企業(統稱「國有企業」)。本年度本集團與某些國有企業進行的廣泛交易包括但不限於銷售產品、購買原材料、物業、廠房及設備及其他資產，接受服務，並在中糧集團及其聯屬公司以外的國有企業存款和借款，這些交易的條款與非國有企業交易條款相似。董事認為，與該等國有企業的交易為在本集團日常業務過程中進行的活動，且本集團與那些中國政府最終控制或擁有的國有企業的交易並沒有受到重大或不當影響。本集團還制定產品和服務的定價政策，而這些政策並不取決於客戶是否為國有企業。



36. PARTICULARS OF THE PRINCIPAL ASSOCIATES

Particulars of the Group's principal associates as at 31 December 2016 are as follows:

36. 主要聯營公司之詳情

本集團主要聯營公司於2016年12月31日之詳情如下：

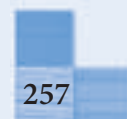
Name	Issued ordinary/registered share capital	Place of incorporation/ registration and business	Percentage of ownership interest attributable to the Group 本集團 應佔擁有權 權益百分比	Principal activities
名稱	已發行普通股/ 註冊股本	註冊成立/ 註冊及經營地點		主要業務
CBPC Limited	HK\$10,000 10,000港元	Hong Kong 香港	16.3	Procurement of raw materials for Coca-Cola bottlers in Mainland China 在中國大陸為可口可樂裝瓶廠採購原料
Coca-Cola Bottlers Manufacturing Holdings Limited	HK\$2,093,950,029 2,093,950,029港元	Hong Kong 香港	13.7	Investment holding 投資控股

In the opinion of the board, the Group is able to exercise significant influence over the above companies as the boards of these companies comprise representatives of the Group, who participate in the policy-making processes. Accordingly, they are accounted for as associates of the Group.

All of the above associates are indirectly held by the Company.

董事會認為，因為該等公司之董事會中有本集團之代表，參與政策制定過程，本集團從而能夠對上述公司行使重大影響，因此，彼等被當作本集團之聯營公司。

以上所有聯營公司均由本公司間接持有。





37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2016 Financial assets

		Available- for-sale financial assets 可供出售之 金融資產 HK\$'000 千港元	Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investments	可供出售投資	12,975	–	12,975
Accounts and bills receivables	應收賬款及票據	–	1,319,672	1,319,672
Financial assets included in prepayments, deposits and other receivables	計入預付款項、 按金及其他應收 款項之金融資產	–	864,272	864,272
Due from fellow subsidiaries	同系附屬公司欠款	–	321,552	321,552
Due from the immediate holding company	直系控股公司欠款	–	162	162
Due from the ultimate holding company	最終控股公司欠款	–	13,037	13,037
Due from non-controlling shareholders of subsidiaries	附屬公司非控股 股東欠款	–	946	946
Due from associates	聯營公司欠款	–	26,297	26,297
Pledged deposits	抵押存款	–	51,607	51,607
Cash and cash equivalents	現金及現金等值項目	–	1,120,224	1,120,224
		12,975	3,717,769	3,730,744

37. 按類別劃分之金融工具

於報告期末，各類別金融工具的賬面值如下：

2016年 金融資產



37. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

37. 按類別劃分之金融工具(續)

2016
Financial liabilities

2016年
金融負債

		Financial liabilities at amortised cost 按攤銷成本列值之金融負債 HK\$'000 千港元
Accounts and bills payables	應付賬款及票據	1,199,220
Financial liabilities included in other payables and accruals	計入其他應付款項及應計負債之金融負債	1,870,771
Due to fellow subsidiaries	欠同系附屬公司款項	1,885,271
Due to the ultimate holding company	欠最終控股公司款項	23,989
Due to related companies	欠關連公司款項	6,232
Due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項	64,612
Due to associates	欠聯營公司款項	124,753
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	1,645,086
		6,819,934





**37. FINANCIAL INSTRUMENTS BY CATEGORY
(continued)**

37. 按類別劃分之金融工具(續)

2015
Financial assets

2015年
金融資產

		Available- for-sale financial assets 可供出售之 金融資產 HK\$'000 千港元	Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investments	可供出售投資	209,637	–	209,637
Accounts and bills receivables	應收賬款及票據	–	1,376,410	1,376,410
Financial assets included in prepayments, deposits and other receivables	計入預付款項、 按金及其他應收 款項之金融資產	–	693,672	693,672
Due from fellow subsidiaries	同系附屬公司欠款	–	351,977	351,977
Due from the immediate holding company	直接控股公司欠款	–	162	162
Due from the ultimate holding company	最終控股公司欠款	–	14,157	14,157
Due from non-controlling shareholders of subsidiaries	附屬公司非控股 股東欠款	–	15,394	15,394
Due from associates	聯營公司欠款	–	10,496	10,496
Restricted bank balances	受限制銀行結餘	–	6,974	6,974
Pledged deposits	抵押存款	–	64,980	64,980
Cash and cash equivalents	現金及現金等值項目	–	899,170	899,170
		209,637	3,433,392	3,643,029



37. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

2015
Financial liabilities

37. 按類別劃分之金融工具(續)

2015年
金融負債

		Financial liabilities at amortised cost 按攤銷成本列值之金融負債 HK\$'000 千港元
Accounts and bills payables	應付賬款及票據	1,300,096
Financial liabilities included in other payables and accruals	計入其他應付款項及應計負債之金融負債	2,104,704
Due to fellow subsidiaries	欠同系附屬公司款項	1,270,244
Due to the ultimate holding company	欠最終控股公司款項	25,467
Due to related companies	欠關連公司款項	9,817
Due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項	553,991
Due to associates	欠聯營公司款項	176,405
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	2,647,650
		8,088,374

38. FAIR VALUE OF FINANCIAL INSTRUMENTS

At the end of the reporting period, other than the available-for-sale investments, of which the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair value cannot be measured reliably, the carrying amounts of the Group's financial instruments approximated to their fair values largely due to the short term maturities of the instruments or they bearing floating interest rates if they have long term maturities.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

38. 金融工具之公平值

於報告期末，除可供出售投資因合理的公平值估計範圍甚大，董事認為其公平值不能可靠計量外，本集團金融工具之賬面值與其公平值相若，主要由於該等工具到期期間較短或到期期間較長但按浮動利率計算。

金融資產及負債之公平值以該工具於自願交易方(而非強迫或清倉銷售)當前交易下之可交易金額入賬。





39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings, and cash and bank balances and time deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable and accounts payable, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on minimising potential adverse effects of these risks, with material impact, on the Group's financial performance. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term interest-bearing bank borrowings with floating interest rates. The effective interest rates and terms of repayment of the long term and short term interest-bearing bank borrowings of the Group are disclosed in note 25 to the financial statements.

The following table demonstrates the sensitivity to a reasonably possible change in Hong Kong dollar interest rate, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings):

		Increase/ (decrease) in basis points 基點上升/ (下降)	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元
2016	2016年		
Hong Kong dollar	港元	100	(16,200)
Hong Kong dollar	港元	(100)	16,200
2015	2015年		
Hong Kong dollar	港元	100	(24,000)
Hong Kong dollar	港元	(100)	24,000

39. 財務風險管理目標及政策

本集團之主要金融工具包括計息銀行貸款及其他貸款，以及現金及銀行結餘及定期存款。該等金融工具主要目的乃為本集團之業務籌集資金。本集團擁有若干其他金融資產及負債，例如應收賬款及應付賬款(直接因其業務而產生)。

因本集團之金融工具而產生之主要風險為利率風險、外幣風險、信貸風險及流動資金風險。本集團整體風險管理計劃集中於盡量減少該等風險(對本集團之財務表現構成重大影響)之潛在不利影響。董事會複核並同意管理該等風險之政策，概述如下。

利率風險

本集團承受的市場利率變動之風險主要涉及本集團按浮動利率計算之長期及短期計息銀行借貸。本集團之長期及短期計息銀行借貸之實際利率及還款期均於財務報表附註25披露。

下表顯示在所有其他可變因素均保持不變之情況下本集團除稅前溢利(透過浮息借貸之影響)對於港元利率可能之合理變動之敏感程度：



39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk

The Group mainly operates in Mainland China and Hong Kong with most of the Group's monetary assets, liabilities and transactions principally denominated in Hong Kong dollars, Renminbi and United States dollars. The Group has not used any derivative to hedge its exposure to foreign currency risk.

The following table indicates the approximate change in the Group's profit before tax in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of the reporting period with all other variables held constant:

		change in exchange rate 匯率變動	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元
		%	
2016	2016年		
If the Hong Kong dollar weakens against Renminbi	若港元兌人民幣貶值	(5)	(62,941)
If the Hong Kong dollar strengthens against Renminbi	若港元兌人民幣升值	5	62,941
If the Hong Kong dollar weakens against the United States dollar	若港元兌美元貶值	(5)	3,598
If the Hong Kong dollar strengthens against the United States dollar	若港元兌美元升值	5	(3,598)
2015	2015年		
If the Hong Kong dollar weakens against Renminbi	若港元兌人民幣貶值	(5)	(72,602)
If the Hong Kong dollar strengthens against Renminbi	若港元兌人民幣升值	5	72,602
If the Hong Kong dollar weakens against the United States dollar	若港元兌美元貶值	(5)	1,654
If the Hong Kong dollar strengthens against the United States dollar	若港元兌美元升值	5	(1,654)

Results of the analysis as presented in the above table represent an aggregation of the effects on each of the Group entities' profit before tax measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rates ruling at the end of the reporting period for presentation purposes.

39. 財務風險管理目標及政策(續)

外幣風險

本集團主要於中國大陸及香港營業，而本集團之絕大部份貨幣資產、負債及交易則主要以港元、人民幣及美元計值。本集團並無利用任何衍生產品來對沖其所面對之外幣風險。

下表列示，在其他變量不變的情況下，本集團之稅前溢利隨匯率可能之合理變動(本集團就此於報告期末面臨重大風險)之概約變動值：

上表呈列之分析結果為以各自之功能貨幣計量之本集團各實體之稅前溢利所受影響程度之總和，並就呈列目的按報告期末匯率換算為港元。





39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The Group has no significant concentration of credit risk. The carrying amount of the accounts receivable represents the Group's maximum exposure to credit risk in relation to its financial assets. The Group has policies in place to ensure that sales are made to customers with an appropriate credit history.

The credit risk of the Group's other financial assets arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Liquidity risk

The Group's policies are to maintain sufficient cash and cash equivalents and to have available funding through bank and other borrowings to meet its working capital requirements.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

2016

		On demand 按通知 HK\$'000 千港元	Less than 1 year 1年內 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Accounts and bills payables	應付賬款及票據	263,647	931,598	3,975	1,199,220
Financial liabilities included in other payables and accruals	計入其他應付款項及應計負債之金融負債	1,870,771	-	-	1,870,771
Due to fellow subsidiaries	欠同系附屬公司款項	1,885,271	-	-	1,885,271
Due to the ultimate holding company	欠最終控股公司款項	11,200	12,789	-	23,989
Due to related companies	欠關連公司款項	6,232	-	-	6,232
Due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項	64,612	-	-	64,612
Due to associates	欠聯營公司款項	124,753	-	-	124,753
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	821,860	12,583	827,886	1,662,329
		5,048,346	956,970	831,861	6,837,177

39. 財務風險管理目標及政策(續)

信貸風險

本集團之信貸風險並不集中。應收賬款之賬面值乃本集團面對有關其金融資產之最大信貸風險。本集團已制定政策，確保向具有妥當信譽歷史之客戶售貨。

本集團其他金融資產的信貸風險源自交易對手方的違約，最大風險程度等於該等工具的賬面價值。

流動資金風險

本集團之政策乃維持足夠之現金及現金等值項目，並透過銀行及其他借貸而具備資金以應付其營運資金需要。

於報告期末，本集團基於合約未折現付款之金融負債到期情況如下：

2016年



39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

2015

		On demand 按通知 HK\$'000 千港元	Less than 1 year 1年內 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Accounts and bills payables	應付賬款及票據	100,115	1,195,953	4,028	1,300,096
Financial liabilities included in other payables and accruals	計入其他應付款項及應計負債之金融負債	2,104,704	–	–	2,104,704
Due to fellow subsidiaries	欠同系附屬公司款項	1,270,244	–	–	1,270,244
Due to the ultimate holding company	欠最終控股公司款項	11,812	13,655	–	25,467
Due to related companies	欠關連公司款項	9,817	–	–	9,817
Due to non-controlling shareholders of subsidiaries	欠附屬公司非控股股東款項	498,213	55,778	–	553,991
Due to associates	欠聯營公司款項	176,405	–	–	176,405
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	–	1,684,159	1,005,789	2,689,948
		4,171,310	2,949,545	1,009,817	8,130,672

39. 財務風險管理目標及政策(續)

流動資金風險(續)

2015年





39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for capital management during the years ended 31 December 2016 and 31 December 2015.

39. 財務風險管理目標及政策(續)

資本管理

本集團管理資本的首要目標是保障本集團的持續經營能力及維持穩健的資本比率，以支援其業務發展及最大化股東價值。

本集團會因應經濟環境變化管理其資本架構並對其作出調整。為維持或調整資本架構，本集團或會調整支付予股東的股息款額、返還資本予股東或發行新股份。截至2016年12月31日及2015年12月31日止年度內，有關資本管理的目標、政策及過程並無任何變動。

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 (Restated) 千港元 (重列)
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	1,645,086	2,647,650
Less: Cash and cash equivalents	減：現金及現金等值項目	(1,120,224)	(899,170)
Net borrowing position	淨借貸狀況	524,862	1,748,480
Net assets attributable to owners of the parent	母公司擁有人應佔淨資產	5,461,081	5,492,761
Net gearing ratio	淨債務比率	9.6%	31.8%

40. EVENTS AFTER THE REPORTING PERIOD

On 28 March 2017, in view of consolidating the Group's business focus and enhancing shareholders' return, the board of directors decided that the sale and distribution by the Group of certain consumer products including fruit juice beverages, instant noodles, peanuts and others collectively categorised as the "others" segment (not categorised under the beverage segment, wine segment and kitchen food segment) in operating segment information of financial statements would be progressively terminated in 2017.

41. COMPARATIVE AMOUNTS

As further explained in note 2 to the financial statements, due to the adoption of revised HKFRSs during the year, the accounting treatment, and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year adjustments have been made, and certain comparative amounts have been reclassified and restated to conform with the current year's presentation and accounting treatment, and a third statement of financial position as at 1 January 2015 has been presented.

40. 報告期後事項

於2017年3月28日，為聚焦本集團的核心業務及增加股東回報，董事會決定本集團財務資料的經營分部資料中「其他」分部將在2017年逐步終止（即經銷若干消費產品，包括果汁飲料、方便麵、花生及其他類別，惟不能劃分於飲料分部，酒品類分部及廚房食品分部之業務）。

41. 可資比較金額

如財務報表附註2進一步詳述，由於於年內採納經修訂香港財務報告準則，已修改財務報表若干項目及數值的會計處理及呈列，以符合新規定。因此，已計入以前年度調整，而若干可資比較金額已重新分類並重列以符合本年度呈列及會計處理，於2015年1月1日之第三欄財務狀況表已呈列。



42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

42. 本公司之財務狀況表

有關本公司於報告期末的財務狀況表的資料載列如下：

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司之投資	4,284,188	4,624,536
Total non-current assets	非流動資產總值	4,284,188	4,624,536
CURRENT ASSETS	流動資產		
Prepayments	預付款項	1,362	10,861
Due from subsidiaries	附屬公司欠款	4,466,617	4,603,231
Due from the immediate holding company	直接控股公司欠款	165	165
Cash and cash equivalents	現金及現金等值項目	28,548	30,794
Total current assets	流動資產總值	4,496,692	4,645,051
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計負債	6,096	3,116
Due to subsidiaries	欠附屬公司款項	522,980	442,977
Interest-bearing bank borrowings	計息銀行貸款	820,000	1,400,000
Tax payable	應付稅項	44,103	11,695
Total current liabilities	流動負債總值	1,393,179	1,857,788
NET CURRENT ASSETS	流動資產淨值	3,103,513	2,787,263
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	7,387,701	7,411,799
NON-CURRENT LIABILITIES	非流動負債		
Interest-bearing bank borrowings	計息銀行貸款	800,000	1,000,000
Total non-current liabilities	非流動負債總值	800,000	1,000,000
Net assets	資產淨值	6,587,701	6,411,799
EQUITY	股本		
Issued capital	已發行股本	279,722	279,722
Reserves	儲備	6,307,979	6,132,077
Total equity	股本總值	6,587,701	6,411,799





42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserve is as follows:

		Share premium account 股份溢價賬 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2015	於2015年1月1日之結餘	37,367	29,807	4,759,898	245,014	5,072,086
Equity-settled share option arrangements	股本結算購股權安排	-	2,469	-	-	2,469
Transfer of share option reserve upon the forfeiture expiry of share options	於購股權沒收或到期時轉讓購股權儲備	-	(1,202)	-	1,202	-
Profit for the year	年度溢利	-	-	-	1,057,522	1,057,522
At 31 December 2015 and 1 January 2016	於2015年12月31日及2016年1月1日	37,367	31,074	4,759,898	1,303,738	6,132,077
Equity-settled share option arrangements	股本結算購股權安排	-	(2,821)	-	-	(2,821)
Transfer of share option reserve upon the forfeiture expiry of share options	於購股權沒收或到期時轉讓購股權儲備	-	(4,475)	-	4,475	-
Profit for the year	年度溢利	-	-	-	240,272	240,272
Final 2015 dividends	2015年末期股息	-	-	-	(27,977)	(27,977)
Interim 2016 dividends	2016年中期股息	-	-	-	(33,572)	(33,572)
At 31 December 2016	於2016年12月31日	37,367	23,778	4,759,898	1,486,936	6,307,979

42. 本公司之財務狀況表(續)

附註：

本公司儲備概要如下：

43. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board on 28 March 2017.

43. 財務報表之批准

財務報表於2017年3月28日經董事會批准及授權刊發。

Five-Year Financial Summary

五年財務概要



A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited consolidated financial statements and restated and reclassified as appropriate, is set out below:

本集團過去五個財政年度之業績及資產、負債與非控股權益概要乃摘錄自己刊發之經審核綜合財務報表，並經重列及適當重新分類，有關內容載於下文：

		Year ended 31 December 截至12月31日止年度				
		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元 (Restated) (重列)	2014 2014年 HK\$'000 千港元 (Restated) (重列)	2013 2013年 HK\$'000 千港元 (Restated) (重列)	2012 2012年 HK\$'000 千港元 (Restated) (重列)
CONTINUING OPERATIONS	持續經營業務					
REVENUE	收入	27,985,881	27,842,170	26,238,668	25,783,418	30,152,731
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	經營溢利/(虧損)	610,696	668,118	390,159	(182,880)	844,009
Finance costs	融資成本	(35,750)	(64,822)	(69,844)	(98,723)	(62,222)
Share of profits of associates	應佔聯營公司溢利	73,010	71,872	93,816	113,917	67,320
PROFIT/(LOSS) BEFORE TAX	除稅前溢利/(虧損)	647,956	675,168	414,131	(167,686)	849,107
Income tax expense	所得稅開支	(226,085)	(280,110)	(223,829)	(311,129)	(191,133)
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務之年度溢利/(虧損)	421,871	395,058	190,302	(478,815)	657,974
DISCONTINUED OPERATION	終止經營業務					
Profit/(Loss) for the year from a discontinued operation	終止經營業務之年度溢利/(虧損)	321,964	(98,523)	(163,095)	(227,682)	(65,816)
PROFIT/(LOSS) FOR THE YEAR	年度溢利/(虧損)	743,835	296,535	27,207	(706,497)	592,158
Attributable to:	應佔方：					
Owners of the parent	母公司擁有人	499,735	54,633	(224,688)	(889,634)	381,931
Non-controlling interests	非控股權益	244,100	241,902	251,895	183,137	210,227
		743,835	296,535	27,207	(706,497)	592,158
ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS	資產、負債及非控股權益					
TOTAL ASSETS	總資產	16,115,268	16,622,670	18,246,694	20,973,517	20,212,181
TOTAL LIABILITIES	總負債	(8,823,148)	(9,570,471)	(10,124,147)	(12,775,292)	(11,514,195)
NON-CONTROLLING INTERESTS	非控股權益	(1,831,039)	(1,559,438)	(2,234,898)	(2,052,250)	(1,892,851)
		5,461,081	5,492,761	5,887,649	6,145,975	6,805,135



CORPORATE INFORMATION

公司資料

DIRECTORS

Chairman and Non-executive Director

Mr. Ma Jianping

Executive Directors

Mr. Jiang Guojin (*Managing Director*)
Ms. Luan Xiuju
Mr. Wu Fei
Mr. Zhou Chenguang (*Chief Financial Officer*)

Non-executive Directors

Mr. Qin Yelong
Ms. Xiao Jianping

Independent Non-executive Directors

Mr. Stephen Edward Clark
Mr. Paul Kenneth Etchells
Mr. Li Hung Kwan, Alfred
Mr. Yuen Tin Fan, Francis

AUDIT COMMITTEE

Mr. Stephen Edward Clark
(*Committee Chairman*)
Mr. Paul Kenneth Etchells
Mr. Li Hung Kwan, Alfred
Mr. Yuen Tin Fan, Francis

REMUNERATION COMMITTEE

Mr. Yuen Tin Fan, Francis (*Committee Chairman*)
Mr. Stephen Edward Clark
Mr. Paul Kenneth Etchells
Mr. Ma Jianping

NOMINATION COMMITTEE

Mr. Ma Jianping (*Committee Chairman*)
Mr. Li Hung Kwan, Alfred
Mr. Yuen Tin Fan, Francis

EXECUTIVE COMMITTEE

Mr. Jiang Guojin (*Committee Chairman*)
Ms. Luan Xiuju
Mr. Wu Fei
Mr. Zhou Chenguang

COMPANY SECRETARY

Ms. Liu Kit Yee, Linda

董事

主席兼非執行董事

馬建平先生

執行董事

江國金先生 (*董事總經理*)
樂秀菊女士
吳飛先生
周晨光先生 (*首席財務官*)

非執行董事

覃業龍先生
肖建平女士

獨立非執行董事

祈立德先生 (Mr. Stephen Edward Clark)
包逸秋先生 (Mr. Paul Kenneth Etchells)
李鴻鈞先生
袁天凡先生

審核委員會

祈立德先生 (Mr. Stephen Edward Clark)
(*委員會主席*)
包逸秋先生 (Mr. Paul Kenneth Etchells)
李鴻鈞先生
袁天凡先生

薪酬委員會

袁天凡先生 (*委員會主席*)
祈立德先生 (Mr. Stephen Edward Clark)
包逸秋先生 (Mr. Paul Kenneth Etchells)
馬建平先生

提名委員會

馬建平先生 (*委員會主席*)
李鴻鈞先生
袁天凡先生

執行委員會

江國金先生 (*委員會主席*)
樂秀菊女士
吳飛先生
周晨光先生

公司秘書

廖潔儀女士



SOLICITORS

Conyers, Dill & Pearman

AUDITOR

Ernst & Young

PRINCIPAL BANKERS

Agricultural Bank of China Limited, Hong Kong Branch
Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd.
China CITIC Bank Corporation Limited
China Construction Bank Corporation
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China Limited
Mizuho Bank, Ltd.
Oversea-Chinese Banking Corporation Limited, Hong Kong Branch
Sumitomo Mitsui Banking Corporation, Hong Kong Branch
The Bank of Tokyo-Mitsubishi UFJ, Ltd., Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited

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COMPANY WEBSITE

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律師

Conyers, Dill & Pearman

核數師

安永會計師事務所

主要往來銀行

中國農業銀行股份有限公司香港分行
中國銀行股份有限公司
中國銀行(香港)有限公司
交通銀行股份有限公司
中信銀行股份有限公司
中國建設銀行股份有限公司
星展銀行(香港)有限公司
恒生銀行有限公司
中國工商銀行股份有限公司
瑞穗銀行
華僑銀行有限公司香港分行
三井住友銀行香港分行
東京三菱UFJ銀行香港分行
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FINANCIAL CALENDAR

財務日誌

ANNOUNCEMENT OF ANNUAL RESULTS

Tuesday, 28 March 2017

CLOSURE OF REGISTER OF MEMBERS

For determining the shareholders' eligibility to attend and vote at the Annual General Meeting: Friday, 26 May 2017 to Thursday, 1 June 2017 (both days inclusive)

For determining the shareholders' entitlement to the proposed final dividend: Thursday, 15 June 2017 to Friday, 16 June 2017 (both days inclusive)

ANNUAL GENERAL MEETING

Thursday, 1 June 2017

DIVIDENDS

Interim dividend: HK1.2 cents per share

Proposed final dividend: HK1.2 cents per share (Payable on or after Friday, 7 July 2017)

全年業績公佈

2017年3月28日(星期二)

暫停股份過戶登記

為確定股東出席股東周年大會並於會上投票的資格：2017年5月26日(星期五)至2017年6月1日(星期四)(首尾兩天包括在內)

為確定股東獲派建議之末期股息的權利：2017年6月15日(星期四)至2017年6月16日(星期五)(首尾兩天包括在內)

股東周年大會

2017年6月1日(星期四)

股息

中期股息：每股1.2港仙

建議之末期股息：每股1.2港仙(於2017年7月7日(星期五)或之後派付)



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